

Potential Expansion of Sri Lanka's Ports to Optimize Advantages from Global Supply Chain

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Abstract

Sri Lanka is located strategically at a historic east-west shipping passageway. Since historic times, the Sri Lankan ports acted as transits for cargo travelling across the South China Sea and the Indian Ocean. The Maritime Silk Route was a vital component of trade as far back as the 15th Century. The expansion of the Global Supply Chain calls for many adjoining regional ports to develop significantly. Upon analysis, Sri Lanka showed many infrastructural and geopolitical barriers to active engagement with the Supply Chain flowing from China and India. The geographical location and the nature of the container traffic in the Indian Ocean both pointed to the comparative advantage through active interaction with the adjoining ports and maritime routes. Data analysis of both Hambantota and Colombo Ports revealed the potential of the Sri Lankan ports at their current capacity. Total utilization of the infrastructure and potential for the advancement of logistical and operational activities like warehouses to store fragile cargo, value addition lines within the limitations of the harbour and the digitalization of Port Activities are elaborated. These facilities will influence more global engagement with the commercial Ports of Sri Lanka to connect with emerging markets and value chains. This commitment to drive transshipment cargo efficiently towards the country contributes directly to the national income and boosts Sri Lanka's presence in the Asian Region as a center for trade, to better engage with the global supply chain.

Keywords: *Supply Chain, Transshipment Cargo, Ports*