

Governance process into port areas of the Northern Range¹:

Introduction

The general term of *governance* appeared in the common vocabulary during the 90's with the economists and political scientists and some international institutions (UNO, World Bank, IMF) [Lacroix, St-Arnaud, 2012]. Whereas it has been studied by those disciplines, *governance* has first a social foundation. Indeed, between the 70's and the 90's, social requirements questioned the role and the place of the institutions in the regulation of the society. This context implied the intervention of new protagonists, above all the citizens or private companies, in the decisions taken. It is coupled with the liberalization of the economy and the privatization of the operators. Thus, governance is not only a political notion but also a social, cultural and economic one [Leloup]. It is easy to make a comparison with the appearance of the notion of *sustainable development*, at the end of the 80's, where human well-being takes part in the economic development.

The goal of this communication is to understand the different conception of governance in the ports of Le Havre and Antwerp and starting to give some hypothesis for future research.

1. The notion of *governance* in social sciences

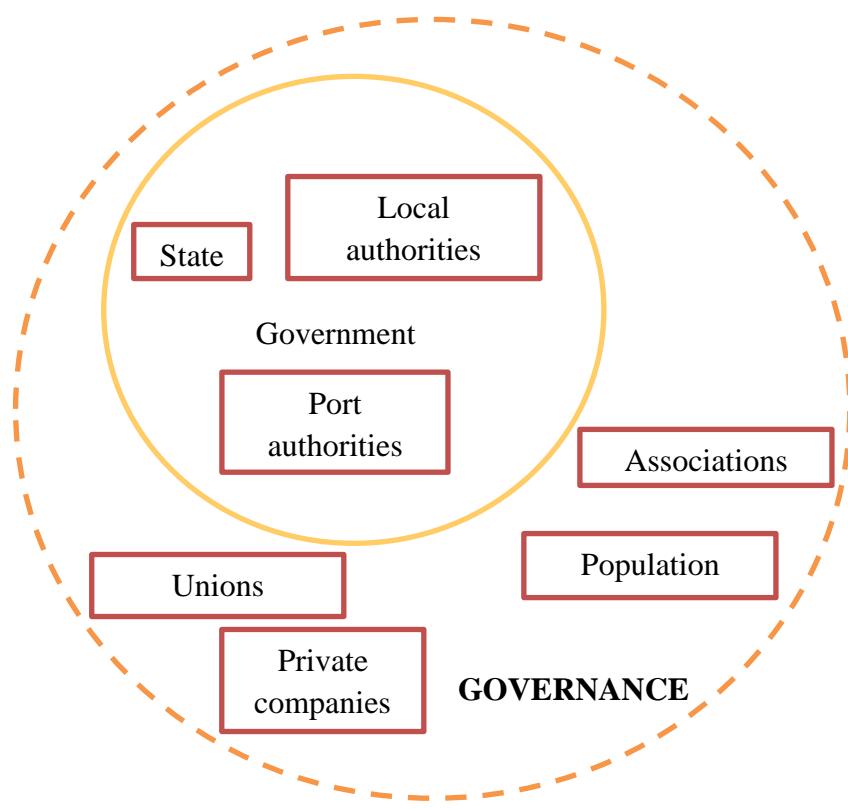
The term *governance* had been defined by many ways. Some disciplines use it, as management, economy, political sciences or geography. But, some lawyers avoid it saying that this way of regulating society is un-democratic, because the place of institutions, mainly the State, is reduced.

In the dictionary of geography, Lussault and Lévy insist on the multiplicity of actors taking part of the process. "*Governance includes the government itself, but*

¹ This paper is a framing member for a beginner research funded by CODAH, urban community of Le Havre, for three years.

also the contribution of other players, if they play a role in strategic policy guidance and public policy options: non-governmental political actors of civil society, including the business, trade unions, associations or individual actors. Governance means the political as the government is the policy."

Figure 1: governance apply to port context



Achievements: Anne-Solène Quiec from the dictionary of the geographie, Lussault and Lévy.

I conceptualize this concept apply to port context, which means a specific point of the governance, thanks to this definition. The dotted lines indicate that the notion of *governance* brings together several groups of stakeholders but, depending on the case studied, they intervene more or less.

