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Smother operations at Port Klang

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PORT Klang is now a transformed entity but while the nation's cargo gateway still has a long way to go before it can be considered a regional hub, some of the achievements so far are still notable, according to freight-forwarding agents.

These were the result of efforts taken to address the infamous cargo congestion situation that occurred two years ago.

They say container handling is very efficient now and that there is no longer finger-pointing when something goes wrong, as all the parties involved now co-operate closely to resolve the problem.

Association of Freight-Forwarding Agents Malaysia president Jason Goh said at present a container could be trucked out within hours of the ship arriving at the port, instead of weeks.

Other major changes include the customs authorities operating 24 hours instead of just during the day, the increase in trucks operated by hauliers to cater for rising cargo deliveries and the addition of cranes at the ports.

As a result, total cargo handled at Port Klang jumped 22.5 per cent in 1996 to 49.04 million tonnes from 40.03 million tonnes in 1995,

Import cargo exceeded exports, rising 25.8 per cent to 31.71 million tonnes from 25.20 million tonnes while exports increased by 16.8 per cent to 17.33 million tonnes from 14.83 million tonnes.

Another tangible result is that big ships run by international shipping conferences now call directly at Port Klang instead of waiting to be fed Malaysian cargo in Singapore.

This development came about due to strong persuasive efforts taken by the Government to attract transshipment cargo from all over the nation to be consolidated at Port Klang before being shipped to its final destination.

With these persuasive efforts, transshipment cargo has jumped from almost none to over 140,000 twenty-foot equivalent (TEUs) - especially from Penang.

"Some transshipment cargo is even coming from Belawan in Indonesia, and it is an encouraging development," said Transport Minister Datuk Seri Dr Ling Liong Sik.

Perhaps the most important achievements of all is that of a change in attitude amongst all the key players.

"There is more open communication among the various parties involved in the cargo transport chain," said Port Klang Authority general manager M. Rajasingam.

In particular, he said, there is no longer finger-pointing when something goes wrong in the process of transporting the cargo.

Prime Minister Datuk Seri Dr Mahathir Mohamad, when commenting on the cargo congestion problem at Port Klang two years ago, said:

"We must be prepared to make sacrifices in order to follow a system and then everybody will benefit.... You start blaming the other party, the other party starts blaming you ... it's not going to be good."

Dr Mahathir had also said the lack of co-ordination was costing the country billions of ringgit in lost opportunities every year and had resulted in port congestion arising from bottlenecks which were driving away business.

Such a scenario is now a thing of the past. "We try hard to co-operate

so as to achieve a common goal of having an efficient port handling both incoming and outgoing cargo," said Rajasingam.

In this aspect, the introduction of the electronic data interchange system which facilitates document clearance before the cargo is either received or delivered has helped somewhat despite its being in full use for almost two years only.

"There are still some adjustment problems with regard to the EDI system, but we have to understand Singapore took five years to fully implement its equivalent called Tradenet," said Goh.

"While we can learn from their experience, we must also learn to be patient with those who take a little longer to adjust. And adjust they will, if they want to be competitive."

Other chokepoints along the transportation chain have also been addressed, reducing the likelihood of a congestion arising at Port Klang.

Among the most important steps taken was to have the Customs officers working around the clock so as to allow the port to operate 24 hours daily.

"Ships do not even recognise if a certain day is a public holiday in Malaysia, and we have had to ensure we are ready to cater to these ships if we want our industries to be competitive globally," said Dr Ling.

As a result of having recognised this fact, the Government took efforts to recruit more staff for the Royal Customs and Excise Department which has since allowed it to operate its office round the clock.

From the private sector viewpoint, massive investments have also been made to overcome some of the major problems that had previously led to the cargo congestion.

On the part of terminal operators, millions of ringgit were spent on getting new cranes as these equipment are one of the key components in ensuring the cargo is handled quickly and efficiently.

"If a ship asks for three cranes, they now get three cranes regardless of what the terminal operator may think is a more efficient use of its equipment," added Dr Ling.

"After all, the ship operators know how their cargo was loaded and how it should be unloaded. They will not be ready to entertain requests they see as unreasonable and simply go to other ports which cater to their wishes."

Another equally important investment was that made by the five hauliers to increase their fleet - for the lack of trucks was one of the complaints made in the past.

"Right now, there is a smooth flow of trucks coming into and out of Port Klang, with very few containers actually remaining in the port's warehouses for more than a day, unless the owner wants them to remain there," said Rajasingam.

And perhaps the most important aspect has been that of the end-users - namely firms either importing or exporting cargo - coming to realise how closely they too have to work with their freight-forwarding agents.

"For example, a lot of cargo used to come in or go out almost at the last minute just before the start of the festive seasons," said Goh.

"But things have changed, with most of the food imports for the Hari Raya and Chinese New Year festivities being done weeks ahead in December."

Still, everyone interviewed agreed that all that has been achieved so far is only the start and the efforts would have to be redoubled to both maintain the current progress and build upon these achievements.

"Our first priority is to tap all the cargo coming into or going out of Malaysia, including Sabah and Sarawak," said Dr Ling.

"Once we have captured all the domestic cargo shipments and made Port Klang the nation's main transshipment centre, then only can we say we have

achieved the first step towards becoming a regional hub."
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