

New transport system under consideration: Saudi minister

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Minister of Transport Jabara Al-Seraisry has said that his ministry has a plan for a new transportation system in the Kingdom. He cited the case of the Saudi Arabian Public Transport Co. (SAPTCO) that has introduced the new concept in its fleet.

The minister made his comments in separate interviews with The Washington Post and the Daily Telegraph (London), which produced special supplements on the occasion of the Kingdom's National Day on Sept. 23. The supplements featured interviews with the Governor of the Saudi Arabian Monetary Agency, bankers, economists and the CEOs of some major petrochemical companies.

Referring to the transportation system, the minister said one of the recent achievements of SAPTCO was the implementation of a monitoring system whereby the management can keep track of SAPTCO buses in Riyadh, especially each bus's speed and driver.

"The entire SAPTCO fleet will be covered by the end of this year, and we at the Ministry are asking all companies to do the same. We have big plans regarding transportation," Dr. Al-Seraisry said, adding: "Plans are also focused on improving urban public transportation, increasing the number of buses and operating and selecting the new ones carefully so they are right for our cities."

Referring to the Kingdom's port expansion plans, the minister said he had signed an agreement for a new cargo terminal in Jeddah. "It will bring an investment of SR1.6 billion and will be built by the private sector in a joint venture with a Malaysian company. When completed, it will add an additional 1.5 million TEUs to the capacity of Jeddah port."

On behalf of the banking sector, SAMA Governor Hamad Al-Sayari said electronic banking had become so popular that according to the latest statistics more than eight million shareholders, or almost 50 percent of the Saudi population, are engaged in share transactions. "Banking services exist in cities, towns and villages all over the country and you can see from the transactions that people are using the facility."

Samba's chief economist, Brad Bourland, told The Washington Post, "One of the most striking reform measures has been the Saudi government's determined campaign to encourage private sector involvement in the country's economic development, instead of retaining state control. In contrast to previous spending sprees in the Kingdom, just over 30 percent of the required funding for future projects will come from the general government budget."

According to Robert Eid, CEO of Arab National Bank, the Kingdom's petrochemical industry is becoming too big for banks to handle.