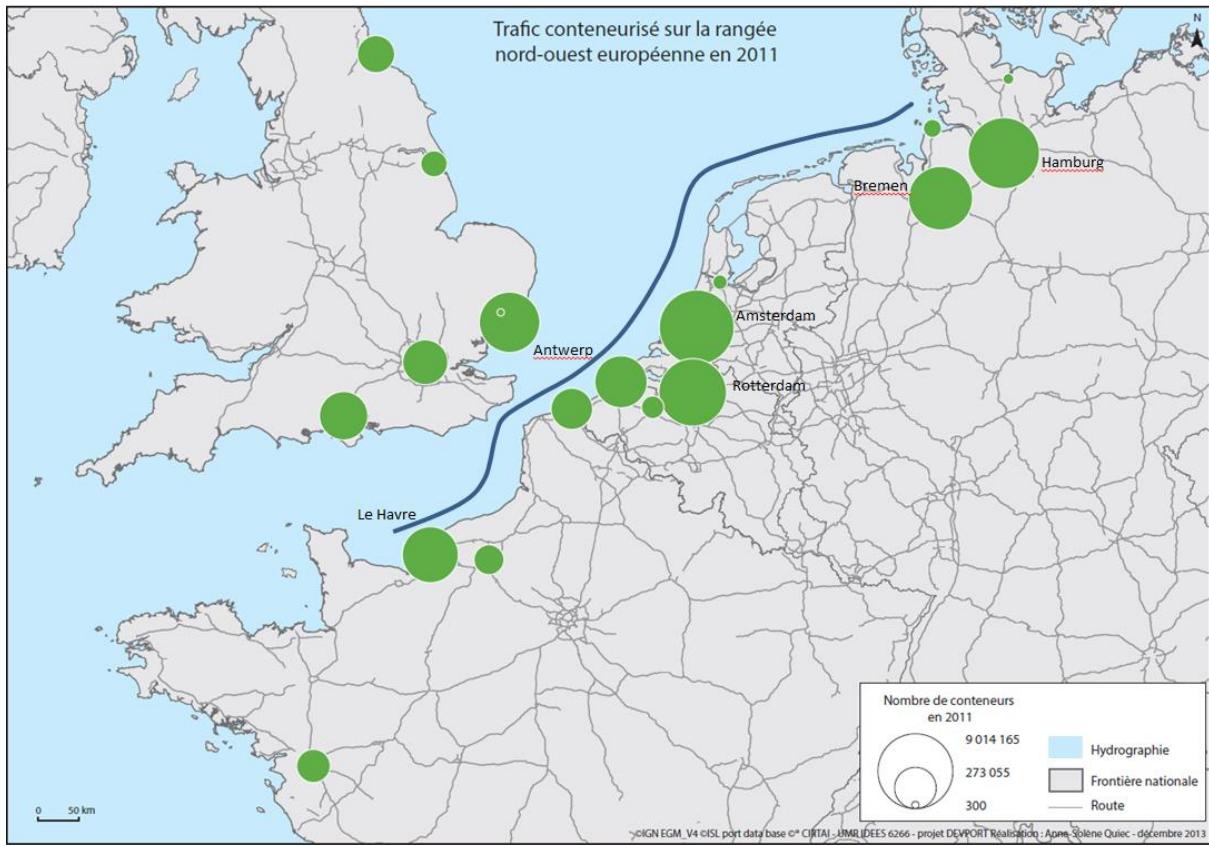
It is important to notice that governance differs from the government, which is an institutionalized organ with limits and functions well determined. Governance's borders are more porous and its players more numerous. Governance consists in a wider circle of stakeholders. Thus, governance is a matter of power relations between the government, and, from the 90's, actors of civil society.

I propose to complement the definition of Lussault and Lévy with that of Le Gales, who talks about goals, defining governance as "*a process of coordination of actors, social groups and institutions to achieve goals collectively discussed and defined. Governance then returns to the set of institutions, networks, guidelines, regulations, standards, policies and social practices, public and private actors that contribute to the stability of a society and a political system, its orientation, the ability to lead, the ability to provide services and to ensure its legitimacy*"[Le Gales].

Actually we should distinguish different types of governance: corporate governance, territorial governance. In the work of the geographer, we are interested in local roots of the process, which is central in the study. In the case of the port, the study of governance take all its interest, as town planning means either consensus or sometimes conflicts, environmental issues, social dialogue are concerned for example. It is still a matter of power relationships.

2. *The Northern Range*: one space ...

