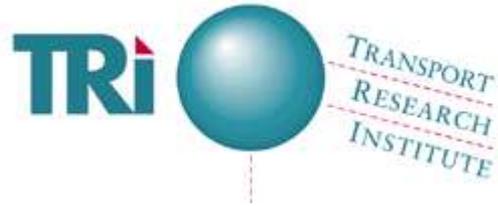


# Dryports: Extending the Product Life Cycle of Ports

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**Director of TRI**

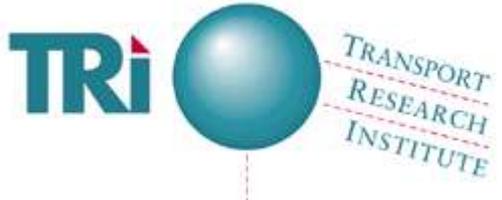


**The freight industry is characterised by continuous change:**

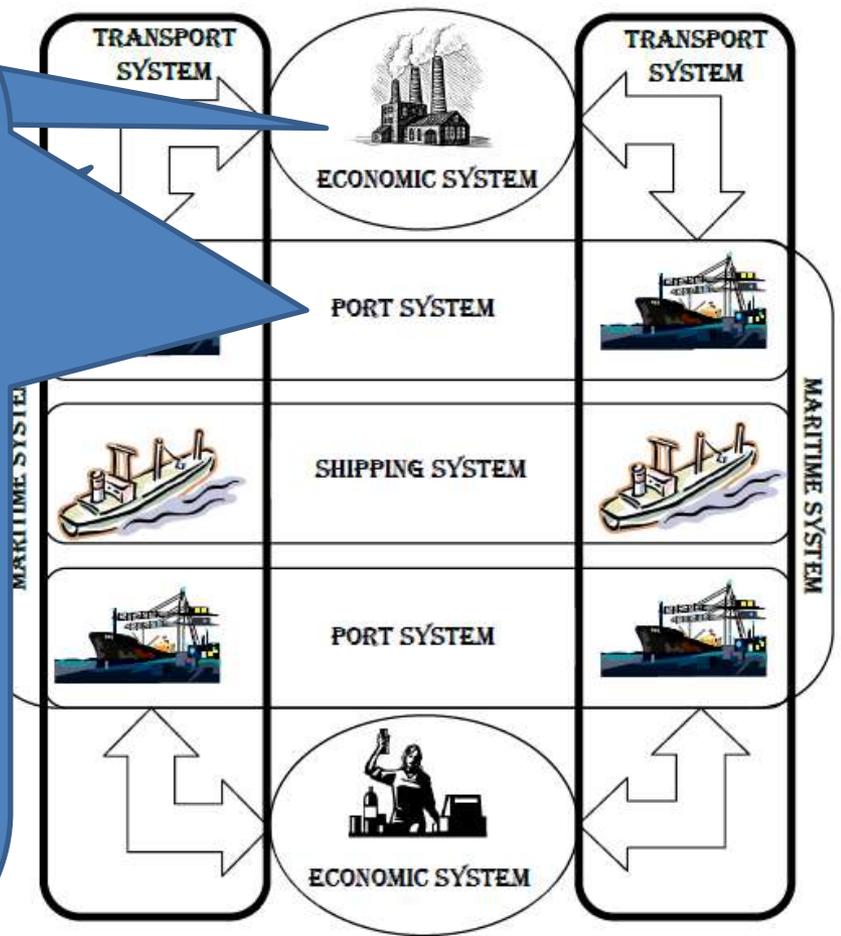
- **Exponential growth in trade volumes**
- **Increases in ship size**
- **Rationalisation of handling operations in ports**
- **Devolution of port governance.**

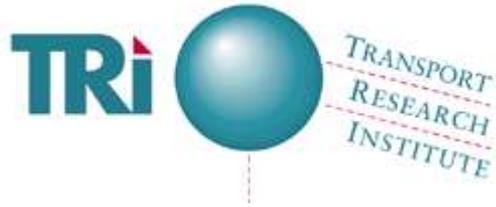
**Ports have met the challenges of growing trade flows and other influences. Infrastructure to facilitate access to ports and port delivery corridors have lagged behind the response of the ports.**

**Port infrastructure bottlenecks - cargo storage capacity and sea/landside access.**



The economic and shipping system put pressure on the port system This prompts a time-lagged reaction which actually constitutes the port development process. Changes in the port system appear to be rather abrupt and are not implemented or developed in a continuous fashion; investment in the port sector is often characterised as being 'lumpy'. Local and regional institutional considerations are important. In particular, the local port access infrastructure is very often locally and regionally defined, but this ultimately defines the degree of connectivity enjoyed by the economic system within a port's hinterland.



