

It not all about boxes in Algeria ... yet. **Barry Cross** reports on the plans to boost container volumes

Containerised traffic has yet to make its presence felt in the ports of Algeria. Last year, just under 10% of the total maritime traffic handled was containerised, giving a throughput total of 800,000 teu.

While the nation's ports could, theoretically, expand that figure to at least 2m teu in the short term, existing ports would struggle to cope with such an increase. However, projects are emerging to dramatically expand capacity to allow Algeria to function as a regional hub to serve the central Mediterranean.

Leading the charge is the eastern port of Bejaia, where Bejaia Mediterranean Terminal (BMT) is operated as a joint venture between the port authority and Singapore-based Portek. Requiring just a 30 nautical mile deviation from the major east-west shipping lane, Bejaia believes it can not only take business away from regional rivals, but also grow the overall transshipment market in the Mediterranean.

Adam Iskounen, BMT's general manager, explains that Portek originally looked at ports across North Africa, before settling on Bejaia, which is about 250km from the capital Algiers.

"Algiers is the largest port in the country, handling around 500,000 teu. However, it is operating beyond saturation point, with vessels currently having to wait three to five days at the outer anchorage prior to being handled."

US consultancies Global Insight and Moffatt & Nichol were asked to draw up a master development plan for the port, which included expansion into a neighbouring area. However, the initiative was thwarted due to the fact that available land had already been allocated to a desalinisation plant. An alternative project was therefore put together involving construction of a completely new port 50km-60km to the east of Algiers, which has yet to be realised.

"Given the long lead time involved in what would be a greenfield development, it made sense to invest money in Bejaia, where at least the necessary infrastructure already existed," Mr Iskounen points out. However, given the relatively small traffic base at the time, Portek felt that acquiring brand new equipment was not justified, so instead sank money into refurbished quay and yard cranes.

"Today, we are the only port in Algeria to operate quayside gantry cranes. At other ports, including Algiers, only geared vessels can be accommodated.



Box dreams

Productivity is therefore very low. However, in Bejaia, we can now offer shipping lines rates of 20-24 moves-per-crane-hour," claims Mr Iskounen.

As Algeria's most modern port, Bejaia is now beginning to see positive benefits from the investment made in its facilities. Traditionally, container traffic has languished in fourth place behind that of the ports of Algiers, Oran and Skikda. In 2007, however, Bejaia, with a throughput of 100,050 teu, caught up with both Oran and Skikda and is poised to move into second place. Previously, it handled 60,000 teu in 2005 and 75,252 teu in 2006.

"We have already taken part of both Algiers' and Skikda's business. They suffer from not only being too narrow, but also lacking on-dock terminals for containers, which have to be sent to dry ports beyond the dock gates. Skikda is also losing business to a newly rediscovered port, Annaba, about 100 kilometres east to the east, which does have its own terminal. Skikda, which handled 119,000 teu in 2006, saw traffic decline in 2007 to just 100,000 teu," Mr Iskounen says.

Asked whether he could ever envisage a day when Bejaia will replace Algiers as Algeria's leading container port, he says that while projects already exist to expand the terminal to make it even more competitive, replacing Algiers as the number one port would be extremely difficult. "To have any chance at all of catching Algiers, we must first succeed in implementing our new deepwater port. Although we dredged the existing harbour to 12 metres two years ago, this will only give us breathing space for the next three years. Vessels are getting bigger and, if we are

ever going to move beyond feeder port status, we will have to build out into the sea, which is a much cheaper option anyway than trying to dredge through bedrock," says Mr Iskounen.

The aim is to build a 500,000 sq m terminal, which would prove attractive to major shipping lines yet to establish a significant Mediterranean hub business.

"While it's true that Tangier has recently opened a new port, where transshipment is the dominant business, Bejaia can offer similar labour rates, but a much more advantageous geographical location at the very heart of the Mediterranean. Bunkering is also much cheaper in Algeria, because it is produced locally." **PS**



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ADAM ISKOUNEN