

27th Intermodal Africa 2022
Senegal, 28-30 June 2022

**Role of Ports in
Economic
Development**

Port Objectives

- The cardinal objective for ports should be ***to permit their dependent country's trade to flow efficiently and to grow unhindered***
- Many other objectives of ***economic, financial, or social*** significance may be set, but all will be of secondary importance

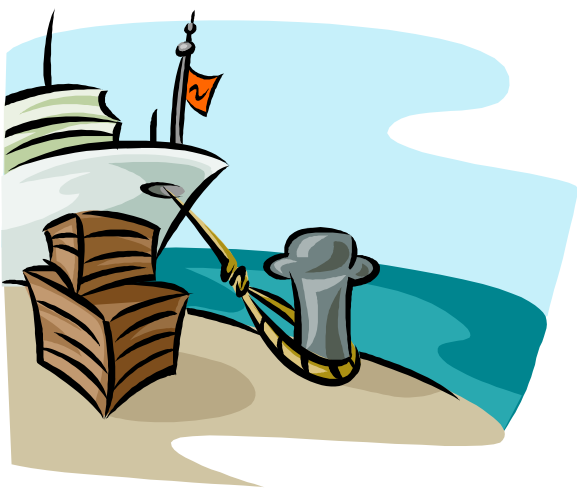
Why Governments Invest in Ports

- By definition all maritime trade must pass through port facilities (About 85% of total international trade)
- Therefore if a port is **inadequate** the economy of the country will suffer
- The most important factor in achieving the cardinal objective is that port capacity should always be adequate for the ***type*** and ***volume of traffic*** arriving at that port
- Most developing countries Government's investment in their ports are based on this simple concept.

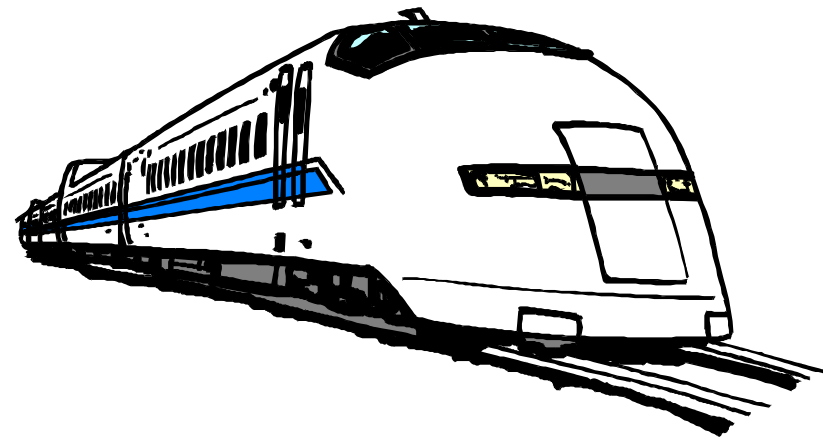
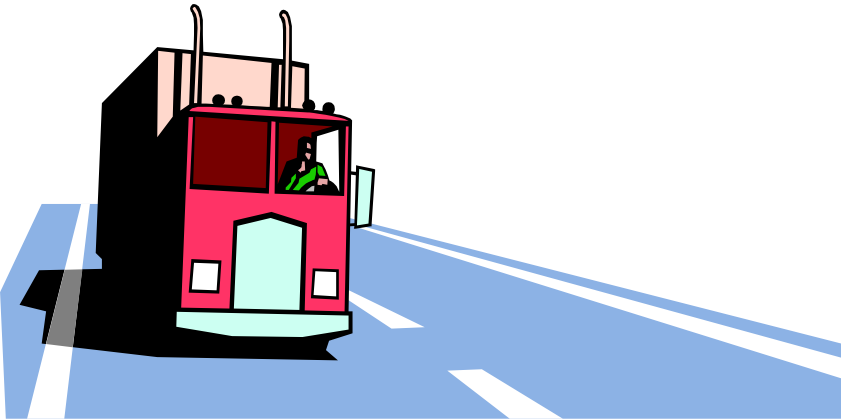
PORTS THAT ARE **INEFFICIENT** (i.e WITH **INADEQUATE** CAPACITY), ARE BOTTLENECKS IN THEIR NATION'S INTERNATIONAL TRADE

- Imports - Expensive
- Exports - Uncompetitive

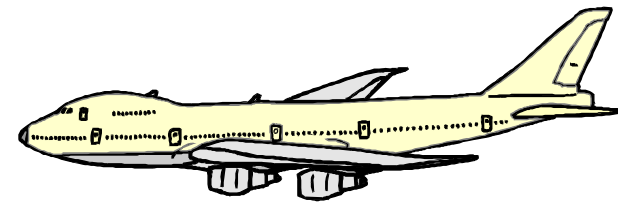
ROLE OF PORTS



- The seaport is an *intermodal node* interfacing the sea link with other links of transport



