

ESCWA and Port of Beirut Technical Cooperation

on Revisiting the Port Master Plan after the Tragic Blast of 4 August 2020

17 September 2020

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Assessment of Port of Beirut Current Situation

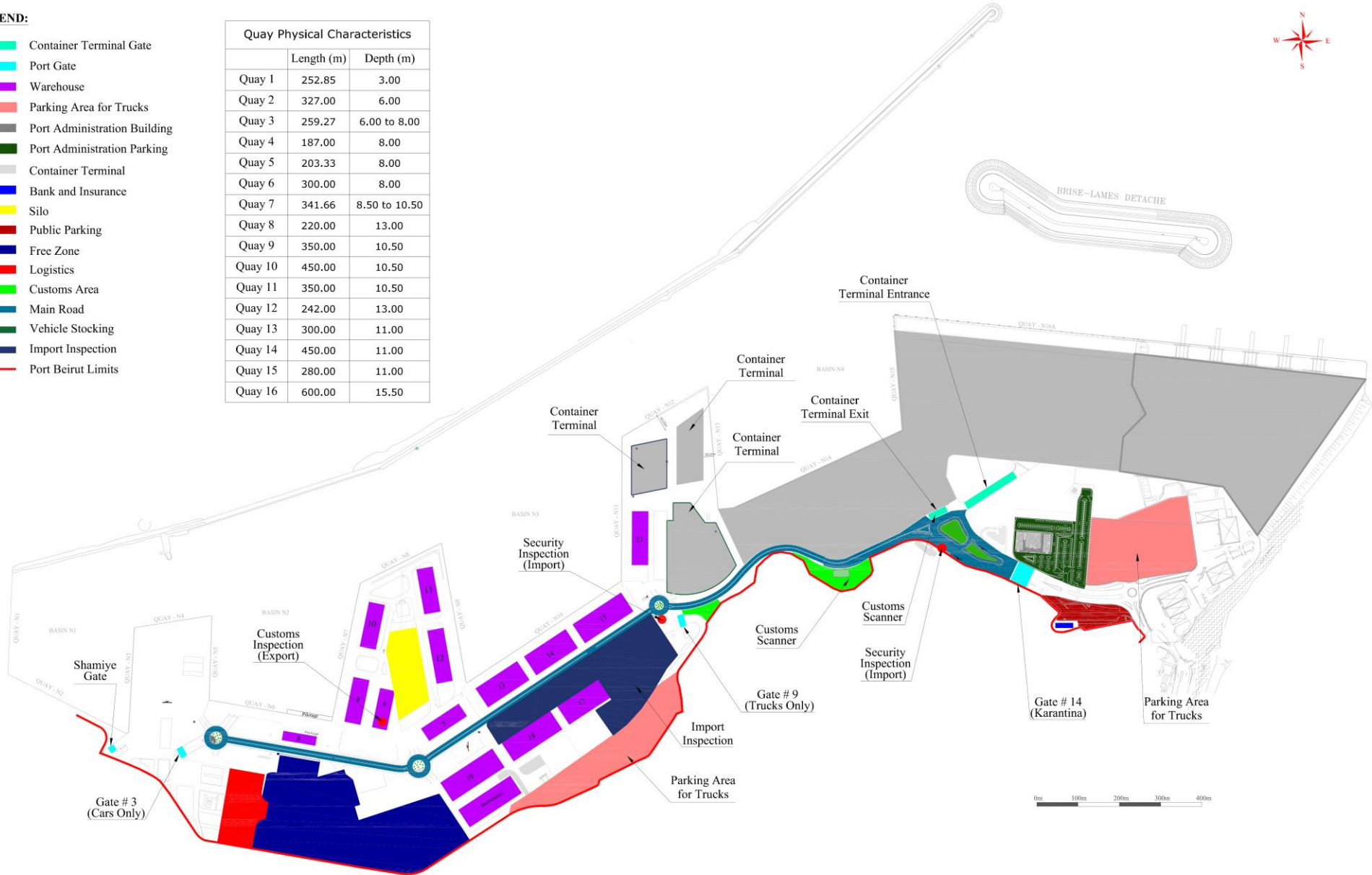
- Port's Physical Capacities
- Port's Role at National and Regional Level
- Port's Relations with its Surroundings
- Management & Governance

Port's Physical Capacities

LEGEND:

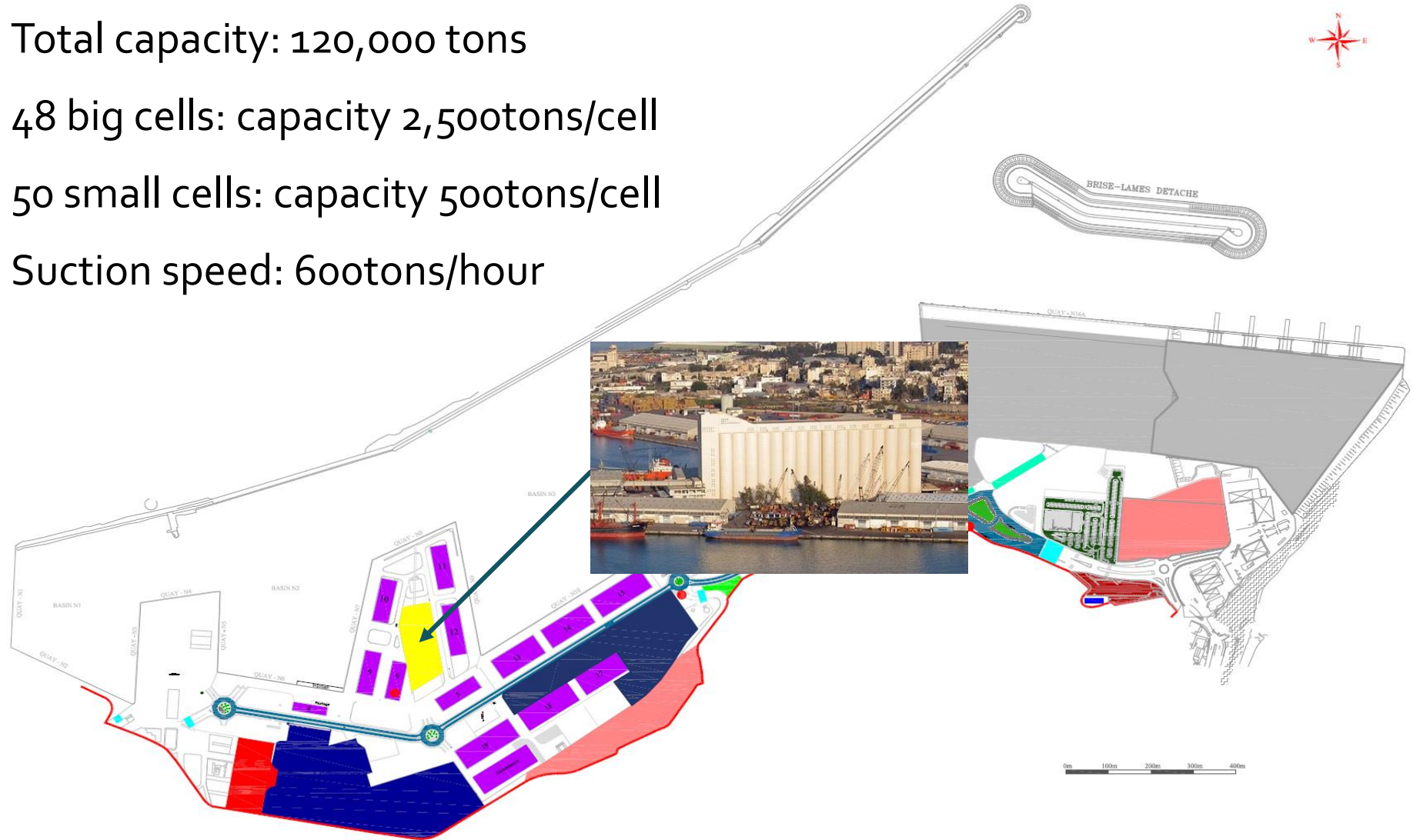
- Container Terminal Gate
- Port Gate
- Warehouse
- Parking Area for Trucks
- Port Administration Building
- Port Administration Parking
- Container Terminal
- Bank and Insurance
- Silo
- Public Parking
- Free Zone
- Logistics
- Customs Area
- Main Road
- Vehicle Stocking
- Import Inspection
- Port Beirut Limits

