

ASEAN Maritime and Container trade

– *Trends and Outlook*

Presentation

*ASEAN Ports and Shipping
Conference, Kuala Lumpur
28 February – 2 Mar 2022*



Outline

- Introduction
- Global maritime trade
- ASEAN trade
- Intra-ASEAN maritime trade
- Outlook
- Trends and opportunities
- Suggestions

Roland Berger works across the maritime sector

Selected project experience

www.rolandberger.com

Non-exhaustive

Shipping

We have comprehensive experience and expertise in supporting the world's largest shipping firms

- > **Cost reduction**
incl. organizational restructuring
- > **M&A support and PMI**
- > **Topline improvement**
- > **Strategic realignment**
incl. long-term investment plan



Ports

We provide deep understanding on the market environment around the world for key players in the port industry

- > **Port planning and development**
incl. master planning, feasibility studies and market studies
- > **Port policy and regulation**
- > **Port business**
- > **Port operations**



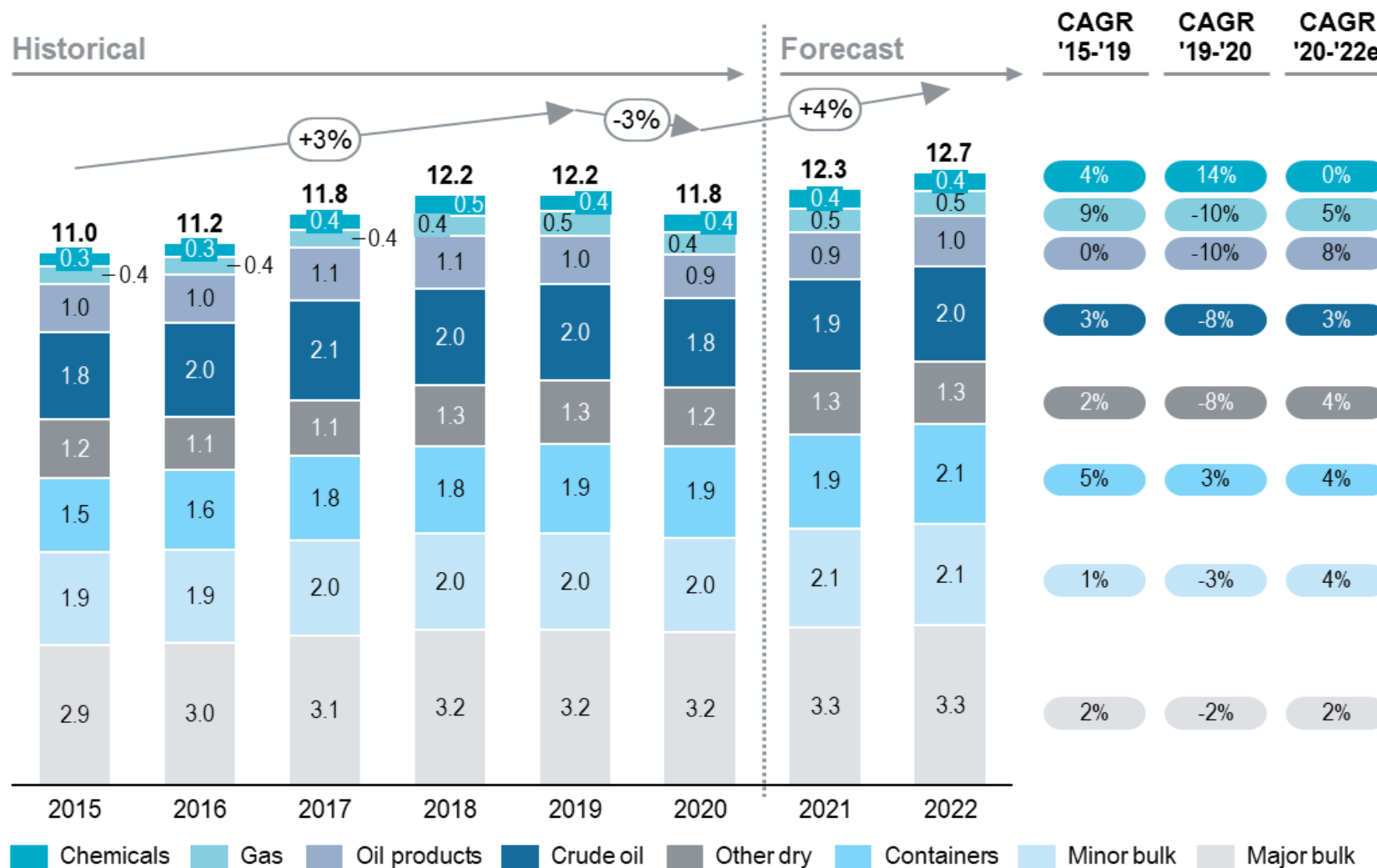
Shipbuilding

We advise and assist shipyards on strategic, operational and financial efforts across the globe

