



## Pioneer in the Logistics Development of Makoran Shoreline

The effect of 'supply chain management' on the development of economy, production, and trade of worldwide countries is on the rise. At its heart, 'logistics management' has a singular role. The three main pillars of logistics are, transportation, warehousing and data flow management.

This is why, the establishment of logistics centers which offer all three necessary infrastructures will become the lever of regional and international development of a country. While maritime transportation comprises 90% of the transportation worldwide, ports are vital to logistics management. This matter is reflected in the Logistics Strategic Spatial Planning document. There are 4 logistics cities in Iran as the upper level of logistics centers, which 3 of them aside the capital are port cities.

Chabahar port is the only oceanic port in Iran, giving it an incomparable position in logistics. Fortunately, following the reiteration on the prominence of Makoran region by Iran's supreme leader in the 2010s and the emphasis on the revival of its shorelines, the development of the region has expedited.

In view of the expertise and experience of Arman Makoran Development and Civil Co.'s founders and managers in sizeable development projects together with the analysis of the country's logistics needs, our company set about to allocate its financial and human resources for the development of Chabahar port logistics.

In line with this, Arman Makoran Logistics Park was convened as a joint project between Chabahar Free Zone and our company. The preparation phase of the site was launched following the extensive studies and obtaining the permissions.

As the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) has emphasized the role of hinterlands in the logistics development and Gross Domestic Product GDP of its member states, Shahid Kalantary port's hinterland has been located for doubling the port storage capacity.

This project is a cooperation with the government and the private sector, deemed as a pioneer in the logistics development of Makoran shoreline and the first project of its kind for Chabahar Free Zone. It is forecasted to create 7,000 jobs in the construction phase and 1,200 jobs during its operation period. This project not only serves its social responsibilities but it also plays a lasting role in the promotion of human resources and economic growth in the region.

Compliance with standards, environmental regulations, and the implementation of green and environmentally friendly projects and consideration for standard waste and sewage disposal management are among the unique features of the project. We hope that the completion of the project will play a part, even a small one, in the prosperity of the region and the flourish of our beloved country, Iran.

**Arman Makoran Development and Civil Co.**

### The role of Logistics in the economic development of countries

- For developed countries, the service sector has more growth rate in comparison to industry and agriculture as part of GDP.
- Logistics subdivision in the service sector as part of GDP have higher added value.
- For developed countries logistics comprises 8-11% of the GDP while in Iran the number stands at 5-6%.