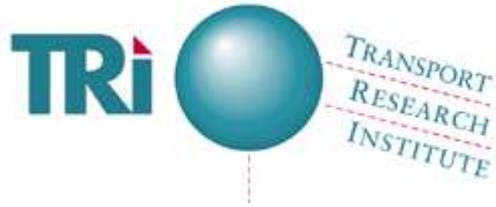


# Justifying the Dryport Concept

The continuous evolution of freight transport demand and the nature of port development lead to alternating situations of excess demand and surplus supply

The provision of sufficient storage space is a major issue – and many ports, especially those in traditional locations, close to or even within suburban or urban areas, are in danger of collapsing

A solution to port system development must be found which takes accounts of the potentially conflicting need to cater for the growth of trade, environmental considerations and community or geographical restrictions



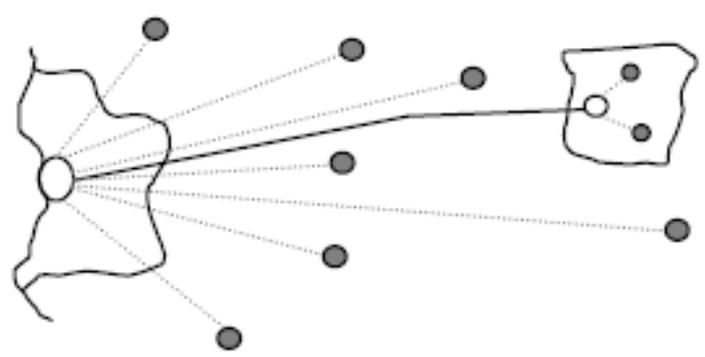
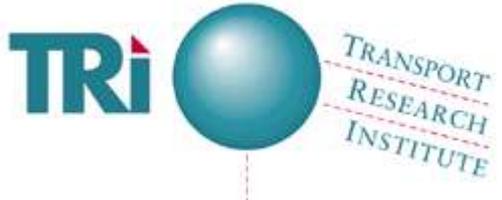
# Defining a Dryport

**“An inland terminal to and from which shipping lines can issue their bill of lading. It was further defined as an inland common user facility that fulfilled a number of traditional port functions, such as temporary storage and customs transit, via various modes of transport with customs clearance and related agencies handling cargoes of different types.”(UNCTAD, 1982)**

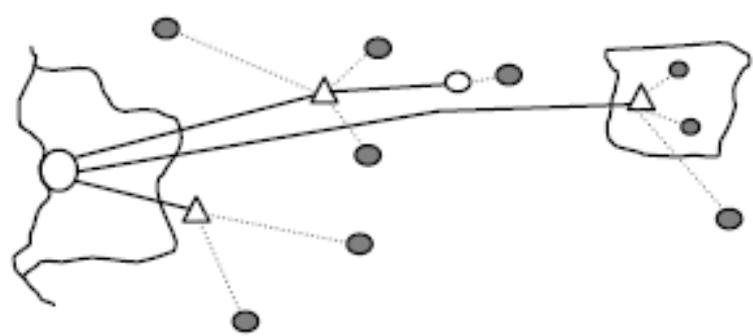
**UNCTAD (1991) recognised that, ‘dry ports’ lessen congestion and reduce handling operations in port. If functioning effectively, a ‘dry port’ connected to a seaport will also alleviate pressure on storage space and thus can redirect the need for the expansion of the port area from the seaward to an inland location.**

**The term ‘dry port’ has since been used in various contexts when relating to ‘a place inland that fulfils original port functions’. The term has evolved with quite a vague usage and numerous different definitions now appear in the literature.**

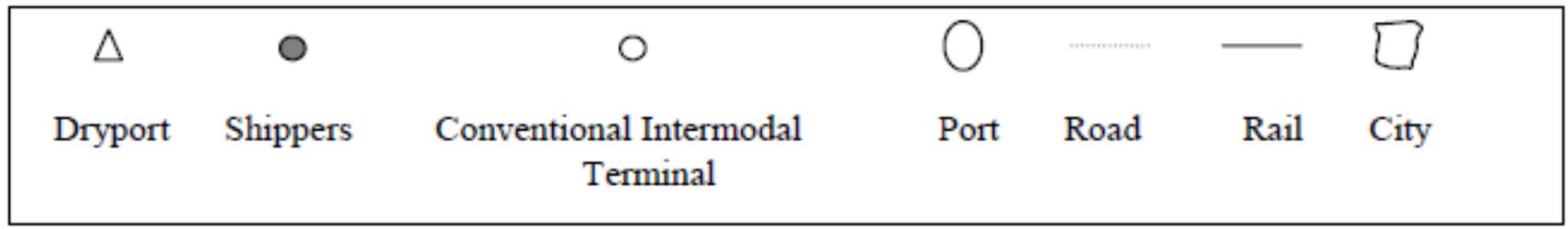
**Our preferred definition is “A dry port is an inland intermodal terminal directly connected to seaport(s) with high capacity transport mean(s), where customers can leave/pick up their standardised units as if directly to a seaport.” (Lévêque and Roso , 2002)**

