

THE DAILY STAR

LEBANON

Aridi: Regional turmoil helps maritime growth

BEIRUT: The volatile situation in the region will ironically help Lebanon's maritime transport sector to grow even further, the public works and transportation minister said Thursday at the fourth annual conference of the Shipping Brokers Association.

"The regrettable situation in the region continues to present an opportunity that Lebanon can benefit from," Ghazi Aridi said in opening remarks.

"We are keeping all communications channels open on all levels and are taking precautionary measures to protect [the maritime transportation sector]," he added.

Aridi said the expansion of the Beirut and Tripoli ports have come at the right time to accommodate extra traffic.

Analysts have said that Lebanon's relative stability combined with proximity to major Middle Eastern markets have made its ports more attractive to shipping companies.

Also shippers that used Syrian ports in Tartus and Latkia for transit trade to other countries in the region have sought different routes as they have been swayed by international sanctions and deteriorating security.

"Before the regional developments, we took the decision [to expand ports] and some people argued we were embarking on a reckless and challenging initiative. But today we realize the importance of those decisions," the minister said.

Aridi added that the two ports would not compete with each other and would instead complement one another and allow for accommodating a high capacity of trade.

"We are already reaping positive results [in increased ship traffic] from Turkey and other countries to the Tripoli Port," he said.

He said the second phase of the Tripoli expansion would soon be finalized, adding that a tender for operating the port would be awarded soon.

Six out of the seven international companies that originally applied exited the bid over security fears after deadly clashes erupted in Lebanon's second-largest city, Tripoli, in May and early June. The government has not awarded the contract to Gulftainer, a UAE-based company that remained in the bid.

It is expected that the government will invite more companies to bid for the \$65 million tender that involves purchasing, installing and operating port equipment.

Aridi praised cooperation with the Agriculture and Industry ministries, adding that the three sides managed to find solutions for exporters of agricultural and industrial goods.

He said a decline in industrial exports is due to lower demand and not difficulty to export.

Commenting on Lebanon's potential natural gas reserves, Aridi said Lebanon should not waste any time in tapping the wealth.

Agriculture Minister Hussein Hajj Hasan called for developing a transportation sector policy, vital for improving economic prospects. He said more robust economic planning is needed to boost Lebanon's industrial and agricultural sectors, which will decrease the deficit in balance of payments and increase job creation.

Industry Minister Vrej Sabounjian echoed Hajj Hasan's views, adding that Lebanon should leverage on its geographical location to boost the maritime transport sector.

"Lebanon is facing great challenges that we should tackle through developing ports and other infrastructure [that are vital] to boost competitiveness and economic development," Sabounjian added.

Copyrights 2011, The Daily Star - All Rights Reserved

12/10/2012