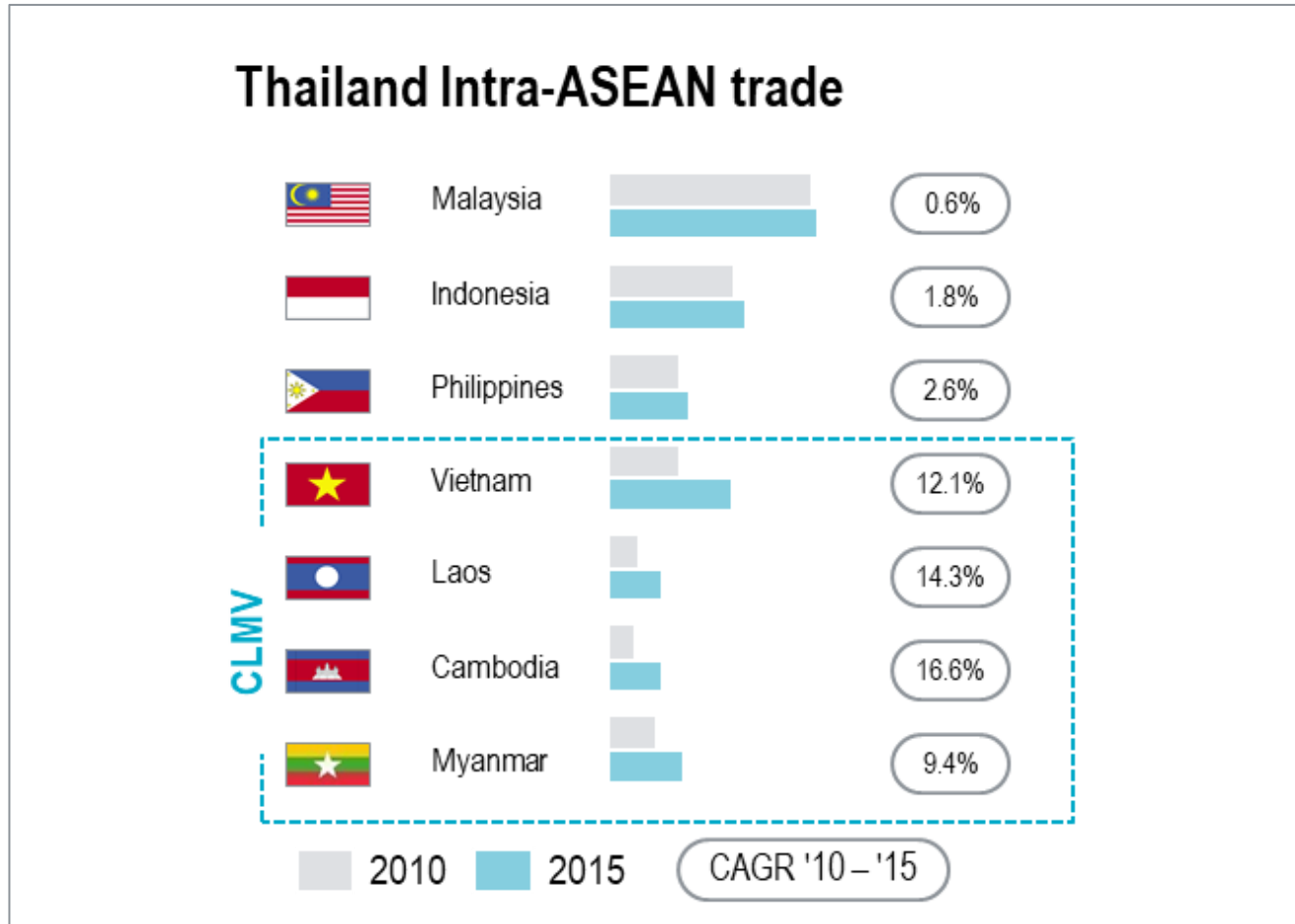
- > **Strategic growth**
incl. Market entry strategy
- > **Operational excellence**
- > **Overhead efficiency**
- > **Liquidity and refinancing**
(and restructuring concepts)



