

The Role of Ports in the Development of a Nation



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Introduction (1/3)

- **Reminder:**
 - Modes of transport: air, land and water
 - Every mean of transport has a route and a terminal.
 - A terminal is a node where traffic is transferred from one vehicle to another.

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Introduction (2/3)

- **What is a port?**
 - Latin for: portus : gate/ gateway
 - A port can be defined as a harbour or an area that is able to provide shelter to numerous boats and vessels (transferring people or cargo), and can also allow constant or periodic transaction of shipment.
Vigarié: Ports are a contact area between two organized spaces for the transport of goods and passengers.

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Introduction (3/4)

- **Types of Ports**
 - Seaports
 - Inland ports
 - Warm ports

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Introduction (3/4)

- **Ports' importance throughout history**
 - Example of England and Wales in Medieval history and its evolution



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Ports and economic development (1/):

Contribution of ports:

- Macro-economic level:
 - The port hinterland, its impacts and the measurements employed.
- Seaborne trade and supply of hard currencies.

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Ports and economic development (2/):

Economic impacts of ports:

- Direct impact.
- Indirect impact.
- Induced impact.

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The impact of ports on the local level (1/)

Ports and local economic growth:

- Optimistic view (traditionalists): Ports lead to local economic development.
- Pessimistic view: Ports respond to demand through the transfer of freight flows.

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The impact of ports on the local level (2/)

- Positive factors of Port - City on the economic growth.
- Negative factors of Port - City on the economic growth.

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The impact of ports on nations and international level (1/)

- I. Why ports have more impact on the international level**
- Globalisation and deregulation: economic frontiers fade and competitiveness rises.
 - Technological progress in transportation: end of the captive market

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The impact of ports on nations and international level (2/)

I. Why ports have more impact on the international level

- Innovations have been *labour saving* and *capital intensive*
- Risk of ports becoming *transit points*.

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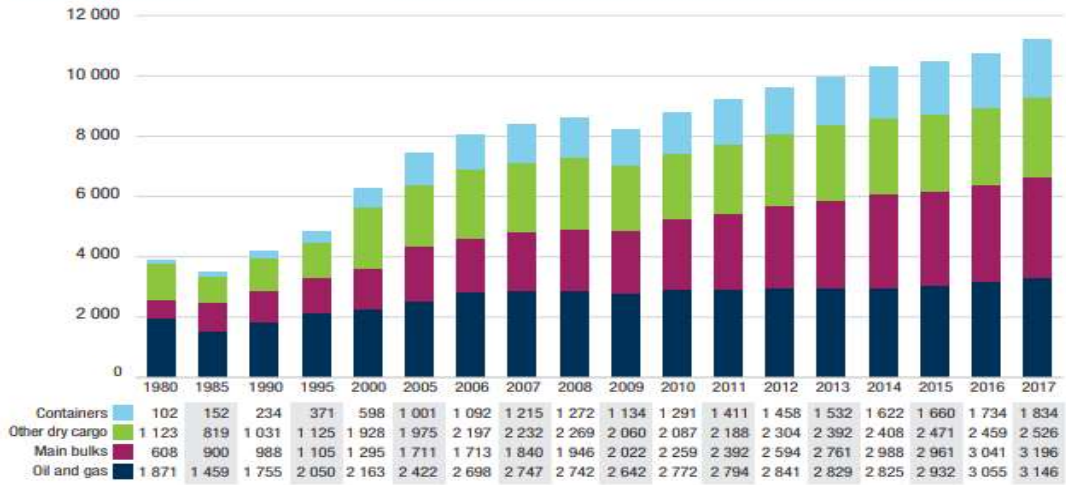
Role in international trade

Statistics and facts: (in 2018)

- According to the **United Nations Conference on Trade and Development**(UNCTAD), more than 80% of global trade by volume, and more than 70% by value, travels by ship.
- 4% growth in annual seaborne trade and the volume is projected to grow by 3.8% between 2018-2023