### Logistics Performance Index (LPI)

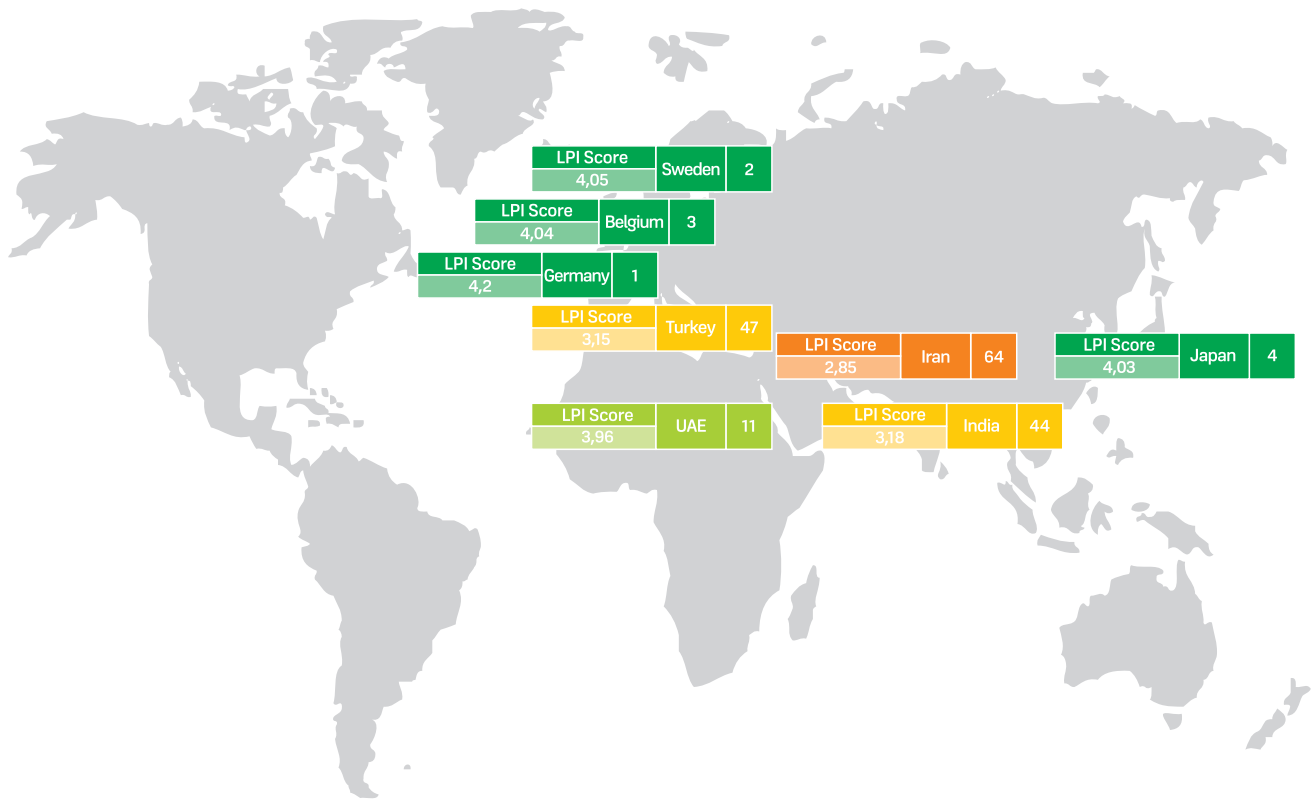
LPI is an international bench marking index defined by the World Bank to identify the challenges and opportunities of each country.

### LPI areas of measurement

<b>Customs</b>	integrated customs system
<b>Infrastructures</b>	the development of ports and the establishment of logistics centers
<b>International shipments</b>	establishment of international corridors & foreign direct investment (FDI)
<b>Logistics competence</b>	Investment and operation of the private sector
<b>Tracking &amp; tracing</b>	Implementation of up-to-date technology
<b>Timeliness</b>	reduction of bureaucracy



## A comparison of Iran's LPI with some countries



Among the top 20 countries in logistics, 18 have access to open waters.

The significant role of ports in logistics development of countries

The significant role of Iran's northern and southern ports in its logistic development.

The incomparable role of Chabahar port as the only Iranian oceanic port in the future of Iran and the world logistics



## The role of maritime transportation and ports in international trade

Hinterland Logistics centres are significant in elevating the LPI and economic growth in the country.

### ● The share of maritime transportation (shipment) in international trade



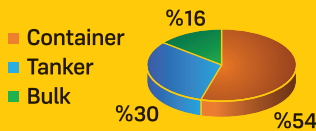
● Maritime transportation is the most cost-efficient among other modes of transport.

80%

● of national and international trade and container cargo

90%

● of international trade and container cargo



● 11 b tones of cargo transported



● Total cargo transportation by the sea



### ESCAP's strategies for Logistics development in ports

- Effective planning and development of logistics centers
- Institutional incentive scheme
- Development of Free Trade Zones
- Financing infrastructure related to logistics centers
- Developing 3PL service providers and logistics professionals
- Development of information technology
- Simplification of regulations and administrative clarity

### Chabahar's location among international transport corridors

Chabahar's prominent position among international corridors and its capacity for the investment of countries along the corridor's routes based on ESCAP's emphasis on the role of multinational organizations in the ports logistics development.





