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## Port of Santos Intermodal Capabilities

The current global economic and business environment is driven by the emerging economies, which previously experienced slow economic growth. Brazil has been among the major emerging economies with increased activities in exports and imports business. The port of Santos has been playing an imperative role in providing logistics solutions in the country’s supply chain management. It is the largest port in Brazil, where the country’s major products are exported i. e. coffee, sugar, machines and vehicles among others. The port also serves a major transshipment port for various goods and commodities from other southern American countries such as Argentina, Chile, Uruguay, Bolivia and Paraguay. The port has been growing consistently and continuously overtaking Buenos Aires as Latin American second largest port in terms of container handling (Business Monitor International, 2012).
There have been efforts to improve the intermodal capabilities in the port, with the aim of improving efficiency through reduction of congestion in the port. There have been serious concerns regarding increased congestion in the port due to lack of space where there has been experiences of long traffic jams of trucks awaiting containers. This has led to the need of a new design and development that will facilitate intermodal integration, through the development of high level operations railway and road networks that minimize the cost of handling while maximizing utilization of the infrastructure. There is a need for the optimization of the railway mechanism, which can circulate more than 25 million tons of cargo if the port is to achieve a competitive position in the global market. Hinterland services are one of the most prevalent challenges facing the port of Santos and intermodal services as the best solution to these challenges (FRISCHE, 2010). There is a need to incorporate the railway mechanism and inland waterways kin the transport mechanism in the efforts to reduce congestion in the port.

## Positive Activities Enhancing the Port

Currently the port handles more than 50 million metrics tons a year, with a width of about 14 kilometers of quay containing 63 berths and 500, 000 square meters of warehouses. The port has been attributed to handling more than 11 percent of the country’s foreign trade, which is valued at 24. 4 percent. There are various strategies that have been adopted to improve the productivity of the port, such as the introduction of 24 hours reservation for trucks to reduce the congestion in the road network. The port is also on a strategic plan to deepen the channels through dredging, as well as apply intelligent transport system technologies. There are also development of the truck storage facilities and improvement of the security requirements due to increased security concerns (Business Monitor International, 2012).

## Contribution of the Port to the Domestic Economy

The port of Santos plays an imperative role in the country’s domestic economy in myriad of ways. For example, the port provides wide employment opportunities for the Brazilian citizens reducing the rate of unemployment in the country. The issue of unemployment in a country is a major concern and hence the port helps in solving the problem. The port of Santos is located in Sao Paulo, which contains 21. 5 percent of the country’s population, but contributes 35 percent of the country’s gross domestic product. In addition, it also contributes 44 percent of the country’s industrial product (Federal Highway Administration, 2013). The port of Santos contributes significantly to the economic growth and development of Sao Paulo success.
The port also plays an imperative role of providing a channel through which the local products are transported into the global markets. For example, the coffee farmers transport their produces through the port, where majority of the product transported in the port is coffee. This is essential in the domestic economy through the provision of foreign exchange and ensuring balance of trade and stability of the domestic currency as compared with the foreign currencies. The country has been experiencing rapid industrialization with increase global demand of the country’s product. Therefore, the port provides an imperative export for the country’s product hence growth of the domestic economy through increased industrialization. The location of many ports around Sao Paulo where the port is located serves as an essential location for the importation of raw material used by the industries (Page, 2003). This reduces the cost of operations for the industries hence growth of the domestic economy through expansion of the local industries.

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