

**Republic of Iraq
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***The Grand port of faw and the
potential economic impact***

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Abstract

Due to the increase of foreign trade and globalization effect, the international seaports generally have witnessed a dynamic progress resulting from sea transportation development that assists in enhancing level of productivity, efficiency and then reducing transport cost. In spite of that, the Iraqi seaports are still facing a low level of efficiency, in which it became unable to perform its functions as the first-generation ports .

However, these ports represent a strategic significance to Iraq, where developing the existed ports or constructing new ports will be a crucial factor to the economy. Accordingly, Iraq has sought to establish the grand port of Faw as a giant strategic project, which is a part of the dry canal project that links the Arab gulf -via Basra ports, Syria and Turkey- with Mediterranean Sea and Europe. This port will have a big impact on the Iraqi economy; therefore, this study tackles the strategic importance of the Iraqi ports and the grand port of Faw in particular, and its potential role for developing the Iraqi economy. However, the study has made a vision for the expected economic influence of the grand port of Faw, such as the increase of economic growth, investments and size of foreign trade, as well as, the economic openness and creation of the employment opportunities, and then, mitigation of level of unemployment in Iraq .

Furthermore, the study addressed the potential impacts of the grand port of Faw on the infrastructure of transport sector, which includes land and railway transport, organization of the

current Iraqi ports, in addition to the increase of level of ports capacity. Finally, the study analyzed the internal and external challenges that impede the process of construction of this project. It set a number of important conclusions and recommendations that could be used for addressing the problem of study.