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DEPARTMENTAL COMMITTEE ON ENERGY, COMMUNICATIONS AND PUBLIC WORKS

REPORT ON THE TOUR OF THE

- Port of Dubai
- Port of Singapore
- Transport and Communication Systems of Australia

9th – 24th September, 2001



REPORT ON THE TOUR OF THE PORT OF DUBAI, PORT OF SINGAPORE AND TRANSPORT AND COMMUNICATION SYSTEMS OF AUSTRALIA BY THE DEPARTMENTAL COMMITTEE ON ENERGY, COMMUNICATIONS AND PUBLIC WORKS

Mr. Speaker Sir,

On behalf of the Departmental Committee on Energy Communications and Public Works, I beg to lay on the table of the House the Report of the Committee on the tour of the Port of Dubai, Port of Singapore and Transport and Communication Systems of Australia, pursuant to the provisions of Standing Order No.162.

MANDATE

The Committee was constituted at the commencement of the Eighth Parliament pursuant to the provisions of Standing Order No.151 and has executed its mandate in strict compliance with the provisions of the said Standing Order. The members of the Committee are:-

The Hon. Darius M. Mbela, M.P. (**Chairman**)
Eng. the Hon. Karue Muriuki, M.P.
The Hon. Basil N. Mwakiringo, M.P.
The Hon. Jimmy N. Angwenyi, M.P.
Dr. the Hon. Shem Ochuodho, M.P.
The Hon. Samuel K. Kiminza, M.P.
The Hon. J. M. Kiyon'ga, M.P.
The Hon. Ramadhan Kajembe, M.P.
The Hon. Zipporah Kittony, M.P.
The Hon. Mohammed Shidiye, M.P.
The Hon. Stephen Ndicho, M.P.

Standing Order No. 151(e) states that one of the functions of the Departmental Committees will be to *investigate, inquire into and report*

on all matters relating to the mandate, management administration and operations of the assigned ministries and departments as they may deem necessary, and as may be referred to them by the House or a Minister.

The Committee deals with the following Ministries:-

- (i) Ministry of Transport and Communications
- (ii) Ministry of Energy
- (iii) Ministry of Tourism and Information
- (iv) Ministry of Roads and Public Works

It also deals with the State Corporations and the departments which fall under the said Ministries.

Standing Order No. 151(f) states that another function of a Departmental Committee is *"to make reports and recommendations to the House as often as possible including recommendation of proposed legislation"*. In this respect the Committee has closely followed the activities of the above Ministries and their Departments.

FACTORS LEADING TO THE TOUR

The Committee has been very concerned with:-

- the privatization/commercialization of the Port of Mombasa
- Sale of Telkom Kenya
- Operations of Kenya Roads Board
- Provision of electricity to the rural areas.

After visiting the Port of Mombasa and holding discussions on several occasions with the management of the Port and the officials in the Ministry of Transport and Communications, the Committee was

informed by the Ministry that Telkom Kenya should be sold. Since the formation of the Kenya Roads Board on 1st July, 2000, the Committee noted that the Board has been unable to perform its duties due to lack of a chief executive and lack of funds. Fuel levy funds which should have been disbursed directly to the Board to facilitate its operations were disbursed to the Ministry of Roads and Public Works (79%) and the Ministry of Local Government (21%) contrary to the provisions of Kenya Roads Board Act, 1999. This made it impossible for the Board to operate in 2000/2001 financial year.

Due to the aforementioned, the Committee decided to visit other world countries in order to learn how ports, transport and communication systems and energy sources are handled successfully so that they can bring the necessary returns to the government and to benefit the public in general.

The Committee resolved that six of its members would tour the following institutions and hold discussions with their management to achieve the above objectives.

- (i) The Port of Dubai
- (ii) The Port of Singapore
- (iii) Transact Communications – Canberra
- (iv) Electricity Networks of Actew Agl-Canberra
- (v) Roads ACT – Canberra
- (vi) Windfarm at Crookwell – New South Wales
- (vii) Roads and Traffic Authority of New South Wales

The Committee also resolved that its Members would hold discussions with the Committees of the Parliament of Australia which deal with Energy, Transport, Communications and Public Works issues.

The following Hon. Members toured the above said institutions and held discussions with their management on behalf of the whole Committee:-

Eng. the Hon. Karue Muriuki, M.P. (**Chairman**)
The Hon. Jimmy N. Angwenyi, M.P.
The Hon. Basil N. Mwakiringo, M.P.
Dr. the Hon. Shem Ochuodho, M.P.
Hon. Samuel K. Kiminza, M.P.
The Hon. J. M. Kiyon'ga, M.P.

TOUR OF THE PORT OF DUBAI, PORT OF SINGAPORE AND TRANSPORT AND COMMUNICATION SYSTEMS OF AUSTRALIA

The Committee Members and a Secretary left for United Arab Emirates on 9th September, 2001 and were warmly received by officials from the Embassy of the Republic of Kenya, Abu Dhabi.

On 10th September, 2001, the Committee made a courtesy call on the Ambassador. They were informed that United Arab Emirates has seven (7) Emirates and there are about 3000 Kenyans living there. They were further informed that the topmost authority in the country is the Federal Supreme Council which is composed of seven (7) rulers. Below them is a President and then a Vice-President who are appointed by the Council. The government has 23 Ministers.

On 11th September, 2001 the Committee members toured the Dubai Port and the Jebel Ali Free Zone. They then held discussions with the management of Dubai Ports Authority and the Jebel Ali Free Zone Authority.

The authorities made video presentations on activities in Dubai Port and the Jebel Ali Free Zone. The Committee was informed that the United Arab Emirates was formed in 1971. In the same year the Dubai International Airport was opened. In 1969 Sheikh Rashid gave instructions for a four berth deep water harbour to be constructed in Dubai. It was completed in 1972 and named Port Rashid and by 1978 Port Rashid had expanded to 35 berths. In 1979, Jebel Ali Port was opened. In 1985 Jebel Ali Free Zone was opened and in 1991, Port Rashid and Jebel Ali Ports merged to form the Dubai Ports Authority.

Dubai Port has 67 berths alongside 15 kilometres of quayside catering for container and general cargo operations. It takes 24 hours to offload cargo from a ship. When unloading containers the port makes 167 moves per hour. Jebel Ali Port has container storage yard of 988,907 square metres while Port Rashid's yard is 431, 860 square metres.

The main commodities which are off loaded in Dubai Port or transited to other countries include timber, steel, cotton, minerals, bagged rice sugar and chilled foodstuffs. Other cargo include glass, paper and foodstuffs. There is a government department in Dubai Port which deals with customs issues. This department ensures that there is legal

and quick transfer of goods through the port. All clearing procedures are done at one office. Generally it takes about two to five hours to move cargo from a ship in Dubai Port to an aircraft in Dubai International Airport.

Information technology is well developed in Dubai Port. Container Terminal Management System (CTMS) operates 24 hours a day seven days a week. It covers business requirements such as crane bookings, marine, berth and yard operations, container inventories, activity planning and financial billing. CTMS works side by side with the Synchronous Planning and Real Time Control System (SPARCS) which deals with ship and yard planning equipment scheduling and execution of planned jobs. It produces a graphic tracking display of container movements anywhere in the terminals and distributes information to every container handling vehicle in the Port. The other system which works side by side with CTMS is the Container Freight Station System (CFSS) which deals with receiving of containers, unstuffing, segregation, palletizing, storage and delivery to customers. Dubai Port is managed by a team of experts called Dubai Ports International (DPI). Due to their success DPI has been contracted by other world countries to run their ports. In year 2000 DPI won the management contract of the port of Djibouti. Currently it is evaluating other port management opportunities both within and outside the Middle East. DPI shares profits with the government at an agreed scale. They do not make any reference to the government when hiring or firing staff, importing equipment to improve port operations or in any area which touch on

the management of the port. DPI receives no financial support from the government. The Committee also toured the Swift Freight International Dry Store in Dubai and held discussions with its management.

On 12th September, 2001 the Committee left for Singapore and the members received warm welcome from officials of the Ministry of Foreign Affairs. On 13th September, 2001 the Committee had a guided tour of parliament buildings. They held discussions with the Speaker of the House Mr. Tan Soo Khoo, M.P., who informed them that Singapore has a unicameral parliament with 83 elected Members and 9 nominated. The ruling party is called Peoples Action Party and has 81 seats in the House. Other parties are:- Workers Party and Singapore Peoples Party. The Committee was also informed that the delegation was the first which Singapore Parliament has received from Kenya Parliament.

The President is elected directly by the people, he is not a Member of Parliament and does not belong to any political party. The Attorney General and Judges are appointed by the President on advice of the Prime Minister. The Parliament can remove a judge with a two thirds majority and the decision of the House is final.