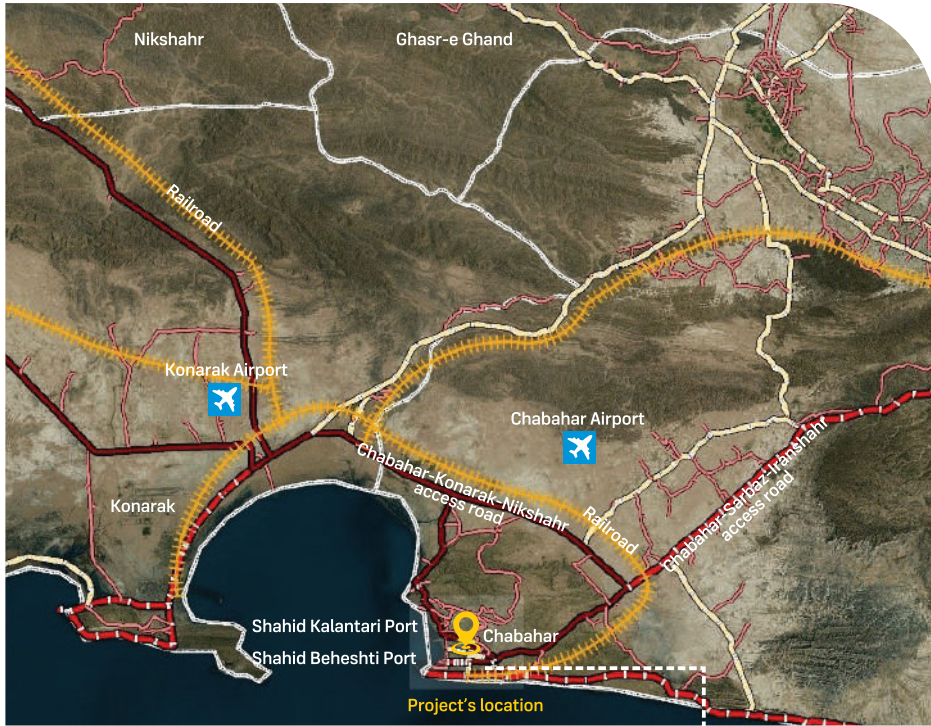
## An introduction to Chabahar ports

- Chabahar port is the only oceanic port in Iran and two ports of Shahid Beheshti and Shahid Kalantary are located at its two ends
- Shahid Beheshti port with 5 berths, 8.5m tons capacity per year and 1m tons of bulk and petroleum-based cargo and, 100,000 tons of general cargo and container goods operation in 2018
- Shahid Kalantary port with 5 berths, approximate area of 30 hectares, target capacity of 1.5m tons per year, and 100,000 tons and 50,000 TEU operation in 2018
- Shahid Kalantary port has the potential for providing container services



