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# INDUSTRY TRANSFORMATION

## in Maritime Sector

### Southeast Asia Perspective

**Marco Neelsen**  
Chief Executive Officer  
Port of Tanjung Pelepas



ports & logistics

# Southeast Asia the world busiest trade lanes

**Southeast Asia ports account for significant portions of major sea-route movement...90% of cargo is transported by water worldwide & 100,000 vessels passes through the Straits of Malacca yearly.**



# Industry transformation – Liners consolidation & deployment of large vessels

## Consolidation wave of liners – oligopoly game

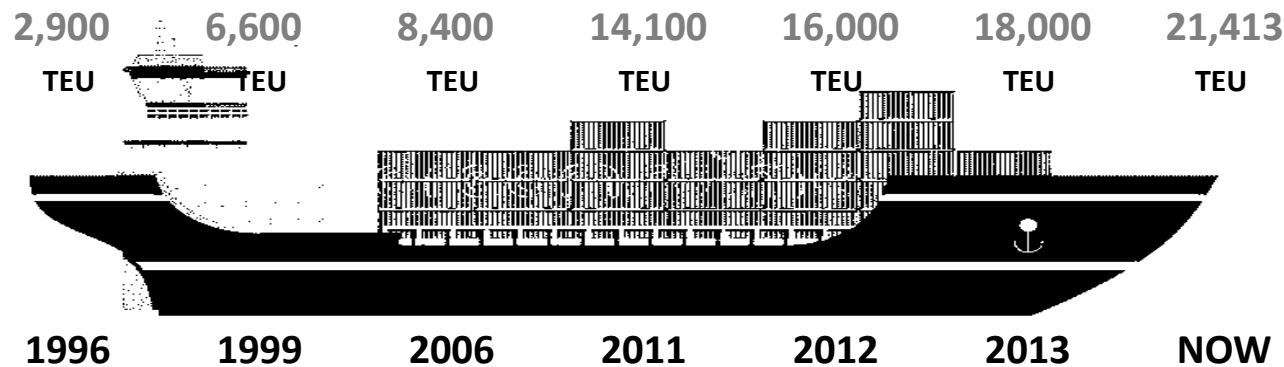
*To lower network/operating cost...*



- 77% of global container capacity
- 96% of East-West trades

## Vessels upsizing

*Cascading of larger tonnage...*



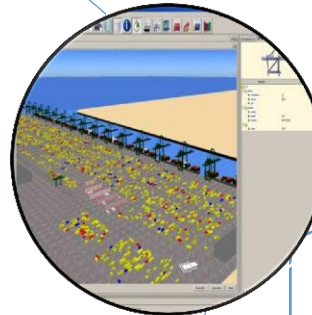
**Southeast Asia ports will continue to face demands for higher service levels and pressure on capacity**

# Impact to ports – planning & performance

- Peak and Lulls volumes exchange per call.
- TS hub – snowball effect from other ports i.e. delays, adverse weather impact.

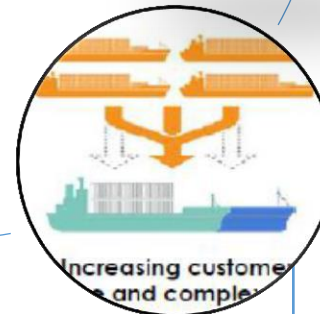


- Upgrading of infrastructure (deeper water, longer berth, adequate yard space) & equipment (taller cranes & outreach) to accommodate larger vessel.
- Inland connectivity & ancillary infrastructure for hinterland volumes (extended gate, road, rail).
- Scalability to serve alliance partners – “mega hub”.
- Entry barriers for smaller ports to compete.



- Upgrading/ new terminal operating system and technology.
- Digitalization of global trade.

- Higher crane and berth productivity.
- Flexibility to accommodate variety of vessel sizes – hub & spoke (dense feeder network).
- Reliable berth window and turnaround time.



- Weaker negotiating power and competitive pricing for transshipment business.
- Commercial and operational viability.