On 14th September, 2001 the Committee visited the Port of Singapore. The Members had a guided tour of the Port and they held discussions with the Port Management. The Committee was informed that Singapore Port operates under an act of Parliament called Maritime and Port Authority Act (Chapter 170 A). The Port is managed by the Marine

and Port Authority of Singapore (MPA) which was established in 1996 to promote Singapore as a premier port and international maritime centre and to safeguard its strategic maritime interests. The MPA controls vessel traffic movements in the Port, ensures navigational safety and regulates marine services and facilities. They process arrival and departure declarations, issue port clearance and other permits such as declaration of dangerous goods. MPA conducts maintenance dredging of fairways and anchorages regularly, provides navigational aids, issue licences for harbour use, are responsible for regulating towage and pilotage of vessels and the supply of water to vessels. They guard Singapore's territorial waters against pollution by patrolling Singapore's waterways regularly to ensure that ship operators do not pollute the Port or harm marine environment. During year 2000 the port handled a total of 17.09 million containers. The management has introduced a Vessel Traffic Information System (VTIS) which provides navigational information to ships plying the Singapore strait free of charge. They also have an Electronic Chart Display and Information System (ECDIS) which provides 24 hour information on vessel movements and locations.

On 17th September, 2001 the Committee held a meeting with Kenya High Commissioner in Canberra. The Committee was informed that major Australian Exports to Kenya include lathes, insecticides, herbicides, animal oils and fats, electrical machinery and appliances. Major Australian imports from Kenya include fish, tea, coffee and vegetable materials. Australian exports to Kenya have grown by over

400% since 1995. Australia has maintained a diplomatic mission in Kenya since 1963 and Kenya has had a High Commission of Canberra since 1983.

The Committee then visited Telstra Tower at Black Mountain which handles messages coming in or leaving Australia. It is 195.2 metres high. At 2.30 p.m. the Committee visited Trans Act Communications and held discussions with the management. The Committee was informed that this is a privately owned company which provides telephone services to the people in Canberra. Telecommunication Services were deregulated in 1997 which made it possible for private companies to compete with the national communication body - Telstra. Communication systems in Australia are regulated by a body called Australian Communication Authority. Australian Consumer and Competition Commission ensures that there is healthy competition between firms which deal with the communication sector whether they are private or national.

At 5.00 p.m., the Committee visited Crookwell Windfarm. The Committee noted that there were eight windmills in the farm. The Committee held a meeting with the management of the windfarm on 20th September, 2001.

On Tuesday 18th September, 2001 the committee visited the Parliament of Australia and had a guided tour of parliament buildings.

They met with the members of the House of Representatives Standing Committee on Transport, Communications and the Arts. The Members were informed that the above named Committee consists of 10 members – six government and four from the opposition. The Committee deals with Road, Rail, Telecommunications and Radio Services. Broadcasting Act of 1992 states how broadcasting should be conducted in Australia. The Committee deals with projects from inception to completion. They interview stakeholders and prepare a report which is then tabled in Parliament with the necessary recommendations. The project commences only after the Committee report to the House has been adopted.

At 2.00 p.m. the Committee observed Question Time in the House of Representatives. At 2.30 p.m. the Committee observed Question time in the Senate.

At 4.15 p.m., the Committee held discussions with the Presiding Officers of the Parliament of Australia – Senator the Hon. Margaret Reid, President of the Senate, and Hon. Neil Andrew, M.P., Speaker of the House of Representatives.

At 4.45 p.m., the Committee met with the Members of the Joint Statutory Committee on Public Works. The Kenyan delegation was informed that the Committee was established in 1913 and is one of the oldest committees of Parliament. It consists of six members of the House of Representatives and three senators. It is supposed to report to

Parliament on each public work referred to it. All public works for the Commonwealth of Australia which are estimated to cost more than a Six million Australian dollars must be referred to the Committee. All public works sponsored by the government must be subjected to scrutiny by the Committee. The Committee must report to the House on the purpose of the proposed project, the cost-effectiveness of the proposal, the amount of revenue it will produce if the work is revenue producing and the current and prospective value of the work. The project commences only after the Committee report to the House has been adopted.

On 19th September 2001 the Committee visited Australia Capital Territory Electricity and Water and Australia Gas Lighting (ACTEWAGL) at 9.30 a.m. The Committee was informed that the government owns 50% of the shares while the other 50% are privately owned. The company has assets in Electricity gas and water. It manages small hydro Electric power stations and distributes gas to various parts of Australia. It owns three small dams – bendora dam, carin dam and cotter dam. The Company Management took the Committee to a small hydro electric power station which generates 800 kilowatts from the mini power station using water from a pipe. It uses 100 kw to run the station and releases the rest to the national grid. It cost 2 million Australian dollars to install it. After the water has been used it is released to its original pipe.

The Australian competition and Consumer Commission ensures that there is healthy competition among the people who deal with production and sale of electricity.

At 2.30 p.m. the Committee visited ACT Roads and storm water networks. The Committee was informed that this is a Department in the Ministry of urban services. Its main responsibility is to manage the condition and functioning of road pavements, bridges and culverts, cycle and pedestrian paths, traffic signals, street lights and driveways, car parking spaces, traffic lights, street lights, storm water pipes and channels.

The Department manages about

- 5,700 Kilometres of roads
- 2,200 Kilometres of Community paths
- 1,000 bridges and major culverts
- 40,000 car parking spaces
- 188 sets of traffic lights
- 50,000 traffic signs
- 3,000 kilometres of stormwater pipes and channels
- 60,000 street lights

On 20th September 2001 the Committee visited the Commonwealth scientific and industrial Research Organization (CSIRO) and held discussions with its management. The Committee was informed that

CSIRO is a government funded research unit which researches on various aspects. The unit is divided into 21 divisions. Among them the wind Energy Research unit has an experience of 30 years. The Unit identifies the ideal location for a wind farm and predicts the yields. It also advises the government whether any wildlife will be affected by setting up a wind generating station in a particular area. The research findings show that there is a lot of wind on the Australian East and South Coasts accessioned by the trade winds. There is also a lot of wind on hilltops. Mapping a small area of wind potential costs about 15000 to 20000 Australia dollars while each windmill costs less than one million Australian dollars. The research unit recommends that wind farms should be developed close to power lines in order to minimize power transmission costs.

On 21st September 2001 the Committee visited the Roads and Traffic Authority in Sydney at 2.00 p.m. and held discussions with its management. The Committee was informed that the Roads and Traffic Authority of New South Wales is a government agency whose main responsibilities are:-

- maintaining and improving the State's road network
- road safety
- traffic management
- maintaining vehicle safety standards
- licensing drivers, driving instructors and tow truck operators
- registering motor vehicles
- traffic policy, standards and regulations.

The Authority has an asset value of 40 billion Australian dollars, an annual budget of 1.9 billion Australian dollars and 7000 members of staff. It has licenced 2,191,153 male drivers and 1,950,665 female drivers in New South Wales.

The Committee returned back to Nairobi on 24th September, 2001.

OBSERVATIONS AND RECOMMENDATIONS

PORTS

The Committee noted that both the Port of Dubai and the Port of Singapore are owned by their governments. However they are run by contracted management. They have modern equipment which enables each to unload a ship in 24 hours. Their information systems are so well developed that both ship and cargo movement can easily be monitored using computers. They do not pay taxes to the government. Instead they share their profits with the government at agreed rates. The two governments encourage their corporations to remain in business by contracting their management when the corporations start to make losses. They do not privatise or sell them.

The Committee recommends that:-

- (i) The Port of Mombasa should be provided with modern equipment which will enable quick unloading and loading of cargo.**

- (ii) **Information Technology should be developed in the port of Mombasa. All port operations should be computerised. Ship owners, clearing and forwarding agents and customers in general should be able to follow the movement of both ship and cargo by using computers in order to minimise delays in collection of their goods. This will also reduce the number of people who frequent the Port to check for their cargo and minimise the use of clearing agents. Training of personnel especially in information technology should be emphasized. All clearing procedures should also be handled by one office at the Port. Clearing procedures should be put on the internet so that customers know the charges for all categories of goods. The port should have its own web site showing all activities carried out there.**
- (iii) **The government of Kenya should contract management of the Port but continue to own the facility. Hence the Port of Mombasa should not be privatised.**

ENERGY

The Committee noted that Australia has an energy research unit which carries out research on various sources of energy in addition to other areas.

The Committee also noted that private companies own hydro electric power stations, coal and gas mines and wind farms which produce and

distribute power to the people. The Australian consumer and competition commission ensures that there is healthy competition between the private and the state providers of services. The country's parliament has also passed a law requiring that 2% of Australian electricity should come from renewable sources of energy.

