



**KEYNOTE ADDRESS BY HIS EXCELLENCY**

**VICE-PRESIDENT JOSEPH BELMONT**

**AT THE OFFICIAL OPENNING OF THE**

**2<sup>ND</sup> INDIAN OCEAN PORTS,**

**LOGISTICS AND SHIPPING CONFERENCE**

**AND EXHIBITION - 30<sup>TH</sup>**

**TO 31<sup>ST</sup> MARCH 2006**

**AT THE PLANTATION CLUB RESORT AND CASINO**

Ministers,  
Your Excellencies Ambassadors and Consulates  
Principal Secretaries  
Mr. Rory Doyle, Managing Director Transport Events Management,  
Distinguished Delegates,  
Ladies and gentlemen,

May I first of all joined Mr. Lafortune to extend a warm welcome to our esteem guests to the Seychelles!

It is indeed an honour and privilege to be invited to address such a distinguished gathering of business leaders in the global transportation and logistics at this 2<sup>nd</sup> Indian Ocean Ports, Logistics and Shipping Exhibition and Conference 2006.

Let me congratulate the organizers who have worked very hard to bring this august event, the first of its kind, to our shores. In addition, I am happy to note that you will have an opportunity, alongside this Conference, to exhibit your latest technology and business openings in the transport sector here in the Seychelles.

Distinguished Guests, Ladies and gentlemen,

The Conference is being held at a time when the world is going through turbulent times, where threats and challenges are at the forefront and opportunities lagging behind. In spite of our competitive world, it is stimulating to see you ready to show the advantage of creativity, cohesiveness, imagination and of course daring not being afraid to tackle new ideas, look at new options and thus creating new opportunities.

Globalisation has altered the economic frameworks of both the developing and developed nations in ways that are difficult to fully comprehend. Likewise, the shipping industry is highly globalised. The tremendous increase in the volume of world trade over the last 50 years has not come about just because of reduced import barriers or better telecommunications or infrastructure. It is also a direct result of the massive increase in productivity of the shipping industry.

Globalisation has also increase competition. The focusing on core business and expertise together with the supply chain management practices has formed a rapid changing market place, where firms active in the international logistics of manufactured goods have become more cost-sensitive and have tried to expand their

services. Indeed those companies seek cost-savings through expansion on the one hand and strive to develop global and total logistics services on the other. Consequently, increased horizontal and vertical integration is taking place, as evidenced by global alliances among shipping lines, the growth of container terminal management companies with global operations, and the increase of logistical service offerings transport companies.

Yet, the recognition of exclusive rights for the exploitation of extensive sea areas presents coastal states with both an opportunity and a challenge. The challenge is to safeguard the maritime environment for the benefit of future generations. The opportunity is to derive sustainable wealth from resource exploitation. This calls for the assessment of resources, sound exploitation plans as well as proven equipment and reliable services.

Indeed the rapid changes in the marketplace put pressure on ports and port authorities to respond. Port authorities need to play a leading role in the creation of relevant core business of a port, the development of threshold competencies and economies of scope by developing value-added services, port information systems and inert-modal infrastructures.

We share the view that efficiency oriented ports can achieve competitive advantage by either cost leadership or differentiation. That is ports must try to become the low-cost provider of port services and at the same time try to provide a specific port services in market niches, offering greater value to port users.

In order to achieve that feat, a number of important elements need to be considered in the process. Essentially, issues like port history, geographical locations, political situations, regulation, infrastructures facilities and capacities, transport services, specialization and expansion constraint, the concept and role of a freezone, value-added activities, port marketing, the role of port authority, government and shipping lines, local industry, the main trading partners, strategic plans, privatization to mention but a few.

As globalization gathers momentum, developing economies as well as small island nations must adopt coherent and strategic policies and programmes that will respond positively to the opportunities and challenges. Therefore, national economies have to adjust, sometimes at the painful cost of social gains to acquire global dimensions in order to survive.

All in all, we must at all times try to our level best to reconcile the pressures for productivity and competitiveness with sustainable development and improvements in living condition.

Seychelles as a small island state is not spare out in this process. We are also faced with unprecedented challenges. I therefore believe there are good reasons for the organizers to have confidently chose Seychelles as the host of this year's event.

At this juncture, allow me an opportunity to briefly enlighten you on the fabric of our society. Seychelles is made up of a mixture of European, African and Asian origins and live in perfect harmony, in a warm and friendly atmosphere. The total population stands at 82, 000 inhabitants. It boasts a culture that is a unique blend of French settlers, African slaves and British sailors.