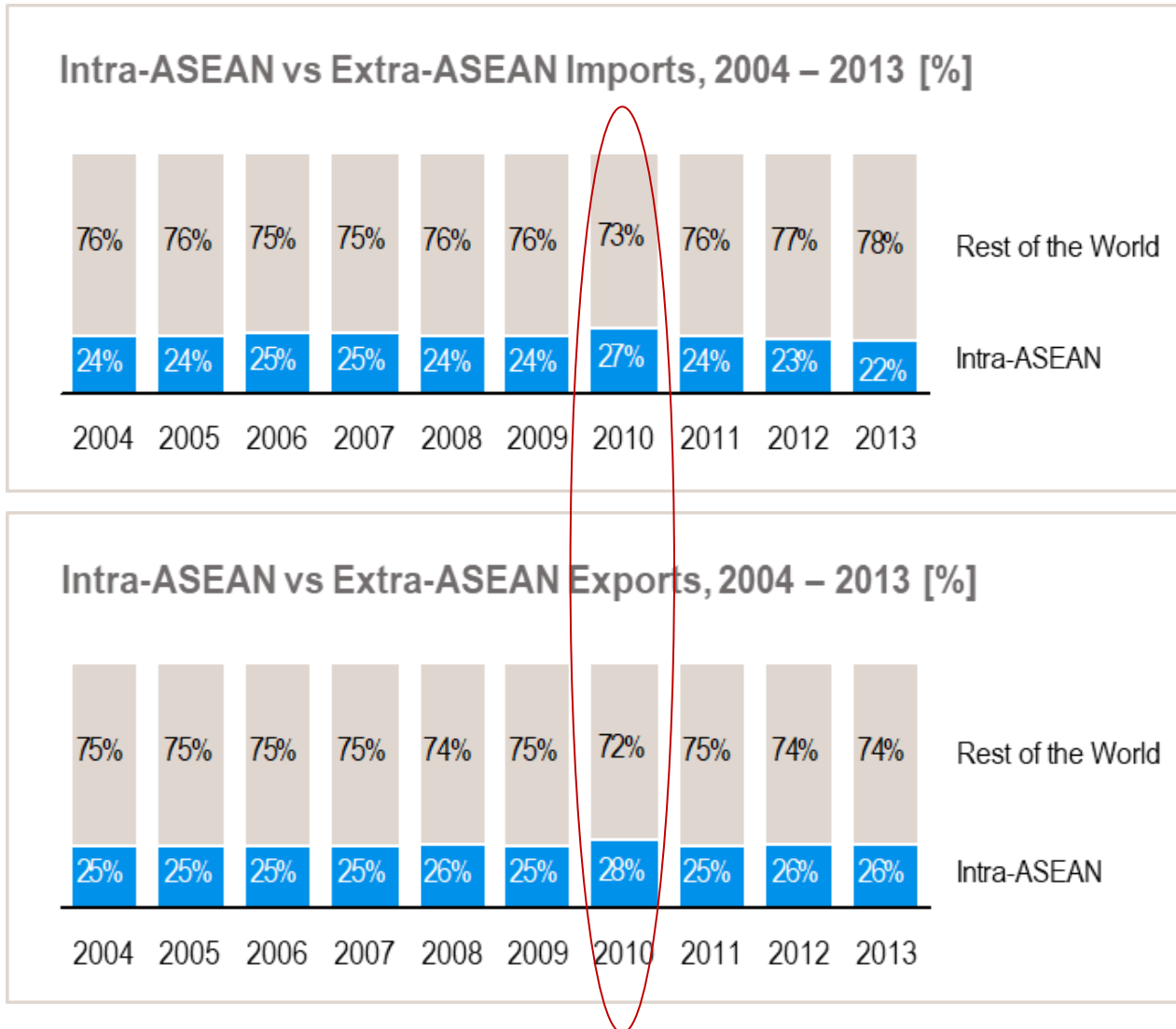
Global maritime trade (bn tons) returning to pre-pandemic levels