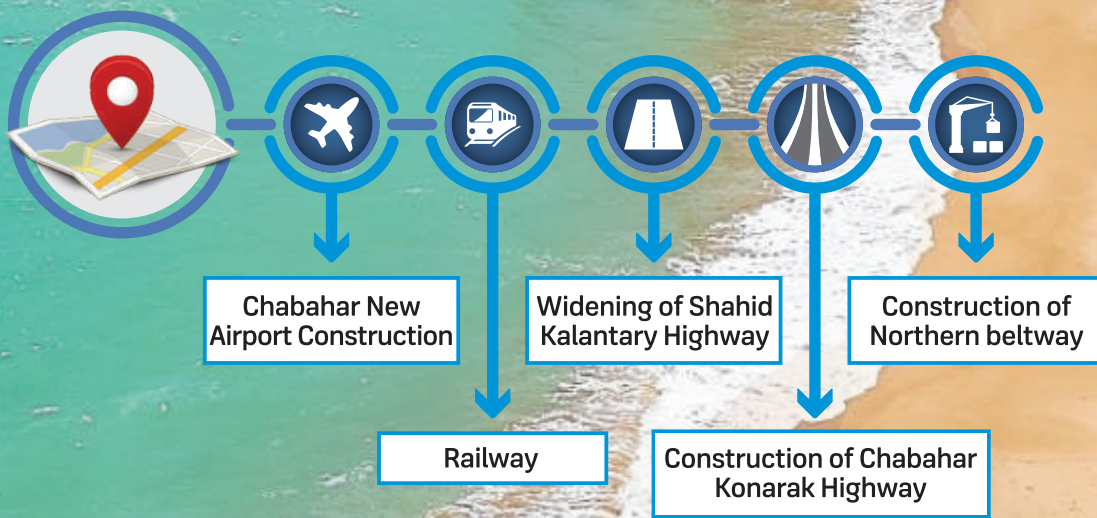
## The Project's Location

Arman Makoran Logistics Park is a 94-hectare area of hinterland at the immediate vicinity of Shahid Kalantary port which is one of the closest ports to Central Asia, Afghanistan, India, and Pakistan.