The Committee recommends that:-

- (i) A research unit should be set up to study all possible sources of energy in Kenya.**

- (ii) The energy industry should be liberalised to ensure small holders start to their own wind farms or mini hydro electric power stations. A consumer and competition body should also be formed to ensure that there is healthy competition between the private providers of energy and government providers.**

- (iii) The price of electricity in Kenya is very high and it should be reduced to 4 – 5 cents per kilowatt hour. No other levies should be paid by the consumer.**

TRANSPORT AND COMMUNICATIONS

The Committee noted that, although Australia has a National Communications body Telstra, private companies are allowed to start communication businesses and to compete favourably with the government service provider. Anybody can obtain a licence to start a communications company.

The Committee further noted that Road development, maintenance, traffic management and other related services are provided by government departments. No major public works project can commence without parliamentary approval.

The Committee recommends that:-

- (i) Telkoms Kenya and any other communications service provider should not enjoy any period of exclusivity. Private companies should be easily licenced to provide the service and compete favourably with Telkom Kenya. New management should be contracted to run Telkom Kenya hence it should not be sold.**

The government should set up a competition and consumer commission to ensure that there is healthy competition between national communications service provider and the private companies.

- (ii) The police should not manage traffic on Kenyan roads. A Road Traffic Authority should be established with branches in major towns of the country. This Authority should manage traffic flow, lights and signs while Kenya Roads Board should deal with building and repair of Kenyan roads, drainage systems bridges, footpaths and cycle ways. The Road Traffic Authority should liaise with the police in dealing with accidents and breakdowns.**

NATIONAL ASSEMBLY

The Committee noted that all public works sponsored by government departments and major statutory authorities of Australia which are estimated to cost Six million Australian dollars or more must be committed to the relevant Parliamentary Committee. The Committee scrutinizes a project from inception to completion. The Committee looks at the details of the project which include feasibility studies, signing of contracts, costing, architectural plans, environmental connotations and historic claims. It collects evidence from stake holders and the public through public hearings and then prepares a report which is tabled in the House. The report explains the purpose of the proposed project and justifies the need for it, the proposed budget, the cost effectiveness of the project and the amount of revenue it will produce if the work is revenue producing. The project commences only after the Committee report to the House has been adopted.

The Committee also noted that the Parliament of Australia has live coverage of its proceedings. Media houses are allowed to cover Parliamentary proceedings in Singapore. Singapore Broadcasting Corporation which is the main Media House that covers parliamentary proceedings is not paid anything for the service. However, the equipment is owned by the Parliament. Each of the above named parliaments is very advanced in information technology and it has a website. Voting in the House is electronic.

The Committee recommends that:-

- (i) All major public works sponsored by the government of Kenya and the State Corporations which are estimated to cost Kshs. One million or more must be scrutinised by the relevant parliamentary committee which must follow the project from inception to completion. The Committee must look at all the details of the project, collect evidence from stake holders and other interested parties, prepare a report which will justify the expenditure, explain the cost effectiveness of the project and table the report. The project should only commence after the report to the House has been adopted.**
- (ii) There should be live coverage of parliamentary proceedings. The signal which will be received by the media houses for transmission to the public must be owned by Parliament. All aspects of Kenya National Assembly should be computerised. Parliament must have the most modern information technology and have its own website. Voting in the House should be electronic.**

Finally the Committee recommends that the House adopts this report of the Committee and resolves it accordingly.

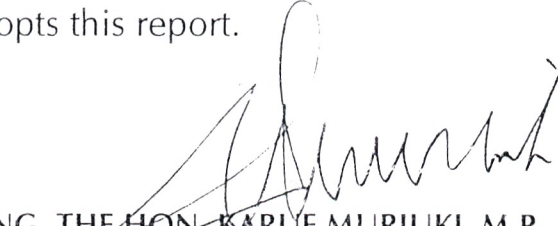
ACKNOWLEDGEMENT

Mr. Speaker Sir, I wish to record my gratitude to all the Members of the Committee for their commitment to the work of the Committee. On

behalf of the Committee I wish to extend our appreciation to you Mr. Speaker and the Clerk of the National Assembly for facilitating the work of the Committee and financing its trip to the three countries.

I wish to record our deep appreciation to all the people who welcomed us and gave the Committee Members valuable information when we visited the United Arab Emirates, Singapore and Australia. The information received from them contributed immensely to the production of this report.

On behalf of the Committee Mr. Speaker, it is my humble prayer that the House adopts this report.


ENG. THE HON. KARUE MURIUKI, M.P.
SIGNED:
(SUB-COMMITTEE CHAIRMAN)

DATE: 13 / 11 / 2001

MINUTES OF THE FIRST SITTING OF THE DEPARTMENTAL COMMITTEE ON ENERGY COMMUNICATIONS AND PUBLIC WORKS SUB-COMMITTEE HELD ON MONDAY SEPTEMBER 10, 2001 IN THE AMBASSADOR'S OFFICE – NEW DELHI

PRESENT:

Eng. The Hon. Karue Muriuki, M.P. (**Chairman**)
The Hon Jimmy Angwenyi, M.P.
The Hon Shem Ochuodho, M.P.
The Hon Samuel Kiminza, M.P.
The Hon. J.M. Kiyong'a, M.P.
The Hon. Basil Mwakiringo, M.P.

IN ATTENDANCE

NATIONAL ASSEMBLY

Mrs C.W. Munga - Clerk Assistant

EMBASSY OF THE REPUBLIC OF KENYA, ABU DHABI

H.E. Mr. Charles A. Mbaka – Ambassador
Mr. Mohamed A. Mahat – Second Secretary
Mr. Paul Githaiga – Second Secretary

MINUTE NO. 1/2001

MEETING WITH THE AMBASSADOR

The Committee arrived at the Embassy at 10.00 a.m. and was met by the Ambassador H.E. Charles A. Mbaka.

The Committee was informed that:-

- (i) United Arab Emirates (UAE) has a population of about 2.4 million. Out of the 3000 Kenyans living in the Emirates about 100 live in Abu Dhabi. There are many foreigners who live in UAE. They are mainly from India, Philippines and the Middle East countries. Most of them are employed and there are employment bureaus which deal with nationals of various countries e.g. Philippines.
- (ii) UAE is made up of seven Emirates namely Dubai, Sharjah, Ajman, Jebel Ali, Abu Dhabi, Fujairah and Rasal Kimah. The major ones are

Dubai and Abu Dhabi. They have more representation in the Federal Council Legislative Organ which is based in Abu Dhabi.

- (iii) Kenya spends about 14.7 billion on imports from UAE. It mainly imports oil products. Kenya's exports to UAE are worth Kshs.1.2 billion. They include tea, coffee and mangoes.
- (iv) UAE economy is largely dependent on oil and gas which account for 75% of their earnings. Iraq and Saudi Arabia are the only other world countries which have larger oil reserves than UAE. The reserves of UAE should last for 100 years. The country also earns a lot of revenue from activities in the Port of Dubai.

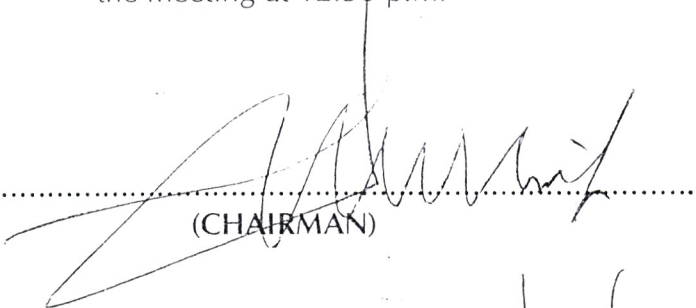
The Committee was also informed that recently many UAE residents are visiting Kenya as tourists.

MINUTE NO.2/2001

ADJOURNMENT

There being no other business, the Chairman adjourned the meeting at 12.30 p.m.

CONFIRMED:.....


(CHAIRMAN)

DATE:..... 1/11/01

MINUTES OF THE SECOND SITTING OF THE DEPARTMENTAL COMMITTEE ON ENERGY COMMUNICATIONS AND PUBLIC WORKS SUB-COMMITTEE HELD ON TUESDAY SEPTEMBER 11, 2001 IN THE LARGE CONFERENCE ROOM OF DUBAI PORTS AUTHORITY AT 9.30 A.M.

PRESENT:

Eng. The Hon. Karue Muriuki, M.P. (**Chairman**)
The Hon Jimmy Angwenyi, M.P.
The Hon Shem Ochuodho, M.P.
The Hon Samuel Kiminza, M.P.
The Hon. Basil Mwakiringo, M.P.
The Hon. J.M. Kiyong'a, M.P.