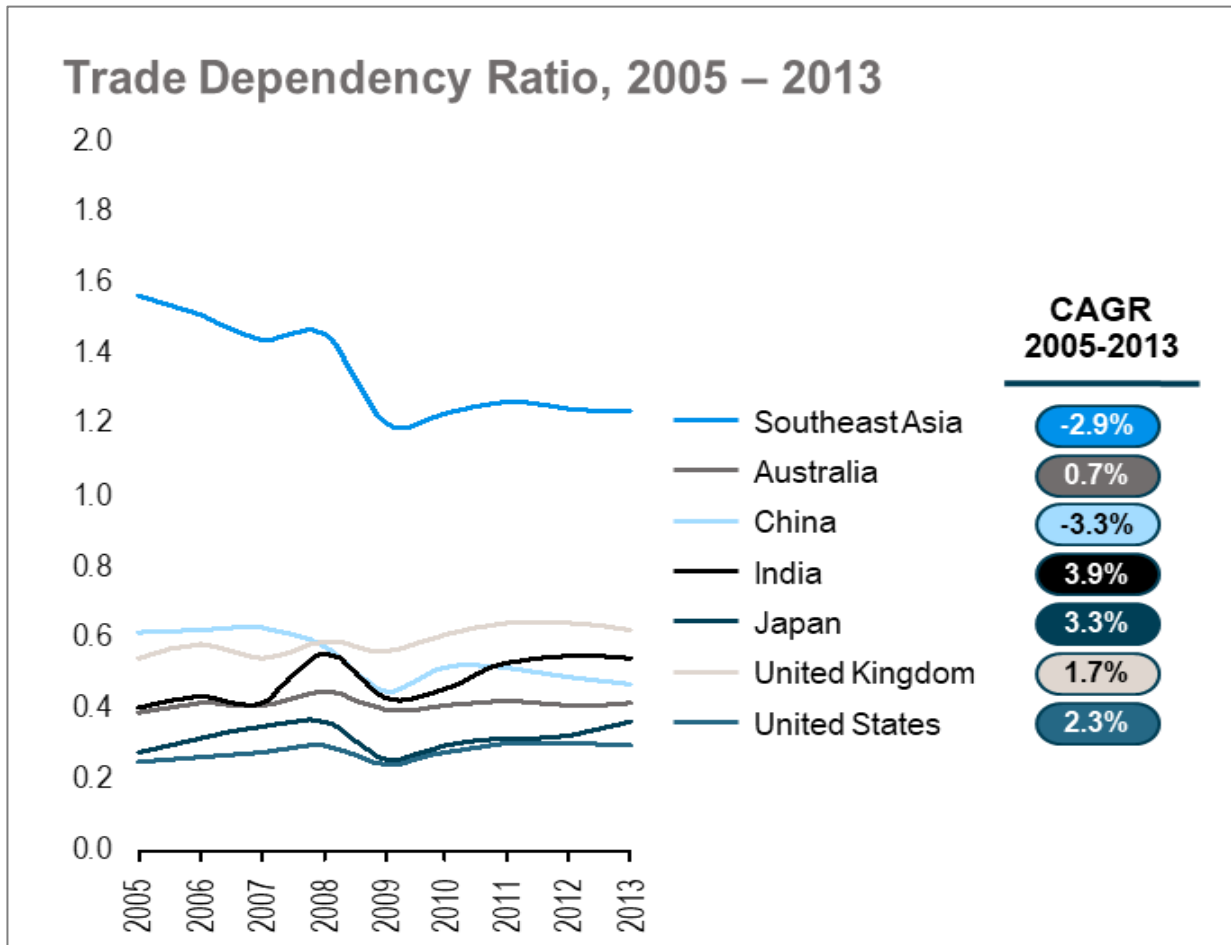
The economic and trade integration of the 5 Indochina countries is increasing rapidly



