

No Matter Their Location on the Globe, Ports Have Many Similarities



■ Trade and Transportation

By Thomas O'Brien

I recently returned from a visit to the Port of Antwerp, Belgium. As a researcher and educator, a visit like this is a valuable opportunity for me to see the supply chain in action in different parts of the world. I have a particular interest in learning if the programs developed here in Southern California have found an outlet in other places. I was in Belgium in fact to talk about the home-grown environmental policies that have become the model (albeit modified) for other trade gateways.

The Port of Antwerp covers a massive 32,000 acres. It is the 14th largest container port in the world. Los Angeles is 15th and Long Beach is 19th. The combined San Pedro Bay ports rank sixth in the world.

While the infrastructure looks similar to our local ports, there are clearly some differences in how ports operate from one place to another. Antwerp, located in Flanders in northern Belgium, is part of a range of northern European ports that includes Rotterdam and Hamburg. Its close proximity to other large ports located in different countries

creates some unique governance issues. Access to Antwerp's port facilities necessitates traveling through waters controlled by the Netherlands, an issue that once was decided by wars but still manages to surface in a room full of Belgians and Dutch.

There are other features of Antwerp's operations that look decidedly different to a Southern Californian. The port, while largely focusing on containerized trade, also allocates a good portion of its land to petroleum refining. Antwerp's complex is the second largest in the world. Only Houston is larger. And while the port sees significant rail traffic (It's the second largest rail port in Europe), it also has a unique role to play as a gateway to inland waterways. Due to its location at the convergence of the Scheldt River and the Atlantic Ocean, fully one-third of the transport to and from the port takes place by barge. That's not something that our local ports have to contend with, although there is interest in barge transport here in the US between places like Oakland, Stockton and Sacramento.

Despite the differences however, how familiar the Port of Antwerp felt struck me. It wasn't just the cranes or the containers that, thanks to global supply chains, can be found at any major port complex. It was the concern over maintaining a competitive edge relative to ports within the same region and in other parts of the world. It was the recognition that having a "green" profile is necessary to garner support for future port development. It was a desire to be in a position to respond to changing trends in far-flung supply chains.

Like L.A.-Long Beach, competitiveness for Antwerp means in part infrastructure development. Dredging is underway which will allow the port to keep pace with others getting ready for ever-larger vessels. And despite the attention that the Panama Canal expansion has received, Antwerp will be opening the world's largest lock in 2016 to guarantee that bigger ships can access the Scheldt.

These projects don't occur however without the support of elected officials and local communities. If Los Angeles and Long Beach make the claim (rightly I think) that they are the leaders in the green port movement, Antwerp claims to have developed the first sustainability plan using the standards set by the Global Reporting Initiative (GRI), an Amsterdam-based organization that has developed a sustainability reporting framework. For Antwerp, this gives its programs a seal of approval. The port's green programs also include making bicycles available to port staff for short trips. If you've been to Belgium, you know this makes sense.

The port has also made a concerted effort to share with local communities the benefits that a major port complex brings to the city, the region and the nation as a whole. This is also something that will resonate with local port officials. The square in front of Antwerp's stunning MAS museum includes a Port of Antwerp pavilion featuring interactive displays, a 360-degree surround screen and a gigantic map on the floor that gives a detailed layout of the port and the city. It gives the port a presence within the heart of the city and reminds residents and visitors alike that Antwerp is a river town and the port is a significant part of its landscape. Our ports have a similar message to convey.

Finally, my visit was a reminder that ports across the globe are reacting to similar changes in how goods are moved and trying to make sure that they are in the best position to accommodate increases in trade. That means having facilities that can accommodate the deconsolidation and reconsolidation needs of shippers who want to service regional supply chains in the most flexible manner possible and providing access to distribution centers located in the places that best serve the needs of the port user. What is

perhaps most similar about Southern California and Northern Europe is that, as gateways, they are alternative routes on a map for cargo that has options.

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