IN ATTENDANCE

NATIONAL ASSEMBLY

Mrs C.W. Munga - Clerk Assistant

EMBASSY OF THE REPUBLIC OF KENYA, ABU DHABI

H.E. Mr. Charles A. Mbaka – Ambassador
Mr. Mohamed A. Mahat – Second Secretary

DUBAI PORTS AUTHORITY

Mr. John H. Fewer – Director, International Port Operations
Mr. Mohammad Sharaf – Commercial Director
Mr. Tariq Abudullah O. Bin Khalifa – Sales Executive
Mr. Abdulla Hamis Hareb – Public Relations Manager, Jebel Ali Free Zone

MINUTE NO. 3/2001

MEETING WITH THE MANAGEMENT OF DUBAI PORTS AUTHORITY

The Committee arrived at the Ports Authority at 9.30 a.m. The Port management made a video presentation of Dubai Port and the Jebel Ali Free Zone to the Committee after which discussions were held between the Committee and the management.

The Committee was informed that:-

- (i) Dubai International Airport was opened in 1971. In 1979, Jebel Ali Port was opened and is the

largest man made harbour in the world. In 1972 Port Rashid was completed and by 1978 the port had expanded to 35 berths. In 1985 Jebel Ali Free Zone was opened. In 1985 Emirates International Airline was launched.

In 1991 Port Rashid and Jebel Ali Port merged to form Dubai Ports Authority. In 1991 Dubai Cargo Village was opened at Dubai International Airport. In 1995 the number of companies operating in Jebel Ali Free Zone crossed 1,000 mark. In 1997 DPA joined the rank of top 10 container ports world wide. In 1999 Dubai Ports International (DPI) won a contract to manage Jeddah Islamic Port. Still in 1999 DPI won a contract to manage Beirut Port. In 2000 DPI signed a port management contract with Djibouti. In 2000, DPA crossed 3,000,000 Twenty Foot Equivalent Units (TEU) Mark in a single year.

- (ii) Dubai is the second largest Emirate and the commercial capital of the United Arab Emirates. 80% of Dubai's economy is dependent on trade most of which take place in the port. Dubai Port has 67 berths alongside 15 kilometers of quayside catering for container and general cargo operations.

It has ample storage facilities which include a 42,500 cubic meter Lloyds - approved cold store, capable of storing 7,000 tones of frozen and perishable commodities; a 47,000 cubic meter temperature and humidity controlled store for semi-perishable goods; and vast corner and open areas for the storage of dry, bulk and general cargo.

- (iii) Dubai Port is managed by a team of experts called Dubai Ports International (DPI) which was set up in 1999. The government body that oversees the day to day running of the port under the supervision of DPI is Dubai Ports Authority (DPA). Members of DPI initially

worked in DPA for a long time. Due to their success, DPI has been contracted by other world countries to run their ports. In September 1999, with its Saudi Joint Partner SIYANCO, it was awarded a 20 year contract to manage the South Container Terminal at Jeddah Islamic Port in the Kingdom of Saudi Arabia. In the year 2000, DPI won the management contract of the port of Djibouti. Currently DPI is evaluating other port management opportunities both within and outside the Middle East. DPI shares profits obtained from the Port with the government at an agreed scale. They do not pay any taxes to the government. Although the port is owned by the government, they do not make any reference to the government when hiring or firing staff or when they import equipment to improve port operations. Such equipment is imported tax free. The management receives no financial support from the government and it has total freedom from the government to run the Port in the best way possible.

- (iv) The Port is greatly developed in Information Technology. Dubai Container Terminal Management System (CTMS) operates 24 hours a day seven days a week. The system covers business requirements such as crane bookings, marine, berth and yard operations, container inventories, activity planning and financial billing. The system is used in producing voyage schedules and other statistics on the internet. CTMS facilitates an integrated interport transfer of containers between Port Rashid and Jebel Ali using DPA's trucks.

(CTMS) works side by side with the synchronous Planning and Real Time Control System (SPARCS) which deals with ship and yard planning, equipment scheduling, dispatching and execution of planned jobs. It is very accurate in locating containers. It produces a graphic tracking display of container movements anywhere in the terminals and distributes

information to Mobile Data Terminals in every container handling vehicle in the Port.

Another system which works side by side with the (CTMS) is the Container Freight Station System (CFSS) whose computerized operations deal with receiving containers, unstuffing, segregation and palletizing, storage and delivery to customers. Jebel Ali Port has a container storage yard of 988,907 square metres while Port Rashid's yard is 431,860 square metres.

- (v) The principle commodities which are offloaded in Dubai Port or transited to other countries include; timber, steel, cotton, minerals, bagged rice, sugar, wheat frozen and chilled foodstuffs and various construction materials. Other cargo which is stored include synthetic resins, heat sensitive laminates, glass, paper and vehicles. Dubai Port has large space available for short and long term storage of cars, buses and construction vehicles imported for both local and export market. No charges are paid for storing vehicles for 20 days in the port. Arab countries are allowed free storage for sixty days so that they can transship their vehicles if need arises.
- (vi) It takes 24 hours to off load cargo from a ship. When unloading containers the port makes 167 moves per hour. The goods have rapid access to Dubai International Airport which is 30 minutes by road and which is serviced by over 95 airlines to and from over 137 destinations. It has an air-cargo village with sea-air handling facilities to expedite quick dispatch of time-sensitive cargo. Generally it takes about two to five hours to move cargo from a ship in Dubai Port to an aircraft in Dubai International Airport. Goods arriving at the airport can be collected and have customs cleared within an hour of the aircraft touching down.

- (vii) There is a government department in Dubai Port that deals with customs issues. This department ensures that there is legal transfer of goods through the port. Transit cargo is not subjected to customs duty. The shipping line avails to customs department a manifest showing the scheduled arrival and departure time. It shows the cargo transiting through Dubai to other world countries. To maximize efficiency all clearing procedures are handled by one office.
- (viii) United Arab Emirates has no rail roads that can be used to transport cargo from the port to the rest of the country. However, DPA has a commercial trucking department that provides a cost effective service for container and general cargo deliveries between the port and anywhere in UAE. It has offices in both terminals that operate 24 hours a day and 365 days a year. It has a modern fleet of 40 trucks, 146 trailers and a variety of other equipment to satisfy customers' transport requirements.
- (ix) The port of Dubai has facilities for container repair. Each terminal has a well equipped container repair yard where maintenance is carried out to international standards approved by the American Bureau of Shipping. Both yards can take all types of containers in their paint and blast shop facilities for hot and cold works. Steam cleaning and chemical washing services are also available. The port has a storage capacity of more than 2,000 units and all container owners and operators have access to the facilities.
- (x) One of the worlds largest aluminium smelters is operated at Jebel Ali by Dubai Aluminium (DUBAL). The company imports raw material refines it and ships it to various destinations in the world. Raw sugar is also received from Brazil, refined and exported to various destinations.

Dubai port has tanker facilities. The Jebel Ali terminal can take ships of upto 120,000 tons dead-weight with overall length of 275 meters and draft of 14 metres. Privately operated storage tanks are available for rent by companies which wish to hold stocks of oil for delivery elsewhere in the world. Bunkering is also available at both terminals at competitive rates.

- (xi) The Jebel Ali Free Zone is a free trade area but various administration charges are paid which include charges for processing licenses and permits, installation charges for telecommunications, charges for postal address facility and Dubai Chambers of Commerce charges (registration and Membership renewal). Apart from the said charges, traders within the free zone pay no import or export duties. To operate a business in the free zone area, one does not need a local partner (In the rest of UAE, one must have a local partner in order to operate a business). Applications can be processed within five working day. The new trader can build his premises on a vacant site or rent from available constructed units. There are over 2000 companies from over 97 countries operating in the Free Zone area. Some of the companies which operate there include; Black and Decker, Colgate Palmolive, Compaq, Daewoo, Honda, Johnson and Johnson, Nestle, Nissan, Nivea, Phillips, Samsung and Sony among others. The books of accounts for Dubai Port are audited by government auditors.

MINUTE NO.4/001

MEETING WITH SWIFT FREIGHT INTERNATIONAL DRY STORE

The Committee arrived at Swift Freight International at 1.00 p.m. The Members were met by Mr. B. Rajagopalan, General Manager – Warehousing and distribution and Mr. Savio Simon D'Souza, Manager – Dry Store, who led them through a guided tour of the premises before holding a meeting with them.

The Committee was informed that:-

- (i) Swift Freight International is one of the Companies which operate in the Free Zone. It is owned by a Kenyan Mr. Issa Baluch. It started operating in 1989 and it mainly concentrates on warehousing and forwarding. The company stores goods for customers and for middlemen. The middlemen store cargo for a while before taking it to its destination. The company clears cargo for its customers. It has offices in Dubai and Sharjah airports, Dar es salaam, Kampala, Nairobi and Mombasa. It owns 44 trailers and other smaller vehicles which are used to transport goods to customers within the UAE. Other cargo is taken to its destination by air or water transport.