Quay Physical Characteristics		
	Length (m)	Depth (m)
Quay 1	252.85	3.00
Quay 2	327.00	6.00
Quay 3	259.27	6.00 to 8.00
Quay 4	187.00	8.00
Quay 5	203.33	8.00
Quay 6	300.00	8.00
Quay 7	341.66	8.50 to 10.50
Quay 8	220.00	13.00
Quay 9	350.00	10.50
Quay 10	450.00	10.50
Quay 11	350.00	10.50
Quay 12	242.00	13.00
Quay 13	300.00	11.00
Quay 14	450.00	11.00
Quay 15	280.00	11.00
Quay 16	600.00	15.50



Port's Physical Capacity Silos

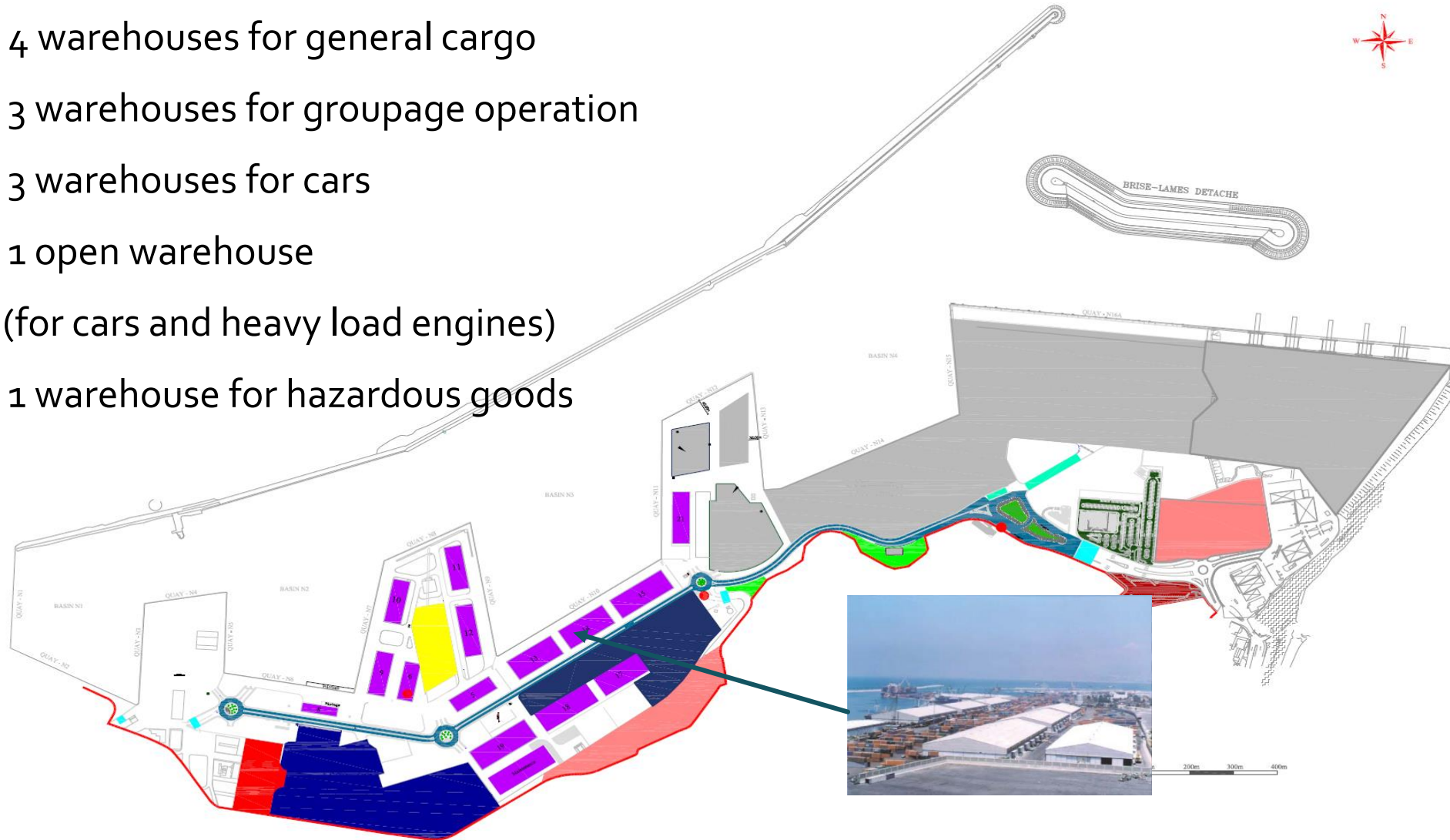
- Total capacity: 120,000 tons
- 48 big cells: capacity 2,500tons/cell
- 50 small cells: capacity 500tons/cell
- Suction speed: 600tons/hour



