

Assessment of the Institutional and Governance Structures in OIC Ports

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Institutional Port Models – Introduction

Existing models for classifying port organisational and institutional structures are categorised by one or a combination of the following :

- The ownership structure (public, private, or both),
- The operation and management of port assets (basic nautical infrastructure, terminal infrastructure, marine services, cargo handling, etc.)
- The administrative organisation (federal, national, regional, state, local, etc.),
- The degree of devolution of decision making (statutory independence, financial autonomy, etc.).



Institutional Port Models – Generic Classification

Basic (nautical) infrastructure			Landlord		Public sector	
Marine Services	Public service			Public sector	Public sector	
Terminal Infrastructure	Public sector	Public sector	Public sector		Private sector	Private sector
Terminal Operations	Public sector	Public sector	Private sector	Private sector	Private sector	Private sector
Logistics Services		Private sector	Private sector	Private sector	Private service	Private sector



Institutional Port Structures in various OIC Countries

	Bahrain	Benin	Cameroun	Djibouti	Egypt	Gambia	Indonesia	Iran	Iraq	Jordan	Kuwait	Malaysia	Mauritania	Morocco	Mozambique	Nigeria	Oman	Palestine	Pakistan	Qatar	Saudi Arabia	Senegal	Suriname	Turkey
Landlord	■			■	■		■	■		■		■		■		■		■	■		■		■	
Public service					■	■	■		■	■	■			■			■		■	■				■
Private service												■			■		■							■
Tool																								
Central	■			■		■	■		■		■			■	■	■		■		■			■	
Regional					■		■			■		■		■										
Local		■	■				■					■	■				■		■			■		■
Trust																			■					
Corporate												■										■		
Autonomous		■	■										■									■		



Institutional Port Variations in OIC Countries

- **Full Landlord:** Bahrain, Iran, Nigeria, Saudi Arabia, Suriname.

 - **Public-Service:** Gambia, Iraq, Kuwait, Qatar.

 - **Hybrid Landlord / Public Service:** Egypt, Jordan, Indonesia, Morocco.

 - **Autonomous:** Benin, Cameroun, Cote d'Ivoire, Mauritania, Senegal.

 - **Other:**
 - Djibouti (Autonomous/Private)
 - Malaysia (Corporatized/Private),
 - Mozambique & Oman (Landlord/Private Joint Ventures)
 - Pakistan (Trust/Landlord)
 - Turkey (Private/Public-Service)
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PPP and Investor Type for OIC Ports under Study

	Aqaba	Ambarli Kumport	Ambarli Marport	Apapa	Casablanca East	Casablanca West	Doraleh	Jakarta International	Jeddah Northern	Jeddah Southern	Maputo	Mersin	Northport	Qasim International	Tanjung Pelepas	Salalah	Dakar I	Tangier Med I	Tangier Med 2	Westport
Management of existing facilities	■			■	■	■			■	■	■			■			■			
Development of new facilities															■			■	■	
Joint venture model							■	■								■				
Divestiture model		■	■									■							■	■
Investor type: Shipper-dominated																				
Investor type: Carrier-dominated	■			■		■									■	■		■	■	
Investor type: Independent Operator		■	■		■			■	■		■		■		■		■		■	
Investor type: PA-dominated					■		■			■	■	■		■			■			■
Investor type: Other		■					■					■						■		



Main Observed Institutional Gaps and Overlaps

- Inadequate functional fragmentation for separating policy, regulation, and operations between port agencies (e.g. Jordan, Morocco, Senegal, Turkey)
- Unsuitable institutional structures and PPP frameworks for allowing advanced PSP in ports (e.g. Gambia, Iraq, Mauritania)
- Cross-ownerships between port authorities & public port companies inhibit competition and encourage cross-subsidisation (Egypt, Indonesia, Mozambique)
- Combination of statutory and commercial roles causes inertia and economic inefficiency (e.g. Qatar, Kuwait, Iran, Pakistan)



Governance Performance in Technical Regulation

- Most OIC states are up-to date with international maritime regulations. Some countries, e.g. Bahrain, Malaysia, and Turkey showing a high compliance level.
- Few OIC countries, e.g. Guinea-Bissau, Iraq, and Djibouti, are lagging behind and must step-up their efforts in regulatory compliance.
- International league tables show worryingly weak performance in port state control for some OIC countries (e.g. Albania, Cote d'Ivoire, Lebanon)



Governance Performance in Economic Regulation

- Efforts in port liberalisation marked by partial privatisation or corporatization, with some OIC countries showing signs of near public sector monopoly.
- Assessment of market access show most OIC countries not imposing barriers against WTO rules in port cargo handling and auxiliary services.
- Assessment of port competition show limited intra-port competition and limited use of service unbundling.



Six Main Institutional and Policy Recommendations

1. Formulate Port Policy Statements and Long-Term Strategic Orientations
 2. Clarify Responsibilities and Reduce Institutional Fragmentation
 3. Encourage Private Sector Participation and Devolve Landlord Port Structures
 4. Promote Inter-Port and Intra-Port Competition
 5. Establish Port Economic Regulators
 6. Set-up Port Stakeholder Groups and User Councils
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THANK YOU

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