Intra-ASEAN trade is NOT increasing in share



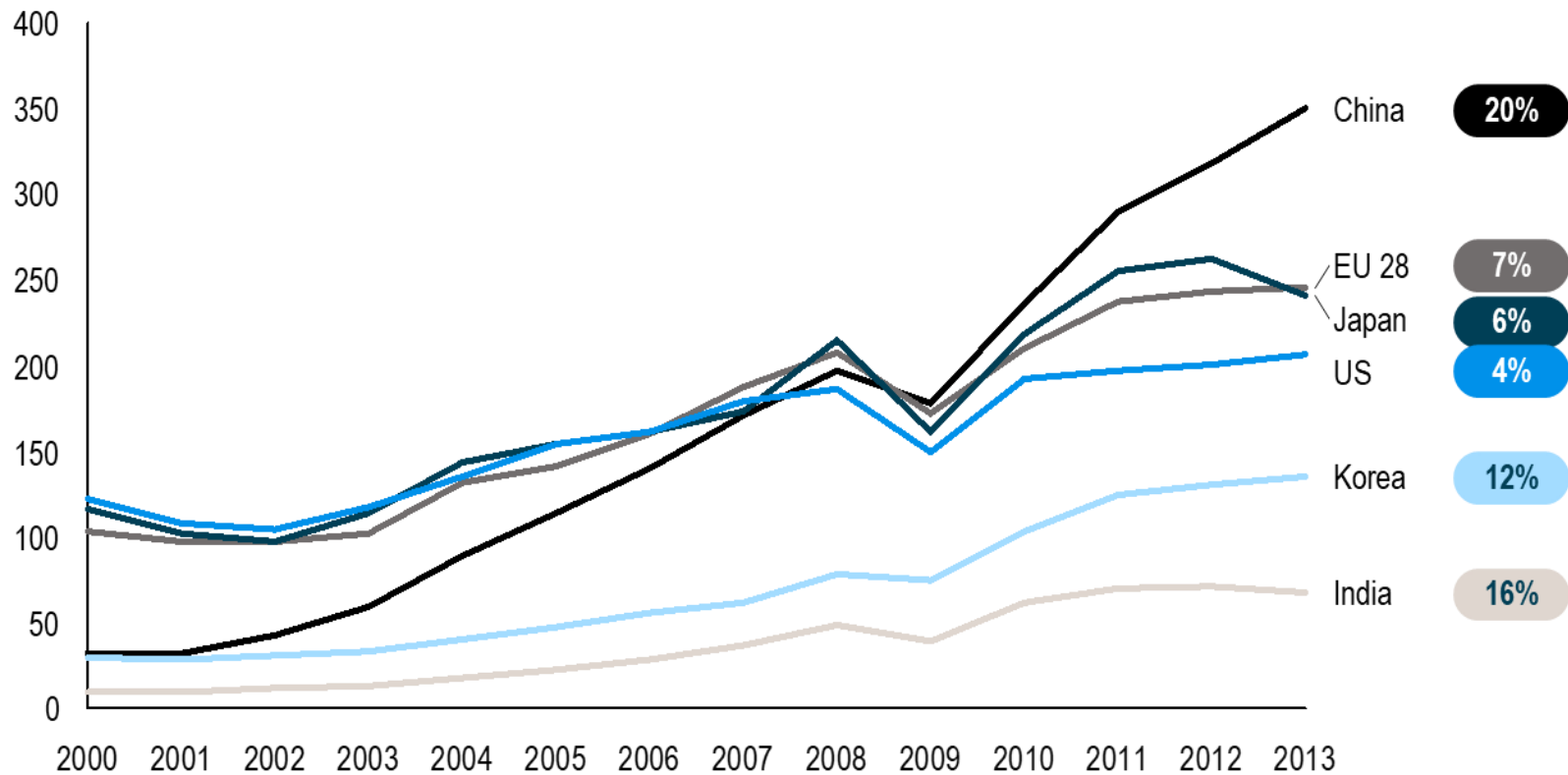
Even so, overall, ASEAN is becoming LESS trade dependent – more self-sufficient - in particular the larger economies



Trade dependency is equal to (Import + Export)/ GDP

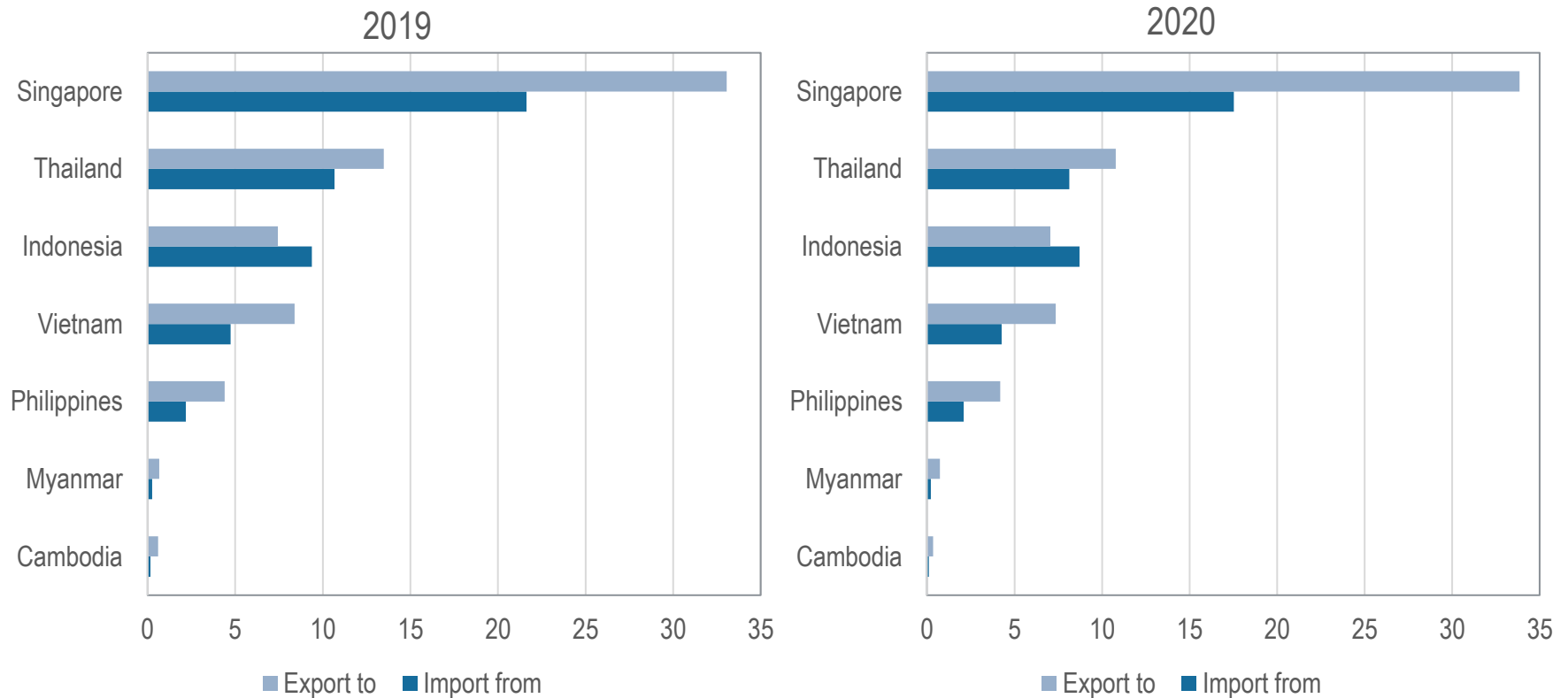
ASEAN's external trade is becoming more regional, less global