Port's Physical Capacity

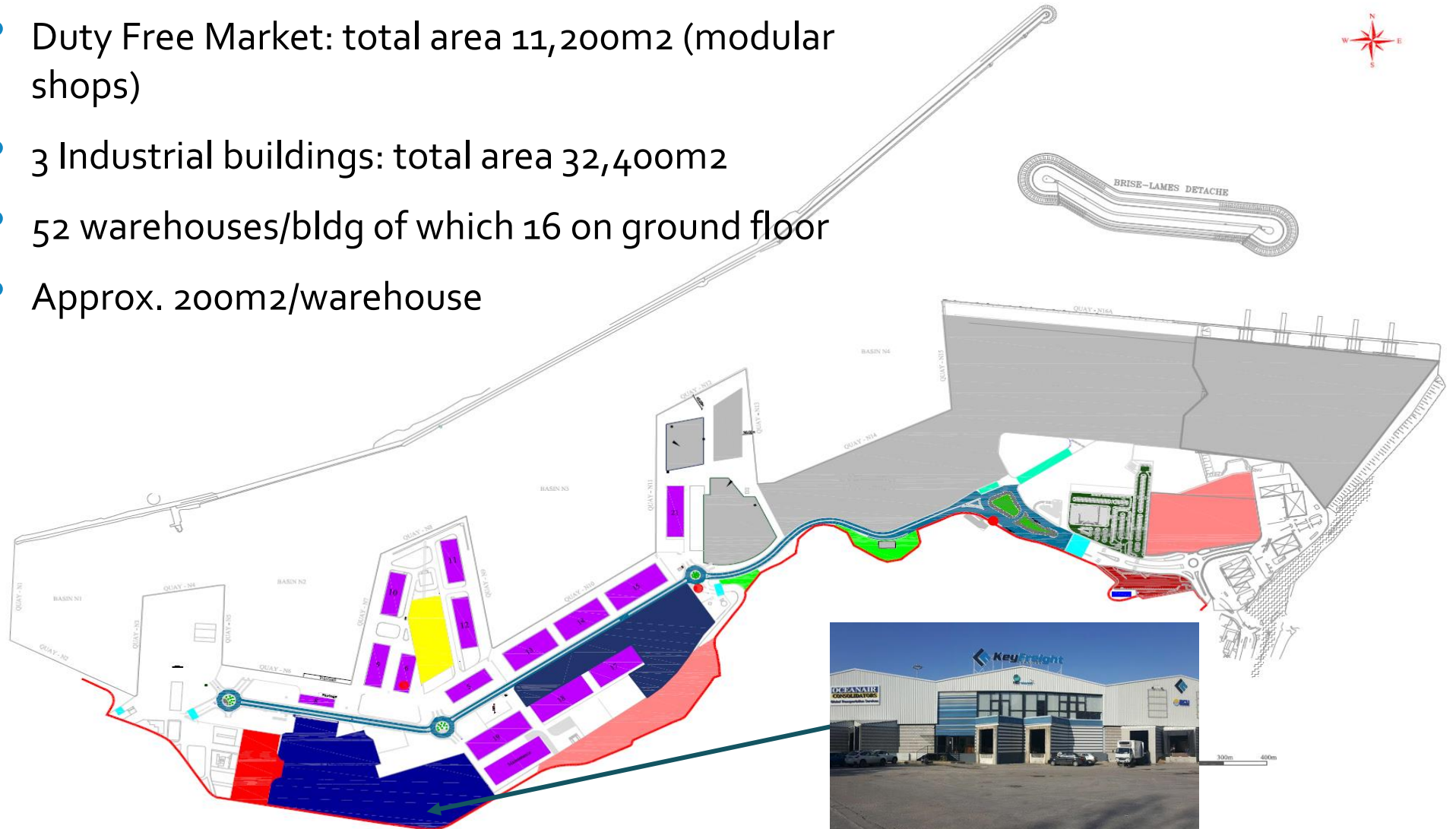
Warehouses

- 4 warehouses for general cargo
- 3 warehouses for groupage operation
- 3 warehouses for cars
- 1 open warehouse
(for cars and heavy load engines)
- 1 warehouse for hazardous goods



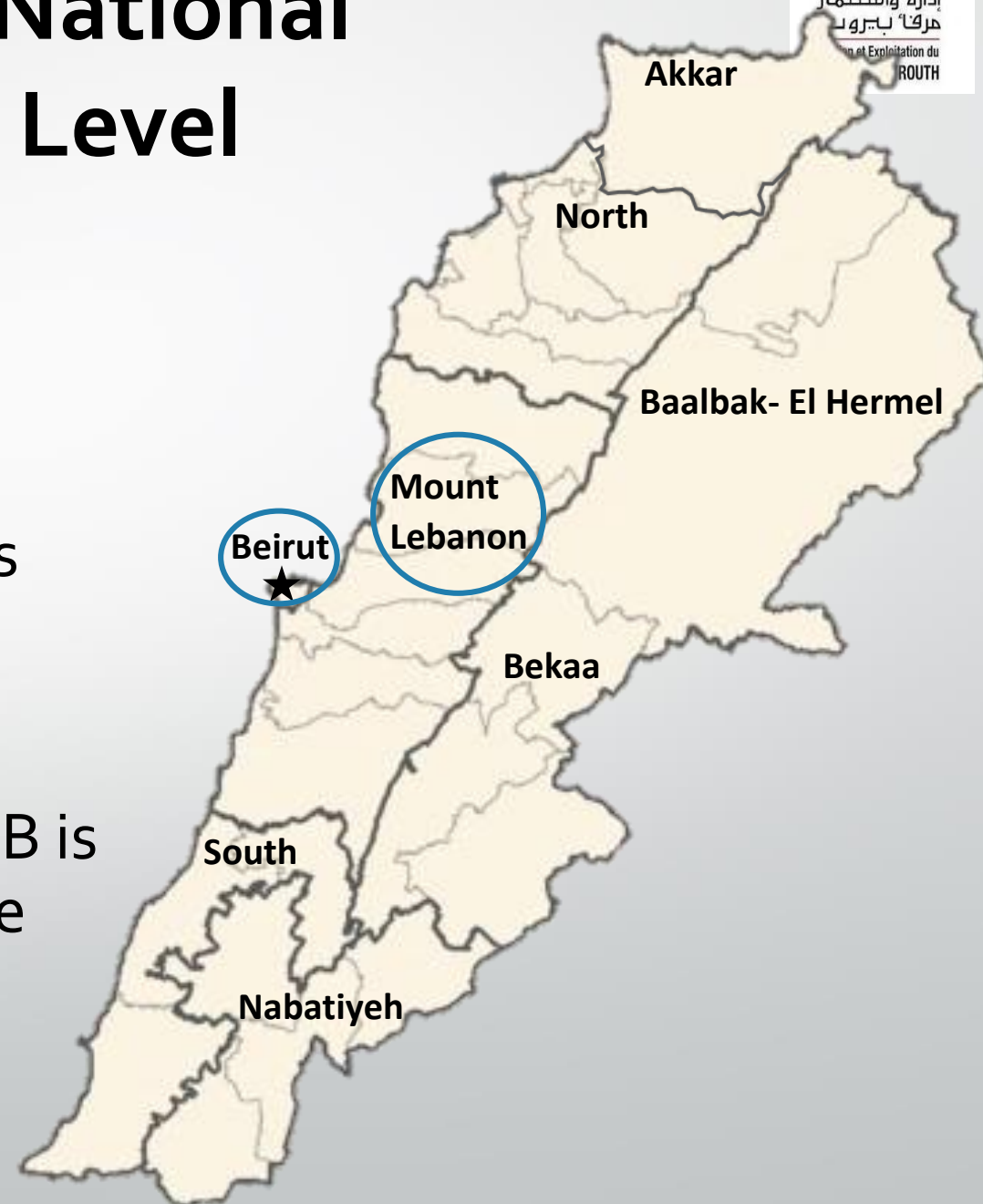
Port's Physical Capacity Free Zone

- Duty Free Market: total area 11,200m² (modular shops)
- 3 Industrial buildings: total area 32,400m²
- 52 warehouses/bldg of which 16 on ground floor
- Approx. 200m²/warehouse



Port's Role at a National and Regional Level

- The PoB handles 82% of Lebanon's imports and exports.
- It controls over 98% of all containers handled at Lebanese ports.
- Most import cargo handled at the PoB is destined for the City of Beirut and the Mount Lebanon district.