In geography, the notion of space represents a place without administrative borders whereas the territory means an appropriation of that space. Under the generic term of *port range* we commonly understand an array of ports, that is to say, a juxtaposition of territories. Therefore, the Northern Range refers to a space clearly identified at regional or even international scale by researchers, economic actors and decision-making actors. The *Northern Range* means the space located at the west maritime side of Europe which concentrated main ports that give access to the consumers' market of northern Europe.



2.1. The *governance* into European legislation

Even if we observe some attempts to regulate maritime transportation, it doesn't exist a general law harmonizing port policy. As explained Anne Bouchet-Gallais, it "is borrowed from the cross and land policies, customs, competition, environment, energy, etc." [ISEMAR].

But, at the European scale, there is a maritime transportation policy. Measures taken had concerned the liberalization of transports. The first liberalization, in 1986, covered international maritime transport services within the European Union. The second one had concerned the national cabotage liberalization and was acted in 1992 [ISEMAR, n°126]. Thereafter, a proposal to liberalize port services was considered to include "*regulate competition over access to water port services (pilotage, towage and mooring) and merchants (handling and self-help)*." However, the text was rejected in the early 2000's because of lobbying organized by professional organizations. So, it means that private actors are really influent at the European level.

I suppose that the goal of coordinating national policies on transport, is that shipping is a challenge for the European trade, since the flows are within the European community. Indeed, it "*is essential for business [...]. Seventy five percent of Europe's trade with other countries and forty percent of freight within Europe is moved by sea. [...] The opening up of this market, allowing shipping companies to work and move freely in other countries, has been a great success.*"² Actually port policy is still regulated by national entity and legislation only concerned specific part of port activity.

An initiative trying to coordinate activities in European countries is the concept of *maritime corridors*. Thanks to shared investment between France and Spain, the purpose is to limit the congestion of roads and environmental impacts, putting fret on boats. It will be operated by the company Grimaldi Louis Dreyfus Atlantic across the project Fres Mos. I make the hypothesis that it is a comparative advantage in a context of globalization. So, there is no European political legislation but cooperation is made in economic sector. The hypothesis is that political stakeholders, at different level of power, try to federate territories in concurrency. I mean that they try to group, for example ports of a same countries or part of same region, to be stronger in front of other parts of territory. For instance, HAROPA should enable to the Seine Axis ports to be stronger in front of a competition that transcends national borders and come from Antwerp for example. Territories competing widen. It is also interesting to note that some new territorial entity are emerging in the Northern Range.

Another point which will be interested to work on is the case of China investment in Greece in 2008. The government of China obtained a concession of thirty-five years with the State of Greece and the Chinese company Cosco signed half operation terminals into Pireaus, the main port in Athens³. I suppose that it could change the geopolitical trade map of Europe placing Greece as an entrance to Europe instead of the Northern Range.

² http://ec.europa.eu/transport/_static/flipbook/index.html#p=46

³ http://www.lemonde.fr/economie/article/2013/08/21/ces-investisseurs-qui-s-interessent-aux-actifs-publics-grecs_3464225_3234.html

2.2. Theoretical models but local adaptations

Nowadays, management methods of commercial ports had already been well studied by observers of the port environment, but private industries less. In the European Northern Range, broad dominate. In geography we are interested in the structuration of the space.

In northern Europe, we distinguish two types of designs managing a commercial port, inherited from centuries. Depending on the degree of the intervention of the state in the regulation of ports, the model is either Hanseatic influence or Latin one, *"based on historical factors that have shaped the government of ports throughout the centuries"* [Lévêque, 2012]. So, the administrative culture of the country influences the mode of the port. Thus, each port entity adopts a proper strategy of development whose implementation is largely determined by the inherited culture and built time by time. Moreover, *"the landlord port model has become the standard of the major European ports: terminal management is entrusted to private, to increase productivity and attract fleets owners related to terminal operators; Port Authority, meanwhile, focuses on his duties as a developer and regulator."*⁴ The context of crisis of the 70's, transform little by little the Keynesian's system into liberalism. As a consequence, ports should have adapted their mode in link with the evolution of global economy.

Globally, the role of private companies would be limited to the technical operation of port infrastructure. According to this definition, they won't intervene in strategic decisions, which would be the only area of the port authorities. However, we suppose that they have a role, if not in planning decisions, in their proposals at least. Is there always a consensus in this field? The originality of this work of research is to understand the interactions between those three actors: business cluster, port authorities and territorial entity (agglomeration), in the definition of strategies in port development. Does each of them have a specific area of expertise or do they work together as port development or strategic choices are concerned?