# Port of Tanjung Pelepas (PTP) Part of Industry Transformation

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# PTP a regional transshipment hub for Southeast Asia



## PTP OVERVIEW

**2**  
Strong  
Shareholder

**3**  
Core  
Businesses

**60**  
Government  
Concession

**100**  
Million TEU  
Handled

**2000**  
Commenced  
Operation

**19**  
World  
Ranking

**1998**  
Free Zone  
Authority

**3,500**  
Acres For  
Container  
Terminal  
& Free Zone

# PTP gearing up on terminal developments and infrastructure projects...part of industry evolution



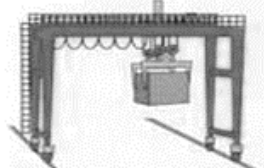
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## Aggressive investment program of USD400 mil in Y2017 & Y2018



8 EEE compliant QCs

29



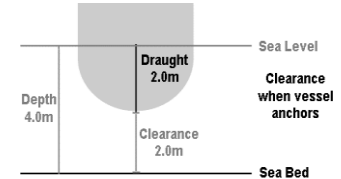
Rubber-Tired Gantry Cranes

93

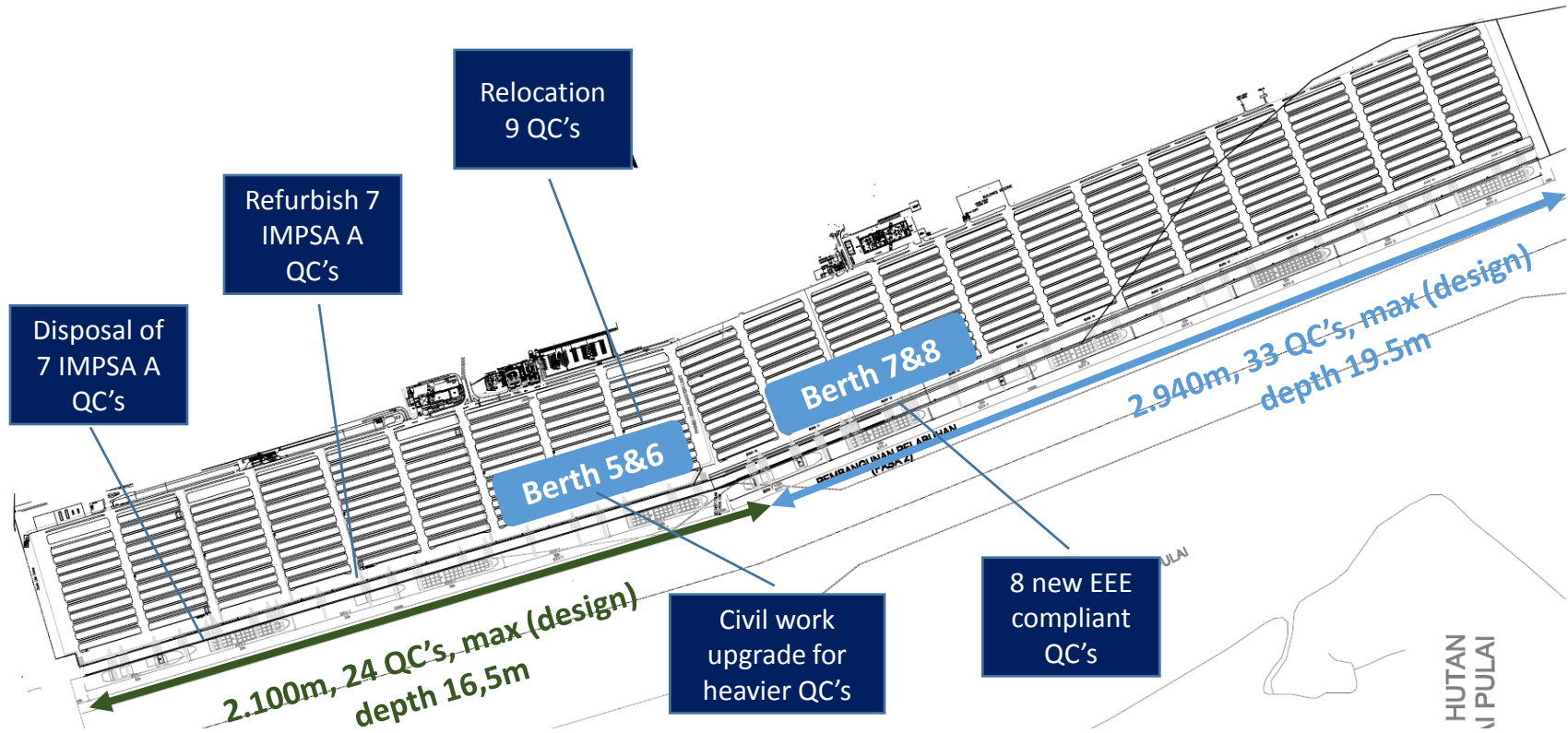


Prime Movers

18.5



Access Channel



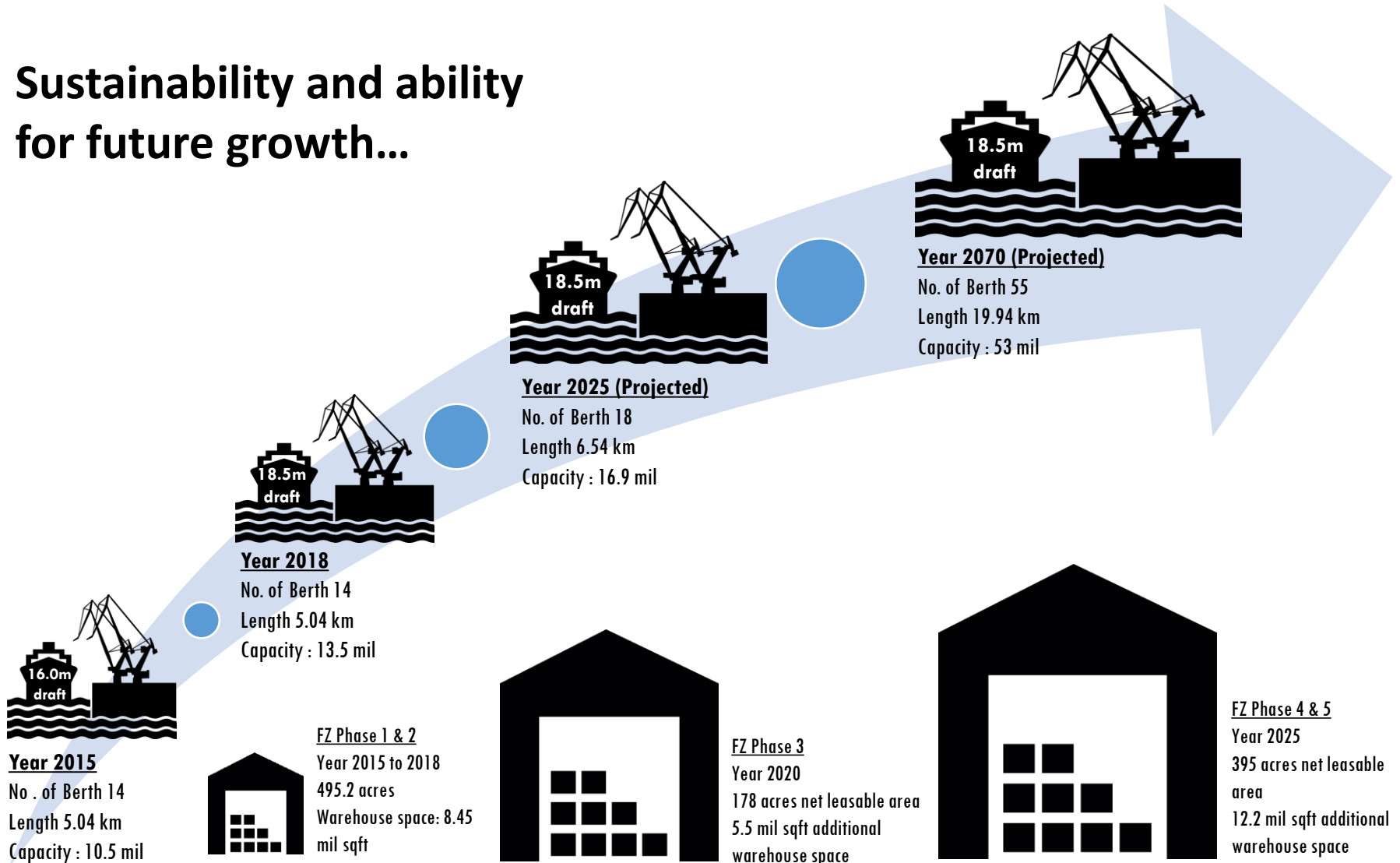


# Creation of own based-load hinterland via PTP free zone

DEVELOPER/ LOGISTICS PLAYER	CARGO OWNER	