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COLOMBIAN PORTS

Report 2022



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A&A MULTIPRIME committed with the prevention of casualties and losses of Clubs and Members, issues this report where shipowners will be able to find the most relevant aspects to be taken into account while calling at Colombian main ports, including Barranquilla, Buenaventura, Cartagena, Santa Marta and La Guajira.

Barranquilla

- The Port Barranquilla is located approximately 10 NM into the Magdalena River, and has a space of 94 hectares, which allows the port to operate containers, bulk, general cargo and coal cargo.
- In this port you will find the following relevant Terminals: Compas, Palermo Sociedad Portuaria, Pimsa, Portmagdalena, Sociedad Portuaria Regional de Barranquilla (SPRB), Riverport, Vopak, among others.
- As a consequence of its location over the Magdalena River, sudden draft changes are relatively common due to the strong currents and high amounts of sedimentation that the river moves. Mostly, draft changes are boosted at this port by sandbars and strong rainy seasons.





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● In 2021, two groundings took place at this Port close to the Bocas de Ceniza point, which is the entrance of the navigable channel through the Magdalena River and the main access point that vessels have to the Port of Barranquilla. This area is characterized by significant draft restrictions and large amounts of sedimentation on the seabed, where UKC and vessel's speed must be carefully monitored in order to avoid these incidents as a result of sinkage, squat, or bank effects.

● As a preventive measure to mitigate drug smuggling risks, most shipowners decide to undertake an underwater inspection before their vessels' departure from Colombian ports. In that sense, please note that due to the significant amounts of sediments in the Magdalena River, its currents and poor visibility at berth, underwater inspections at this port can only be undertaken at anchorage, specifically at Caño Dulce point, and Harbour authorities only authorize these inspections to be undertaken between 06:00 and 10:00 hours to ensure diver's safety.

Therefore, when underwater inspections are scheduled at this port, launch transportation for divers must be arranged, and possible additional costs may rise if the vessel finishes operations in the afternoon or night and has to wait until the next day for the underwater inspection to be performed.

● At Barranquilla there is no permanent dredge available, so that dredging operations are scheduled when COR-MAGDALENA (the government entity in charge of maintaining the navigability conditions of the Magdalena River) considers that the sedimentation of the river has increased, and the maximum allowed authorized draft is too low.

● Further to the above, DIMAR (highest maritime authority) imposes new draft restrictions almost every two weeks for vessels willing to berth/sail at/from the Port of Barranquilla. Please find in the following link DIMAR's website news sections, where the maritime authority posts amongst other information of interest, the latest draft restrictions at the Port of Barranquilla: <https://www.dimar.mil.co/historial>



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Given that solid bulk cargo is the main cargo mobilized at this port (a total of 1,219,102 MT in 2021), please bear in mind that shortage claims represent an important concern for shipowners. It is common that while discharging at a Colombian port at least a minor shortage is reported (approximately in 40% of operations). According to our company's experience, we have noted that approximately in 40% of these alleged shortages, these claims are inflated and approximately in other 40% the claims correspond to differences between the different kinds of measurements of the cargo quantities (shore scale vs. draft). The remainder 20% tend to be legitimate claims.

In order to avoid ungrounded shortage claims, we recommend (i) performing initial, intermediate, and final draft survey, and (ii) monitoring the shore scale weighting by a surveyor.

Cartagena

- Located in the northwestern part of Colombia, the Port of Cartagena is the largest port on the Colombian Caribbean coast. This port has access to the main transoceanic routes through the Panama Canal, which is why several container shipping lines use Cartagena as transshipment hub.
- In this port you will find the following relevant Terminals: SPOD, Sociedad Portuaria Buenavista, Puertos del Caribe, Ecopetrol, Sociedad Portuaria Regional de Cartagena, Compas, Puerto Bahía, Puerto Mamonal, Contecar, among others.
- Although it is very uncommon, please note that in the last years some piracy events were reported at this Port, where stowaways, usually armed, boarded the vessels to take the crewmember's personal belongings. At least 4 incidents where armed robbers tried to access vessels at this Port in order to take valuable items from the ship or its crewmembers and/or to hide drugs were reported in 2021, especially when vessels were at anchorage.