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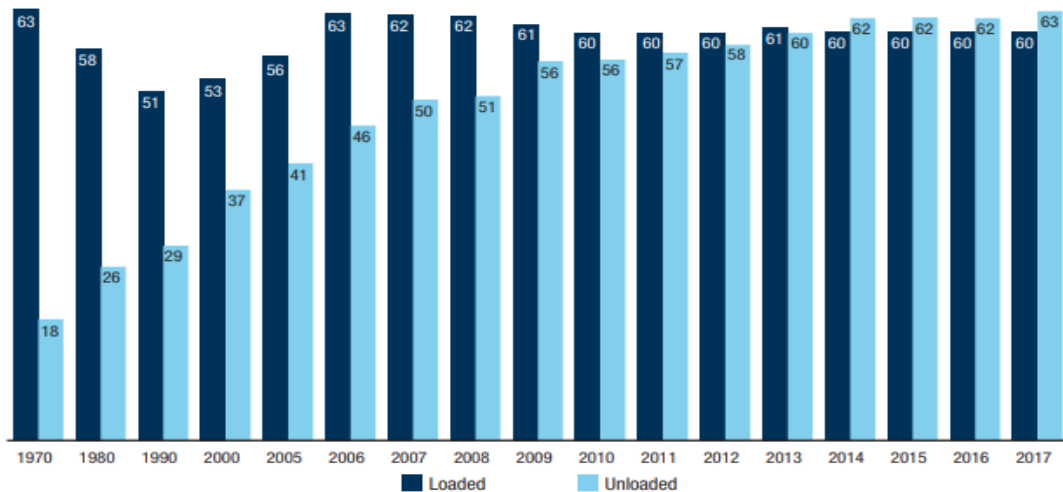
Figure 1.1 International seaborne trade, selected years
(Millions of tons loaded)



Source: *Review of Maritime Transport*, various issues. For 2006–2017, the breakdown by cargo type is based on Clarkson Research, 2018a.
Notes: 1980–2005 figures for main bulks include iron ore, grain, coal, bauxite/alumina and phosphate. Starting in 2006, main bulks include iron ore, grain and coal only. Data relating to bauxite/alumina and phosphate are included under “other dry cargo”.

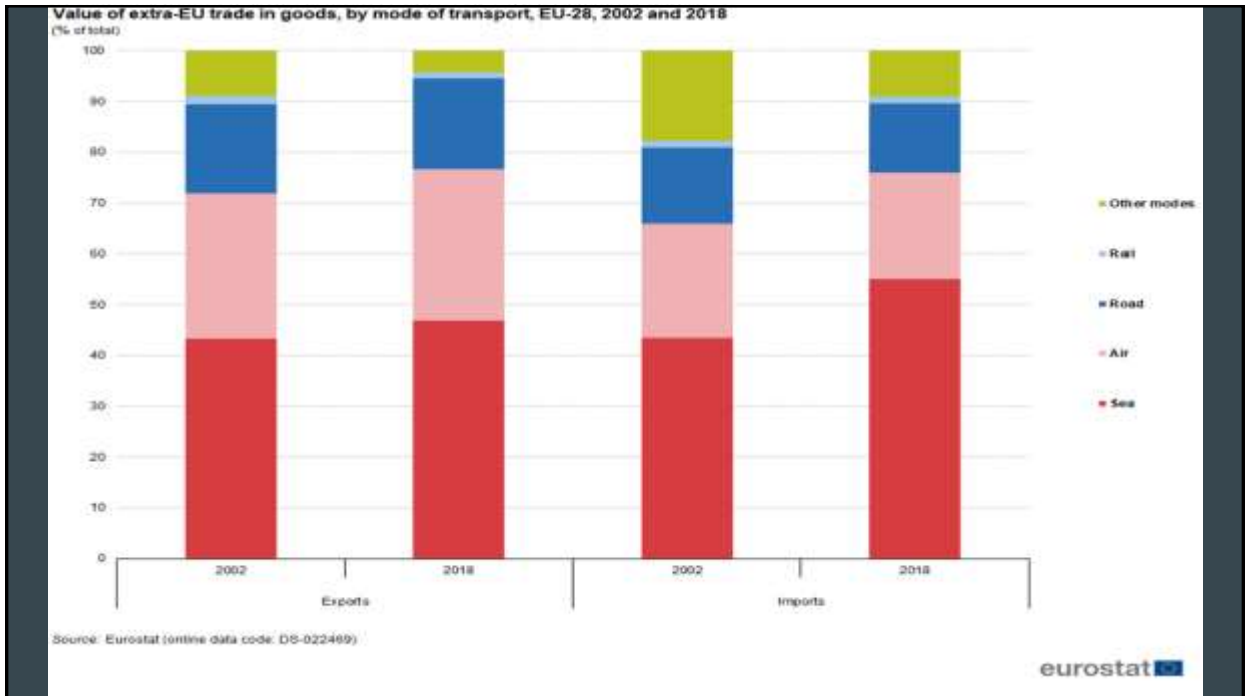
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Figure 1.2 Participation of developing countries in seaborne trade, selected years
(Percentage share in world tonnage)



