

# ***Towards Sustainable Port Development***

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**Ports are a powerhouse of economic activity and represent the nation's gateway to global trade. Ports serve as the point of intersection to the country's other modes of transport (Rail, Roads, rivers, Air)**

***Sustainable development is the development that meets the needs of the present taking into account the changes of the future without compromising the ability of future generations to meet their own needs.***

# **Port development!**

- *Ports are vulnerable BECAUSE,*
- *They are intermediaries in complex transport chains*
  - *They are exposed to the full force of developments on both land and water spheres*
- *Ports do not have the means to influence events, and so they need to continuously adapt and adjust to forces of change*

# **Port development environment**

- ***Uncertainty and change made planning difficult***
  - ***Inter-port competition has been heightened***
- ***Ports have no longer exclusive control over inland markets while shipping lines have greater freedom to serve markets from a wider choice of ports.***

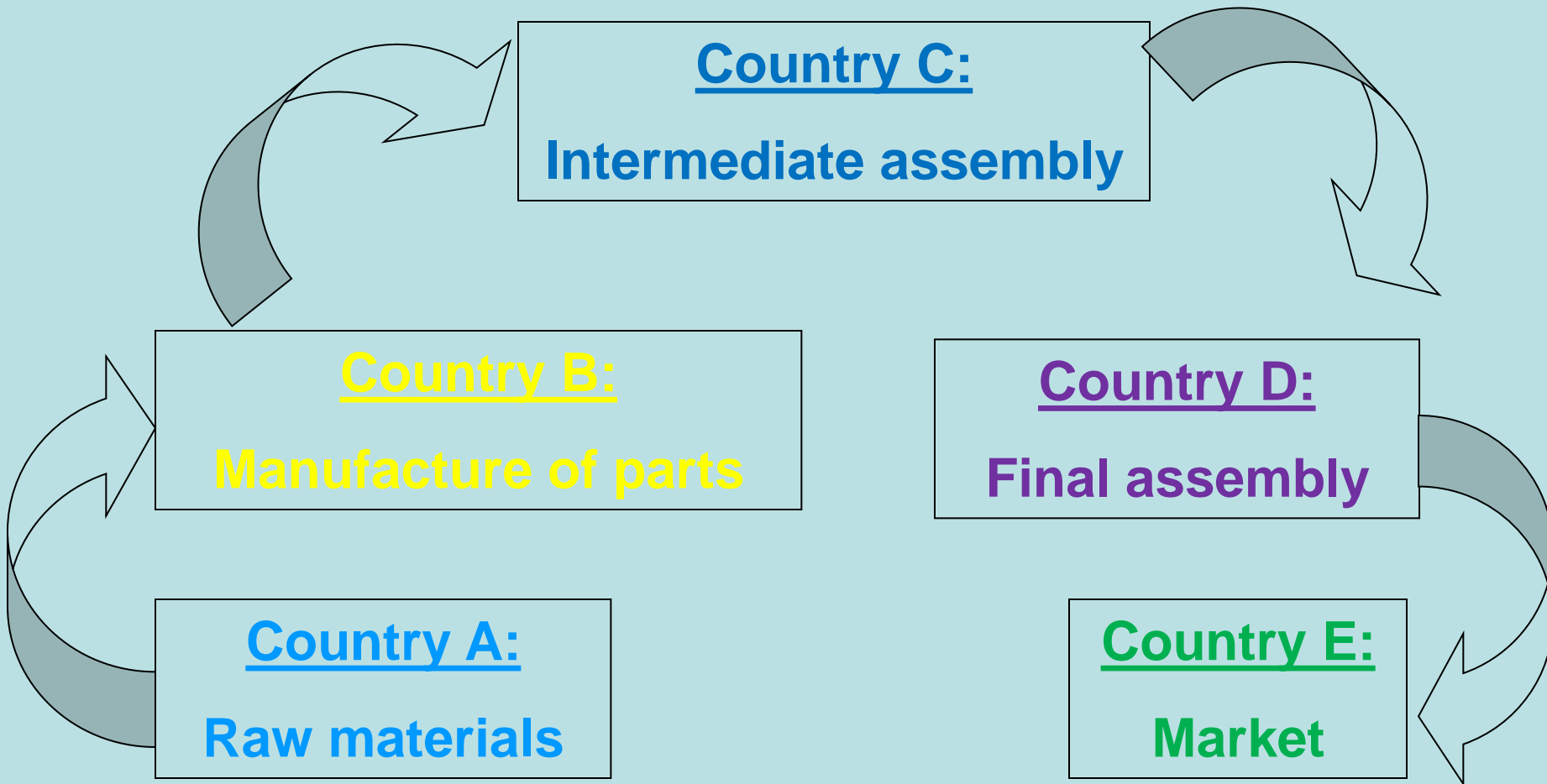
# **Port development, why?**

- ***To be market-oriented / market responsive / meet market needs, new patterns of trade (JIT / JIC)***
- ***To improve management / enhance efficiency***
- ***To reduce costs & improve service***
- ***To acquire know-how & expertise***
- ***Reliability / Connectivity / Flexibility***
- ***Abundance of services!!***

# **Port development environment**

- ***How to plan in a great market uncertainty?***
- ***How to confront the power of the shipping lines?***
- ***How to justify continued investment?***
- ***How to plan development and satisfy environmental concerns?***
- ***How to manage effectively in a climate of regulatory change?***

# *New Pattern of Trade*





# *Challenges?*

- *Efficiency!*
- *Competition!*
- *Globalization!*
- *Rapid changes!*
- *Expertise!*
- *Capital!*
- *Traffic!*
- *Technology!*

# Revolution in Port Operations!

## 4<sup>th</sup> Generation Ports

• نشوء الجيل الرابع للموانئ – مراكز  
لوجستية فائقة الحداثة تشبه (بورصات)  
للتجارة والخدمات والسمسرة والاستشارات  
أي مراكز عالمية للسلع والخدمات وملتقى  
لمختلف وسائط النقل.

## PORT EVOLUTION – Generations of Ports

	1st Generation	2nd Generation	3rd Generation	4 <sup>th</sup> Gen.
Period of development	Before 1960	After 1960	After 1980	2000
Main cargo	Break bulk cargo	Break bulk and dry/liquid bulk cargo	Bulk and unitized, containerized cargo	Assembly Centers
Attitude & strategy of port development	-Conservative -Changing point of transport mode	-Expansionist -Transport, industrial and center	-Commercial oriented -Transport center and logistic platform for international trade	Customer Oriented