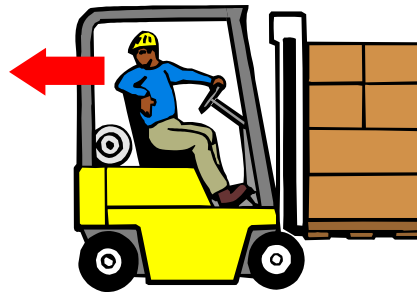
- The seaport is a critical *integral part* of the transport chain

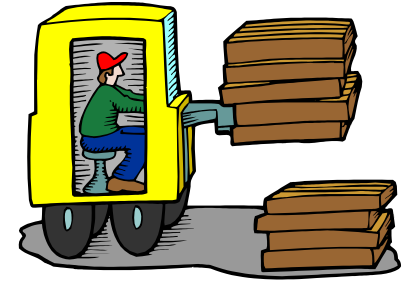
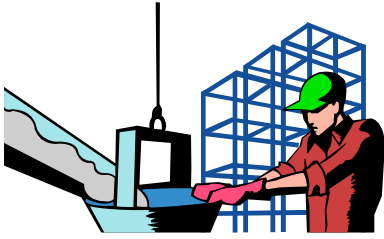


- The seaport: is ***a bridge*** which makes international trade flows possible

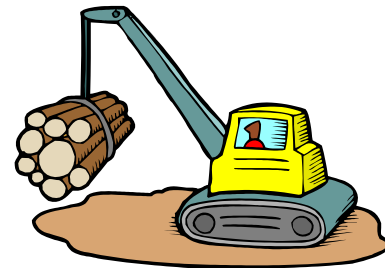


- The seaport is a *prime mover* of industrial and agricultural development





- The seaport is a major source of *employment*

