



Syrian Green Corridor: Penetrating Eastern Markets through Sea

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Executive Summary

Maritime shipping is perceived as an economic efficient way that allows for exported and imported commodities to be traded. This method has extraordinary importance when the meant commodities are agricultural products, where these products have special characteristics that in many cases make maritime shipping the optimal way to export them from the producer/exporter country to the importer one.

Among the various methods of maritime shipping, the RORO (stands for roll on roll off) is a notable one. When applying this method, the ships in use should be designed to carry wheeled cargo. In contrast with other methods, the RORO implies that cargos should be driven on and off the ship on their own wheels, without loading and unloading the shipments, then cargos behave the same when reaching the targeted port. This saves time and reduces the probability of getting the exported agricultural products spoilt, particularly if they were perishable. It also limits the amount of lost quantities due to loading and unloading the shipped commodities. In addition, it is more efficient economically, where costs of loading and unloading are saved, and trucks drivers stay with their trucks on the board to re-drive off when reaching the port in the importing country.

Consequently, there is a successful experience in this regard, which is the Green Corridor (2002) that was an Egyptian European project financed by the EU. This project resulted in a sharp increase in quantities of Egyptian fruits and vegetables exported to Italy, and through Italy to Europe. This highlights the opportunity to conduct such project in other Mediterranean countries if the required fund is available.

The notion in this study is to suggest Syrian Green Corridor, like the Egyptian Green Corridor. The suggested “corridor” would link Syrian ports with their counterparts in Eastern “friend” countries, which would allow Syrian agricultural products to be exported easily and smoothly, particularly those enjoy surplus production yet need immediate marketing, such as citrus, or those can be produced more if an efficient and effective marketing channel is secured, such as flowers.

The study presents concrete proposal to link Latakia port with the Russian port Novorossiysk through an RORO system. Still, if adopted, the proposal is to be discussed with interested donors so they can contribute to its financing and progressing. In this sense, it should be clarified that the study team was planning to present another proposal concerning the Ukrainian port Odessa; however, the political escalations in Ukraine drove the team away from a proposal of Green Corridor with Ukraine, limiting the study to the proposal of Green Corridor with Russia.

Furthermore, in the course of preparing for such corridor, the study discusses the concept of “sea-shipping villages”, where the village is a distinct compound that provides all services and facilitations in terms of goods transportations and shipping; this includes warehouses and freezing storages, as well as facilities dedicated for packing, equipping and classification. The work in the “village” is to be carried out in coordination with concerned entities, such as customs, ports, Ministry of agriculture and Agrarian Reform, Ministry of Economy and Trade, Ministry of Industry, Ministry of Health, Ministry of Transport, and Ministry of Interior. The work is to be performed carefully so to ensure that goods are shipped timely and accurately, and costs are saved as well.

On the scientific side, the hypothesis of this study is that sea shipping contributes significantly in rising levels of Syrian agricultural exports. Therefore, and in order to adequately complete the study, it was necessary to test this hypothesis by developing a mathematical model, using a partial equilibrium analysis, applying more than one methodology, and conducting more than single application to evaluate the factors influencing Syrian agricultural exports, including sea shipping lane.

The results reveal that there is strong significance for the impact of “coastality” (i.e. the country which imports Syrian agricultural products has a coast) in terms of rising levels of Syrian agricultural exports. This indicates the strong tendency of Syrian agricultural exports to target countries that have sea coast, and thus have ports. This also makes the hypothesis of this study (sea shipping contribute positively in promoting Syrian agricultural exports) more robust. The results also reveal a moderate to strong significance for the impact of “establishing new sea shipping lanes” on the expansion of Syrian agricultural exports. As a result, it can be concluded that Syrian agricultural exports are influenced positively and significantly by establishing or extending Syrian sea lanes. Correspondingly, the hypothesis tested in this study is correct, and

establishing sea shipping lanes is an important factor that actually helps promoting Syrian agricultural exports.

The study recommends establishing new agricultural exportation projects that integrate with the establishment of new sea shipping lanes, aiming at producing and exporting agricultural products which fit most with exportation by sea in general and exportation as RORO in particular; this includes flowers, strawberry and citrus. It also recommends doing further detailed studies in the future, similar to the current one, in order to investigate subsectors or individual products that are influenced by sea shipping positively and more significantly than others, and suggest these sub sectors/products to be targeted by sea-based agricultural exports. Finally, the study recommends developing free trade agreements with “friend” countries in order to obtain agricultural tariff elimination/reduction for Syrian agricultural products, thus encouraging Syrian agricultural exports to penetrate their markets.