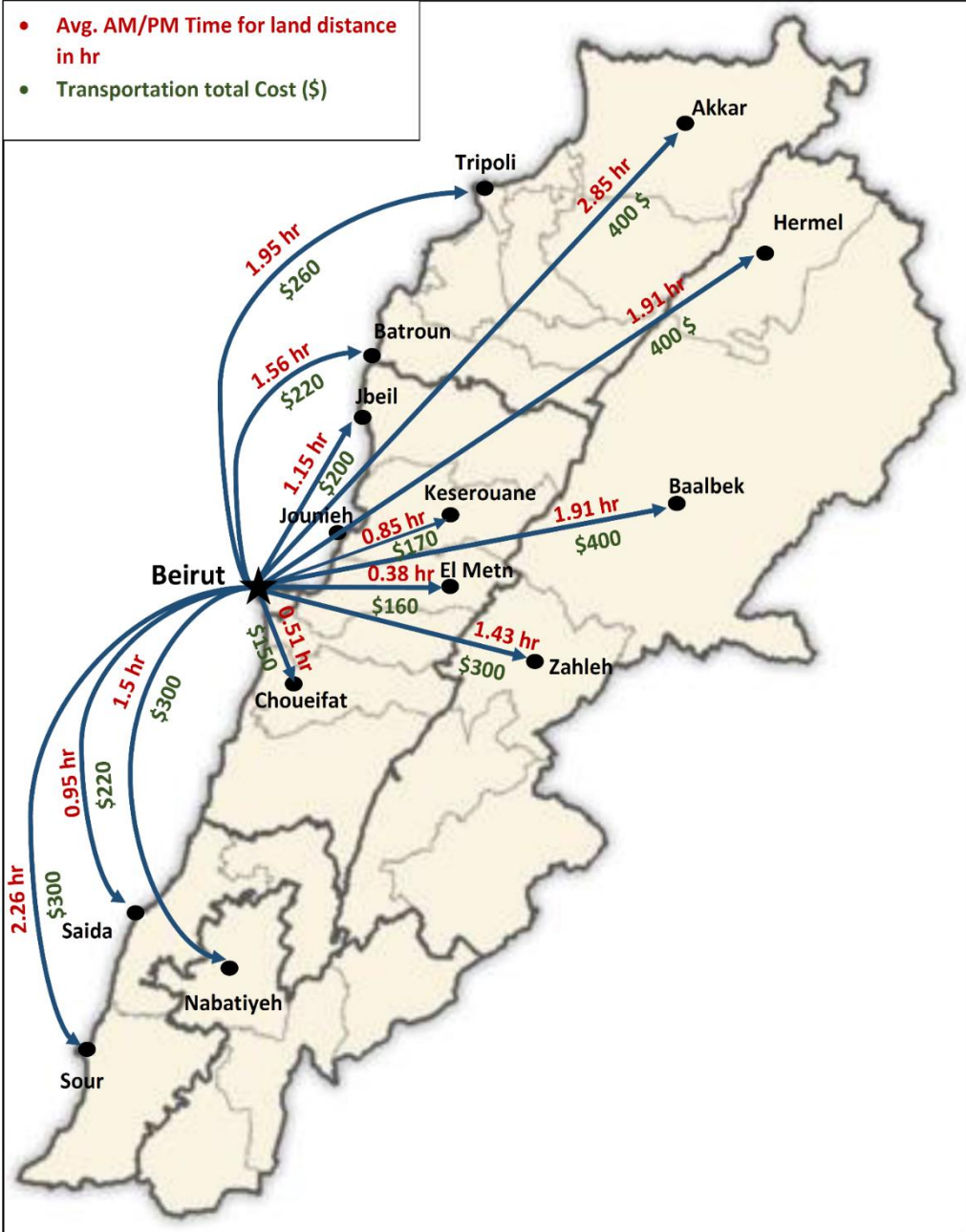


Port's Role at a National and Regional Level



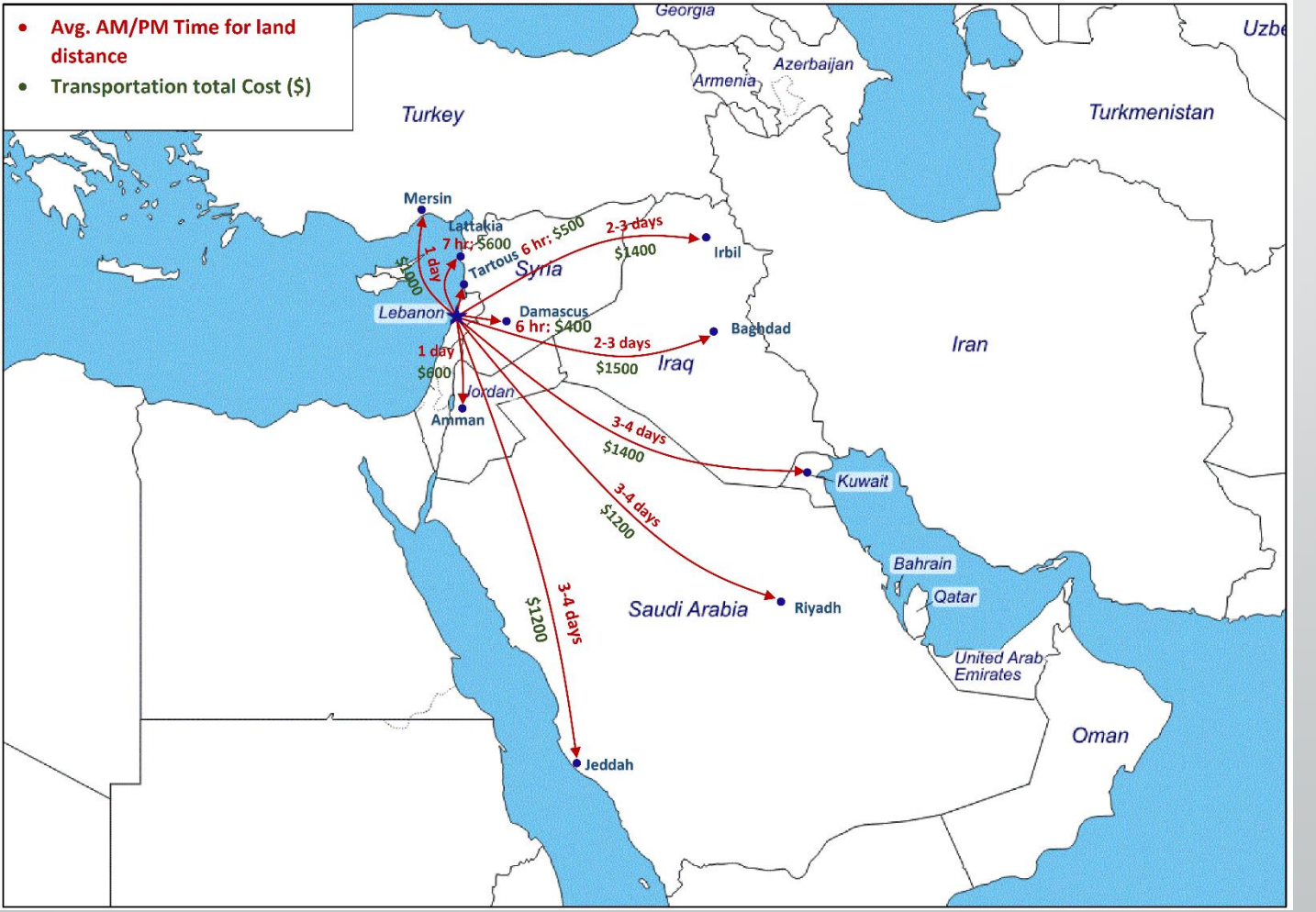
Port's Role at a National and Regional Level

- Avg. AM/PM Time for land distance in hr
- Transportation total Cost (\$)

