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Tanjung Pelepas port offers viable alternative to Singapore

THE RM3 billion Port of Tanjung Pelepas, at the south-western tip of Peninsular Malaysia, entered the fray in the competitive regional ports system, awash with capacity, following its official launch yesterday by Prime Minister Datuk Seri Dr Mahathir Mohamed.

The modern port, which reports an initial handling capacity of 1.3 million TEUs, hopes to offer itself as a viable economical alternative to Singapore (which last year handled 15.9 million TEUs and ranked as the second largest container port in the world).

The port will offer 3.8 million TEU handling capacity when Phase One is completed in 2001.

It is estimated the current capacity of ports in the region with which PTP has to contend, Singapore, Port Klang, and Johor Port, exceeds 26 million TEUs (against a demand for about 19 million TEUs).

The completion of Phase One at PTP and expansion of capacity now under way at Port Klang as well as the expansion of Singapore port is expected to raise the total capacity in the region to well over 30 million TEUs. However, PTP, which handled some of the largest container ships afloat during the three-month trial period beginning last November, is unperturbed over the excess capacity. It is confident of winning over shipping lines with its attractive offer of incentives and lower handling charges.

PTP said its tariffs are about 30 per cent less than Singapore's. Other savings in terms of lower land cost and operating cost would benefit port users. It also offers other advantages - such as lower warehousing costs, office space rates, incentives for priority or dedicated berthing arrangements, aside from its vast capacity.

Under Phase One of the development of the port, the first two of the six berths have been completed. The two berths, which draw a 720-metre quay-line, are equipped with six super post panamax cranes.

Phase One when completed in the middle of 2001 will stretch 2.16 km, with capacity to handle 3.8 million TEUs per annum, supported by a fleet of 18 super post panamax cranes and 58 RTGs and other container handling equipment.

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