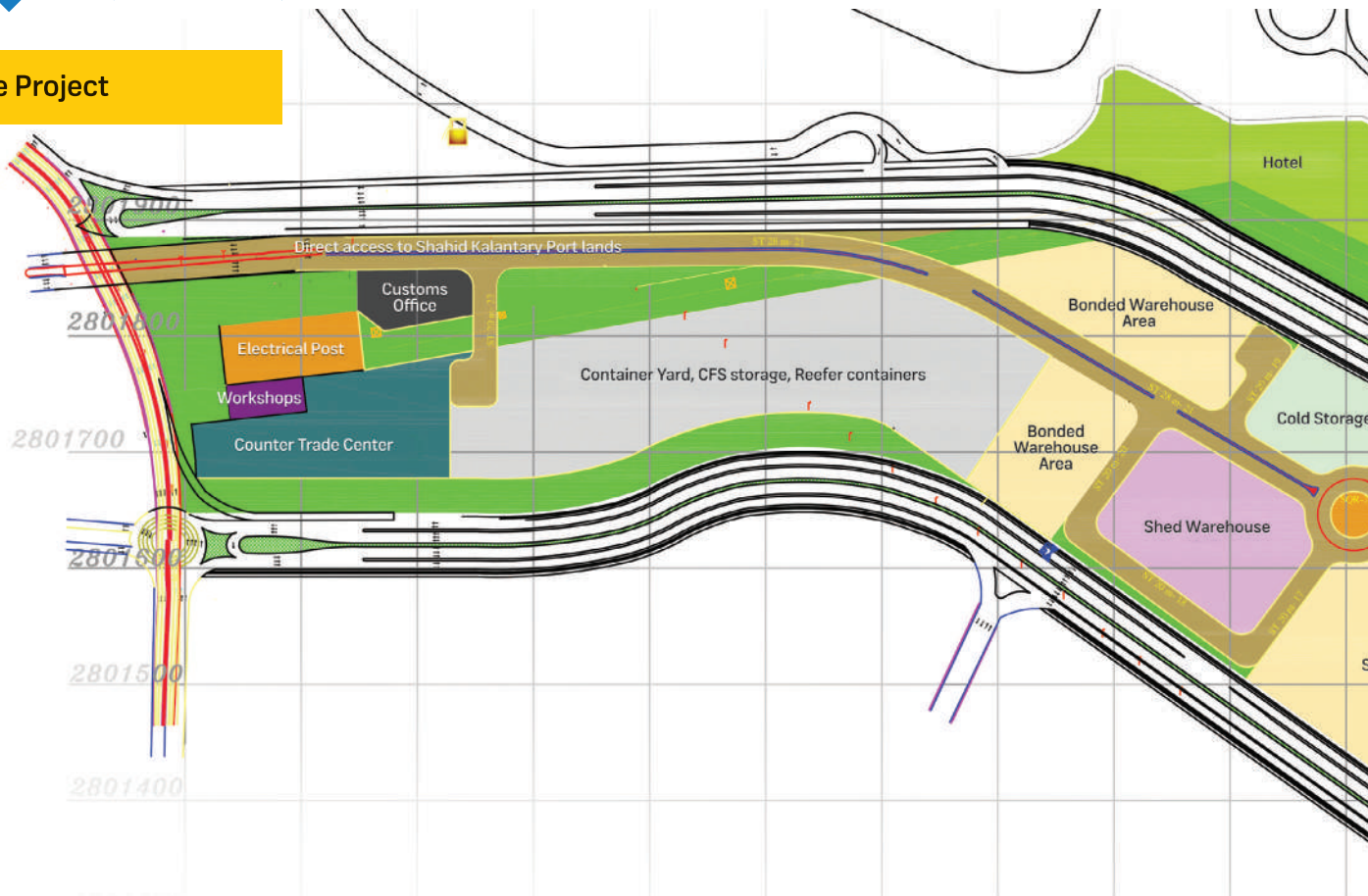




The most important future plans for the development of the transportation network