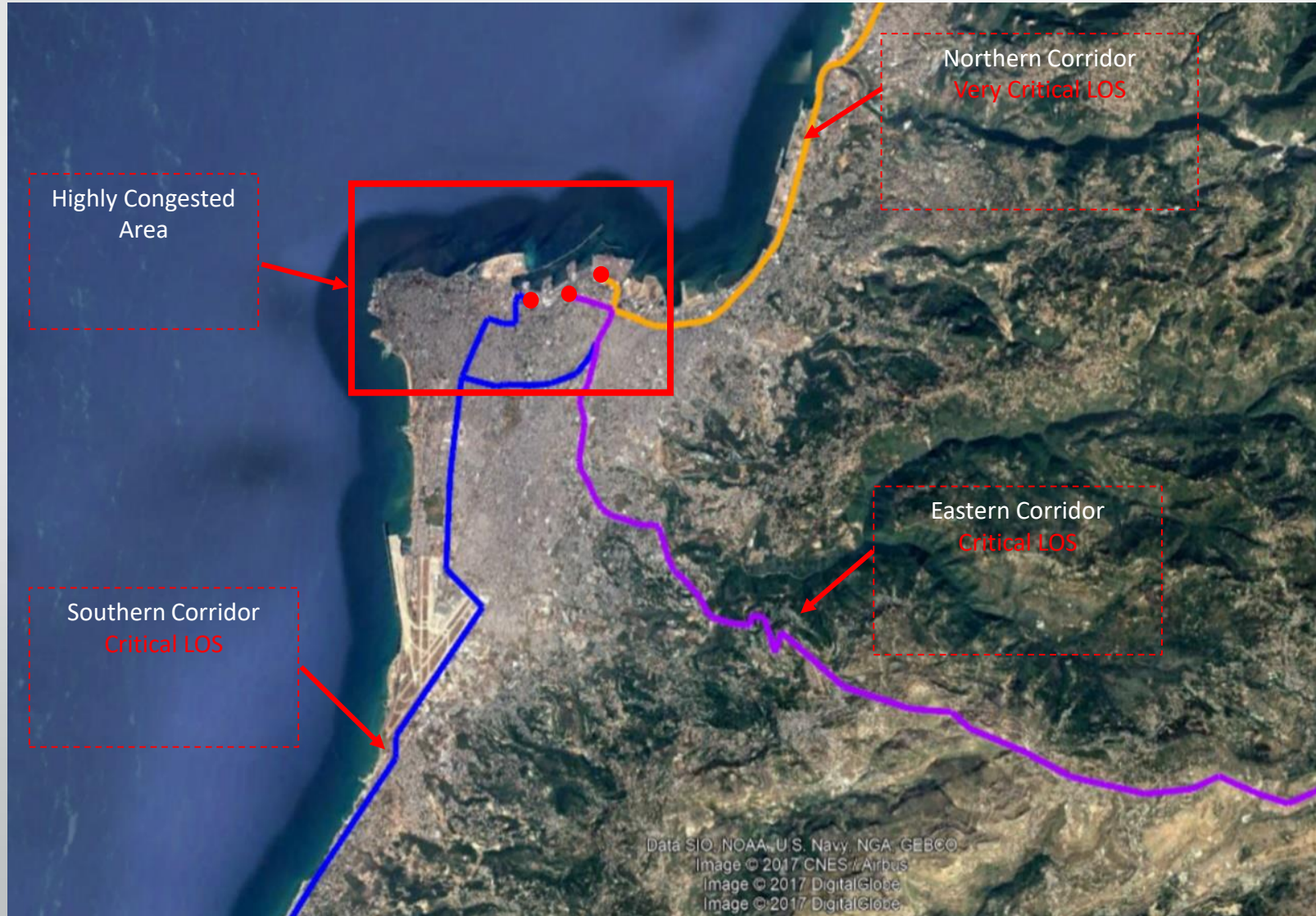


Transportation Cost at a national and regional level

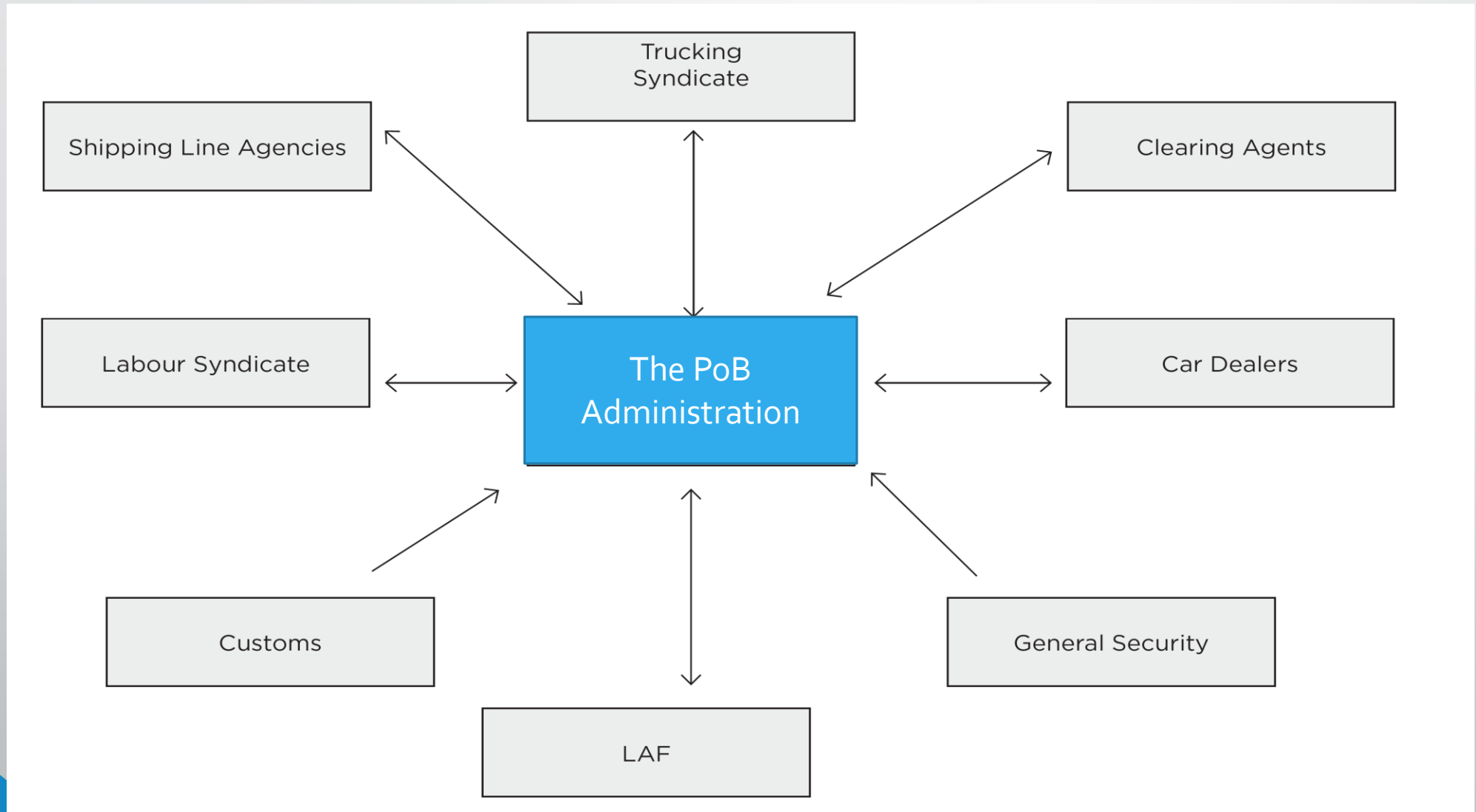
- Avg. AM/PM Time for land distance
- Transportation total Cost (\$)



Port's Relation with its surrounding



Port's Management and Institutions



Port's Management and Institutions



Customs

- Import/export of all cargo
- Payment of tax
- Inspection of requested containers.

General Security

- Control and security of all persons and trucks entering and exiting the port
- Control the issuing of Port permits.



LAF

- Security surveillance throughout the port
- Security checks at all the gates.
- PoB has no direct control over LAF activities

Port's Management and Institutions

SLA

Shipping line Agencies
PoB engages directly for contractual agreements and logistical coordination.

