

**MEETING OF THE SEA USERS' GROUP
HELD AT THE UNORC MEETING ROOM
JL.JEND. SUDIRMAN No.: 15, GEUCEU – BANDA ACEH
ON
03 MARCH 2006 AT 11:00 HRS**

Present:

<u>Name</u>	<u>Organisation</u>	<u>E-Mail Address</u>	<u>Telephone</u>
John Brady	BRR	mariposa.john@gmail.com	08126991098
Marg Machi	Merlin	Logs.ba@merlin-indonesia	081360596239
M Salim	Australian red Cross	msalim@redcross.org.au	081360432012
Emilieu Kesse	IFRC	Emilienne.kiesse@ifrc.org	0811734694
Derrick Chisenga	IFRC	derrick.chisenga@ifrc.org	081316766051
Jens Baekholm	WFP SS	Jens.baekholm@wfp.org	08121003598
Michael Whiting	WFP SS	Michael.whiting@wfp.org	0811 987 365
Peter French	WFPSS	Peter.french@wfp.org	0811987403 08126988093
Zhen-Zhen Huang	WFPSS	Huang.zhen-zhen@wfp.org	0812 6991221
Junaidi Abdillah	ACF	acflogi@yahoo.fr	081533763409
Fikri Maxalmina	UNDP	Fikri.maxalmina@undp.org	08126916019
Sebastien Rambert	Atlas Logistique	Atlas.indonesia_log1@hotmail.fr	081360262201
Alesandra Efron.	Australian Red Cross	aefron@redcross.org.au	081375262584
Enrico Carsano	UNOPS	enricoc@unops.org	081360399674
Mladen pem	World Vision	Mladen_pem@wvi.org	08126987956
Shaqir Arapi	IOM	sarapic@iom.int	
H. Gaarder	CARDI/NRC	nrclog@indonesia.nrc.no	0811926690
Abdul Jabbar Bhatti	WFP	Abdul.jabbar.bhatti@wfp.org	08121050869
Rose Dew	Concern	Rose.dew@concern.net	081360207595
Munysi	UNICEF	mseksianto@unicef.org	08121053078
Mathias	THW	Log.banda-Aceh@thw.de	081360257241
Joergen Brodersen	WFPSS	Joergen.brodersen@wfp.org	
Mark Yarmoshuk	WFPSS	Mark.yarmoshuk@wfp.org	

Introduction

1. Jens BAEKHOLM, Operations Manager, WFP Shipping Service chaired the meeting.

ITEM 1: ADOPTION OF MINUTES OF SEA USERS' GROUP (SUG) MEETING HELD ON 23 FEB 06

2. There were no comments on the minutes of the previous minutes.

ITEM 2: REPORT ON THE VESSELS CURRENTLY ON CHARTER

4. Five LCTs are currently on charter; Labitra Hanny, Labitra Nakita, Son Bak 202, Sumber Power, and Pacific Spirit. LCT Niaga Jaya will start operating from 05 March 2006 and J Spring, a normal vessel (not LCT) is currently in Surabaya to carry timber to Gunung Sitoli.

ITEM 3: REVIEW OF COMPLETED SHIPMENTS

5. During the month of February, WFP shipping service has moved 2,128 metric tons and 8,698 cubic meters. The total tonnage shipped from November 2005 to February 2006 tot up to 3,317 metric tons and 16,005 cubic meters.

There are more than 20 agencies that have used WFP shipping service since last November. IFRC is the main user of the shipping service so far.

In the past four months, WFP shipping service has carried out different types of cargos, in which RO/RO cargo makes 84.57% of all completed ones.

A bar chart on planned shipments vs loading port has been shared with the participants. Some 27,794 metric tons of potential shipments would be loaded in Belawan port in Medan. It shows that Belawan will be the international gateway for most of the traffic consigned.

ITEM 4: PLANNED SHIPMENTS

6. With increasing shipping tonnages and the high traffic, the importance of receiving the 3-month planned shipments has been reiterated to all sea users in the meeting. A form of March – May is hereby attached.

