

Saudi Arabia to create largest port in Red Sea

Emaar, the Economic City, a subsidiary of the United Arab Emirates (UAE)-based real estate giant Emaar, and global marine terminal operator DP World have signed an agreement to develop and operate a seaport in King Abdullah Economic City (KAEC) in Saudi Arabia.

A multipurpose cargo terminal is scheduled to be operational by the end of 2010 and a 1.6 million twenty-foot equivalent unit (TEU) container terminal by mid-2011.

One of the six key components of the 168 million square metre KAEC, the sea port will be the largest in the Red Sea and one of the top 10 ports in the world with a capacity to handle 20 million TEUs.

In addition to creating 15,000 direct and indirect jobs, the port is expected to contribute an average 10 billion Saudi riyals to the country's GDP annually, on completion of all phases.

'The SAGIA (Saudi Arabian General Investment Authority) is committed to the kingdom's vision to make the Saudi economy one of the top 10 competitive economies in the world by the turn of this decade,' SAGIA governor Amr Al-Dabbagh said at the signing ceremony.

'To achieve our goal, we encourage major local, regional and international companies to invest in the infrastructure to augment investment in high-growth strategic sectors, most importantly the transport sector, and thus enhance the competitiveness of these sectors, which contribute to overall economic development.'

He said the KAEC port was the first port in the nation to be completely financed by the private sector.

'We believe that the sea port at KAEC will catalyse regional and international investment to KAEC, and make a substantial contribution to the GDP, in addition to creating direct and indirect job opportunities for the Saudi youth,' Al-Dabbagh added.

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