Scope of activities	1. Cargo loading, discharging, storage, navigational service - Quay and waterfront area	1+Cargo transformation, Ship related & industrial commercial services - Enlarged port area	1+2+ Cargo and information distribution, logistics activities. Terminal and cargo distribution towards landside.	Logistics Centers!
Organizational characteristics	-Independent activities within port -Informal relationship between port and port users	-Closer relationship between port and port users -Loose relationship between activities within port -Casual relationship between port and municipality	-United port community -Integration of port with trade and transport chain -Close relationship between port and municipality -Enlarged port organization	Customer Relation Management!
Production characteristics	-Cargo flow -Simple individual service -Low value-added	-Cargo flow -Cargo transformation -Combined service -Improved value-added	-Cargo/information flow -Cargo/information distribution -Multiple service package -High value-added	Differentiation!
Decisive factors	labor/Capital	Capital	Technology/Know how	Quality!

# **Approaches to meet challenges!**

- ***Rapid changes***
- ***Slow changes***
- ***Decide as you go! Cross the river by touching the stones)***
- ***Progressive changes / multiple steps***

# *Tools to face the challenge?*

- **Management improvement** (Free managers)
- **Decentralization**
- **Deregulation**
- **Commercialization** (public management on commercial basis)
- **Corporatization** (free & independent operation)
- **Privatization** (ex. concessions/sale of assets)

# **Port Reform! Solution?**

- **The term port reform or port restructuring connotes the changing institutional structure of the port business and the much greater involvement of the private sector in the exploitation and financing of port facilities, terminals, and services. Port reform, therefore, results in changing relationships between the public and private sectors.**

# ***How to face the challenge?***

- **Traditional tools:**

- **Restructuring / reform (others)**

- **Untraditional tools:**

- **Mega human resources development projects / invest in human being!**
- **Review / update national legislations!**

# ***How to sustain?***

- **To keep pace with market demands!**
- **To pursue customer-driven strategies!**
- **To be realistic and assess how the port fits into local, regional and global markets!**
- **Human resource development!**



# الخلاصة

في علم متجدد ومتسارع،  
إذا اردت ان تبقى مكانك فيجب ان تسير بسرعة،  
اما اذا اردت ان تتقدم خطوة الى الامام  
فيجب ان تسير بسرعة اكبر!

شكرا لكم حسن الاستماع!!!!