ITEM 5: REPORT ON VISIT TO JAKARTA TO VISIT MDF AND DONORS

7. Present for WFP: Peter French, Michael Whiting, Michael Dunford, Davide Marzano

Present for WB / MDTF: Joel Hellman (WB), Andre Bald (WB), Diane Zhang (MDTF)

The main points discussed, in summary form, follow:

- Diane noted that there was a small delay in the transfer process but that WFP could expect to receive the first tranche of 60 pct of the USD 24.7 million grant in 2 days time ie about 2 nd March, 2006
- Appraisal Process. This had been the subject of a number of exchanges between Nicolas B and Diane and required resolution. Although it is the case that this issue was raised retroactively by MDTF secretariat, they still needed to have an understanding of our appraisal process for inclusion in their Operations Manual. Diane was to review the latest material sent by Nicolas and to advise whether anything further is required.
- KPI's - it is necessary for WFP Shipping Service to develop a set of Key Performance Indicators to be used by the WB in evaluating the project. Mike Whiting and PF to follow up.
- USD 3 million retroactively financed. Upon receipt of the first tranche of the grant it is understood that the USD 3 million, or part thereof actually expended, will be repaid to WFP's internal BPR/NBM 'bank'. At that time those funds expended will become disbursement against the MDTF grant and WFP Shipping Service is to provide a detailed account of the pattern of expenditure covering that retroactively financed amount.
- The MDTF noted that they have considerable pressure from the various donors to the MDTF to provide detailed and regular reports on projects funded. They would appreciate any assistance from WFP Shipping Service in providing disbursement and operational reports on a regular basis, even beyond those key fiduciary reports required under the terms of the Fiscal Agency Agreement and the Project Appraisal Document.
- Future Funding - it was acknowledged that when the Shipping Service came to the point of requiring further funds, estimated to be end May / early June, that we would not need to apply for a second project process, rather a TOP UP of funds should be able to be provided for the existing project. It was further noted, however, that there was only USD 150 million remaining in the MDTF account, with all of that intended to be directed towards BRR infrastructure projects. ie there may not be funds available in the MDTF at the time the Shipping Service applies. A further point was made that the BRR itself has about USD 1 billion in reserves and that it may be possible to arrange a BRR/MDTF co-financing of the Shipping Service.
- BRR, in an attempt to accelerate the rate of implementation of housing construction will themselves act as an implementer with an original aim of 40,000 houses to be built by years end, since reduced to 28,000, with a significant percentage of those to be on Nias Island. To reduce the time taken for tender proceedings it has been agreed that BRR may contract from sole sources until June/July this year.
- It is expected that WFP Shipping Service should attend WB project meetings in Jakarta about once each month, with Diane to keep us informed of dates and times.
- The President of the World Bank will visit Aceh in the first week of April, 2006

ITEM 6: PRIORITY SYSTEM

8. As the amount of cargo increased it became likely that at some time in the future cargo may from time to time exceed capacity, and it may become necessary to allocate cargoes according to an agreed list of priorities. The following priorities were proposed for the users' to consider so that a decision could be reached at the next meeting. The suggested list of priorities is:

ITEM 7: ESTABLISHMENT OF A SEA USERS' GROUP IN MEDAN

9. The sea user group meeting will be set up in Medan to improve better coordination, however the sea user group meeting in Medan will report to Banda Aceh sea user group meeting.

ITEM 8: ANY OTHER BUSINESS

10. There were several questions from the floor:

- a. Can WFPSS transport materials belong to contractor who is working for NGO?
- b. Regarding letter of Indemnity, does Agency must fill it for each trip? Yes, the letter of Indemnity must be filled for each voyage.
- c. Does truck driver's insurance cover by WFPSS when they travel along with vessel? Truck drivers are not covered by WFP SS insurance.

11. WFP informed that the jetty for LCT in Malahayati is ready to be used.

12. UNHCR still has Non Food Items in Medan warehouse so if any agency/NGO has urgent requirements UNHCR might be able to help. Main condition is it will be for direct distribution as UNHCR do not wish to see these items in warehouses. I'm (Karsten Sondergard) the contact person for those interested and maybe we could combine this with LCT Belawan departures as these stocks are in Medan. We require a request specifying the target group/area and time table. After distribution, documentation that the beneficiaries received the items. Please contact UNHCR Medan Karsten Sondergard (Snr. Supply Officer) Mobile 0811 987 098 sonderka@unhcr.org

ITEM 8: DATE OF THE NEXT MEETING

25. The next meeting was scheduled for 11:00 hrs on Friday 10 March, 2006 in the UNORC Meeting Room at Jl. Jend Sudirman No.15, Geuceu-Banda Aceh.

- **Attachments:** 3 Months Planned Shipment