Car Dealers
PoB directly interfaces with car dealers and ensures that the best interests of its customers are upheld



FAKHOURY MOTORS



**Clearing agents syndicate/
Trucking syndicate/ Labor
syndicate**

All the concerns are voiced to The PoB Administration and lobbied via the representatives of these syndicates

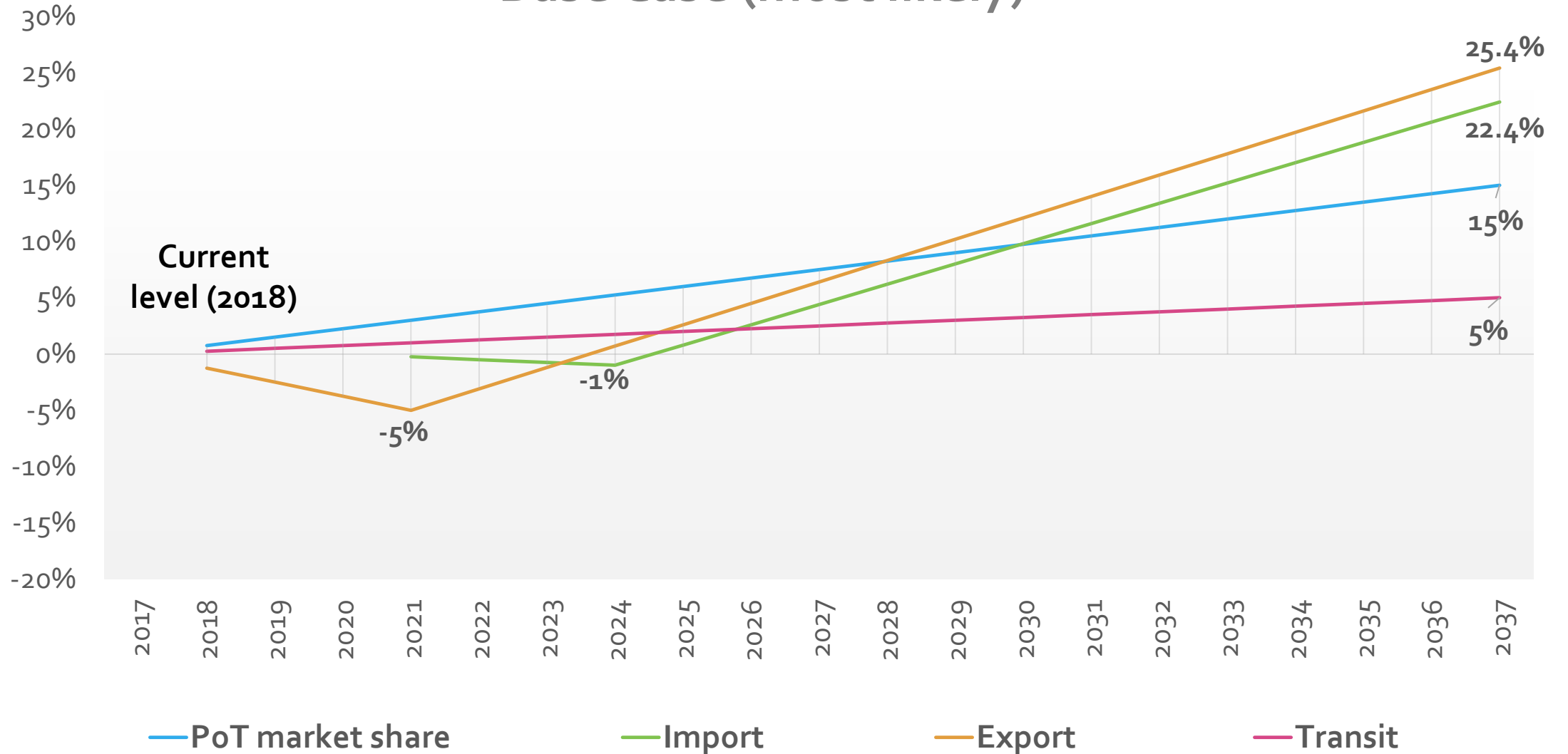
Scenarios – Master Plan 2018

Main factors affecting future container throughput (2018):

- Economic output
- Market share by port (in Lebanon)
- Effects of the conflicts in Syria
- Political & economic instability have affected investor confidence & disturbed trading conditions in the ME
- Ending of conflicts in Syria and Iraq
 - → boost of cargo opportunities in several ports
 - → Lebanon will benefit from substantial rises in transit cargo
- To become a larger sub-regional hub, PoB needs
 - More flexible berthing windows
 - Additional berthing line
 - Additional storage space

Container Throughput

Base Case (most likely)



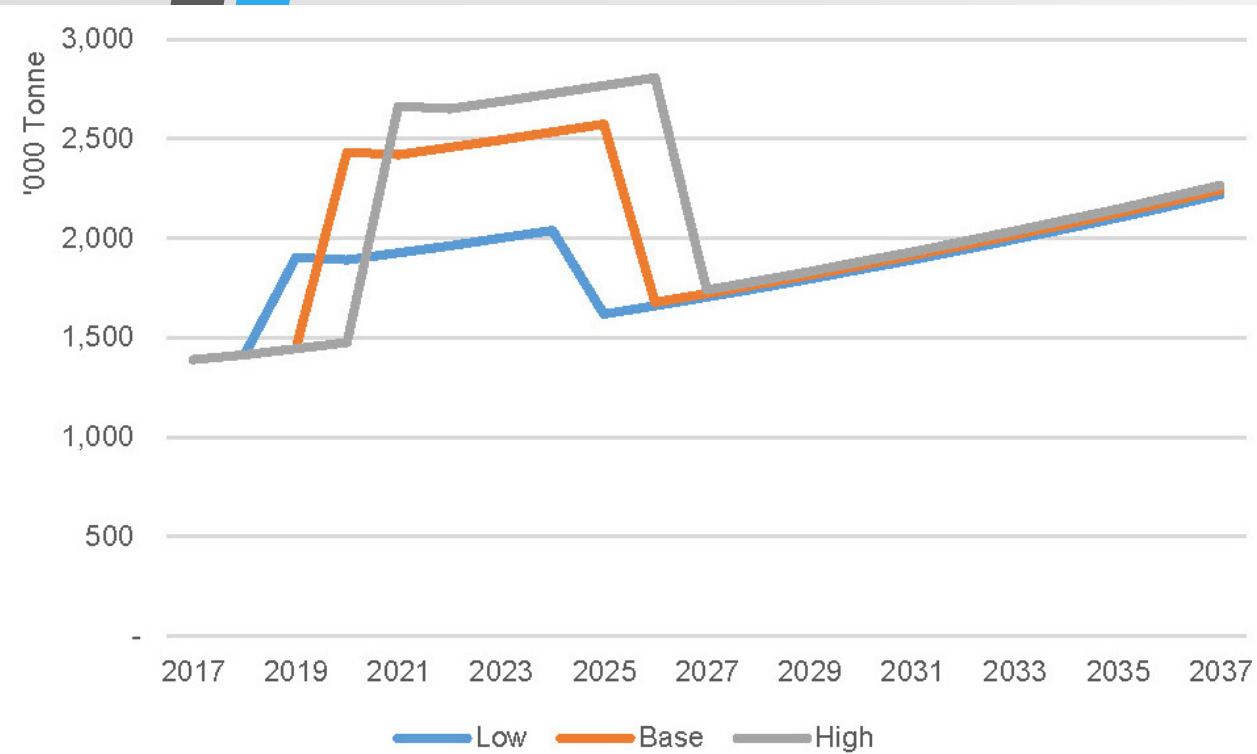
Container throughput - Future Trends, Opportunities & Challenges for PoB

- Containers will remain the dominant cargo sector for PoB
- Transit trade could prove challenging