- (ii) The main store is 7000 cubic metres. It has 76 air conditioners. The operations of the store are computerised. Every item can easily be located using a computer. Besides labeling, sorting, wrapping, storing and distributing of goods, they also repackage cargo if requested to do so by the customer. There is a section in the store in which they keep ice creams, chocolates etc. called Master Foods whose temperature is minus 26°c. There is also a strong room where they store jewels.

MINUTE NO. 5/2001

ADJOURNMENT

There being no other business, the Chairman adjourned the meeting at 2.00 p.m.

CONFIRMED:.....


(CHAIRMAN)

DATE:.....

11/11/01

MINUTES OF THE THIRD SITTING OF THE DEPARTMENTAL COMMITTEE ON ENERGY COMMUNICATIONS AND PUBLIC WORKS SUB-COMMITTEE HELD ON THURSDAY SEPTEMBER 13, 2001 IN SINGAPORE PARLIAMENT BUILDING AT 2.30 P.M.

PRESENT:

Eng. The Hon. Karue Muriuki, M.P. (**Chairman**)
The Hon Jimmy Angwenyi, M.P.
The Hon Shem Ochuodho, M.P.
The Hon Samuel Kiminza, M.P.
The Hon. Basil Mwakiringo, M.P.
The Hon. J.M. Kiyong'a, M.P.

IN ATTENDANCE

NATIONAL ASSEMBLY

Mrs C.W. Munga - Clerk Assistant

PARLIAMENT OF SINGAPORE

Hon. Tan Soo Khoo – Speaker of the House
Mr. Sion Peng Khan – Clerk Assistant
Mr. Tarih bin Haniel – Serjeant-At-Arms

MINUTE NO. 6/2001

MEETING WITH THE SPEAKER OF THE PARLIAMENT OF SINGAPORE

The Committee arrived at Parliament buildings at 2.30 p.m. They had a guided tour of parliament buildings after which they met with the Speaker of the House.

The Committee was informed that:-

- (i) The Parliament of Singapore is unicameral with eighty three elected and nine nominated members. A Speaker is elected when Parliament meets for the first time after general elections. The Speaker has a constituency. There are three parties represented in the current parliament namely; Peoples Action Party (ruling party), Works Party and Singapore Peoples Party.

A nominated Member should not vote in Parliament on any motion pertaining to:-

- Bill to amend the Constitution
 - A supply bill, supplementary supply bill
 - A vote of no confidence in the government
- (ii) A Member may speak in English, Malay, Mandarin or Tamil. A member who desires to speak in Malay, Mandarin or Tamil should provide an English translation of his/her speech and hand it to the interpreter prior to delivery of the speech. A Member's speech is translated as he speaks in the House.
- (iii) The President is elected directly by the people for a period of five years. The life of Parliament is also five years. The President is not a member of Parliament, does not belong to any political party and has no executive powers. If the President belonged to any party before election, he has to resign as a party member on election as president. He has certain veto powers e.g. he can veto the budget with convincing reasons, can veto key appointments in the civil service or statutory bodies. He has power to order investigation on corrupt issues in an institution. Corrupt Practices Investigation Bureau is the organ which is normally used to investigate corrupt cases. Its operations are supervised by the Prime Minister. The Bureau can also investigate corrupt activities by the Prime Minister. During such investigation, the Bureau reports directly to the President.
- (iv) Singapore Government has a Cabinet consisting of 15 Ministers. The number of Ministeries are fixed by the Prime Minister. Normally they are not increased or reduced but they can be expanded e.g. recently the Ministry of Communications was expanded to include Information and Information technology.

Ministers appoint Chief Executives of Statutory bodies which fall under their Ministeries.

The Attorney-General and Judges are appointed by the President on advice of the Prime Minister. The Parliament can remove a judge with a two thirds majority and the decision of the House is final.

- (v) Singapore population is about 4 million people. Citizens comprise three million while one million people are foreigners. Voting is compulsory in Singapore although the foreigners are not allowed to vote. Voting age is 21 years and one must vote at his home district as specified in the identity card. There is an election office which is supervised by the Prime Minister. This is the body which oversees elections. The minimum age for a parliamentary candidate is 21 years. There is no minimum academic requirement for parliamentary candidates. Each member has a specific seat in the House and he must vote from there. Voting in the House is electronic. Parliament has six women four elected and two nominated. Media Houses are allowed to cover parliamentary proceedings. Parliamentary news are aired after prime time news in a programme called "Today in Parliament". Singapore Broadcasting Corporation which is the main Media House which covers House proceedings is not paid anything for the service. However the equipment used is owned by Parliament.

The Parliament of Singapore has a well stocked Library.

MINUTE NO. 7/2001

ADJOURNMENT

There being no other business, the Chairman adjourned the meeting at 4.20 p.m.

CONFIRMED:.....


(CHAIRMAN)

DATE:.....

1/11/01

MINUTES OF THE FOURTH SITTING OF THE DEPARTMENTAL COMMITTEE ON ENERGY COMMUNICATIONS AND PUBLIC WORKS SUB-COMMITTEE HELD ON FRIDAY SEPTEMBER 14, 2001 IN SINGAPORE PORT BOARD ROOM AT 10.30 A.M.

PRESENT:

Eng. The Hon. Karue Muriuki, M.P. (**Chairman**)
The Hon Jimmy Angwenyi, M.P.
The Hon Shem Ochuodho, M.P.
The Hon Samuel Kiminza, M.P.
The Hon. Basil Mwakiringo, M.P.
The Hon. J.M. Kiyong'a, M.P.

IN ATTENDANCE

NATIONAL ASSEMBLY

Mrs C.W. Munga - Clerk Assistant

PORT OF SINGAPORE

Capt. Khong Shen Ping – Director - Port Division
Maritime and Port Authority of
Singapore

Mr. Yap Cheng Hua – Director, Information
Technology

Mr. Chan Chong Theng – Managing Director, Port of
Singapore Corporation

Mr. Jeo Chang Ching – Corporate Communications
Executive

Cap. Francis Wee – Acting Deputy Director
Training

MINUTE NO. 8/2001

MEETING WITH THE MANAGEMENT TEAM OF THE PORT OF SINGAPORE

The Committee arrived at the Port of Singapore at 10.30 a.m. Their discussions started with video screening of Maritime and Port Authority activities conducted by Ms Felicia Woo and Ms Audrey Lee. This was followed by discussions with the port management in which the Committee was informed that.

- (i) The Maritime and Port Authority of Singapore was established in 1996 through an Act of Parliament to promote Singapore as a premier port and international maritime centre and to safeguard its strategic maritime interests. Its functions were previously performed by the National Maritime Board of the then Port of Singapore Authority (PSA).

It is the regulatory body of the port and its activities are supervised by the Ministry of Communications, Information and Technology. MPA has 160 workers. It is headed by a Chairman. Other officers include a Director-General; Director Shipping; Director Port; Director Corporate Services; Director Policy; Director Training; Director Technology (Engineering Repairs etc) and Director Information Technology.

- (ii) MPA controls vessel traffic movements in the Port, ensures navigational safety and regulates Marine Services and facilities. This includes processing of arrival and departure declaration, issuing port clearance and other permits such as declarations of dangerous goods, ensures maintenance of the port through dredging of fairways and anchorages regularly, provides navigational aids and charts of Singapore waters, issuance of licences for harbour usage, regulating tonnage and pilotage of vessels and supply water to vessels using the port.

It guards Singapore waters against pollution by patrolling the country waterways regularly to ensure that ship operators do not pollute the port or harm marine environment. The welfare discipline and employment of seafarers come under the purview of the MPA as a Maritime Industry Regulator. They uphold standards set by the International Maritime Community for the mercantile marine to follow. They encourage ship owners to register their ships in Singapore. They work with other government agencies to

bring more ship related services to Singapore in order to enhance Singapore's status as a premier international maritime centre. MPA participates in regional and international conferences to ensure that Singapore's strategic maritime interests are represented and safeguarded. They represent Singapore in International Maritime Organisation (IMO), Asian Ports Association (APA) and the International Hydrographic Organisation (IHO).

- (iii) Since the MPA is only a regulatory body the day to day running of the port is done by the Port of Singapore Authority (PSA) which is a Corporation. The PSA was formed as a statutory board in 1964. In 1972 operations commenced at the first container berth at Janjong Pagar Terminal. In 1981 it achieved a one million twenty foot equivalent units (TEU's) in a single year for the first time. In 1990, it passed the 5 million TEU's a year mark and became one of the worlds largest container ports. It commissioned the berth at Brani Terminal. In 1991, it started Singapore Cruise Centre. In the same year it started operations at Keppel Terminal. In 1994, it started a container freight station at Keppel. In the same year it achieved the 10 million TEU's in a single year. In 1995 it launched the Tanah Merah Ferry Terminal which was meant to be a gateway for regional passengers. In 1996, it established its first overseas project – Dalian Container Terminal in China. On 2nd February 1996 the Maritime and Port Authority of Singapore was formed which took over the regulatory functions of the Port of Singapore Authority. In 1997 PSA started operations in Parsir Panjang Terminal. On 1st October, 1997 the corporatisation of the Port of Singapore was achieved. It would hence forth operate as a corporation concentrating mainly on commercial and terminal operations. In 1999 it signed an agreement to manage and operate the container terminal at Sines in Portugal.