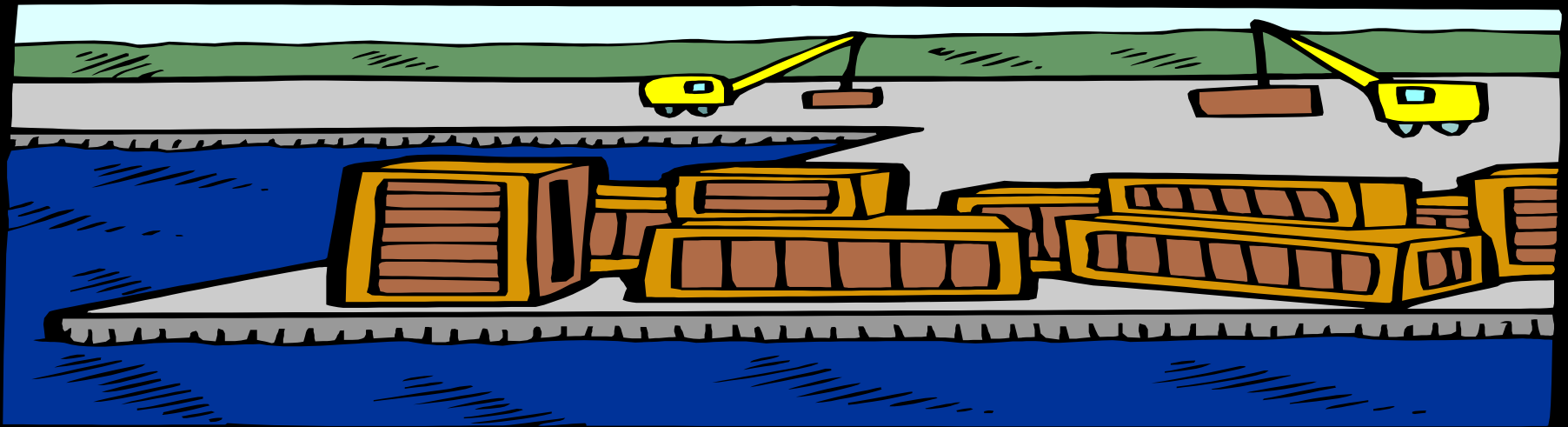


- The seaport is a major generator of *foreign exchange*

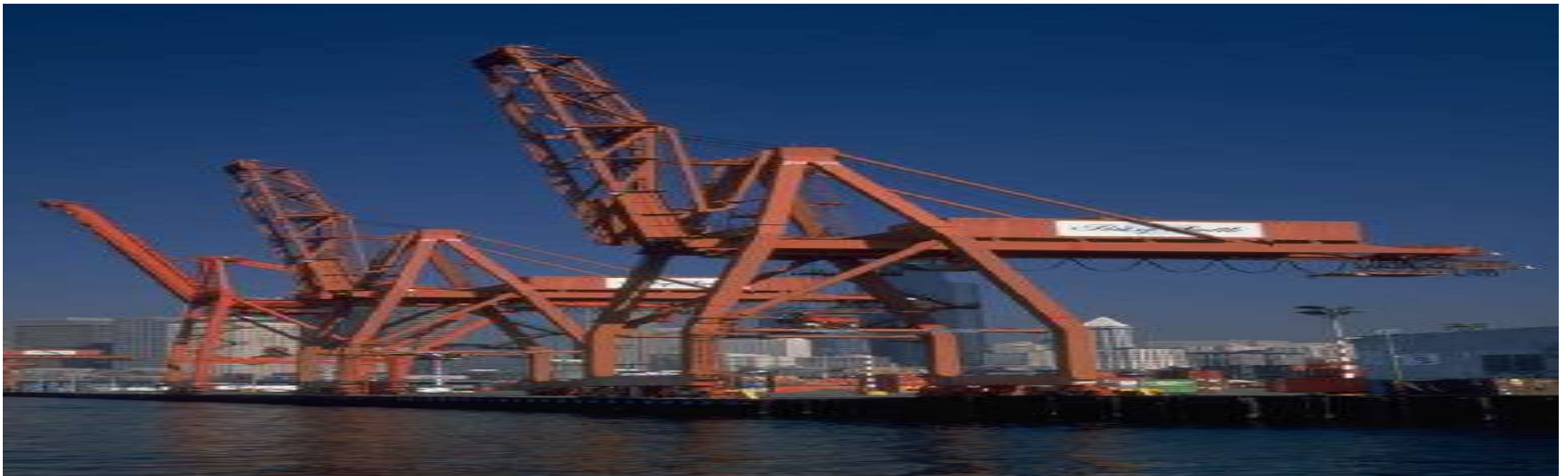


Problems Faced by Ports in Developing Countries

- Lack of navigational infrastructure and other marine facilities at the water front



- Lack of modern cargo handling equipment



- Problems of the gate complex



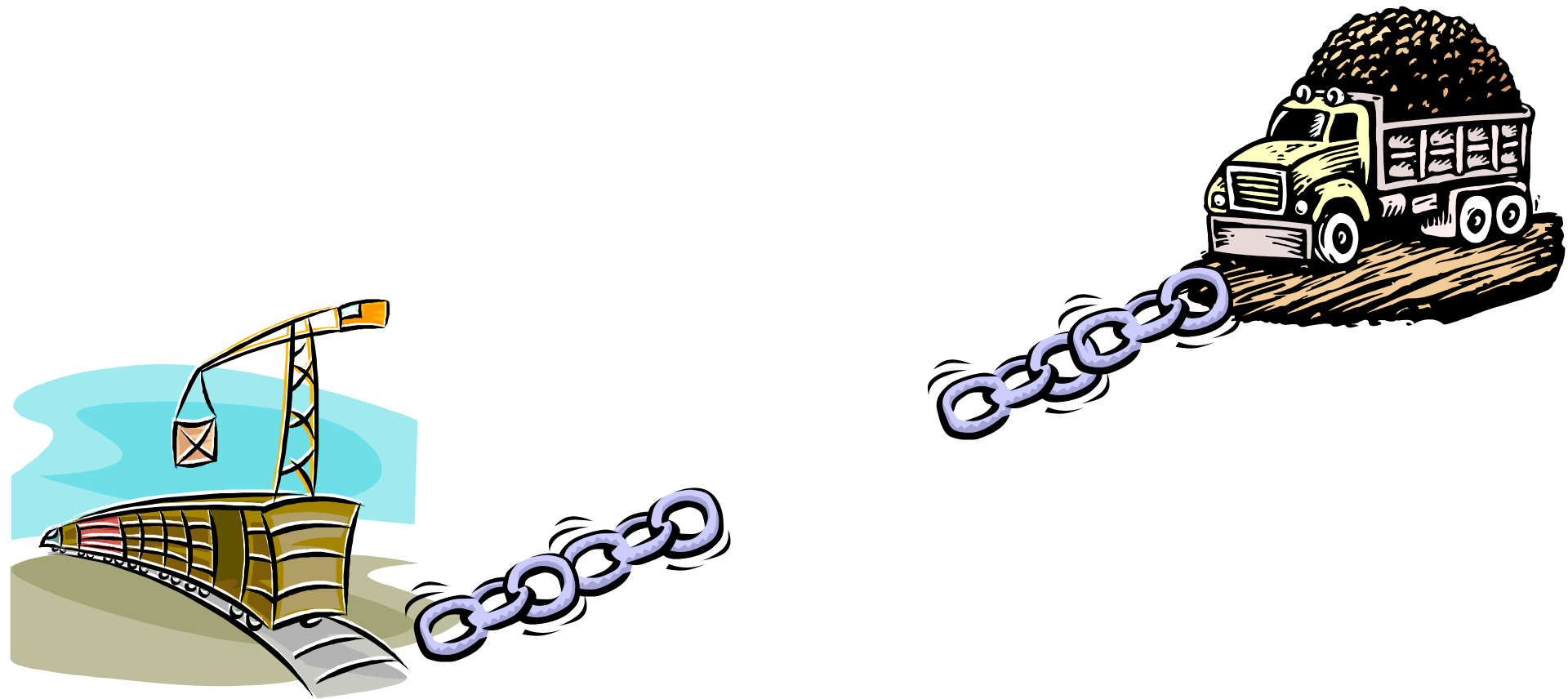
- Problems of terminal organisation and control