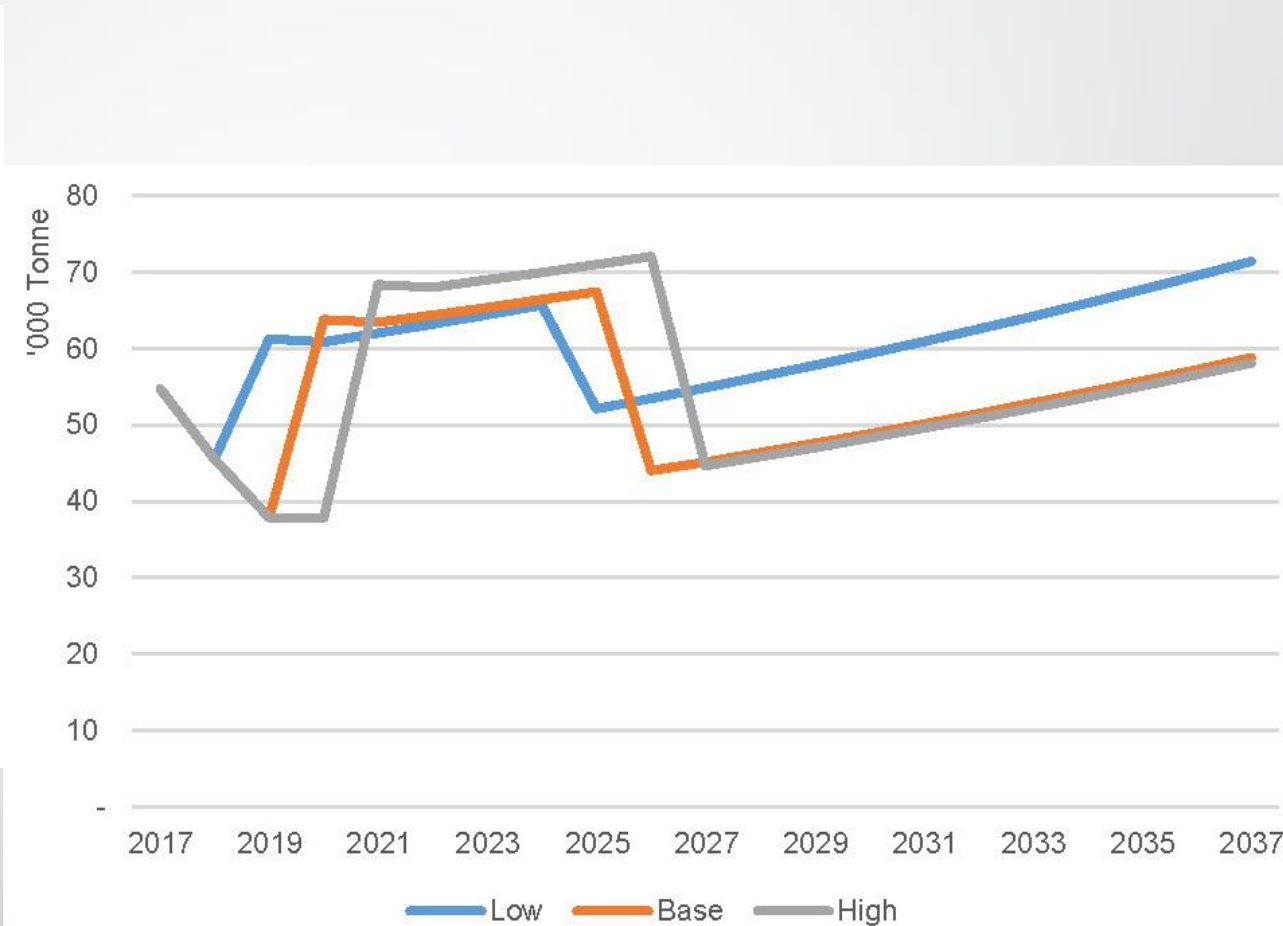
A sub-regional role is the best that PoB can secure

1. PoB is located too far away from the main east-west shipping channel
2. Use of the port by mainline ULCVs (Ultra Large Container Vessels) would involve long diversion distances
3. PoB doesn't have the facilities to handle several ULCVs and feeder vessels simultaneously
4. The main lines that transship cargo in the ME have direct investments in ports/terminals (assets that have to be utilized)

Steel



Projected steel imports (2017-37)



Projected steel exports (2017-37)

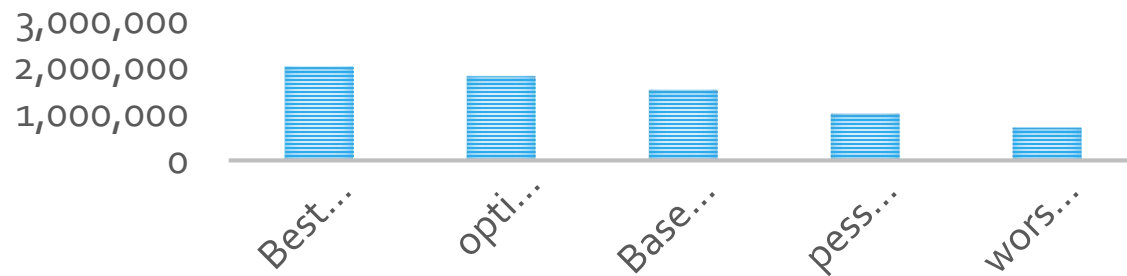
Steel

Future Trends, Opportunities & Challenges

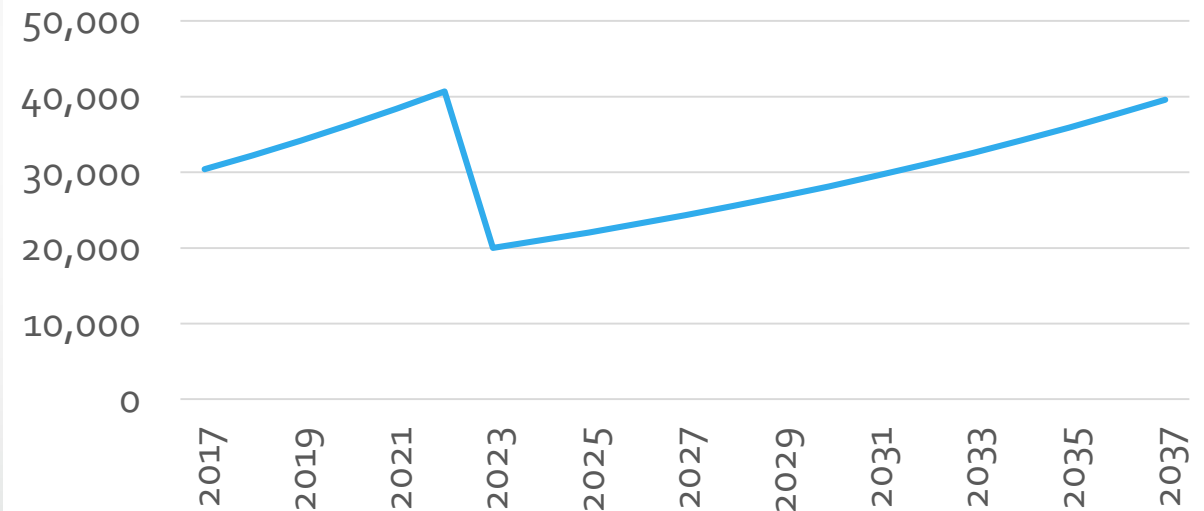
- A basic growth pattern will take place for steel (based on demand in the local market)
- The main opportunities are in the transit trade (construction of Syria)
- PoB would benefit from the development of a dedicated steel terminal with modern handling equipment and management software
- One of the biggest threats to PoB's steel business will come from the neighboring port of PoT*.

