Chapter 4. Conclusions

Based on lessons learned from workshop’s presentations and extensive literature reviews, this chapter provides policy recommendations to help overcome the capacity constraints in ports and port operation network and advance on sustainable port development and port productivity.

4.1 Summary of policy recommendations for Asia and the Pacific

In the recent years, Asia and the Pacific region countries have been seeking to develop mega port due to the increasing demand. In this region, port development is an established area and, for some time now, Asia-Pacific has been a leading region on the sustainable port development with major ports in Singapore, China, Malaysia and Republic of Korea, for example. Sustainable maritime transport and port development not only enhance economic development and regional integration but contribute, directly and indirectly, to achieving Sustainable Development Goals (SDGs) at global, regional and national levels. In order to ensure that sustainable port development and improving port productivity can effectively achieve SDGs in the ESCAP region, port development in individual countries needs to be harmonized with port development in other countries in the region.

Sea-borne trade will continue to dominate global trade flows. The Asia and the Pacific economies will continue to provide a platform for growth and global trade. For these reasons alone, Asia-Pacific ports will continue to provide opportunities for investment and development capital. Sustainable port development is not just related to the additional supply of port facilities but is a project that has a very comprehensive impact on financing, building regional transport networks, jobs creation and environment protection. Therefore, port development should not only be approached from the aspect of transport infrastructure, but also need to take into account the social and economic impacts of the region. The participation of major stakeholders is essential. Thus, port development plan in individual countries should be a comprehensive exercise, including national sustainable transport policies, integrated multimodal transport policies, dry port development, inland waterways and coastal transport development, improved transport connectivity through transit and border crossing and related action plans. It must be promoted under a mid to long term master plan.

Along with the development of new ports, the way to respond to the increased demand is to enhance the productivity of existing ports. Productivity gains rely on a number of variables, such as available resources, technologies levels, investment, and workers' capabilities, depending on the country. However, the most widely used method is to apply advanced technologies such as container terminal automation and smart port. It is clear that automation, digitization and expansion and upgrades of port facilities not only improves productivity, but also promotes environmentally friendly port policies and increases the value of the entire logistics chain. Still it is important to keep in mind that this requires significant investment and time. For example, port automation is often linked to the restructuring of the workforce, so consultation with workers is crucial. A comprehensive master plan at the national level is important for port development that contributes to achieving sustainable development goals, and cooperation with international institutions such as ESCAP and IMO, investment banks such as ADB, and international aid organizations in major countries are important in developing and implementing such national plans.
4.2 Way forward

To strengthen sustainable port development and port productivity in an inclusive manner the following considerations, based on a substantive review and an analysis of the experiences so far, could be of use:

1. Countries should adopt a National Long-term Master plan addressing the aspects of smarter, greener, safer sustainable port development and productivity improvement.

2. Port development and investment should be driven by setting specific and realistic goals, such as building a stable infrastructure focused on reducing trade costs and contribute to achieving sustainable transport.

3. In order to establish a comprehensive port development master plan, cooperation with financial, environmental, technical, energy, transportation and urban development authorities is essential and must reflect the needs of users, including shippers and shipping lines.

4. A balanced view is necessary to avoid overinvestment and severe port competition, and collaboration with international organizations, academics and private sectors is also needed to contribute to the SDG and successful development. Public including port authorities to continuously collaborate with related stakeholders to reduce environmental damage they produce and improve productivity. In particular, academia and civil society contribute to paying more attention to harmonized urban development and environmental protection than economic oriented port development.

Through corresponding improvements in sustainability and productivity, the port can achieve more economic stability and continuous improvements in subsequent performance within the bounds of the environmental regulations. All these sustainable and productivity motivations and opportunities are encouraging a port as to adopt a policy of active and advanced environmental and social management. For example, annual sustainability reports published on port websites, offer guidelines and strategic advice towards port sustainability to address issues related to sustainable port operations and development with economic, social and environmental considerations.

The concept of sustainability and productivity in ports requires a simultaneous pursuit of economic prosperity, environmental quality and social responsibility. In the shipping and ports industries, with broadened port functions as an economic catalyst for revenue and employment and a central position for industries related to international trade, economic stability (highlighted by the economic crisis in 2008) and corporate responsibility issues may shed new light on port operations. Moreover, recently, owing to the growing environmental and social concerns regarding potential environmental impacts, “sustainability” has been progressively framed in port operations and development literature.

Sustainable port development and port productivity strategies “Not only address problems in port areas including safe handling of goods or environmental management, but also include the actual capacity development for the ports and the establishment of related training capacities in the region, aiming to develop a port and the area surrounding the port through a systematic approach working with the ports and addressing their specific needs” (UNCTAD, 2009). Sustainable development and port productivity themes such as safety, health and environment should already be high on the shipping companies’ list of priorities. However, currently sustainable development
and port productivity is mostly supported and dominated by land-based industries. It is apparent that the interest of many stakeholders in the social and environmental performance of the shipping industry has increased and that stakeholders pay more attention to sustainability issues, putting greater pressure on port and maritime industry.