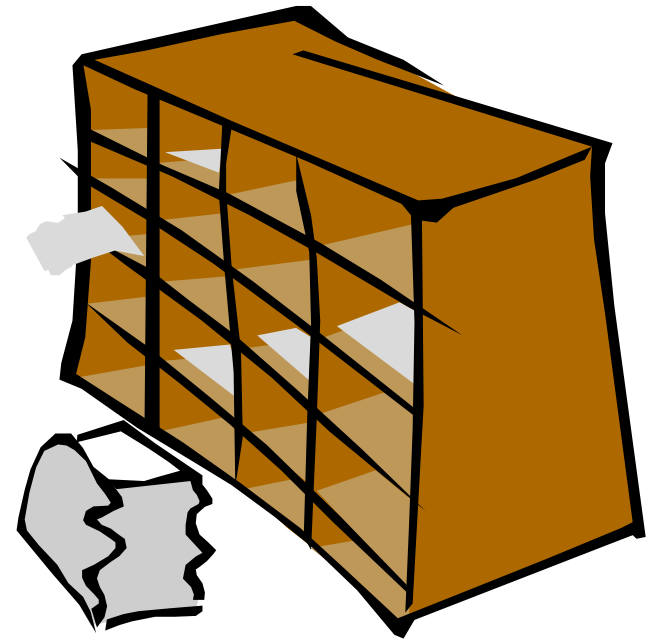
- Cumbersome customs procedures and multiple security inspections



- Poor inland transport linkages



- Lack of computer assisted operations



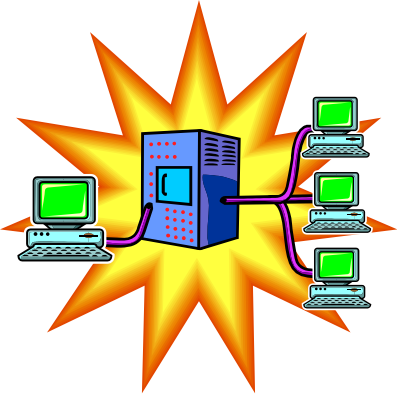
Investment Requirements

- **Construction of specialized or dedicated port terminals**
- Move from 1st Generation to 3rd Generation Ports



- Acquisition of modern cargo handling equipment



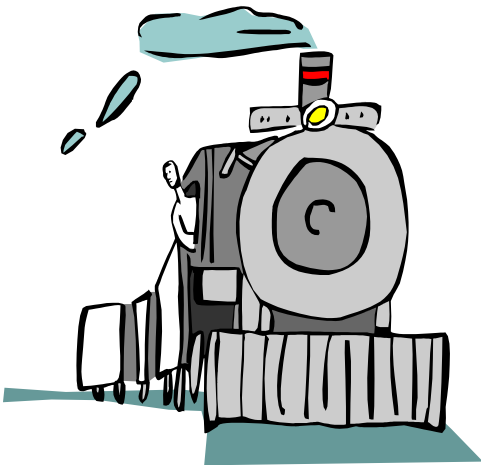


- Introduction of computer assisted operation of port terminals



- The installation and maintenance of Aids to Navigational (eg. AIS)

- Construction of Port Access roads
inland transport networks



Investment Models

- PAs Internally Generated Funds. . ??
- Government Funds. ??
- Borrowing. ??
- Public Private Partnership (PPP). ??
 - BOT (100%, PA retaining shares??)
 - Leasing Existing Terminals??

History of Port Concessions