Source: UNCTAD secretariat calculations, based on the *Review of Maritime Transport*, various issues, and table 1.4 of this report.

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Environmental impact

- Water-related impacts
- Land-based impacts
- Air-life impacts
 - UN initiative to reduce diesel PM and BC emissions from ports and maritime sources

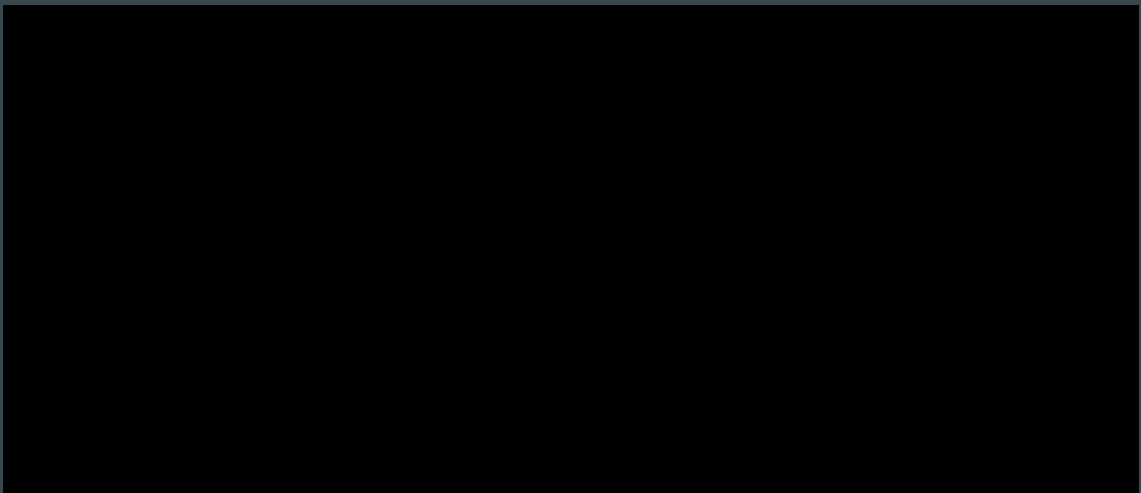
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Egyptian Maritime Transport in Figures (July 2018):

- Total length of the Egyptian coastline is about 3000 km
- Total number of Egyptian seaports 48 ports
- Example of countries in competition with Egypt in the Mediterranean Sea region

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The Egyptian Goals and Vision for developing ports :



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•The economic effect of ports in Egypt:

- Regarded as a resource and to obtain the hard currency needed to finance development programmes.
- Reduce the costs of imported goods, consumer goods and raw materials.
- Increase the competitiveness of state exports.
- Encourage some industries and encourage new ones.
- Increase the national employment rate and trainings.
- Development of Port– adjacent areas.

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A case study on Egyptian ports

- 2.264 billion pounds during the fiscal year 2017/2018 and 855m pounds net profit
- 90 % increase on targeted revenues



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