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Ladies and gentlemen, esteemed colleagues, interested observers. I am David Sanborn, Senior Vice President and Managing Director of the Americas for DP World, the global marine terminal operator.

As the www.maritimesecurity.org website says, this conference is exploring maritime transportation and the security implications of a worldwide system "in the aftermath of the DP World controversy."

Good job I am here, then. And I might add I am very glad to be here.

Allow me to parrot the conventional wisdom on the firestorm that engulfed my company and the country. If there was any good to come out of what happened to DP World, it was the focus it brought to port security.

That attention culminated in the passage of the SAFE Port Act, which President Bush signed into law last Friday. So, as a representative of the world's fastest growing port terminal operator, I would like to center my comments on to how to make the world's supply chain safer in the aftermath of the SAFE Port Act.

This important piece of legislation has a broad vision of maritime security. And I don't think any of us fundamentally disagree with that vision's major elements, despite the sweeping mandates and tight deadlines. In fact this legislation leads US policy right back to the very company about which Congress was so concerned earlier this year.

That may be equal parts paradox and irony, but DP World -- along with other global marine terminal operators like Hutchison, AP Moller/Maersk and PSA -- is perhaps best placed to help Congress and the Administration implement its new port security laws on the international stage. Coincidentally, from today we are starting to re-brand as DP World the P&O terminals we purchased earlier this year, except the ones in the US, which are nearly sold.

As DP World executives -- many of us Americans -- have said all along, foreign-owned companies such as ours are not emblematic of the container security problem. Rather, we are a leading and essential part of the solution.

Even conservative projections show there will be a profound need for greater -- and ever more efficient -- port capacity in the years to come. At the same time, the specter of terror has put the spotlight on the vulnerability of the global supply chain. If terrorists are able to launch an attack through a container even once, the impact would likely reverberate around the world in tandem with security responses that could stymie the entire supply chain. That is why security and efficiency must work in harmony.

As most of you know, the major terminal operators are probably in the best position of anyone in the industry to protect both goals. The rapid consolidation of the terminal sector -- of which the DP World takeover of P&O is a prime example -- actually makes this task easier. Today, the four major companies together manage almost half of all container port capacity. In a few years that will rise to 60 percent or more.

The global reach of these operators is considerable. Working together, we can truly enhance container security. Absent such joint action, everyone is at risk. The ports and shipping sector knows this. It is time that all governments recognize it, and begin to join together with key industry participants to address the threat with substantive action. We must end the finger pointing, empty political rhetoric and commercial rivalries to get this issue right. And we must do it now. Otherwise, everyone loses.

Big companies operating across several countries and continents have huge incentives to put security at the forefront of their strategic planning. They also have the ability to standardize best practices. We cannot be ignored. Nor can we be ignorant. The only way to avoid that is with sustained, high level and goal oriented dialogue between industry and governments on how exactly to secure the world's supply chain.

For example, it is clear that CSI should be established everywhere. Similarly, the Customs Trade Partnership Against Terrorism has taken the smart approach of rewarding companies for practices that lower risk throughout the supply chain. Congress was right to endorse these initiatives and push harder for wider adoption.

But there's a fundamental shortcoming in the SAFE Port Act -- and our response may surprise you. It is not ambitious enough. If we are actively engaged by governments, the major port operators are in a position to deliver more effective security more quickly than an act of legislation ever could.

Moreover, this requires a global approach, and not the current unilateral or bilateral initiatives currently underway. You can't make one place secure if others are left insecure, especially in such an intricately intertwined system like global trade. These threats are global -- they are not just directed at the United States.

Governments and the port operators, as well as the other stake-holders, need to develop strategies to protect security and promote efficiency that are practical and realistic. Government mandates that don't take into account the way that terminals actually operate create the risk of slowed commerce and higher costs. They may also actually inhibit the development of best practices on security.

For example, the SAFE Port Act limits the building of integrated scanning systems to a small pilot program. Is imaging and radiation detection equipment necessary to protect us? If we believe it is, we should agree to do it everywhere and establish the standards and procedures to facilitate it. Yet today there is no requirement for radiation and imaging screening at all the ports of the world – other than at CSI designated sites. And that requirement is starting with just three of those ports.

If the best way to reduce risk is to ensure that all containers are scanned, then we should implement a universal radiation and imaging scanning initiative. Some people say this is too ambitious. But we are convinced something can be done, if only there is the collective will to do so, and the universal standards that can galvanize such will into action.

There's a similar problem when it comes with the data collected by the envisioned scanning systems. The SAFE Port Act requires the three pilot ports to transmit electronically all the images and information to U.S. Government personnel in the country where the ports are located, or to an unidentified office in the United States.

Unlike the shipping lines, there is no system in place today for port operators to send information on what is moving through their ports to governments in other countries. No government has ever built such a system. One needs to be created that takes into account recent developments in information technology and global communications.

DP World and the other major port operators have these systems for collecting information at their terminals. Yet the systems are disjointed. As with scanning, there is no international standard for how such information is to be collected, what information must be maintained, with whom it can be shared, and how it is to be communicated to governments. It is imperative that we have one.

Let me be clear: We require global port security standards, and not just standards for port terminal operations in the U.S.

As the linchpins in the global supply chain, major port terminal operators like DP World are in position to take the lead in developing and adopting these standards – standards like ISO 28000, the most stringent supply chain security certification. Our terminal in Djibouti and headquarters in Dubai became the first in the world to achieve this certification last month. Vancouver and Caucedo are next in line, and our security teams are on the ground as I speak to help them achieve the standard.

We can also install the imaging and radiation detection systems deemed as the most pivotal component of supply chain security at this time. But we will need to do so with the full cooperation of governments throughout the world.

To conclude, as we take stock of the implications of the SAFE Port Act, for DP World the way forward is clear:

First, it's time for the governments to consult not only with each another, but also with private industry stakeholders like DP World. Port security cannot be developed behind closed doors. We want the drivers of world trade -- the U.S., EU and Asia-Pacific – to develop standards jointly with

the terminal operators and the shipping lines that bind their economies together. This should be done now.

The governments and the industry should agree to meet with one another early in 2007 -- possibly via the International Maritime Organization or the World Customs Organization -- with the agenda of reaching rapid agreement on global standards for port and supply chain security that can be promptly implemented on a global basis.

Second, as agreement on those standards is reached, the world's governments will need to agree on standards for collection of vital data and its transmission, and build systems for maintaining and transmitting the data securely. They will need to agree to dedicate funds and personnel for those systems, and to build them without delay. None of this exists today. It needs to be created now.

Third, governments and the port terminal operators need to reach agreement on a universal approach to imaging and radiation screening that includes a timetable for speedy implementation of such screening processes at every port in the world that participates in the global supply chain. We believe every port can put such systems into place. What is needed is international consensus on this, backed by the investments required by governments and the private sector alike. We are willing and ready to join others in doing this. We ask that the governments of the world, starting with the United States, do the same.

DP World is as security-conscious as any marine terminal operator in the world. We know that the entire industry needs improved security standards in place on a global basis. This is not the time to hang back and passively accept whatever any individual government may propose. We need to exercise leadership, and we need to act. Together with my friends and colleagues attending this important conference, I look forward to doing so in the weeks, months and years ahead.

Thank you.

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