



**MEETING OF THE SEA USERS' GROUP
HELD AT WFP SHIPPING SERVICE OFFICE
JL. JEND. SUDIRMAN No.: 15, GEUCEU – BANDA ACEH
ON 25 AUGUST AT 11:00 HRS**

In Attendance:

<u>Name</u>	<u>Organisation</u>	<u>E-Mail Address</u>	<u>Telephone</u>
Jens Baekholm	WFPSS	jens.baekholm@wfp.org	-
Paul Arbon	WFPSS	paul.arbon@wfp.org	08126992513
Peter French	WFPSS	Peter.french@wfp.org	-
Zhen-Zhen Huang	WFPSS	Zhen-zhen.huang@wfp.org	0812 6991221
Alan Johnson	WFPSS	Alan.johnson@wfp.org	08126992246
John Brady	BRR	Mariposa.john@gmail.com	0812 6991098
Henry Isleib	IFRC	Henry.isleib@ifrc.org	0812 1003598
Ian Figgins	WFPSS	ian.figgins@wfp.org	08126991780
Rudy Setiawan	HFH	R_nanlohy@yahoo.com	08129914541
Simon Foster	Concern	Simon.foster@concern.net	081360414705

ITEM 1: Opening welcome and adoption of previous minutes as amended. Jens Baekholm (JBA)

- Adopted by no objection (JBA)

ITEM 2: Report on vessels currently on charter and completed shipments

- Ian Figgins (IF) provided the following ship position/scheduling update:

Landing Craft

NO	ATA - Last Call	Vessel	Voyage	Last Call	ATD - Last Call	Activity	Next Call	ETA Next
1		Labitra Hanny	LH060809	Tagaule		Unloading	Gn. Sitoli	8/26/2006 8:00
2	8/12/2006 21:45	Labitra Nakita	LN060802	Malahayati	8/16/2006 0:32	Anchored , waiting order	Belawan	8/18/2006 13:00
3		Labitra Adinda	LA060817	Malahayati	8/24/2006 21:45	En Route	Calang	8/25/2006 14:00
4		Niaga jaya 12	12NJ060802	Belawan	8/23/2006 13:00	En Route	Ulee Lheue	8/25/2006 21:00
5		Bintang Samudera I	BS060803	Meulaboh	8/24/2006 18:00	En Route	Sinabang	8/25/2006 15:00