The corporation is headed by a Chairman who is assisted by a Group President. Other officers include Deputy Group President – International Business Division; Deputy Group President – Terminals, Deputy President – Container Terminals; Executive Vice-President – Engineering; Executive Vice President – Finance; Executive Vice President – Human Resources; Executive Vice President – Information Technology and Senior Vice President – Corporate Services.

- (iv) The operations of the port are divided into various divisions. The policy division is responsible for formulating strategic plans and policies to spearhead the development of the port. It maintains MPA's relationship with foreign maritime organisations and authorities. This division also deal with legal aspects of the port. Corporate Services Division deals with finance, personnel and administration of the port. The port division controls vessel movements, ensure navigational safety, deals with loading and unloading of cargo, prevents sea pollution and ensures clean up of oil spills.

The port of Singapore has four container terminals namely:- Tanjong Pagar, Keppel, Brani and Pasir Panjang. They consist of 37 main berths and 12 feeder berths. Everyday more than 35000 containers are loaded or unloaded from more than 40 container vessels. At any one time about 800 ships and 100,000 containers are in the port. In year 2000 the port handled a total of 17.09 million containers. Unloading of containers is done with the use of remote-controlled bridge cranes which enable containers to be stacked up to nine-high. The system also allows an operator to control up to six cranes simultaneously. A container ship takes 12 to 24 hours to unload. The unloading cranes make 234 moves per hour.

- (v) The shipping division's responsibility include building up of Singapore's merchant fleet, examining and certifying marine officers, conducting ship surveys, investigating shipping casualties, coordinating maritime search and rescue operations, ship registry and overall manning of shipping. The port of Singapore provides every shipper an unrivalled choice of 248 shipping lines with connections to 600 ports in 123 countries.

A ship registration and financing department was established in 1966. In year 2000 Singapore registry of ships stood at Over 23 million gross tons (GT) and over 3,300 vessels were registered. In every ship yard ship building and ship repair are carried out. All types of repairs, general or specialized, can be carried out in any of the ship yards. In 1999 a total of 4,552 ships were overhauled in Singapore. The shipping division liaises with the technology division in ship building and ship repair.

- (vi) The port of Singapore has a training division that deals with training, upgrading of skills and career development of staff. The division provides a comprehensive range of training programmes for seafarers, harbour craft personnel and port operators. All courses conform to international requirements and are regularly offered to meet the changing demands of the industry. They also offer scholarships to promising undergraduates. Serving officers are also given opportunities to upgrade their knowledge through relevant post graduate programmes. The Singapore Maritime Academy (SMA) also has a wide range of courses to offer. It conducts various diploma courses for trainees who have acquired the necessary sea service on merchant ship. They sit for relevant deck officer and marine engineer officer certificate of competence examinations. They attend courses in ship building and repair. Cargo handling courses and port operations are

available at institutions such as the Ngee Ann Polytechnic.

- (vii) The port of Singapore is highly developed in information technology. The Vessel Traffic Information System (VTIS) provides navigational information to ships plying the Singapore Strait free of charge. Differential Global Positioning System (DGPS) broadcasts signals to help ships fix positions more accurately. Electronic Chart Display and Information System (ECDIS) provides 24 hour real time information on vessel movements and locations.
- (viii) Singapore is one of the worlds top bunkering ports. In year 2000 it supplied a total of 18.65 million tons of bunkers.

It is also the third largest oil refining centre in the world. It is a major oil centre for refining trading and storage facilities. It has a total refining capacity of over one million barrels a day. Singapore has a marine base in Jurong and another in Loyang which are used for off shore oil and gas exploration.

- (ix) The other services offered by the port of Singapore include the following:-
 - Conventional cargo is handled by three terminals – Pasir Panjang, Sembawang and Jurong port. They are capable of handling vessels with capacities of upto 150,000 dead weight tons.
 - They offer fresh water supply, fire fighting services and testing for toxic vapours to tankers.
 - The International Passenger Terminal has been catering for international cruise liners since it commenced operations in 1991. It provides accommodation, recreation and welfare services for seamen. There is a

privately run restaurant, bar lounge and a medical centre.

In 1997 the facilities were used by 4899 residents from 47 countries. A seaman is required to show his passport, seaman's discharge book or other identification in order to enjoy the facilities at the terminal.

- In 1991 the government set up a non profit facility, the Singapore International Arbitration Centre (SIAC) to take care of marine disputes.
- There are many companies in the Port which provide a comprehensive range of services such as freight forwarding, warehousing and distribution.

MPA collects levies from ships which anchor for unloading or repair. They licence port operators. PSA collect levies from cargo handling.

The port gets 80% of its revenue from container handling.

In the afternoon the Committee toured the port.

MINUTE NO. 9/2001

ADJOURNMENT

There being no other business, the Chairman adjourned the meeting at 4.30 p.m.

CONFIRMED:.....

(CHAIRMAN)

DATE:..... 1/11/01

MINUTES OF THE FIFTH SITTING OF THE DEPARTMENTAL COMMITTEE ON ENERGY COMMUNICATIONS AND PUBLIC WORKS SUB-COMMITTEE HELD IN THE HIGH COMMISSIONS OFFICE IN CANBERRA ON MONDAY SEPTEMBER 17, 2001 AT 10.30 A.M.

PRESENT:

Eng. The Hon. Karue Muriuki, M.P. (**Chairman**)
The Hon Jimmy Angwenyi, M.P.
The Hon Shem Ochuodho, M.P.
The Hon Samuel Kiminza, M.P.
The Hon. Basil Mwakiringo, M.P.
The Hon. J.M. Kiyong'a, M.P.

IN ATTENDANCE

NATIONAL ASSEMBLY

Mrs C.W. Munga - Clerk Assistant

HIGH COMMISSION OF THE REPUBLIC OF KENYA – CANBERRA

H.E. Stephen A.K. Loyatum – High Commissioner

Mr. A. Mwangi – Commercial Attache'

Mrs T. Mukenyi – Administrative Attache'

Mr. S. Langat - Second Secretary

MINUTE NO. 10/2001

MEETING WITH THE HIGH COMMISSIONER

The Committee arrived at the High Commission offices at 10.30 a.m. and received a warm welcome from the High Commissioner H.E. Stephen A.K. Loyatum and his staff. The Committee was informed that.

- (i) Australia has maintained a diplomatic mission in Kenya since 1963 while Kenya has had a High Commission in Canberra since 1983. In year 2000 Australia's exports to Kenya were worth 93 million Australian dollars while Kenya's exports to Australia were worth 18 million Australian dollars. The principal exports to Australia include fish, tea, coffee and vegetable materials. Australia exports lathes, specialized machinery

insecticides, herbicides, animal oils and electrical machinery to Kenya.

- (ii) Australia is a federation of six states and two self governing territories. Every citizen of voting age must vote otherwise he will be penalized for failure to do so. Each state has its own parliament, communication system and other services. But the Parliament of the Commonwealth of Australia in Canberra is for the whole country.
- (iii) Although Anset Airlines was the third company to collapse in a period of one year the Committee had a lot to learn from Australia's transport and communication systems.

MINUTE NO. 11/2001

VISIT OF TELSTRA TOWER AT BLACK MOUNTAINS

The Committee visited the Tower at 11.55 a.m. in the company of High Commission official (Mr. S. Langat). On arrival Teltra officers at the Tower informed the Committee that:-

- All telecommunication messages getting into or leaving Canberra pass through the Tower.
- The tower is 195.2 metres.
- The tower is owned by Telstra Communications which is a government owned statutory body.

MINUTE NO. 12/2001

MEETING WITH TRANSACT COMMUNICATIONS

The Committee arrived at Trans Act Communications offices at 2.00 p.m. They had a video presentation before holding a meeting with Mr. Joe Ceccato – Business and Sales Manager.

The Committee was informed that:-

- (i) Telecommunications market was liberalized in 1997. Before then, Telstra the only communication body in Australia. Trans Act is a

privately owned company which renders telecommunication services in Canberra.

- (ii) Due to the existence of several communication bodies, Australian Consumer and Competition commission and Australian Communications Authority regulate the operations of service providers. Before any amendments to the law are made the two bodies are consulted by the relevant Ministry.
- (iii) Trans Act provides both local and long distance telephone services. They serve about one million customers in Canberra who include both homes and business premises. They charge 20 cents per local call. Because their charges are lower than those of the government owned telecommunication system the government has been requesting Telstra to lower its Telephone charges.