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- To prevent this type of events, most shipowners decide to hire private security guards to stay onboard while the vessel completes cargo operations.

Notwithstanding the above, please note that there are some terminals at this port that do not allow the entrance of private security guards.

Such is the case, for instance, of the Ecopetrol and Puerto Mamonal Terminals, where security is exclusively provided by the terminals' watchmen.



- At Cartagena, the Contecar, Compas, and Puerto Mamonal terminals have the greater volume of cargo operations, and the latter is one of the most important terminals through which Colombian coal is exported. It is enabled to directly load and unload vessels of up to 80,000 tons and 12 meters of draught.

The terminal also has a ship loader with a capacity of 2,750 tons per hour which guarantees the expedite loading of vessels of between 70,000 and 80,000 tons. In 2021, 346.982 tons of coal were exported through Puerto de Mamonal.





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Buenaventura

- The Port of Buenaventura, located in the Pacific coast, is the most important Colombian port and one of the most important ports of Latin America. In 2019, the Port of Buenaventura was ranked as the 4th port in Latin America and the Caribbean according to the United Nations' Economic Commission for Latin America and the Caribbean (ECLAC).
 - In this port you will find the following relevant Terminals: Compas, Sociedad Terminales Marítimos del Pacífico, Grupo Portuario, Sociedad Portuaria Regional de Buenaventura (SPRBUN), Aguadulce, TC-BUEN, among others.
 - The access channel of the Port of Buenaventura has a length of 31.5 km and depth of 13.5 meters at low tide. The Port also has a 1,050 m mooring line; a terminal with reach stackers and forklifts to move containers with a 525m berthing line; 2 multipurpose terminals, one with a 204m berthing line equipped with 3 mobile cranes capable of moving up to 104 tons, and another multipurpose, used for handling bulk coal, liquid bulk, and general cargo with a berthing line of 190 m.
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- Given that the seabed at this port is made out of mud, it is a common practice to include a NAABSA clause in vessels arriving to Buenaventura. It is indeed considered a NAABSA port for all vessels.



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Santa Marta and La Guajira



- The Port of Santa Marta and La Guajira region are the main locations from which Colombian coal is exported. Just in 2020, Colombia produced a total of 52.6 million tons of coal, ranking as the twelfth producer in the world, representing 77.8% of the coal production in Latin America and accounting for 0.65% of the world's total coal production.
- The Port of Santa Marta is one of the most important ports in Colombia thanks to its geographical location, which allows it to have a natural draft that benefits the mobilization and loading of ships. Likewise, it is the deepest port in America, which allows the arrival of commercial ships from all over the world. In addition, it is the only port on the Colombian Atlantic Coast that has a rail service, which makes it possible to have direct loading and unloading, facilitating the handling of bulk cargo (available only for some terminals).



- In this port you will find the following relevant Terminals: Puerto Drummond, Puerto Brisa, Puerto Bolivar, Sociedad Portuaria de Santa Marta, Puerto Nuevo, among others.
- For instance, in 2021, Puerto Drummond was the main port of export of Colombian coal with 8,789,189 MT exported through it. This private marine terminal is designed to load ships of up to 220,000 DWT and coal loading is done through two direct loading systems that use two ship loaders for this purpose. Puerto Drummond has an installed loading capacity of 60 million tons of coal per year.
- Puerto Drummond requires to all the operators that carry out activities in the port terminal, to comply with all the applicable protocols issued by the International Maritime Organization, to ensure safe cargo handling and loading operations. At Puerto Drummond, once the vessel is docked, cargo holds are inspected by a marine surveyor appointed by the port, who certifies that the holds are free of contaminants, heavy rust or any loose material that could affect the coal. Additionally, all coal exported through this port is sampled and certified under ASTM and ISO standard by an independent company.