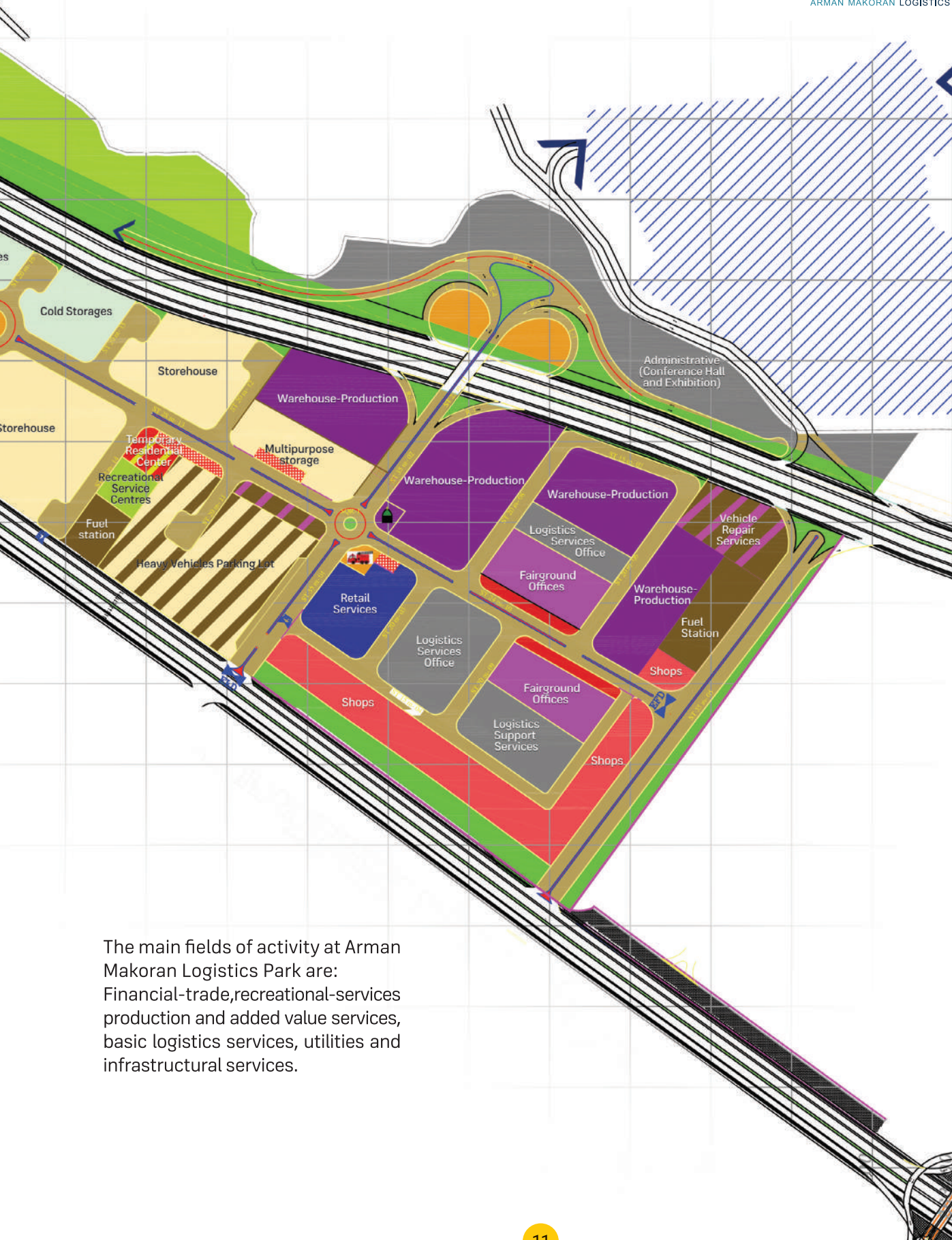


The Project



Arman Makoran Logistics Park Land Use Plan

Main Land Use Groups	Functions and Related Activities
Financial-Trade, Recreational-Services	Banking services, insurance, security, residential, health services.
Production and Added Value Services	Aggregation of small cargo, quality control, inspection, un/loading of containers, bulk and general non-container cargo operations, customs services, forwarding, repairment and deployment services for heavy vehicles, container maintenance and repair services, fuel supply, information and communication services.
Basic Logistics Services	Multimodal transportation services, loading and unloading, cargo transfer and transshipment, container yard, storage, general and specialized cold storage, general cargo storage, custom-made cargo storage, on-demand cargo storage, basic distribution services.
Utilities and Infrastructural Services	Basic site facilities (water, electricity, gas, telecom, firefighting), passages, access roads, designated areas.



The main fields of activity at Arman Makoran Logistics Park are:  
Financial-trade, recreational-services  
production and added value services,  
basic logistics services, utilities and  
infrastructural services.

## Basic logistics services

- Storage areas are usually classified by their shape, type of cargo, features of cargo, location and operation.
- The design of the present storage in the logistics section will be based on the types of exchanged cargo.

The functions of the basic logistics services	Area (m <sup>2</sup> )
Container Yard (CY), CFS storage, reefer containers site	54,400
General Storehouse	77,300
Multi-purpose storage	9,800
Shed warehouse	19,300
Cold storage	19,800

### Logistics services - Container

- The index for maritime trade of container shipment has grown 8-fold in the last 30 years.
- In view of the competitive advantage of Shahid Kalantary port in the container transport and customs services, an adequate area of the logistics park will be allocated for container services.
- The construction of this site will make unloading -- loading processes, and customs services at Shahid Kalantary possible at the shortest time.
- The construction of Logistics Park will double storage capacity of Shahid Kalantary port.

### Logistics services – Container CFS

Container yards offer container freight storage (CFS). Through these services, the general cargo in the container will be loaded or unloaded, also storage facilities and cargo transportation are provided.

- According to the previous data provided by Shahid Kalantary port, the construction of this section is necessary for the strip and stuff of goods such as rice, building material, home appliances, fabric, rubber, tools, equipment, fruit and fishes.
- The container yard and the CFS and reefer containers will be placed in a 5.5-hectare land in the area closest to the port.

### Storage areas (public closed areas, multi-purpose, Shed)

In consideration for Shahid Kalantary port functions and its large share of General cargo, different types of storage areas are planned.

Multi-purpose storage for ingoing and outgoing cargo for goods such as vehicles, petrochemical products, etc. will play an essential role in the increase of Shahid Kalantary's storage capacity.

At Arman Makoran Logistics Park three types of storage areas are planned:

- 1) Closed and fenced with 7.7 hectares of gross area
- 2) 2 hectares shed area
- 3) 1 hectare open multi-purpose area

### Cold Storage Area

According to the Logistics Strategic Spatial Planning document, Chabahar is among the 4 logistics cities of Iran as well as 18 specialized agricultural logistics parks.

In addition to this, fishing industry is extremely important in Chabahar and there is high demand for above and below Zero C° cold storage.

This is why, 2 hectares of the site area has been considered for reefer containers and cool storage area.



### Added value services

One of differences between logistics center and storage areas is added value services.