MINUTE NO. 13/2001

ANY OTHER BUSINESS

At 5.00 p.m., the Committee visited Crookwell Wind Farm. The meeting to discuss the Wind Farm operations was held at CSIRO Board room on Thursday 20th September, 2001 at 9.00 a.m.

MINUTE NO. 14/2001

ADJOURNMENT

There being no other business, the Chairman adjourned the meeting at 6.00 p.m.

CONFIRMED:.....
(CHAIRMAN)

DATE:..... 1/11/01

MINUTES OF THE SIXTH SITTING OF THE DEPARTMENTAL COMMITTEE ON ENERGY COMMUNICATIONS AND PUBLIC WORKS SUB-COMMITTEE HELD AT PARLIAMENT BUILDINGS WITH THE STANDING COMMITTEE ON TRANSPORT, COMMUNICATIONS AND THE ARTS ON TUESDAY SEPTEMBER 18, 2001 AT 10.30 A.M. IN CANBERRA

PRESENT:

Eng. The Hon. Karue Muriuki, M.P. (**Chairman**)
The Hon Jimmy Angwenyi, M.P.
The Hon Shem Ochuodho, M.P.
The Hon Samuel Kiminza, M.P.
The Hon. Basil Mwakiringo, M.P.
The Hon. J.M. Kiyong'a, M.P.

IN ATTENDANCE

NATIONAL ASSEMBLY

Mrs C.W. Munga - Clerk Assistant

PARLIAMENT OF AUSTRALIA

Hon. Paul Neville, M.P. – (**Chairman**)
Hon. Frank Mossfield, M.P.
Hon. Gary Hardgrave, M.P.
Hon. David Jull, M.P.
Mr. Paul Jeanroy – Public Relations Officer

MINUTE NO. 15/2001

**MEETING WITH THE HOUSE OF REPRESENTATIVES
STANDING COMMITTEE ON TRANSPORT,
COMMUNICATIONS AND THE ARTS**

The Committee arrived at Parliament buildings at 11.50 a.m. and was met by Mr. Paul Jeanroy – Parliamentary Relations Officer. The Members were taken to Committee Room 1R3 where they met with the Members of the above Committee. The Kenyan Members were informed that:-

- (i) The Committee deals with roads, rail and broadcasting services. Initially, Australia was made up of six states with 23 different railway systems. Each state had its own railway signals and gauges and if one moved from a state to another he had to pay duty. The Committee was

given the task of harmonizing these railway systems.

- (ii) There is no government controlled broadcasting system. The Broadcasters Act of 1992 states how broadcasting should be conducted in Australia. The country has a National Broadcaster – the Australian Broadcasting Corporation. It has an ethnicity channel as part of national duty but it also has three commercial stations. There is live coverage of parliamentary proceedings.
- (iii) The Committee scrutinizes a project from inception to completion. Currently the Committee is doing an inquiry with regional radio. Such inquiry is normally advertised for all stakeholders to be informed. The Committee then travels to relevant areas to collect information and the proceedings are recorded by the Hansard department. They interview stakeholders and prepare a report which is then tabled in Parliament with the necessary recommendations. The project cannot proceed before parliament adopts the report.

At 4.15 p.m., the Committee had a courtesy call on Senator Hon. Margaret Reid – President of the Senate and Hon. Neil Andrew, M.P. – Speaker of the House of Representatives.

MINUTE NO.16/2001

**MEETING WITH THE JOINT STATUTORY
COMMITTEE ON PUBLIC WORKS IN COMMITTEE
ROOM 1S3 AT 4.45 P.M.**

The Committee was guided to Committee room 1s3 by Mr. Paul Jeanroy – Parliamentary Relations Officer where the Members met with the above named Committee.

These following Members of the above Committee were present:-

Hon. Judi Moylan, M.P. – Chairman
Hon. John Forrest, M.P.

Hon. Colin Hollis, M.P.
Senator Shayne Murphy, M.P.
Hon. Bernie Ripoll, M.P.
Mr. Trevor Rowe - Committee Secretary
Ms Marie Kawaja – Senior Secretary/Research Officer
Mr. Peter Roberts – Senior Research Officer

The Kenyan Members were informed that:-

- (i) The Committee was formed in 1913 and is one of the oldest Committees of Parliament. The Public Works Committee Act of 1969 requires that the Committee should inquire into and report to parliament on each public work referred to it. The Act also requires that all public works for the Commonwealth of Australia which are estimated to cost more than 6 million Australian dollars must be referred to the Committee. All public works sponsored by government departments and major statutory authorities come within the ambit of the Committees investigatory powers. The Committee should report to the House the purpose of the proposed work, proposed budget and justify the need for it, the cost effectiveness of the proposal and the amount of revenue it will produce if the work is revenue producing. The project commences only after the Committee report to the House has been adopted.
- (ii) The Committee consists of six Members of the House of Representative and three Senators. It deals with government buildings and public works other than roads. The Committee looks at all the details in the project which include feasibility studies, signing of contracts, costing, architectural plans, environmental connotations and historical claims. It conducts public hearings when collecting the relevant information from whatever sources are available.

The Committee must invite views and comments from various stakeholders and from the public

before concluding its findings and presenting them to the House.

- (iii) The Committee does not deal with construction of schools, hospitals and other public utilities. These are the responsibility of the government of each state.

MINUTE NO. 17/2001

ADJOURNMENT

There being no other business, the Chairman adjourned the meeting at 5.15 p.m.

CONFIRMED:.....


(CHAIRMAN)

DATE:.....

1/11/01

**MINUTES OF THE SEVENTH SITTING OF THE DEPARTMENTAL COMMITTEE
ON ENERGY COMMUNICATIONS AND PUBLIC WORKS SUB-COMMITTEE
HELD IN AUSTRALIAN CAPITAL TERRITORY ELECTRICITY AND WATER,
AUSTRALIAN GAS AND LIGHT [ACTEWAGL] BOARDROOM ON WEDNESDAY
SEPTEMBER 19, 2001 AT IN CANBERRA**

PRESENT:

Eng. The Hon. Karue Muriuki, M.P. (**Chairman**)
The Hon Jimmy Angwenyi, M.P.
The Hon Shem Ochuodho, M.P.
The Hon Samuel Kiminza, M.P.
The Hon. Basil Mwakiringo, M.P.
The Hon. J.M. Kiyong'a, M.P.

IN ATTENDANCE

NATIONAL ASSEMBLY

Mrs C.W. Munga - Clerk Assistant

**AUSTRALIAN CAPITAL TERRITORY ELECTRICITY AND
WATER AUSTRALIAN GAS AND LIGHT (ACTEW AGL)**

Mr. Gary R. Voss – General Manager, Commercial

Mr. Noel Whitehill – General Manager, Electricity
Networks

Mr. Ivan Slavich – General Manager Retail

MINUTE NO. 18/2001

MEETING WITH THE ACTEWAGL

The Committee arrived at ACTEWAGL at 9.30 a.m. and was met by Ms Carol Peake who led them to the Board room where they held a meeting with the management.

The Committee was informed that:-

- (i) The Company is a joint venture owned by Australian Capital Territory Electricity and Water 50% and Australian Gas and Light 50%. It deals with electricity, gas and water provision. 62% of Australian electricity comes from black coal, 31% brown coal, 4% is hydro-electric and 3% comes from gas and wind.

- (ii) There is a lot of coal in Victoria, Queensland and New South Wales. Hence most of their electricity comes from coal. Victoria has brown coal while New South Wales has black coal. Transmission of electricity is done by private companies who sign a contract with the customer.
- (iii) The Northern territory has a lot of gas. Perth, Darwin and Victoria also have a lot of gas. Most of their electricity is produced from gas. Transmission of gas is by pipe. Various companies own gas pipelines. They include Alita gas, Allgas Energy Ltd, Great Southern Energy and Australian Pipeline Trust. Actew Agl has 153 km of gas network. The sale of gas is not regulated by the government.
- (iv) Australia has little hydro electric and wind power. Actew Agl own small hydro electric power stations from which the company supplies some power to the National Grid. Tasmania uses a lot of hydro electric power.

Before 1998 the electricity market was not regulated. Today all the players have to adhere to the provisions of the National Electricity Code. The Australian competition and consumer commission ensures that there is healthy competition among the people who deal with production and sale of electricity.

Actew Agl has three small dams. The Committee was given a guided tour of one of their mini hydro electric power stations which uses a water pipe to produce electricity. After the water has been used to run turbines, it is then released to the nearby its original pipeline. They generate 800 kilowatts from the mini power station. They use 100 kilowatts to run the power station and release the rest to the National grid. The whole equipment for the power station cost them about 2 million Australian dollars.

