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COLON, Panama: Thousands of spectators watch as the Panama flagged COSCO Shipping Neopanamax cargo ship prepares to cross the new Agua Clara locks, part of the Panama Canal expansion project, near this port city yesterday. — AP

BULLISH PANAMA CANAL OPENS \$5BN LOCKS

CHINESE SHIP INAUGURATES WIDENED CANAL

PANAMA CITY: With a band playing and flags waving, a Chinese ship carrying more than 9,000 containers yesterday entered the newly expanded locks that will double the Panama Canal's capacity in a multibillion-dollar bet on a bright economic future despite tough times for international shipping. Several tug boats pulled "Cosco Shipping Panama" into the new locks at Agua Clara under a cloudy sky in Colon province, about 80 km north of the capital.

Thousands of Panamanians who began gathering before dawn to witness the inauguration of the canal's expansion waved the national flag as the band struck up a song. "This is the route that unites the world," said Panamanian President Juan Carlos Varela. Nearly two years late due to construction delays and labor strife, the \$5.25 billion project formally launched with the transit of the 158-foot-wide (48.2 m), 984-foot-long (300 m), Chinese-owned container ship. It's one of the modern class of mega-vessels that will now be able to use the canal.

With 30,000 people and eight foreign heads of state

expected to attend the daylong festivities, officials are bullish. "There is evidence that the Panama Canal, with this expansion, is an important player not only for regional maritime commerce but worldwide," said Oscar Bazan, the Panama Canal Authority's executive vice president for planning and commercial development. "The canal is a winning bet. (Clients) will benefit from saving not only time but also money, because the canal is a route that shortens distance."

Demand

However, the party comes amid a lull in global shipping due to the drop in oil prices, an economic slowdown in China, which is the canal's second-largest customer, and other factors that have hit the waterway's traffic and income. While authorities anticipate increasing commerce between Asia and ports on the US East Coast, doubts remain that not all those ports are ready to handle the huge New Panamax-class cargo ships. Net cargo volume through the canal from the US East Coast toward Asia fell 10.2 percent in 2015, according to offi-

cial statistics. Meanwhile the Suez Canal in Egypt recently lowered tariffs by up to 65 percent on large container carriers in an attempt to keep its traffic.

"It's important to remember that the canal does not create demand. The canal opens the route. Supply and demand on a world level is what will decide whether the Panama Canal will really bring more volume or not," said Antonio Dominguez, a general manager for global shipping leader Maersk Line, which moves about 14.2 percent of world commerce. "What is certain is that the current canal has maxed out."

Maersk was among shipping companies that have reduced passages through the Panama Canal, although Dominguez said the company is considering a return. Since the canal was handed over from US control at the end of 1999, the waterway has generated about \$10 billion in direct income for the Central American nation and is responsible for about 40 percent of its GDP, factoring in related economic activity. Some 35 to 40 vessels transit the waterway each day, and the canal is estimated to handle about 6 percent of world maritime commerce.

Panama began the expansion nearly a decade ago. Originally planned to open in late 2014 around the waterway's centennial, the new locks can accommodate ships that carry up to three times the cargo of those previously able to use the canal. Grupo Unidos por el Canal, the Italian- and Spanish-led consortium that spearheaded construction, handed the project over Friday, although a series of claims are still pending for presumed cost overruns of more than \$3 billion.

Paul Bingham, a shipping economist at Boston-based EDR Group, predicted the canal expansion's global impact will be small. "The proportion of world trade that could plausibly use the Panama Canal is constrained by the geography of the world's population, resource endowments and production regions," Bingham said. "There is very little a larger canal can influence at the margin to induce shifts in the geography of world trade, even through potential reductions in costs of shipping a variety of commodities to, from and within the Americas." — AP



DAMASCUS: Syrians display traditional sweets for sale in Damascus' Midan neighborhood, which is renowned for its sweet delicacies, as people shop prior to breaking their fast during the holy month of Ramadan on June 21, 2016. — AFP

