

27/11/1998

KPB backs setting up of feeder firm to help make port a load centre

KONSORTIUM Perkapalan Bhd (KPB) is supportive of the Government's proposed move to set up a feeder company to turn Port Klang into a regional hub centre, its group executive chairman, Encik Mirzan Mahathir, said.

The proposed establishment is to ensure that cargo meant for Malaysia is shipped through Port Klang instead of neighbouring ports, as well as to develop the port as a load centre for mainline operators (MLOs).

The feeder company will bring cargo originating from secondary ports in Penang, Pasir Gudang, Kuantan, Kota Kinabalu, Kuching, Bintulu, Tawau and Kudat to main line vessels calling at Port Klang.

Regional ports such as Belawan, Tanjung Priok, Madras, Bombay, Chitaggong and Yangon will also be served, thanks to the stronger network.

Mirzan said the company is something the Government is pushing for because of the desire to turn Port Klang into a more attractive transshipment centre for MLOs to call at.

"By having feeder services throughout the region, containers can then be transhipped through Port Klang," he told reporters in Shah Alam yesterday after a signing ceremony between Westport Distripark Sdn Bhd and Philip Morris Malaysia Sdn Bhd.

He cautioned that there may be business considerations for some current operators in that it may be difficult to establish certain routes to some regional ports. He suggested the Government should perhaps look into those routes to encourage traffic between Port Klang and these regional ports even though volumes may be low.

"It's a chicken and egg situation because if you don't have the volumes, then it will be difficult to establish the route, and yet if you don't have the route, then the volumes won't build up either."

"This is why the Government is establishing a feeder company as it can then work on establishing and developing these routes.

"With the additional transshipment volumes that come from neighbouring countries, plus our own significant hinterland cargo, it becomes very attractive for MLOs to call at Port Klang. It's an on-going effort," he said in response to a question about his views on the setting up of a national feeder company.

Asked what some of these routes will be specifically, he answered that while he had not studied the proposal in detail, he imagined some of the routes will be with neighbouring countries' ports, especially ports which are not being served currently, such as the Indian East Coast in Bangladesh, or where the volumes are low or cargo is being feedered to neighbouring ports instead.

(END)