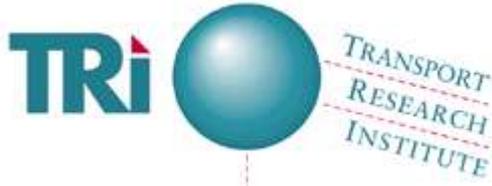


(a) Conventional transport hinterland

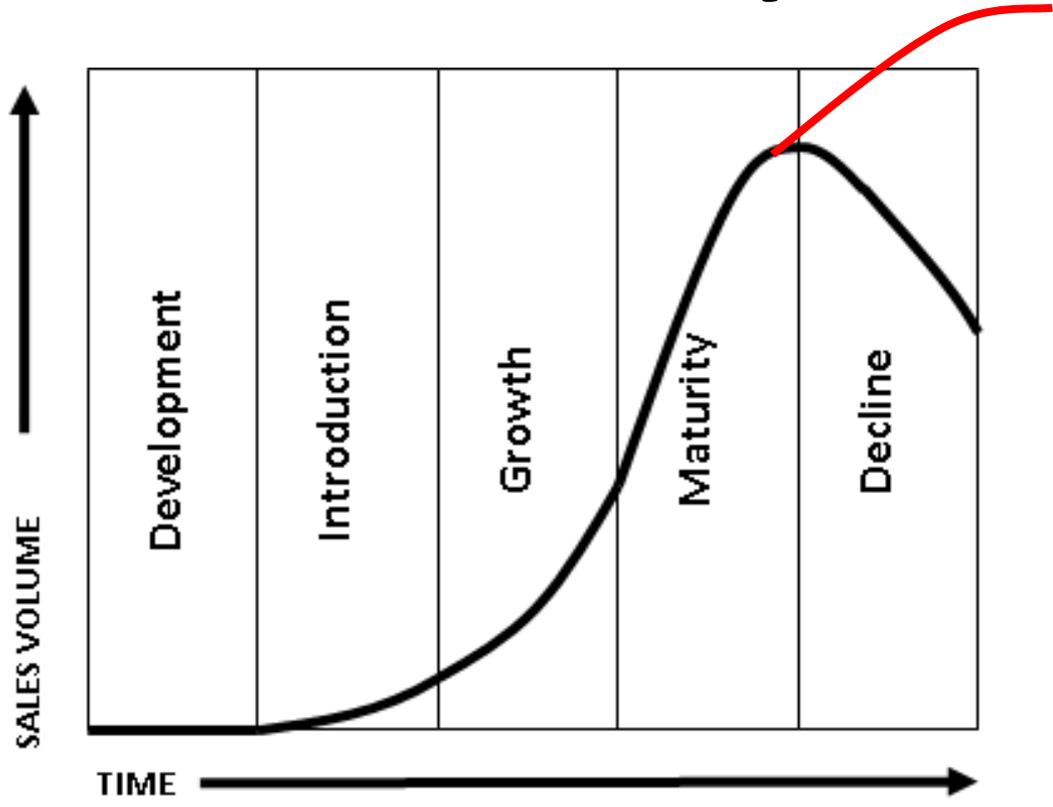


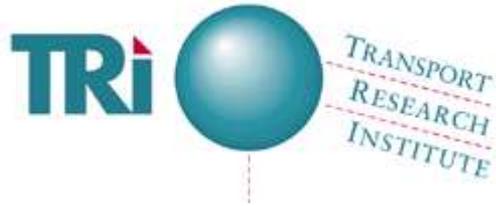
(b) Implemented dryport concept (close, mid-range and distant dryports)





# The Product Life Cycle of Ports





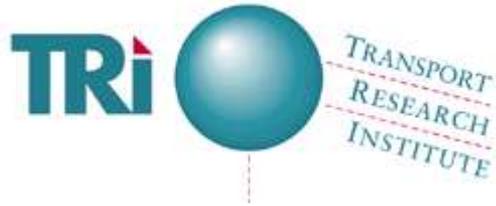
# Conclusions 1

Dryports must support the future port system.

For success, the purpose of the dry port should be clear and reflected in Government policy on dryports at either or both national or regional level

A basic question is whether the establishment of a dryport is a protectionist measure to maintain an old seaport that is no longer viable without that dry port or should it be designed with the intention of becoming an integral element of a functional future port system?

Other questions are: Is there inter-port competition within the country or region, or even between neighbouring countries? Should a dry port serve several seaports or just one? How does the dry port need to be established and organised and how should it be laid out in order to ensure it becomes a success? There will probably be conflicts at different regional levels. If a dry port should support only one or a few selected seaports, what happens to the cities that will face a continuing decline in their seaports as a consequence? How should the local economic problems that arise be dealt with?



## Conclusions 2

Such policies are not a necessary prerequisite for the commercial adoption of the dry port concept. The cost perspective of prospective customers is very important in this. For freight forwarders the use of a dry port in preference to a seaport option is only attractive if such a change has the effect of cutting costs or at least is cost-neutral.

One argument in favour of implementing the dry port concept is that it helps to ease the shortage of space at a seaport. This raises an important issue in relation to periods of economic downturn as currently being experienced. Is the dryport concept more relevant during periods of economic expansion or boom periods than during times of recession or depression.

There are also benefits in terms of accessing the existing hinterland, expanding a port's hinterland, capturing cargo closer to source and/or further up the supply chain.