

11/11/1998

Port Klang's container volume expected to hit 4.7m TEUs by 2003

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THE volume of container traffic for Port Klang is expected to hit 4.7 million 20-foot equivalent units (TEUs) by 2003 from 1.7 million TEUs handled in 1997, Transport Minister Datuk Seri Dr Ling Liong Sik said.

Towards this end, Dr Ling said there will be closer cooperation between the various government agencies, logistics providers and regulatory authorities involved in the transport chain.

"Terminal operators will undertake more innovative and concerted efforts to capture new markets."

"Their promotional activities are to encourage mainline operators and feeder operations to load centre at Port Klang," Transport Minister Datuk Seri Dr Ling Liong Sik said when opening the Container Asia '98 conference in Petaling Jaya yesterday.

This is important as Malaysian ports accounted for almost 200 million tonnes of the total volume of external merchandise trade handled by the country in 1997 and almost 90 per cent to 95 per cent of the country's merchandise trade is essentially seaborne.

To establish Port Klang as the new gateway to the world in the next millennium, Dr Ling called upon terminal operators to seek new markets by encouraging MLOs and feeder vessels, especially from Asian countries such as Bangladesh, India, Indonesia, Myanmar and Sri Lanka to load at Port Klang.

He said the load centring effort in Port Klang is paying dividends.

Eight years ago 80 per cent of the boxes from Port Klang was feedered to Singapore but today the amount has been halved.

In terms of transshipment volume handled at Port Klang, he said only 500 boxes were recorded in 1994 while for the first six months of this year, it handled 217,000 boxes.

"However, we are not satisfied as there is still a lot of things to do," Dr Ling said.

Among them is the need to increase the number of mainliners to call at Port Klang as currently only 67 of these MLOs call at the port and also to encourage businesses to use Port Klang.

To compliment the current services, the Cabinet has approved the setting up of a national feeder company.

The proposal mooted at a recent dialogue between Prime Minister Datuk Seri Dr Mahathir Mohamad and the local shipping community is also expected to strengthen Port Klang's claim as a major transshipment point and reinforce its position as the de-facto loading centre of the country.

The shareholding structure of the company is expected to mainly consist of local port operators as they will fork out the capital for the feeder company.

Dr Ling said the national feeder company when operational will attract more MLOs to Port Klang as what is important to them is the box traffic volume.

"Furthermore, by having these (feeder) activities, the MLOs will realise that we are serious in our effort in becoming a load and transshipment centre for the region."

Dr Ling's views were shared by the general manager and chief executive of Port Klang Authority Datin O.C. Phang in her paper "Port Klang: Its Development and Future Role".

The target is achievable based on the average relative growth of 19.7

per cent achieved in terms of container volume by the port from 1990 to 1997, she said.

During the period, indigenous traffic averaged 16.8 per cent while transshipment traffic recorded an outstanding growth of 297.4 per cent since its inception in 1994.

She said in the move to encourage mainliners, incentive schemes in the form of rebates, volume discounts and waiver of certain port charges (pilotage, tugboats) have been made available in Port Klang.

Accordingly distriparks and warehousing facilities near to the port and inland clearance depots have also been set up to act as catalyst for cargo generation to Port Klang.

On the provision of port infrastructure, she said it will be pursued on a "supply-driven" approach to ensure port facilities are made available in anticipation to demand.

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