⁴ <http://www.senat.fr/>

The integration of private companies in decisions linked to the development of port area reveals the mode of governance within ports register. Indeed, the private sector is increasingly accounted for in the strategic decisions of ports studied. “*At the end of the twentieth century [...] the focus is more heavily placed on economic and financial performance of public port authorities, which brings private companies. This orientation leads to find forms of management and legal structures more similar to these firms than to those of public institutions*” [Grosdidier, p.180]. So, the port must “sell” itself in order to win customers. There is therefore a trade issue, the establishment of a territorial marketing. The issue of promoting the region through these techniques will also be discussed. Recall that this increase role of private sector is primarily a political question as explained Jean Debrie and Cécile Ruby, “*changing port policies in the world over the past thirty years has largely renewed the distribution of functions between the private and public*” [Debrie, Ruby, 2009]. But, this necessary evolution is not equivalent in all countries of the Northern Range. This paper will deal with French model, rather Jacobin, and Belgium one, more liberalized.

3. ... a lot of territories : from a port to an other

Despite the use of *port range* expression, it is necessary to observe local distinctions that it covers. My thesis aims to examine different conceptions of governance in France, Belgium, Netherlands and Germany, port territories coexisting on the Northern Range. Each territory has a central port area associated with its maritime foreland and its continental hinterland, according to the triptych of Vigarié (1979), some in relationships with others.

3.1. From French centralized port conception, the Latin model...

The management of French trade ports comes from the Latin model. The State, local and port authorities take an important place in strategic decisions, it means the government.

Today, I want to focus on national interest for maritime aspects. “The State is more than another actor, the one long-term response is expected” said André Thomas, journalist at Le Marin during les “Assises de l’économie de la mer et du littoral” organized in Montpellier past December. State’s support was requested by private companies. For French politicians, prefect and ministers for example, France has a particular asset: its coastline. At national scale, in the speeches of politicians, there is a lot of confidence into the French maritime nation and the ambition to assert the French maritime place for the future. How concealing the national ambition and local port development?

This brings us to an essential point of comparison between ports of the Northern Range. A notable distinction exists between the Flemish and French ports policy, track to be explored in the thesis. It is managed by the instigators of port policy area. In Rotterdam and Antwerp, *“the decisive factor explaining the profound differences that characterize the development in the two ports is actually government policy the Netherlands national or regional Flanders”* [Lavaud-Letilleul, p.43]. In Belgium port are managed by regional government of Flanders whereas in France, national government is interesting it. In France, port authorities and local authorities are decentralized state bodies. For researcher, the management of a restricted territory seems to be a factor of port performance, or at least seen as such by the authorities. However, *“the local government reform is now necessary to anchor the decentralization and enhance the performance of territories”⁵.*

In France, port authorities are one of the main actors in the management of the port, and is still today in a context of globalization. It is interesting to note that French ports policy is considering holistically, it means that all the ports are considered as making part from a brand and also from a specific sector: the French maritime nation.

The current administration management of French major seaports was put in place in the port reform of 2008. Which changes this port reform has she made? We wish to clarify our purpose by the example of the establishment of Port 2000 in Le Havre to show the involvement of private actors.

⁵ <http://www.interieur.gouv.fr/Archives/Reforme-des-collectivites-territoriales/La-reforme>, consulté le 23/01/2014.

Port infrastructures seem to be a problem in French port development. According to a former employee of the port of Antwerp, the problem in France is first to build port infrastructures and then attract customers while Belgian meet the demand of their clients in function of their needs, which certifies this quote: *“politicians continu to operate using the infrastructures as a lever to deploy their overall development project and consolidate their power with the citizens they charge”* [Lecoquierre, Lévéque, Steck, 2010]. For Michel Lory, documentalist in Antwerp’s Port, Port 2000 should have been made some years before. Knowledge of the needs of the consumer markets is also necessary to drive a transport policy adapted in order to optimize as well as possible the accessibility of ports until their hinterland. The case of Le Havre gives a good example, the multimodal platform should be an opportunity for economic stakeholders connected to the port, for better serving the hinterland.

The example of Port 2000 is interesting to introduce environmental issues in European context.