Vehicles

PoB – Projected vehicle imports (Over 10 Years Span)



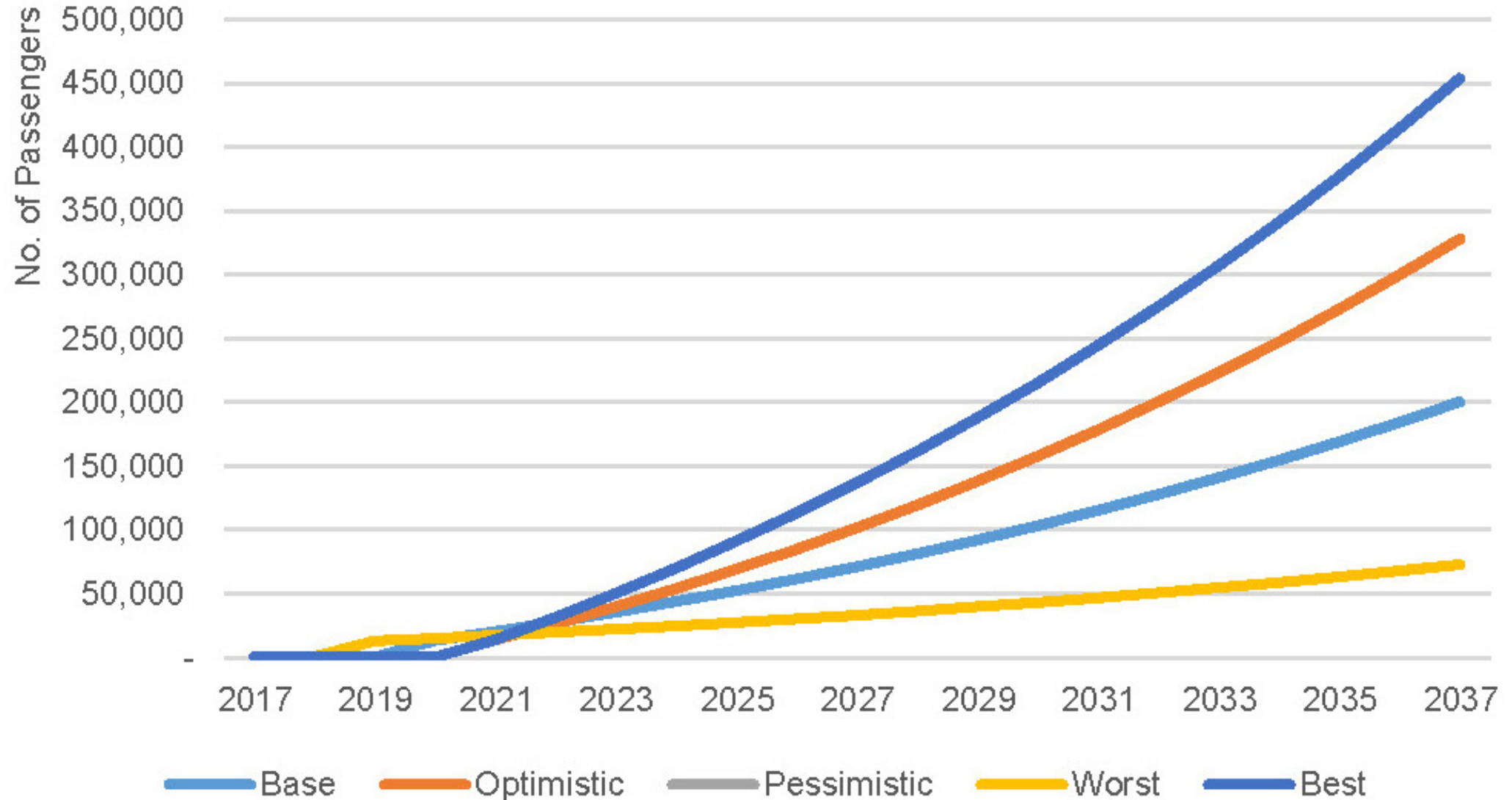
PoB – Projected vehicle exports



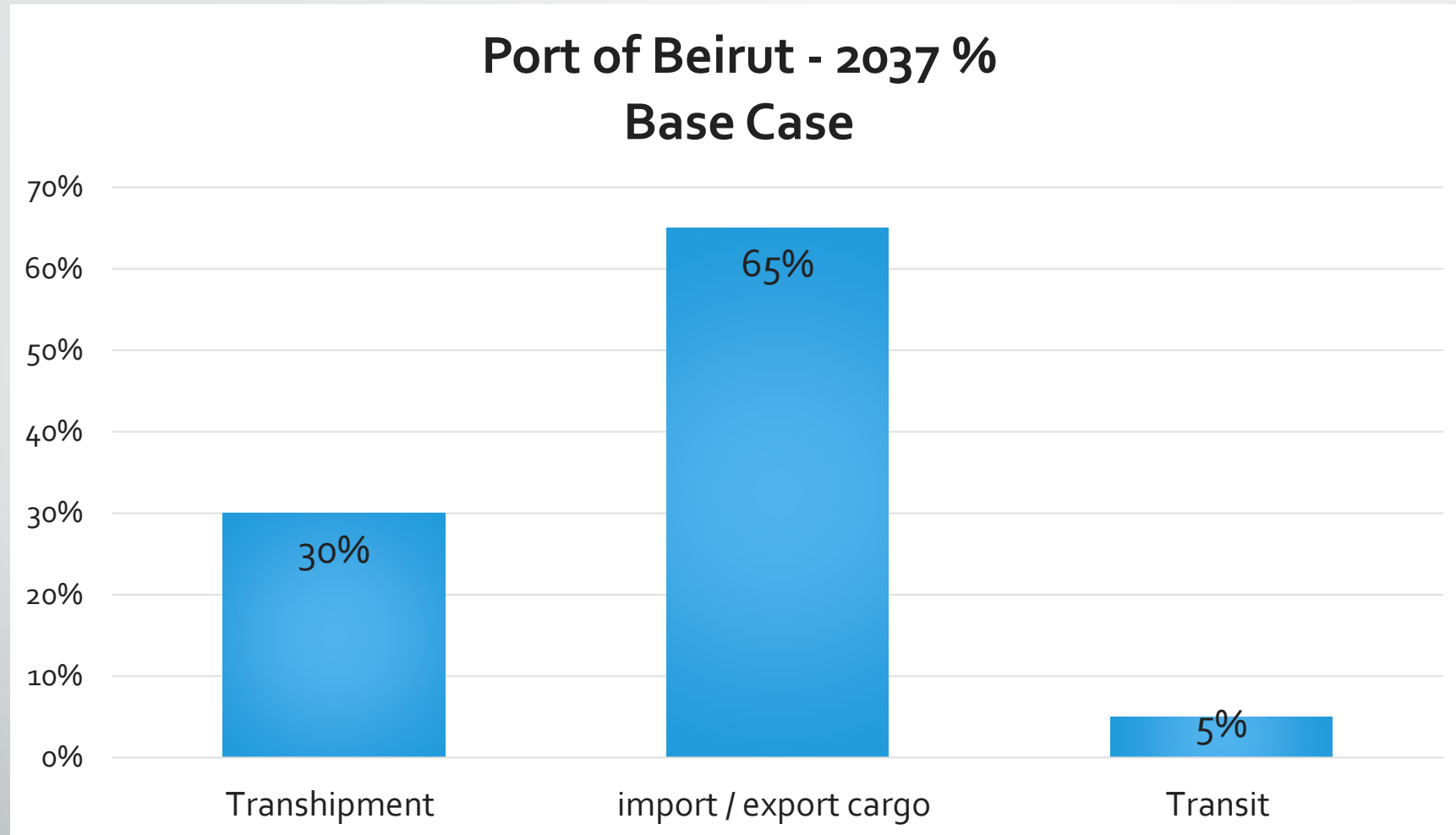
Export: Volume increase of 6% until 2022 then 5% for the rest of the period

- Model developed for this sector has considered:
 - GDP per capita
 - Population demographics
 - A plan by the GoL to scrap vehicles older than 15 years of age

Passengers & Cruise Traffic



Distribution



Summary

- PoB is (and will continue to be) the dominant maritime gateway into Lebanon over the forecasted period
- Forecast results are provided for each commodity based on probability analyses for 5 potential scenarios (Master Plan 2018)
- The Base case scenario is the most likely scenario, based mainly on PoB's market share (versus PoT's market share) and the effects of the Syria war (which is assumed to end in 2020).
- Land accessibility is one of main threat for PoB expansion market (i.e. Dry ports)
- Complementarity within a national vision?