ASEAN (selected) external trading partners, 2000 – 2013 [USD bn] **CAGR 2000 - 2013**



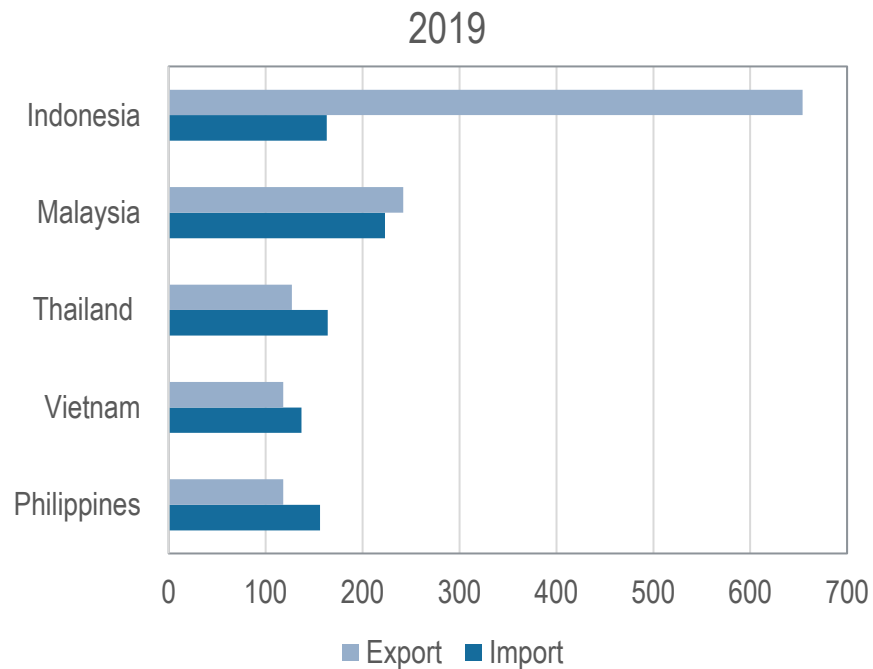
In particular, trade with Thailand has decreased strongly during the Covid crisis, as well as imports from Singapore

Malaysia's trade with ASEAN partners (bn USD)

