

SUEZ CANAL LOGISTICS HUB: COMPETITION AND CHALLENGES

Khaled EL-Sakty

Associate Professor of Logistics and Supply Chain
College of International Transport and Logistics
Arab Academy for Science and Technology and Maritime Transport
P.Box 2033 Horia, Cairo, Egypt
Tel.: +2 0100 8334341; E-mail: khaledsakty@yahoo.com

ABSTRACT

Suez Canal is continuously developed to accommodate modern ships where the ships draft reach 66 feet. The Canal has four doubled zones with six bypasses with overall length 193.3 km. It is providing the shortest route between Europe and Far East in terms of distance, fuel consumption and operating costs. This allows the transit of ships in both directions and attracting more shipping lines and shippers. However, alternative routes to move trade from North West Europe to Far East have taken place including Panama Canal, Northern Sea Route (NSR) and Cape of Good Hope. Hence, the Egyptian government has recently set executive steps for a national project that aims at developing the Suez Canal zone to become one of the world's leading logistics hubs. Hub became in recent times essential for improving traffic as it provides shipping lines with adding value logistics activities and services. The purpose of this paper is to discuss how Suez Canal can be further developed as international hub to remain monopolistic position for world trade?

KEYWORDS

Adding value logistics activities, logistics hub, Suez Canal competitive routes