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Through Puerto Bolívar, instead, a total of 5.239.030 MT of Colombian coal were exported in 2021. This port can receive vessels of up to 300 meters in length and serves mainly for the export of coal produced by the Company Cerrejón, a company with one of the world's largest open-pit coal export mining operations, having produced 12.4 million tons in 2020.

There is a direct 150 km railroad between Cerrejón's mine and Puerto Bolívar, dispatching 4 to 6 trains daily.



Please note that at these Ports, underwater inspections are undertaken by the Colombian Navy as a mandatory precautionary measure, and what we usually do for Clubs and Members in these cases, is to appoint one of our experienced surveyors in order to remotely monitor the UWI, coordinate with the different parties and finally review the UWI report.

Harbour masters at colombian ports



Colombia's highest maritime authority –DIMAR– has regional and sectional dependencies at all the maritime and river ports of its jurisdiction through different Harbour Master's Offices. Under Colombian law, it is mandatory for Harbour Masters to open jurisdictional investigations when there has been a maritime casualty within their jurisdiction, and administrative investigations may also be ordered if potential breaches of shipping regulations are observed.

The following are main issues that should be born in mind concerning Harbour Master's investigations:



Jurisdictional investigations will seek to establish potential breaches to local maritime regulations, and/or liabilities between private parties.



It is mandatory that all parties are assisted by a lawyer.



The Harbor Master and involved parties will enquire the different persons involved at the incident (Masters, pilot and relevant crew members).



All the potential affected parties will file their initial pleadings and their alleged claims, and the Harbor Master will decide if they are fair or not and will establish the LOU's amount to all the ship's involved (not to the parties established in Colombia).



The involved vessels will only receive clearance once the LOU is accepted by the port authorities (the acceptance proceeding takes between 1 and 2 working days).



The Harbor Master will appoint Expert Witnesses to issue reports on the case. The Harbor Master will then proceed to analyze all the evidence gathered during a period of approximately three months, and then he will finish the investigation giving three working days to the Parties to file their final pleadings.



The Harbor Master's final decision usually takes from one year to one year and a half. This decision will condemn liable parties to pay fines due to breaches of shipping regulations, will estimate the damages caused to third parties and other vessels involved and will declare liabilities. While administrative fines in theory may be of up to 1,000 minimum monthly wages (approximately USD \$260,000), in practice, these fines are almost never higher than USD \$10,000.

Regarding the contents of the LOU's, it is worth noting that these must be subject to Colombian law and should follow the pre-established wording approved by Harbour Authorities more than 15 years ago. We strongly recommend Clubs to use this standard wording as not doing so creates long and unnecessary delays to the ship.

Furthermore, under Colombian law, LOU's have the following requirements:



1 According to decree 2324 (which regulates the HM investigation) the LOU must cover: potential damages and losses to third parties, potential fines, potential admin costs of the HM investigation (this includes the HM expert witness fees etc.), and this total amount may be doubled up by the HM to establish the LOU amount. In any case, the HM doesn't have to provide evidence of why he established a determined amount since this decision is of his discretion.

2 The LOU must be executed by the vessel's P&I or H&M in Spanish and English. A scanned copy of the original LOU would be enough to obtain clearance (however, the originals must be filed before the Harbour Master as soon as possible).

3 Along with the LOU, the Club's general financial statements must be filed too, as well as a letter certifying who is acting as the Club's Correspondents in Colombia.

In collision cases, it is common practice in Colombia that both vessels need to issue a LOU, since in strict sense, according to decree 2324 of 1984, the circumstances of the incident are just being started to be investigated and officially all the evidence will be taken from that point: official survey reports hired by the HM, questionings, document analysis, etc. (despite of the apparent preliminary clear circumstances). At the end on the investigation, these LOUs will be returned to the non-labile parties.

Notwithstanding the above, please note that in practice the exposure for Clubs is very low. During the +30 years A&A Multiprime has been operating in Colombia, not a single case has been managed where a LOU is enforced against a Club.



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