3.2. ... To a Belgium liberal port conception, the Hanseatic model

The port of Antwerp is, full of the Hanseatic tradition, coming from Hamburg’s system. It is managed in a more liberal way than latin tradition ports, that is to say that public institutions fade compared to private companies. This part is based on a field survey conducted from March 24 to 31 of 2014 with nine protagonists in the port of Antwerp.

In Belgium, the legal status of the port authority is different from one port to another. Antwerp’s port holds to the city. It is managed from the 1st January of 1988 by a port regi, Antwerp port authority.⁶ It has got the status of town regi (/communal self-governance) following the law of the 28 of march 1995⁷. This status indicated

⁶ <http://www.senat.fr/lc/lc32/lc32.html#toc7>, consulté le 4 avril 2014.

⁷ <http://www.senat.fr/lc/lc32/lc32.html#toc7>, consulté le 4 avril 2014.

that “*port organism itself provides the organization, financing and delivery of all port services*” [Grosdidier, p.179]. The port authority of Antwerp is governed by a board of directors constituted by a president, Mar Van Peel, port alderman and at least half of city councilors representing the sole shareholder, namely the municipality of Antwerp. Its role is to decide strategic options for the port, strategic orientations of port policy and democratic control of the port management⁸. The main Flemish port reform comes in the middle of the 90’s and transformed the status of port employers. “They are certainly officials since working for a public company, but they have an employee’s status, equivalent to those of employers in private sector.”⁹ Since the 2000’s, the owners are gradually set off by contracts.

Moreover, private sector is heavily involved in the development of the port. So the basic question is to ask, in what measures private companies influence the performance of the port? CEPA is an organization of employers in the private sector of manutention and their handling dockers, which works to reconciliation needs between workers and employers. The three main roles of the CEPA are to represent businesses and social organizations; to lobby at European level only on the social aspects; to manage the administration related to security, ambulance service, on behalf of the association clothing. Firms are grouped within the Voka, chamber of commerce and Flemish industry. AlfaPort Antwerpen is a federation specifically related to ports and logistics. The organization has 22 000 employers in five industry associations. Following the field survey in Antwerp, it seems that companies are heavily involved in the strategic decisions facing the harbor.

I will focus on the specificity of Antwerp’s port. In Antwerp, the petrochemical cluster is clearly identified, that’s what I have seen during my field survey. It represents most of the area of the port of Antwerp. Companies in this sector are grouped in the north-east of port place. The concept of cluster means a spatial concentration of private actors on the territory. Cécile Sillig defines the port cluster like this: “*an economic system in one or more sectors integrated vertically and/or horizontally and by the intensive relations between local companies active in these*

⁸ LORY Michel, Présentation « Structure et organisation de l’Autorité portuaire ».

⁹ Michel Lory.

sectors and between those firms and other elements of local system”. In other words, “the principle of “clustering” [is a] policy that aims to bring together in a same space activities within an economic sector” [Lavaud-Letilleul, p.41]. It is a thought process that led to the creation of a structured group, not a spontaneous phenomenon. It is in fact what Sylvie Ehlinger calls a Regionalized Network Organization, term also including the Italian industrial district for example. So the cluster is a kind of Regionalized Network Organization conceptualized in the 90’s by Porter as “*a network of companies and institutions geographically close and independent, linked by trades, technologies and know-how common...*”¹⁰. “*Highlighting the process of structuration the cluster, because it is similar to the construction of a territory, may provide a key additional reading for territorial management*” [Verdol, 2012]. Maïté Verdol offers a parallel between the construction of the cluster and the one of the territory in geography. The interest of “business operations in the network is a competitive factor in the cluster.

In this perspective, the port authority must implement a strategy of « networking » between companies which have different objectives but which can pool services, but also between big firms spans whose skills are more complementary than competitors.” [Lévêque].

Conclusion

Thus, it doesn’t exist common governance into the northern range but after three years of research, we should be able to describe with precision the proper modes of governance of each ports studied. The European level and the one of the northern range represent the first geographic area considered. It consists for us in a theoretical frame for the study to show the interpretation of the notion of governance. Furthermore, we focus on the links created within the regional port systems and seem to have more and more importance. We do the hypothesis that the combination of ports in organization such as HAROPA allows medium-sized ports to be competitive in front of larger ports, adopting a policy agenda national decline. The

¹⁰ Notion de cluster définie par Porter en 1998 et cité par Denis Chabault.