MANUFACTURER
	 	 
		
		
		
		
		
		
		
		
		
		
		
		
		
		
		
		
		
		
		
		
		
		
		
		
		
		
		

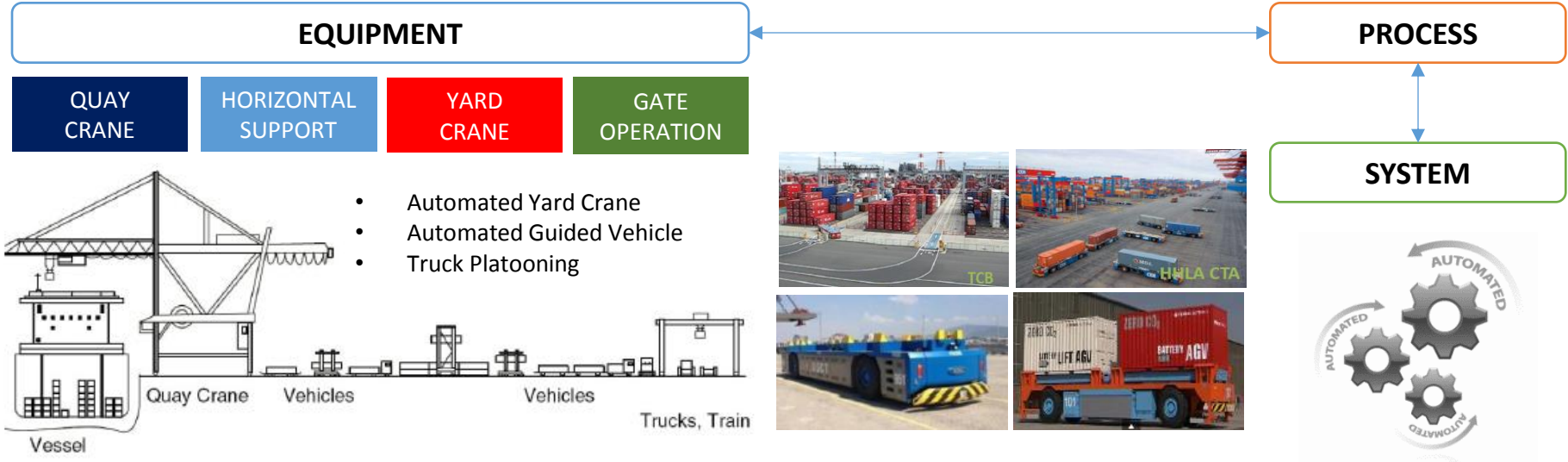
Generates approximately 100k TEU of LADEN containers...more going forward

## Sustainability and ability for future growth...



# Ports of the Future – Automation & Digitalization

## Automated Terminal Operation



eGATEWAY – smart digital enterprises to facilitate trade and streamline work processes, on a single platform



# Thank you



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