

SHARJAH, UNITED ARAB EMIRATES, November 26, 2013 /**24-7PressRelease**/ -- Despite transshipment's loose reputation, the UAE's Khorfakkan Container Terminal somehow manages to keep the boxes coming back. It has even avoided the worst of the recent economic disappointments, increasing its volumes by 26% last year.

Certainly Khorfakkan gains from boxes funnelling through Gulftainer's growing Middle East network which includes Umm Qasr in Iraq, Tripoli in Lebanon, UAE's Sharjah and Ruwais and now three Saudi terminals in Jubail and Jeddah.

[Peter Richards](#) of Gulftainer is honest. "I wish I could claim it's been by design, but actually the position of the Khorfakkan Container Terminal in relation to the rest of the network we are building around the Middle East has been just as much good luck. The fact is you always need a transshipment hub with a set of gateway ports to make the most of the opportunities."

However, there are upsides and downsides to its location: it's a little close to Jebel Ali, yet the facility manages to hold its own. Being on Sharjah's Indian Ocean coast it's nearer the major Asia-Europe trade routes than its huge competitor which sits a little further around the spike of the Musandam Peninsula, inside the vulnerable Strait of Hormuz.

This means that if Iran's rumblings and threats to close the Strait are acted on Khorfakkan, lying as it does just outside the pinch point, will suddenly hit the cargo jackpot.

Outside influence

On the downside, although the UAE is particularly stable, political unrest outside its borders could still impact cargo flows. Balancing this, it seems that developing hinterland links promise a bypass around troubled hotspots, facilitated by Gulftainer's 'strategic' acquisitions that give outlets to the Red Sea and the Mediterranean.

It's being supported by major infrastructure works such as the Shis to Khorfakkan road; this has meant boring a route right through the mountains and creating 13km of tunnels on its 23.2km journey. The route will not only shorten journey time by 30 minutes between Khorfakkan and Sharjah when it's completed in 2019 but it will also circumvent the Straits of Hormuz.

[Gulftainer](#) and the Sharjah Port Authority are committed to keeping Khorfakkan competitive, recent expansions having increased its quay length to 2,000m of quay serviced by 20 container cranes. However, Mr Richards adds its real charm lies in its natural 16m depth and rocky bottom as this means no expensive maintenance dredging.

There are also plans afoot for new deeper water berths. Interestingly, among those on the table, Mr Richards is most in favour of a low-investment, high yield alternative which will put a 'cap' straight across the ends of the existing fingers. This will add another 480m of quay and places for six extra gantry cranes he explains. "It is the quickest solution, it involves the least amount of civil works and at \$60m or \$70m it's also the most cost effective."

Keeping pace

However, the big question is, will it now be able to keep pace with other developments? There is the pull of Jebel Ali's Terminal 3 which will add 4m teu capacity, and there are others to consider such as Oman's new Duqm port.

This new dual facility has oil on one hand and boxes on the other; the idea is that, although its closest competitor is more obviously Salalah, it could snare passing traffic as it sits on the southern curve of the coastline, well away from any of the Strait's sensitive areas and closer to those major trades by several hundred miles.

Despite this, Mr Richards is robust in his estimation of the future competitiveness of Khorfakkan. "You are simply not going to get 18,000 vessels in most places inside the Gulf," he points out, "So no, I am not particularly worried that Khorfakkan will be bypassed."

About Gulftainer

Gulftainer a privately-owned UAE enterprise established in 1976 is a rapidly expanding, dynamic ports and logistics company now operating in various parts of the world. The Gulftainer Group operates and manages ports and logistics businesses in several countries, including the UAE, Iraq, Pakistan, Russia, Brazil, Lebanon and Turkey. Gulftainer operates three main UAE

Khorfakkan Gains from Gulftainer's Growing Middle East Network

Written by Australian Business

ports: two on behalf of the Sharjah Port Authority - Sharjah Container Terminal (SCT) and Khorfakkan Container Terminal (KCT); and one in Ruwais, Abu Dhabi, on behalf of the international plastics solutions company, Borouge.