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PTP in talks with shipping firms

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THE Port of Tanjung Pelepas (PTP) is negotiating with two Japanese mainliners to make direct scheduled calls to the RM2.4 billion container port.

Industry sources say negotiations have been on-going since late last year and that an announcement is imminent in the next two months.

The sources would not name the two Japanese companies but there are only three Japanese mainliners; Kawasaki Kisen Kaisha Ltd (K Line), Mitsui OSK Lines Ltd and car carrier specialist Toyofuji Shipping Ltd.

If the negotiations bear fruit, the two Japanese companies would be among the first mainliners to make direct scheduled calls to PTP, which is the country's newest container port.

PTP was officially opened by Prime Minister Datuk Seri Dr Mahathir earlier this week, and the port is expected to help "stop the leakage of Malaysian cargo to neighbouring ports".

PTP executive officer Mohd Sidik Shaik Osman, when contacted, declined to comment on whether Japanese mainliners are being wooed.

"I will not comment on it, but as a new port we are talking to all parties, the Japanese included, who are interested to making PTP their port of call in this region," the chief executive officer said.

Nonetheless, he declined to reveal the names of the shipping lines that PTP is currently in contact with, saying that an appropriate statement will be made when PTP has something concrete to announce.

Mohd Sidik also said that PTP will respect Port Klang's position as the national load centre and the port will continue to position itself as transshipment port.

"Academically speaking there are four categories of ports in Malaysia. The lowest category is that of a feeder port, followed by national ports and then regional ports. The highest level is a transshipment port."

"I believe that Port Klang will play the role of a national port, regional port and transshipment port but in terms of transshipment PTP will strive to position itself at a higher level," Mohd Sidik said.

Port Klang currently comprises of three terminals, of which two of them are located in North Port, managed by sister companies Klang Container Terminal (KCT) Bhd and Klang Port Management (KPM) Sdn Bhd.

The third and newest terminal operator in Port Klang is Westport which is located at Pulau Indah and is managed by Klang Multi Terminal (KMT) Sdn Bhd.

Mohd Sidik also said that it does not see the neighbouring port at Pasir Gudang which is managed by Johor Port Bhd as a competitor for container boxes in the Southern region.

Last year, Johor Port handled more than half a million container boxes, the highest ever twenty foot equivalent (TEUs) containers handled by the port.

Among the reasons cited by Mohd Sidik on why PTP does perceive Johor Port as its competitor is because both companies have the same shareholder who is the majority stakeholder.

Seaport holds a 60 per cent stake in PTP and also is the majority stakeholder in Johor Port. The remaining 40 per cent stake in PTP is owned by Khazanah Nasional Bhd while the Government has a golden share in the company.

"Furthermore Johor Port has been accommodating Singapore but with PTP as

a transshipment port, shippers are now able to ship their goods out of the country directly from PTP."

"This will reduce costs for shippers and I believe that eventually the market forces will decide which port shippers will use to ship their goods and market forces will determine the number of shipping lines that will call at our port," Mohd Sidik said.

Asked on the number of shipping lines and the amount of TEUs the port hopes to attract in its maiden year of operations, Mohd Sidik declined to comment.

"But what I can say is that there are bigger things in store for PTP and from our current position, I believe that the only way for us is upwards. I only see it going upwards but as to how steep the climb will be only hard work and time will tell," the chief executive officer said.

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