interest of studying a geographical space of this type is not only to understand the overall organization and its relationships with extracontinental geographic areas, but rather to include the reflection of the notion of competition between port cities. We assume that there is a power relation at the regional scale between these territories, effecting to the junctions of the hinterlands of those port places. The goal will be to analyze in the geopolitical angle. The last level of multi-scale analysis will be to study the city-port interface. "The relationship between port and city thus proves more complex and assumes that are in tension economic, social logic, spatial and temporal two entities. From this point of view, the issue of "regeneration" of cities is not only to capture "boxes" and ships, but to transform these passages in income, jobs and prosperity for the city. "

In my thesis, I want to ask me about the concept of blue banana, invented by the famous French geographer Roger Brunet, to materialize the space located in the heart of the geographic and economic Europe. Indeed, an article of the OECD explains that "this growth delay of the port sector in France cannot be explained by demographic developments or economic growth rates: there is no correlation between the development of port traffic in 13 countries and population growth or GDP growth during this period. One explanation for this phenomenon lies in the fact that the port hinterland does not follow national borders." This article should open the debate on the issue of governance.

The methodology adopted will be based on cartography.

Bibliography :

- DUCURET C., 2008, « Régions portuaires et mondialisation », *Méditerranée*, n°111.
- GUILLAUME J., 1980, « A. Vigarié. Ports de commerce et vie littorale », *Norois*, vol. 106, pp. 345-347.
- LEVEQUE L., 2012, « Le nouveau rôle des autorités portuaires dans l'adaptation des clusters aux enjeux de la globalisation », *L'Espace Politique*, 16.
- LEVEQUE L., *Du cluster portuaire au système portuaire régional : des territoires structurés par la gestion des flux de marchandises*
- LEVEQUE L., *Autorités portuaires, clusters et collectivités terriotirales : le triptyque portuaire revisité.*
- GONZALES LAXE F., 2008, « Gouvernance portuaire : principes trajectoires dans les ports européens et latino-américains », *Méditerranée*, n°111.
- LAVAUD-LETILLEUL V., 2005, « L'aménagement de nouveaux terminaux à conteneurs et le renouvellement de la problématique flux-territoire dans les ports de la Rangée Nord, les exemples comparés de Rotterdam et d'Anvers », *Flux*, n°59, p. 33-45.
- FREMONT A., 2008, « Les routes maritimes : nouvel enjeu des relations internationales ? », *Revue internationale et stratégique*, n°69, p. 17-30.
- FREMONT A., FRANC P. et SLACK B., 2008, « Inland barge services and container transport: the case of the ports of Le Havre and Marseille in the European context », *Cybergeo, Espace, Société, Territoire*, document 437.
- GUERIN F. et LAMBERT R., 2012, « Une rénovation de la gouvernance des chaînes logistiques », *Revue française de gestion*, n° 227.
- VERDOL M., 2012, « Réforme portuaire et construction territoriale en France : vers la constitution de clusters portuaires. Le cas du Havre », Colloque ASRDLFX.

ISRAEL B., 2012, *Quel avenir pour l'industrie dans les places portuaires ? L'exemple de l'estuaire de la Seine*, Mines Tech, Presses des Mines, coll. développement durable.

DEBRIE J. et LAVAUD-LETILLEUL V., 2010, *La décentralisation portuaire : réformes, acteurs, territoires*, L'Harmattan.

Sous dir. NOTTEBOOM T., DUCRUET C., DE LANGEN P., 2009, *Ports in proximity. Competition and coordination among adjacent seaports*, Publishing Company, coll. Transport and Mobility Series.

GROS DIDIER DE MATONS J., 1999, *Droit économie et finances portuaires*, presses de l'école nationale des Ponts et chaussées, IPER LE Havre.

Sous dir. de LEVEQUE L. et MICHEL S., 2013, *Le passage portuaire, approches interdisciplinaires des flux de marchandises transitant par les ports*, 85 pages.

Villes portuaires horizons 2020, les nouveaux enjeux du développement, Méditerranée n°111 – 2008.

ISEMAR, Note de synthèse :

Position européenne sur les transports maritimes : quels encadrements pour quels objectifs ? juin 2010, n°126.

Anvers, port de commerce européen, n° 136.

Les enjeux territoriaux des Grands ports français, n°112, février 2009.

La cession des outillages aux entreprises de manutention dans les Grands Ports Maritimes français, octobre 2011, n°138.

<http://www.senat.fr/>