Aggregation services for small cargo, quality control, packaging, container loading and unloading, bulk cargo services, non-container general cargo, customs, forwarding, heavy vehicle repairment and deployment services, fuel supply, information and communication services are among various added value services.

At Arman Makoran Logistics Park, a large section of the area has been considered for different added value services.



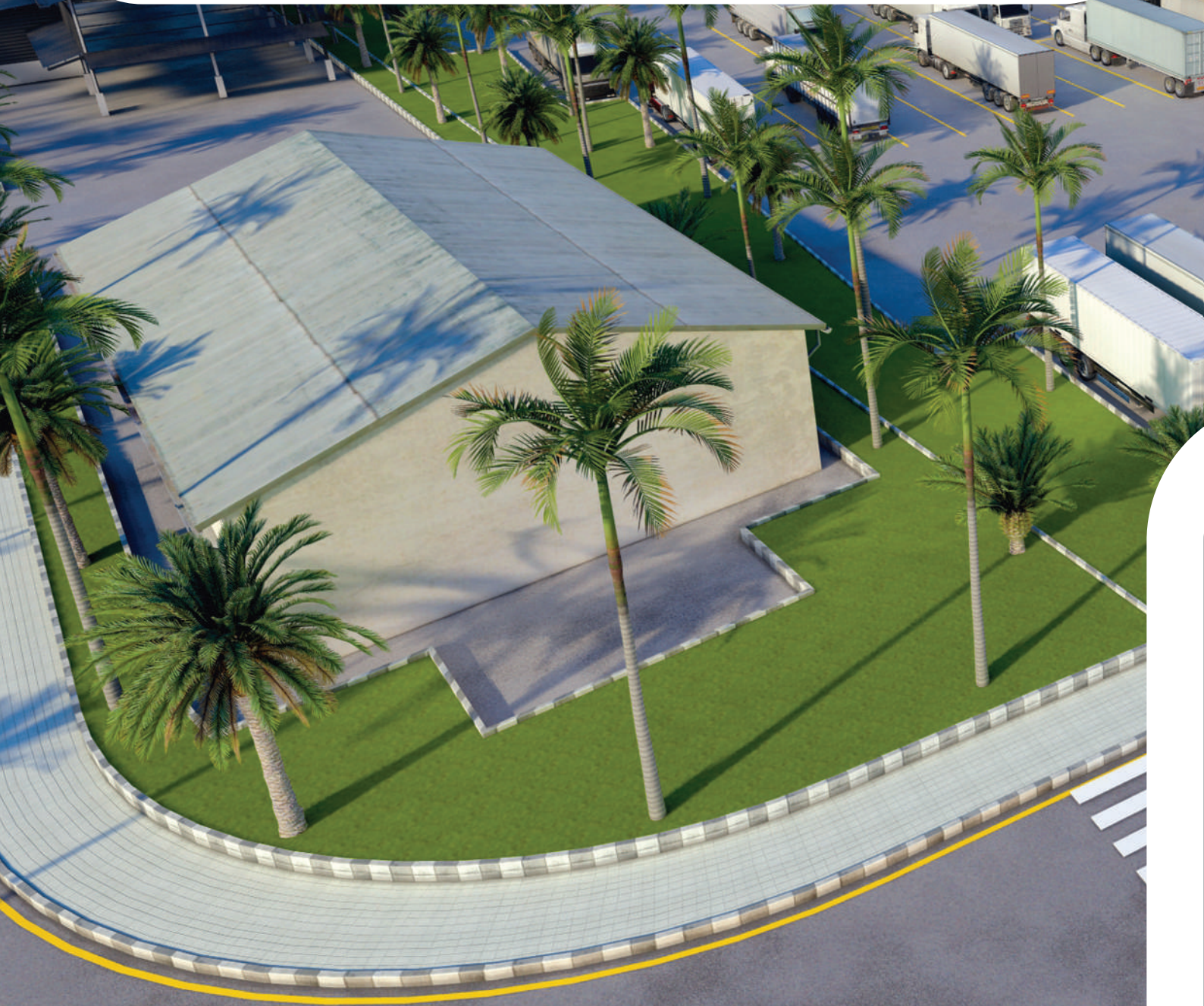


Added value services functions	Area (m <sup>2</sup> )
Fuel Stations	8,200
Logistics Services Office (offices for owners and beneficiaries of logistics services)	19,500
Administrative (Customs, customer service offices)	4,500
Administrative (other)	2,000
Warehouse - Production	69,000
Vehicle Repair Services	12,900
Security- X ray- Weighbridge	2,700

