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Dr M: Ports to be expanded to make nation shipping hub

PRIME Minister Datuk Seri Dr Mahathir Mohamad yesterday said Malaysia plans to expand all its ports to make the country a regional shipping hub.

"We want to expand all our ports, not just PTP (Port of Tanjung Pelepas). We are as strategic as Singapore," Bernama quoted Dr Mahathir as telling newsmen after attending a gathering of students and staff of Universiti Putra Malaysia (UPM) in Serdang yesterday.

Dr Mahathir was commenting on report that Taiwanese container giant, Evergreen Marine Corp has formally decided to shift its transshipment hub from Singapore to PTP. Evergreen and PTP was reported to have signed a memorandum of understanding to make the shift by August this year after its Virtual Terminal Agreement with PSA Corporation expires.

Evergreen's move, in the footsteps of global container carrier Maersk Sealand which shifted its hub-port operations to PTP in 2000, is expected to deal a heavy blow to Singapore's leading port operator, PSA Corporation.

PSA lost 10 per cent of container volume last year due to the Maersk pullout and global slowdown. Maersk, with an annual 1.8 million TEUs, was PSA's biggest customer.

Dr Mahathir said in the old days, Singapore was strategic because of its location at the southern tip of Peninsular Malaysia.

However in today's fast-changing shipping environment, such considerations no longer apply, he said.

"So there is no reason Malaysia cannot be a hub for shipping routes in the region," he said.

"I hope that Singapore will accept that (the change) is the result of fair competition," he said.

In Bintulu, Johannes Ridu reports that Evergreen is confident that its move to start a direct call at Bintulu Port will pay off soon.

The company is also urging other international main line vessel operators (MLOs) to take the initiative to start direct calls to Bintulu.

"There (is a huge) investment cost involved to promote growth in the first two years but we hope there will be light at the end of the tunnel thereafter," said Evergreen Marine Corporation (M) Sdn Bhd general manager Lee Hock Siang in a paper he presented at the International Conference on Trade and Shipping in Bintulu yesterday.

He said the MLOs would also need the assistance of the relevant government agencies and port authorities to make the venture a success.

He said Evergreen started a long haul containerised vessel service calling direct at Bintulu Port on July 24, last year.

With the service, the company was able to offer services to the United States, Canada and Europe via Kaoshiung.

It is also now able to offer services to Japan and Korea via Taichung and China via Hong Kong.

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