I must say that Geography has been kind to us. In addition of sitting in one of the most beautiful and sheltered harbour in the world, it is strategically located at the heart of the Indian Ocean, a favourable time zone, which allows working hours to overlap with major financial and business centres both East and West, air links with all the major cities in the World, a tropical cyclone-free climate, the deepest port in the region, a highly developed banking system, an educated trilingual workforce and a communication system comparable to European standards.

The Seychelles International Business Authority was established in 1995 as the driving force behind ambitious plans to make Seychelles the undisputed business in the Indian Ocean region. A port folio of legislation ensures an environment for offshore companies, trust banks, insurance companies and free trade zone that is the most modern in the world. Clearly, Seychelles has all the necessary elements to become an international business and financial Centre.

Investment by the private sector in the economy is the key to establishing a solid platform for the future behind the formulation of all economic policies since 1990's saw the culmination of these plans with the implementation of legislation guaranteed to create an enabling environment for increased private sector participation in the economy.

In addition, Seychelles has a reputation for political stability and social harmony which are conducive ingredients to attract foreign investment. In spite of the numerous

constraint related to our smallness, Seychelles is a country that strives to manage economic and social development with due regard to the environment which is evident before your own eyes and can be an example to many countries.

In the context of our shipping industry, Port Victoria is strategically located on the shipping routes between the south Pacific and Europe and the oil-rich Gulf countries and between Africa is strategic. Since our independence in 1976, Port Victoria has played a role at the very heart of the economy, handling almost all the nations' foreign trade in pure volume terms as well as playing host to an important new source of tourist revenue for island cruise ships. Seychelles now have three Tankers, namely Seychelles Pride, Seychelles Progress and Seychelles Pioneer. Two more tankers are under construction namely Seychelles Prelude and Seychelles Patriot.

Furthermore, as a result of extensive development in infrastructure and services, Port Victoria is classed as an efficient port among the international shipping lines. It also has a reputation as the fastest handler of cargoes in this part of the world, through an effective and efficient stevedoring service. It is also known for its cleanliness, orderliness, safety and security and relatively lack of pollution. Transport to and from the island is facilitated by well-served air and seaports and complemented by a comprehensive road network across the island.

The Government is continuously investing significantly in ports development and infrastructure by improving facilities for international shipping services in Port Victoria. It is important for me to note that 80% of the ports revenue or activities are related to commercial tuna purse seiners as 80 % of imports are being consumed by purse seiners activities.

One of the roles of the Seychelles Ports Authority which was created in 2004 is to develop strategies to enhance business environment and to make Port Victoria more attractive for shipowners to invest in Seychelles and to make our ports more user friendly and efficient.

In this context, ladies and gentlemen, in the spirit of public-private partnership, the government is considering the concept of economies of scope by increasing service differentiation. It is our mission to continue to create the enabling environment for the achievement of a more comprehensive port facilities and services in terms of quality, efficiency, competitiveness and reliability in the area of cargo handling, bunkering, shiprepair, net repair, warehouses, cold storage, deepwater port as well as

other marine services such as pilot age, towage, heavy lift services, offshore support, salvage work, fresh water supply, crew change, ship supplies and shop disposal among several others

I have been informed that you will be briefed on the opportunities that will be available in Port Victoria in the not too distance future.

Earlier, I spoke about challenges. I cannot complete my address without touching on the issue of human resource development, which I believe is the most valuable investment in all business development. The quality of staff employed is critical to their overall performance and therefore to their long commercial success. The Government has invested heavily in that area but we must continuously look to in-house and tailor-made training to create the special skills call for in this type of attraction. The need for special training is particularly great for staff in direct contact with the visiting public and clients.

However, the need to recruit, train and retain well motivated staff is now recognized throughout the industry as a prerequisite to enhancing its market value. By focusing on joint public and private projects in the area of human resource development among others, the overall partnership between government and industry can be strengthened to everyone' benefit.

Last but not least, President James Michel, the President of the Republic of Seychelles has declared the year 2006 as the year for celebration. Yes, your Conference has coincided with the celebration of our thirty years of independence. The Theme is "Celebrate Seychelles". We have all the reasons to celebrate. We have come a long way from absolute poverty to a decent standard of living comparable to many developed countries. I will not labour you on this issue as I am sure you will feel the pride in the heart of the Seychellois people during your stay in the Seychelles. May you join us in our Celebration.

Finally, I hope that after your tight business schedule you'll make time to enjoy the beauty of this small country.

I now have the pleasure to declare the 2<sup>nd</sup> Indian Ocean Ports, Logistics and Shipping Exhibition and Conference 2006 officially open.

I thank you.