

Sri Lanka's Maritime Hub Vision: An Analysis of Potentially Supportive Factors

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Introduction

Sri Lanka's geo-positioning is very strategic. Being at the southern tip of the only land mass extending towards the Indian Ocean between the Arabian and Malayan peninsulas, this strategic geographical positioning is naturally expected to give Sri Lanka an added competitive edge to develop herself as an Asian maritime hub. The development of the Port of Colombo as the main hub Port in the region in the 19th and early 20th Centuries also was largely facilitated by this competitive advantage of strategic positioning.

However, this dominant maritime position of Sri Lanka was seen gradually eroding over the years, particularly since the latter half of the 20th century. Colombo has gradually lost its attraction for marine traffic (Ratnayake and Wijeratne, 2012)¹ and has drifted down in the international ranking from 27th position in 2007 to 29th position in 2011², and from 16th position among container Ports in 1996 to 18th position by 2010³. This is a major concern at a time when the policy makers postulate regaining the maritime hub status, and is a paradox in face of the country's natural geo-positioning advantage which could hardly be matched by any competing regional Port.

¹ Colombo port ranked in the fifth place in the British Empire in the terms of the shipping tonnage entering a port and "Colombo was considered the "greatest artificial harbor in the world". From the beginning of the late 1950s the port was known for delays and almost lost the hitherto maintained regional transshipment status (Ratnayake and Wijeratne : 2012, pp 360) .

² Ranked by American Association of Ports Authorities

³ UNCTAD ranking