## Financial – business – recreational

Functions such as residential, tourism, conference hall, exhibition, administrative complexes are located on the north of the lot and they have a beautiful sea view of the Oman Sea. These functions are designed to host CEOs, businessmen and tourists.

In view of the shortage of administrative areas within the site, an international centralized financial management complex will be constructed. This complex will follow top grade international standards and is in line with Chabahar Free Trade Zone's major goals.







Financial – shops – recreational service's functions	Area (m <sup>2</sup> )
Logistics Support Services (management and transportation business services, banks, insurance, ...)	11,000
Diner, Infirmary, retail services and health services center	10,500
Administrative (Conference Hall and Exhibition)	40,000
Hotel	43,000
Counter Trade Center	17,000
Fairground Offices	18,900
Recreational Service Centers - Duty free shop	3,000
Shops	32,000

## Infrastructural facilities and services

The network of passages, access roads, and parking areas for different vehicle types are among the most essential parts of the project layout.

Compliance with environmental standards and the construction of environmentally-friendly green spaces have been given extra attention.

Infrastructural services	Area (m <sup>2</sup> )
Heavy Vehicles Parking Area	32,000
Light Vehicles Parking Area	4,000
Facilities and equipment and fire stations	15,300
In-site passages and access points	165,700
Green areas (apart from in-site green areas)	123,500

### Rest area complex for heavy vehicle drivers

Given the importance of road transportation in the shipment of goods and logistics, it is expected that one of the main future functions of Shahid Kalantary port will be road transit.

This is why, 4.5 hectares of the abovementioned functions will be allocated for a reactional and rest-stop center for heavy vehicle drivers.

Heavy vehicle driver's rest area complex	Building Area (m <sup>2</sup> )
Heavy vehicle parking lot (fitting 273 vehicles)	32,000
Fuel station (Gasoline)	4,100
Recreational Service Centers - Duty free shop	3,100
Temporary Residential Center	2,500
Vehicle Repair Services	2,900
<b>Total</b>	<b>44,900</b>



## Final words

The significance of Chabahar in Iran's development and its special logistical position in the progress of the Makoran region and the promotion of GDP does not require further elaboration.

"Arman Makoran Logistics Park" project is a "pioneer in the logistics development of Makoran shoreline" and is a joint project with Chabahar Free Zone and Arman Makoran Development and Civil Co. The preparation phase has started and the project will be put into operation in the near future.

This project aims to expand the infrastructure, facilitate trade, minimize logistics costs in Chabahar Free Zone, achieve optimal performance and provide economic advantages for investors and activists in the logistics sections.

In addition, this project will help accelerate the urban development and the expansion of the free zone, increase the employment rate, reduce poverty, and is in line with the general policies of the area, the region and the country at large.

One of the main roles defined for this project is the increase in the operational capacity of Shahid Kalantary port. The establishment of Arman Makoran Logistics Park will elevate this port's capacity to double its current size and reach 1,150,000 tons annually.

Cooperation in the design and construction includes other projects in the area, for instance, "the construction of the bi-level Shahid Rigi intersection and direct connection of the Logistics Park with Shahid Kalantary port", "construction of the northern Chabahar beltway" and "improvement of Shahid Kalantary highway". The above mentioned are objectives highlighted in the work agenda of Chabahar Free Zone's and Arman Makoran Development and Civil Co.



C . F . Z

منطقه آزاد چابهار  
Chabahar Free Zone