MEETING WITH THE AUSTRALIAN CAPITAL
TERRITORY ROADS AND STORMWATER

The Committee arrived at ACT roads and Stormwater premises at 2.30 p.m. The Members discussions with Mr. Tony Gill - Manager and Mr. Mario Sallecchia – Senior Engineer, Roads and Bridge Management. The Committee was informed that:-

- (i) ACT Roads and Storm Water operates under the supervision of the Department of Urban Services. The topmost authority is a General Manager Roads and Stormwater. Their work is divided into the following divisions.
- Planning, policy and coordination.
 - Asset Management Systems and Information Technology Strategy
 - Business support
 - Stormwater management
 - Bridges management
 - Traffic management
 - Roads management
- (ii) ACT Roads and Stormwater manage the condition and functioning of road pavements, bridges, cycle and pedestrian paths, traffic signals, streetlights and driveways of the Australian Capital Territory. They also manage the condition and functioning of pipes, channels, culverts, dam structures, pollutant traps, car parks, drains barriers, footpaths, cycle paths, roads and pavement lines markings. They budget for the development of the road network in which the National highways consume 1% of their budgeted expenditure, territorial roads consume 34% and municipal roads 65%. They budget for maintenance of existing roads in which planned maintenance use 78% of their

expenditure and routine maintenance use 22% of their expenditure.

(iii) ACT Roads and Stormwater manages assets with a replacement value of around 5.5 billion Australian dollars. They manage the following assets.

- About 5,700 kilometres of roads
- 2,200 kilometers of community paths
- over 1000 bridges and culverts
- over 40,000 carparking spaces
- 188 sets of traffic lights
- About 50,000 traffic signs
- About 6000 kilometers of line marking
- About 90,000 drive ways
- Over 3000 kilometres of stormwater pipes and channels

- About 60,500 streetlights

All their funds are obtained from the government.

MINUTE NO. 20/2001

ADJOURNMENT

There being no other business, the Chairman adjourned the meeting at 4.00 p.m.

CONFIRMED:.....


(CHAIRMAN)

DATE:..... 1/11/01

MINUTES OF THE EIGHTH SITTING OF THE DEPARTMENTAL COMMITTEE ON ENERGY COMMUNICATIONS AND PUBLIC WORKS SUB-COMMITTEE HELD AT THE WIND ENERGY, RESEARCH UNIT BOARDROOM ON THURSDAY SEPTEMBER 20, 2001 AT 9.00 A.M. IN CANBERRA

PRESENT:

Eng. The Hon. Karue Muriuki, M.P. (**Chairman**)
The Hon Jimmy Angwenyi, M.P.
The Hon Shem Ochuodho, M.P.
The Hon Samuel Kiminza, M.P.
The Hon. Basil Mwakiringo, M.P.
The Hon. J.M. Kiyong'a, M.P.

IN ATTENDANCE

NATIONAL ASSEMBLY

Mrs C.W. Munga - Clerk Assistant

WIND ENERGY RESEARCH UNIT

Dr. Peter Coppin - Director

MINUTE NO. 21/2001

MEETING WITH THE WIND ENERGY RESEARCH UNIT

The Committee arrived at the research unit at 9.00 a.m. and was met by Dr. Peter Coppin, Director – Wind Energy Research Unit with whom they held discussions.

- (i) Commonwealth, Scientific and Industrial Research Organisation CSIRO is a government funded research unit comprising of 600 workers who research on various fields for the government. Eight of those workers research on wind energy. Wind Energy research has been carried out for the last 30 years. They have identified about 50 sites around the country which have wind potential. The North East and the North Western sides of the country have a lot of wind because of the trade winds.
- (ii) Crookwell wind farm was the first wind generating power station in Australia. It started operating in 1998 following long term wind monitoring at the site. It consists of eight vestas 600 kw turbines with a total peak output 5 mw which is enough to

give power to 3500 homes. One wind mill cost about one million Australian dollars. Wind energy is clean and after installation there is no recurrent expenditure except in the turbines. The wind farm can also be used for grazing. However the Research unit recommends that wind energy should be produced near the power lines so that the cost of transmission can be minimised.

MINUTE NO. 22/2001

ADJOURNMENT

There being no other business, the Chairman adjourned the meeting at 10.30 a.m.

CONFIRMED:.....


(CHAIRMAN)

DATE:..... 11/11/01

MINUTES OF THE NINTH SITTING OF THE DEPARTMENTAL COMMITTEE ON ENERGY COMMUNICATIONS AND PUBLIC WORKS SUB-COMMITTEE HELD IN THE ROADS AND TRAFFIC AUTHORITY BOARDROOM ON FRIDAY SEPTEMBER 21, 2001 AT 2.30 P.M. IN SYDNEY

PRESENT:

Eng. The Hon. Karue Muriuki, M.P. (**Chairman**)
The Hon Jimmy Angwenyi, M.P.
The Hon Shem Ochuodho, M.P.
The Hon Samuel Kiminza, M.P.
The Hon. Basil Mwakiringo, M.P.
The Hon. J.M. Kiyong'a, M.P.

IN ATTENDANCE

NATIONAL ASSEMBLY

Mrs C.W. Munga - Clerk Assistant

ROADS AND TRAFFIC AUTHORITY OF NEW SOUTH WALES

Mr. Jim Giffin – Business Manager

MINUTE NO. 23/2001

MEETING WITH THE ROADS AND TRAFFIC AUTHORITY OF NEW SOUTH WALES

The Committee arrived at the Transport Management Centre at 2.30 p.m. and was met by Jim Giffin with whom the Members held discussions in the Boardroom. The Committee was informed that:-

- (i) The main responsibilities of the Authority include:-
- Planning, construction and maintenance of main roads, bridges and freeways.
 - Traffic management on major roads.
 - Traffic signal control on all roads.
 - Registration of motor vehicles.
 - Licencing of motor vehicle drivers.
 - Traffic policy, standards and regulations.

The value of their assets is 40 billion Australian dollars. The annual budget is about 1.9 billion Australian dollars and they have 7000 staff.

(ii) They spend about 610 million Australian dollars a year to maintain the following:-

- 17,783 km of state roads which carry 70% of all traffic in New South Wales.
- Traffic facilities such as lights, roundabouts, signs and line marking.
- 4,275 bridges and major culverts on state, regional and local roads.
- 9 vehicle ferries.
- Resurface about 10% of all New South Wales roads annually and;
- Assist local councils to manage 18,430 km of regional roads.

(iii) RTA is a government owned and funded Authority. It is headed by a Chief Executive Officer who oversees the general running of the Authority. He is assisted by a General Manager. It is divided into eight divisions six of which are headed by Directors and two by Assistant Directors.

Road Safety and User Management division ensures that drivers and motor cyclists are eligible, vehicles meet road worthiness, road impact and road emission standards are met and that the road users operate safely.

Road Network Infrastructure division maintains state roads and bridges, develop the State Road Network assist the government in transport planning etc.

Traffic and Transport division deal with traffic control, control driver information systems, manage incidents and routes, improve pedestrian and cyclist facilities and maintain traffic facility assets.

Client Services Division gives professional advice in road transport solutions, ensures consistency of practise across the state and informs the local government on community needs.

Operations division ensures that services are delivered at agreed levels and on time. Finance division manages RTAs finance functions, facilitate business planning, monitor, evaluate and report on the financial performance of the RTA.

Environment and Community Policy division ensures comprehensive environmental impact assessment, community consultation and maintenance of environment management by RTA.

Corporate Services division manage human resource plans and policies, manage information technology, provide legal and business services of RTA, manage media relations, ministerial co-ordination and public education campaigns.

Strategic projects division co-ordinates special projects e.g. Electronic Toll Collection Systems and Intelligent Transport Systems.

- (iv) By the end of year 2000, the RTA had registered 5,566 taxis and 12,538 buses. They had licensed 2191153 male drivers and 1,950,665 female drivers. They can provide green light on roads for ambulances, fire services and other emergency services.

New South Wales has 320 cameras that monitor transport 24 hours a day. Through this the RTA is able to tell where there are accidents and inform the police for necessary action. They have tow

trucks that tow wrongly parked vehicles away. When the owner calls, he is informed where the car is and he receives a bill for wrong parking.

Each Australian State has an RTA. It cost about 50,000 Australian dollars to train the necessary personnel.

RTA has also been contracted by other world countries to assist them in traffic management. For this purpose they have established offices in Hong Kong, Singapore, Ireland and Bandung.

MINUTE NO. 24/2001

ADJOURNMENT

There being no other business, the Chairman adjourned the meeting at 4.30 p.m.

CONFIRMED:.....


(CHAIRMAN)

DATE:.....

1/11/01