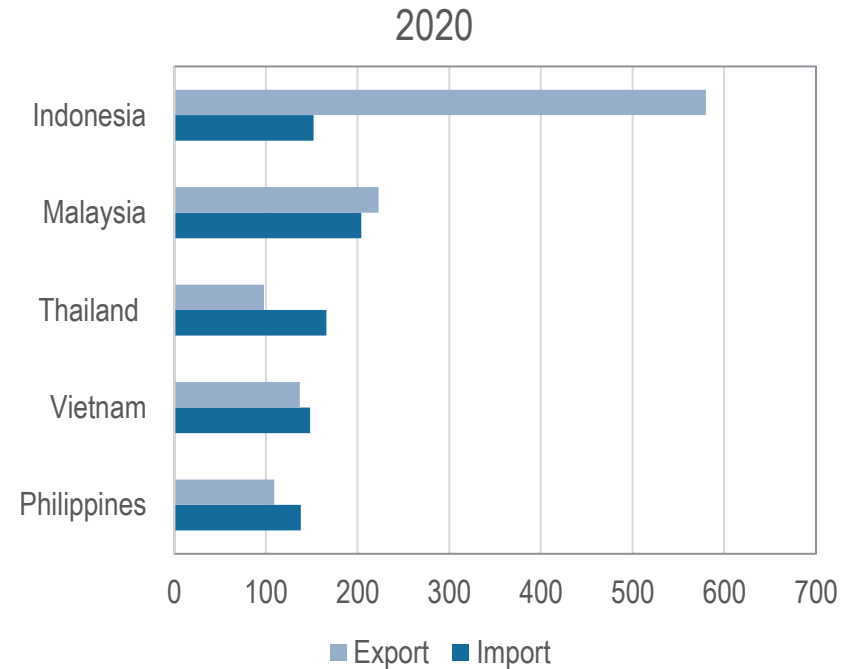


Overall, the Covid impact on the port sector across ASEAN has been negative, but not across the board

ASEAN port throughput (mln tons (FWT))



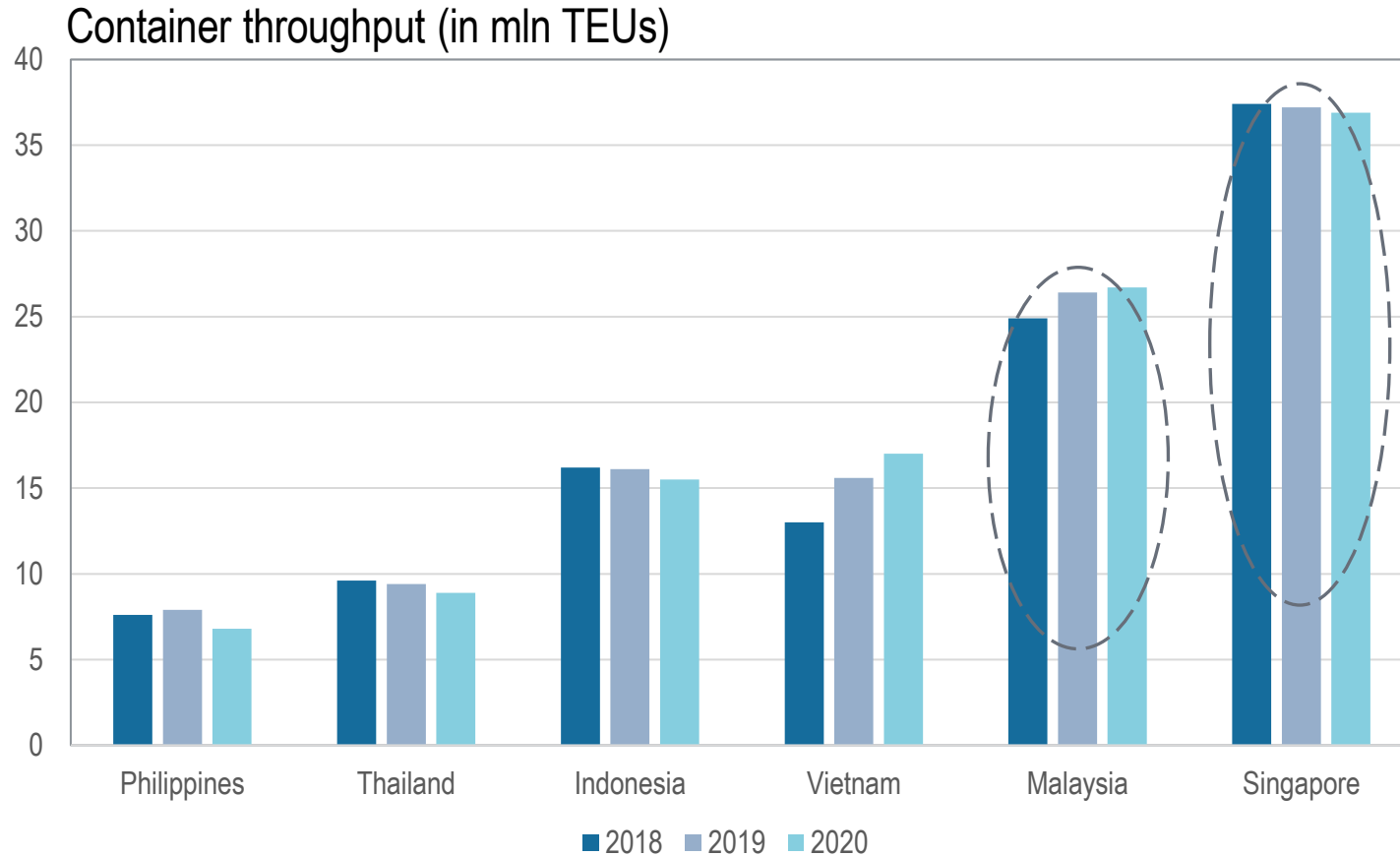
Singapore: Total = 672 mln tons



Singapore: Total = 591 mln tons

Sources : Malaysian Transport Statistics, Vietnam Seaport Association, Philippines Ports Authority, World Bank, datagov.mot.go.th, Kementerian Perhubungan

