

21/05/2001

French shipper picks Westport

Ports World Sdn Bhd

IN a major review of its worldwide hub network operations, Compagnie Maritime d'Affretement - Compagnie Generale Maritime (CMA-CGM) has announced that it has selected Westport, at Port Klang, as its Asian hub.

The French-based shipping group, which has still not made up its mind of a similar hub in the Mediterranean as well in northern Europe, announced this as part of its expansion plans that includes a number of new buildings to boost its fleet strength.

An integral part of its strategy to employ Westport as its Asian hub follows its request for priority berthing arrangement for its vessels.

The executive chairman of Klang Multi Terminal Sdn Bhd, the concessionaire operator of Westport Tan Sri G. Gnanalingam confirmed that the shipping group had sought priority berthing arrangement with guaranteed minimum throughput.

The shipping line which last year handled about 200,000 TEUs or 20 per cent of Westport's total throughput, looks set to handle about 350,000 TEUs this year, consisting largely of transshipment containers.

"We are confident of handling about 500,000 TEUs by end of next year and in view of that we are looking forward to have a priority berthing arrangement with Westport," said the senior vice-president purchasing and foreign flag fleet department, Captain Kevork Hekimian.

"We are committed to Port Klang and the deployment of our biggest carriers, CMA CGM Balzac in the French Asia Line (FAL) service further reaffirmed our commitment to Port Klang as the transshipment hub," Hekimian said.

The 6,500 TEUs capacity CGM Balzac, the first in the series of the new class of vessels, called at Westport two weeks ago as part of its Asia-Europe run.

Hekimian said to further strengthen the transshipment hub vision, the shipping line has initiated two additional feeder network connection from Port Klang and this will raise the total services to eight.

The Westport-Jakarta direct shuttle service will start by middle of this month with a 350-TEU carrier while the Bangkok-Westport shuttle service will commence in July 2001, he added.

The shipping group's representative in Malaysia, Kamal Wijaya-singhe said the dedicated feeder connections would further increase its volume of transshipment at Port Klang.

Currently almost 70 per cent of its volume to Port Klang consists of transshipment traffic, he said.

The group's managing director, Farid T. Salem, who was in Kuala Lumpur recently, said CMA would be increasing its seven direct services per week to 10 sailings per week and this would increase its handling volume by 30 per cent to 300,000 TEUs this year.

To further strengthen Malaysia's transshipment hub vision, it is willing to operate a dedicated facility at Westport for the next two decades, Salem said.

This commitment was made by Salem when he called on Prime Minister Datuk Seri Dr Mahathir Mohamad during his visit.

Salem said he was confident that CMA's volume would increase to 500,000 containers in the next two years, especially from the anticipated high growth in transshipment traffic.

In another development, CMA-CGM's global ambition took an important step

forward with the French carrier announcing three new services to South America.

The expansion to South America follows a successful co-operative agreement with Chile's Compania Sud Americana de Vapores (CSAV), which will be allocating some of its existing capacity to the French line.

This follows CSAV's recent entry in the Europe/Asia trades through an arrangement with CMA CGM after the Chilean line had bought Norasia, the French carrier's former joint-venture partner.

CMA-CGM will inaugurate the new service between the US east coast and South American east coast, the Americas service between the US east coast and South American west coast, and the Good Hope Express service between Asia and the east coast of South America via South Africa, from next month.

The decision to mount the new service reflects the rapid expansion by CMA-CGM and in particular in its plans to have a worldwide presence.

CMA handled approximately 1.6 million TEUs in its 35 services calling at 192 ports around the world.

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