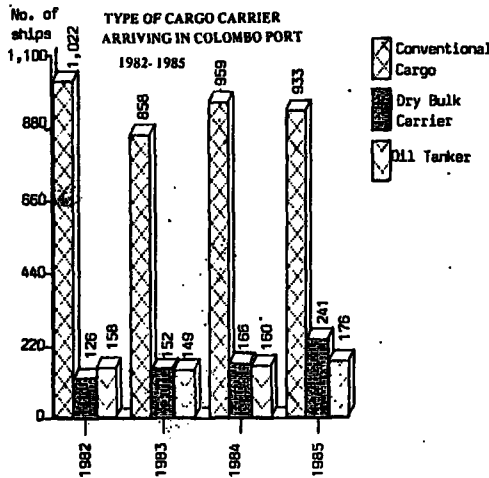
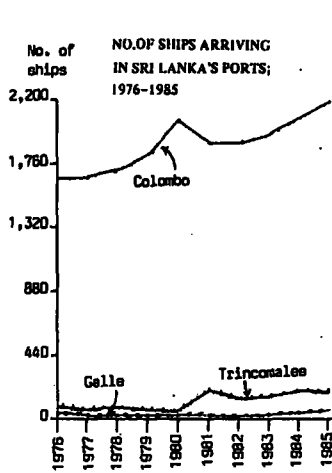
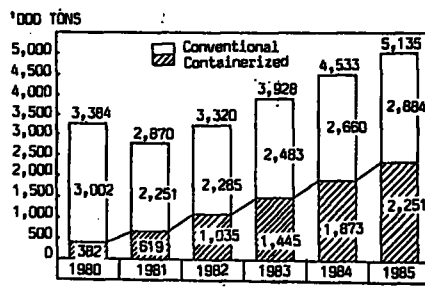
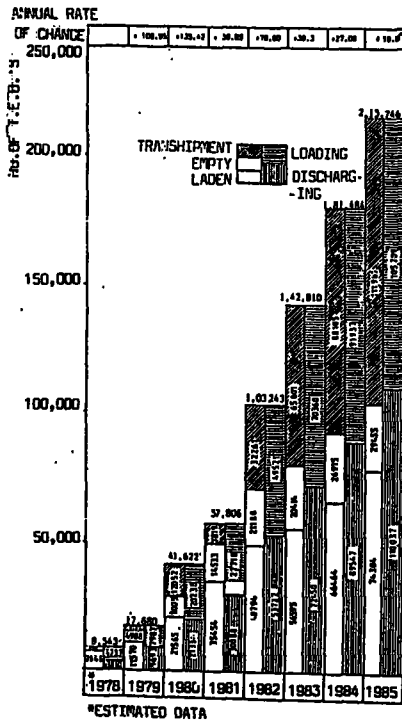


PORTS AND SHIPPING

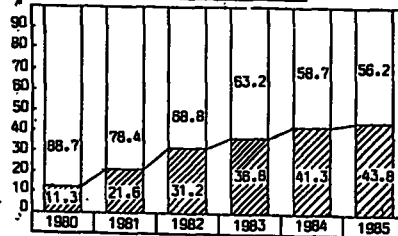


CONTAINER THROUGHPUT T.E.U.'S PORT OF COLOMBO

SHARE OF CONTAINERIZED CARGO IN TOTAL DRY CARGO BY YEAR - PORT OF COLOMBO



% CONTAINERISED CARGO OUT OF TOTAL DRY CARGO BY YEAR



EXCLUSIVE OF BULK WHEAT

Source: Statistics Branch, Planning, Research & Development Division, Sri Lanka Ports Authority.

GROWTH OF TRAFFIC THROUGH COLOMBO PORT

Sri Lanka's major port - Colombo - has earned a reputation as the premier port in South Asia today. Lloyds Shipping authorities have in their reviews indicated that by October 1984 Colombo had elevated itself to this leading position. Through improved port efficiency and by keeping pace with the developments in maritime technology, states the Lloyds Economist, Colombo was able to pull out traffic from the weaker regional ports, particularly those from the Indian sub-continent.

Colombo is also being placed among the world league of container ports and a leading transshipment centre in the region. As the following paper by Professor Dharmasena shows, the number of TEU's (twenty-foot equivalent units containers) handled by Colombo which averaged only 200 a month in the early 1970's rose to 1,400 a month by 1979 and in the four years from 1979 to 1982 container traffic through Colombo grew by about 483 per cent. This impressive rate of growth is also illustrated graphically in a diagram on this page. What is significant in this growth is that this upward thrust in traffic was experienced by Colombo at a time when the world and shipping was hit by recession which brought negative growth rates to some major ports of the world.

The other notable feature in Colombo's growth as a port is the changing nature of the type of cargo handled. As the diagram on this page indicates containerised cargo in 1985 took up nearly 44 per cent of all dry cargo handled in Colombo as against only 11 per cent in 1980. Of the smaller ports traffic through Trincomalee increased significantly from 1980.

Sri Lanka's shipping fleet has helped to buttress this growth of traffic though global recession of the last few years has resulted in fluctuating fortunes for the national carriers. The Ceylon Shipping Corporation in keeping with trends in the shipping industry began converting its fleet from conventional to container vessels from the early 1980's, and purchased eight container vessels upto 1986 on official and commercial credits. With depressed freight rates worldwide, in recent years, the CSC has found it difficult to maintain its commitments on these credits, underwritten by government guarantees. This support of the Treasury to the CSC had exceeded Rs 900 million by 1986.

The background to the growth, in this sector, problem areas, and future prospects are discussed by two specialists in this field in the two papers that follows.