During the crisis - in the container trade - Malaysia (transshipment) and Vietnam (ExIm) have been the outliers



Sources : Malaysian Transport Statistics, Vietnam Seaport Association, Philippines Ports Authority, World Bank, datagov.mot.go.th, Kementerian Perhubungan

Outlook for the SEA region, 2022-2030

- Only ADB dared to issue a GDP forecast until 2030
- GDP growth outlook: 4-5%
- Maritime trade outlook: ~ 4%
- Transshipment: ~ 4%

Growing our maritime trade with our ASEAN partners

Thailand

- LCP is becoming the premier gateway for Indochina
- Largest trade segments: (fresh) food, electronics, car parts, chemicals
- Strong industrial linkages with Malaysia

Indonesia

- Trade is diverse
- Largest trade segments: oil, chemicals, coal, agro-commodities
- Some industrial linkages, but less extensive than Thailand

Vietnam

- Fast growing economy, consumer sector, trade
- New gateways to Indochina
- Largest trade segments: fresh food/fish, electronics, fuels, cereals

Philippines

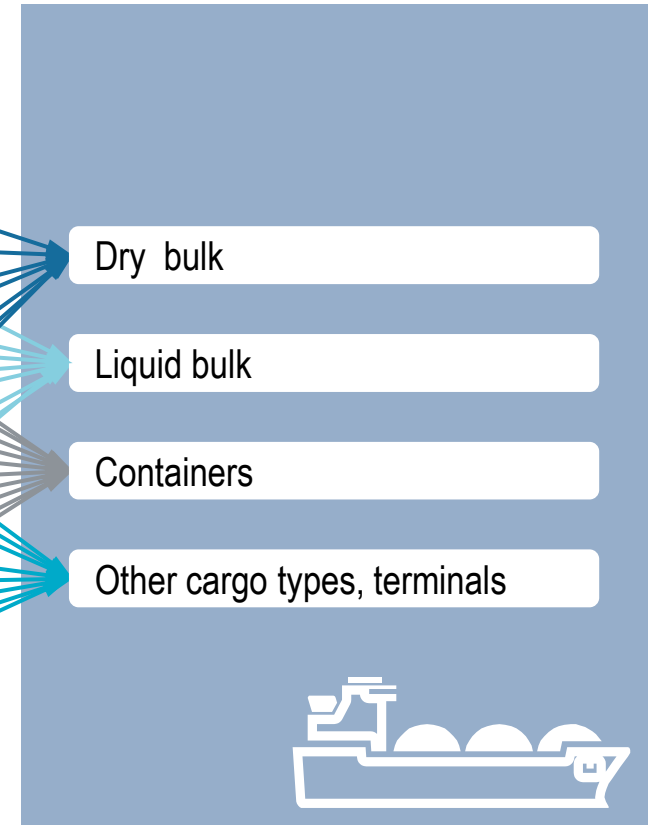
- Trade is diverse, but relatively small
- Largest segment: consumer electronics, consumer goods
- Significant part of trade is with Sabah, across the Sulu Sea basin

On demand forecasting and port planning ...

Main port demand drivers



Port handling capacities



When developing port capacity.. 16 mega trends to consider

Changes in ...

- | | |
|--|---------------------------------------|
| • Cargo demand, mix | • Energy transition |
| • Growing diversification of port users | • Green requirements |
| • Vessel designs & technologies | • Rising sea levels |
| • Rise of multi-modality, short sea shipping | • Vessel traffic control requirements |
| • Hinterland expansion | • Ecommerce, regional, global |
| • Automation | • Supply chain transformation |
| • Digitalization | • China |
| • Safety & security requirements | • Performance pressures, competition |

Malaysia port development – some suggestions

Multi Modality

- Cargo by rail
- Road, north, south..
- Short-sea/coastal shipping
- RoRo, RoPax

Malacca Straits, Sumatra

- Port connection links
- RoRo policies
- Mutual investments

Eastern Gateway

- Growth of new, national, eastern gateway, around Kuantan
- Integrated coordinated maritime planning for the whole coastal corridor – from Pekan to Kerteh

Dry Bulk

- Demand and opportunity for more port capacity, for both ExIm and Transshipment
 - Dirty
 - Clean



In case of questions, please do not hesitate to contact me

Anthonye Versluis
Senior Advisor Maritime



anthonie.versluis@gmail.com
anthonie.versluis@org.rolandberger.com
mobile: +60 12 6241724