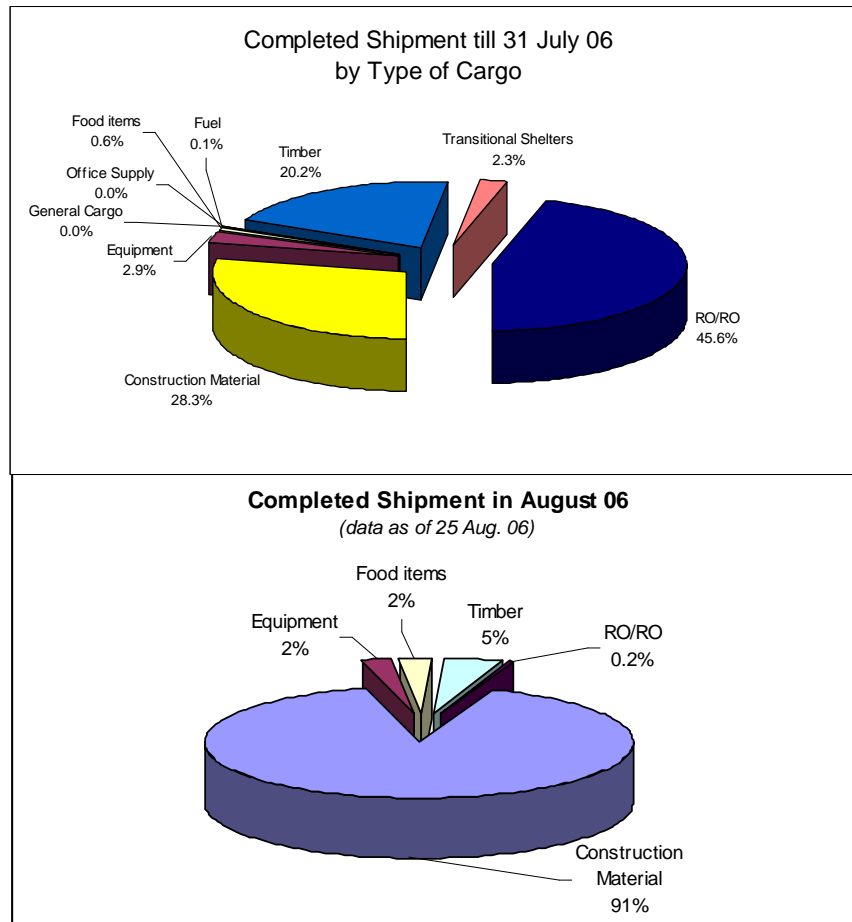
Coaster

NO	ATA - Last Call	Vessel	Voyage	Last Call	ATD - Last Call	Activity	Next Call	ETA Next
1	8/19/2006 11:00	Bunga Sejati	BJ060802	Pontianak		Anchored	Gn. Sitoli	8/30/2006 12:00

- JBA commented that UNHCR expect to start loading 850MT in Pontianak bound for Nias and then to East Kalimantan.



- Zhen-Zhen Huang commented on the completed shipments and the tonnage types. The following graphs were tabled indicating the comparison between before cost recovery and since cost recovery was introduced.



- JBA commented that before August, 45% of tonnage construction materials now 90% - RORO to bulk change in 'packaging'. Clearly shows that people can see the cost of RORO and some trend towards bulk break.
- (ZZH) Tonnage expected to revert somewhat - 12,000MT pending shipments to end of September which will improve the upward trend evident in the graph of tonnage and volumes versus time.

ITEM 3 WFP Shipping Service – Myths and Facts –Paul Arbon (PA) [See Attached](#) and / or www.wfpss.org

- PA outlined the purpose and function of the document – to clarify misconceptions.
- Discussion ensued IFRC's Henry Isleib (HI) commented on the reliability and cost effectiveness of the WFPSS. While rumours persists, the fact is when due



diligence is conducted WFPSS comes out as commercially the stand out option.

- JBA commented that smaller users may opt for smaller fishing boats etc.
- IFRC commented that Atlas is using smaller vessels which may be cheaper than WFPSS if suitable for the sea, coastal and landing conditions and for smaller types of easy to handle cargo.
- HI mentioned that Irish Red Cross and America Red Cross are gearing up for projects and he will encourage them to utilise the WFPSS.

ITEM 4: Recent Developments - Nias - Sibolga RORO BOOKED SERVICE (JBA)

- Announced the service as of Friday last / Monday 21 August at request of BRR.
- Commercial ferries on the route are not full. No booking to date for the Sibolga – Nias RORO service.
- WFPSS Nias is marketing the booked RORO service.

ITEM 5: Upcoming: MDF Technical Review (JBA)

- Even with cost recovery – MDF funding is essential to maintain the level of the (size) of operation in anticipation of return volume.
- Funding is required also for Operating Cash as and when required.
- John Brady, Mike Whiting and Peter French will attend technical MDF review of funding proposal on Tuesday 29 August. Cautious confidence that continuance of funding was expressed.
- Cost recovery is directed to escrow for return to MDF and is not returned to operational funds.

ITEM 6: AOB

Freight rates and time chartering

- Freight rates (published tariffs) are based on smaller quantities by m3 or MT.
- Time chartering can be negotiated for the large volumes of cargo will be given advantageous pricing because the on-load, offload of multiple consignees' cargoes and the miscellaneous extra ports of call for pick up / off load are often not present in single source – time charter – hence it is more cost effective for user and for WFPSS.
- If you can fill a vessel – it is cheaper to charter by daily charter / daily hire.

Temporary Jetties at Sinabang / Calang

- JB commented that the BBR requested projects of UNDP - the temporary jetties at Sinabang & Calang will be ready in 7-10 days.

Payment in USD

- Simon Foster (CONCERN) raised payment in Rp. as preferred for some organisations.
- Funding is in USD and Cost recovery is in USD (part of agreement with WB that payments are to be made in USD) (JBA and JB).

Meeting Closed 11.40am - next user group meeting will be held at 1100 hrs on 8 September 2006.

Attachments 1: WFP Shipping Service MYTH and FACT Sheet