FRUGAL RAMADAN FOR DAMASCENES

83.4 PERCENT OF SYRIANS LIVE BELOW POVERTY LINE

DAMASCUS: This Ramadan, a radio station in Syria's capital Damascus presented cash-strapped listeners with a challenge: Plan a meal to break the fast for just \$3. Dalia Hasan's cooking show on Sham FM used to feature recipes for sumptuous Ramadan feasts. But in government-held parts of Syria, where a five-year war has devastated the currency and unemployment is rife, listeners' budgets are stretched to the limit. "We decided to make a program that demonstrates thrifty recipes costing 1,500 Syrian pounds (\$3) to match peoples' incomes," Hasan, 26, told AFP as she prepared to record the show at a studio in Damascus. "We're not using lamb, expensive spices, or even almonds," she said.

Throughout the holy month, Muslims abstain from eating and drinking during daylight hours and sit down to a feast - known as iftar - once the sun goes down. But in Syria, many struggle to scrape together ingredients even for a basic meal. Salaries in areas controlled by President Bashar Al-Assad's forces have dropped dramatically with the 92 percent devaluation of the pound since the war began. A UN report published in April estimated 83.4 percent of Syrians live below the poverty line, compared with 28 percent before the war. Hasan has even changed the name of her show from "Bread and Salt" - an Arabic saying referring to friendships forged over a meal - to "Ramadan of the poor."

Handouts Double

Rida Saleh and his wife Umm Hassan are among

those whose quality of life has plummeted since 2011. On a recent evening they broke their fast around a little table in a cramped apartment where they settled after fleeing the rebel stronghold of Eastern Ghouta. They sat down to a modest meal: a few stuffed courgettes, some potatoes, a bowl of salad and a plate of beans - normally used as appetizers but now their main course. "There are so many dishes and drinks that have become for us just a distant memory," said Rida, 49. "It's the first year we don't have dessert." Umm Hassan agreed. "Even fruits are now a dream for us. We used to be able to buy apples by the kilo - today the whole family just shares two little apples," she said.

Living costs have risen so much that charities have nearly doubled the number of iftar meals they distribute to the needy during Ramadan. "We distributed 130,000 meals in 2013 compared to 230,000 in 2015. But this year, we may reach as many as 500,000," said Issam Habbal, who heads the charity "Saed" (Help). "The crisis didn't spare anyone. If even the rich have been affected, you can imagine how those that were already unfortunate have been devastated," he said.

Every Month is Ramadan

In the shade of the famous Umayyad mosque in the Old City of Damascus, about 100 Saed volunteers cooked and distributed large pots of rice with meat. Men and women were hard at work chopping cucumbers to add to a mix of lettuce and carrots. "With each additional year of war, we need more volunteers because there are more poor people," said Tareq, 24.

Desserts and syrup-covered sweets are an integral part of iftars across the Middle East and are a special delicacy in the Syrian capital. But today, they have become too expensive for many Damascenes. In Midan, a neighborhood in southern Damascus, Ahmad Qaysar tended his bakery, which sold a mix of Arabic sweets. But few customers were buying. "I inherited this trade from my father and my grandfather. We've never had a season like this," the 30-year-old said. "Our sales have dropped by half because of the rising prices for pistachios, margarine, semolina, and flour" - indispensable ingredients for delicious oriental sweets, Ahmad said.

In another shop, Shawkat Qornfola, 67, said he won't be able to buy desserts for his grandchildren this year. "My grandchildren adore sweets but I can't afford a kilogram of maamoul at 20,000 pounds," he said, referring to cornmeal pastries stuffed with pistachios, dates, and walnuts. "I'll have to just stick to barazek," he said, referring to crunchy biscuits made of pistachios and sesame seeds. The price of food also makes it hard to invite guests.

"Before the war, we used to invite everyone over each Friday, but now we don't have the means," said Riad Mahayni, who works at the national water service. He makes 30,000 pounds, which amounted to \$600 before the war but now is worth just \$65. Leaning against the wall of Damascus' citadel, Mohsen, a pistachio seller, told AFP every month is Ramadan now in Syria. "Because of the rising prices, we fast the whole year," he said. — AFP