



Strait of Malacca

Route

MALAYSIA

SBCP

BULILUYAN

ZAMBOANGA

SABAH

NUNUKAN

TARAKAN



SAPANGAR BAY CONTAINER PORT (SBCP)

THE PROMISING GATEWAY FOR BIMP-EAGA

20th ASEAN Ports and Shipping 2022 Exhibition & Conference

SPEAKER: LAI FUI NAR
General Manager (Technical and Process Improvement)
Sabah Ports Sdn Bhd



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INTRODUCTION



SABAH – The Land Below the Wind



Sabah is blessed with excellent location, resources, culture & biodiversity.



Located outside the Pacific Ring of Fire and below the Typhoon Belt of the East Asia.



3rd largest population in Malaysia with 32 ethnic groups spawning diverse cultural background.



Palm oil Industry



Timber Processing



Rubber Processing



Fruits



Aquaculture



World Heritage Site (Mount Kinabalu) & World's Best Dive Sites (Sipadan)



Rich marine life, plant diversity & wildlife habitat



Sabah has one of the best sunset views in the world



SABAH PORTS SDN BHD



100% Owned Subsidiary of Suria
Capital Holdings Berhad

30 + 30 Years Concession

Port Operator

PORT LOCATIONS

3. SAPANGAR BAY OIL TERMINAL

Cargo type : Liquid refined petroleum products & chemical cargo



2. SAPANGAR BAY CONTAINER PORT

Cargo type : Container & ro-ro



1. KOTA KINABALU PORT

Cargo type : Break bulk, dry bulk & cruise



4. KUDAT PORT

Cargo type : Break bulk



5. SANDAKAN PORT

Cargo type : Break bulk, dry bulk, bulk oil, palm oil, passenger ferry & container



6. LAHAD DATU PORT

Cargo type : Break bulk, dry bulk & palm oil



7. KUNAK PORT

Cargo type : Palm oil & PKE

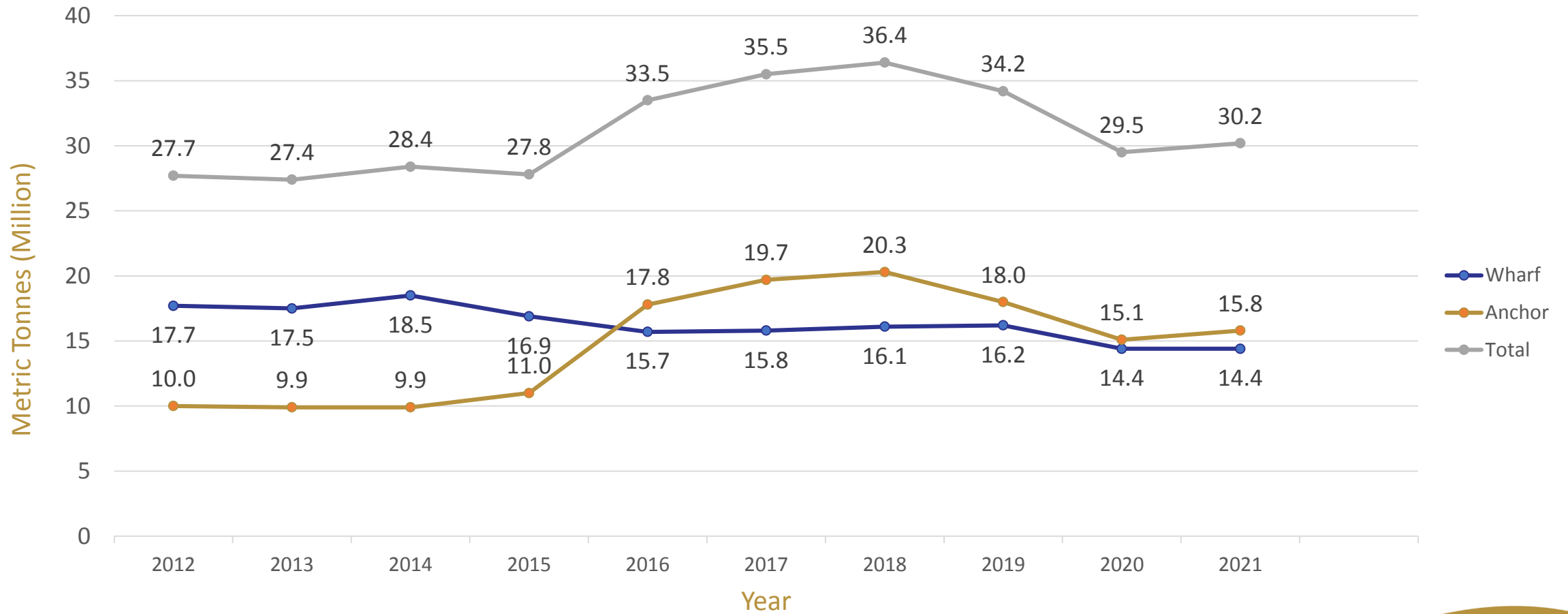


8. TAWAU PORT

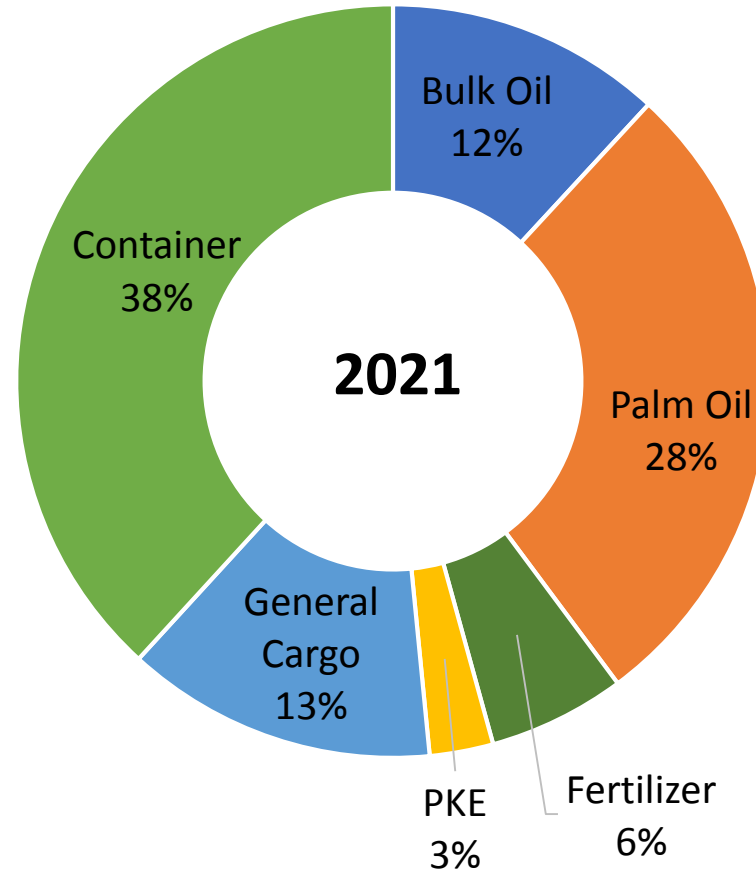
Cargo type : Break bulk, dry bulk, bulk oil, palm oil & container



ANNUAL CARGO THROUGHPUT (2012–2021)

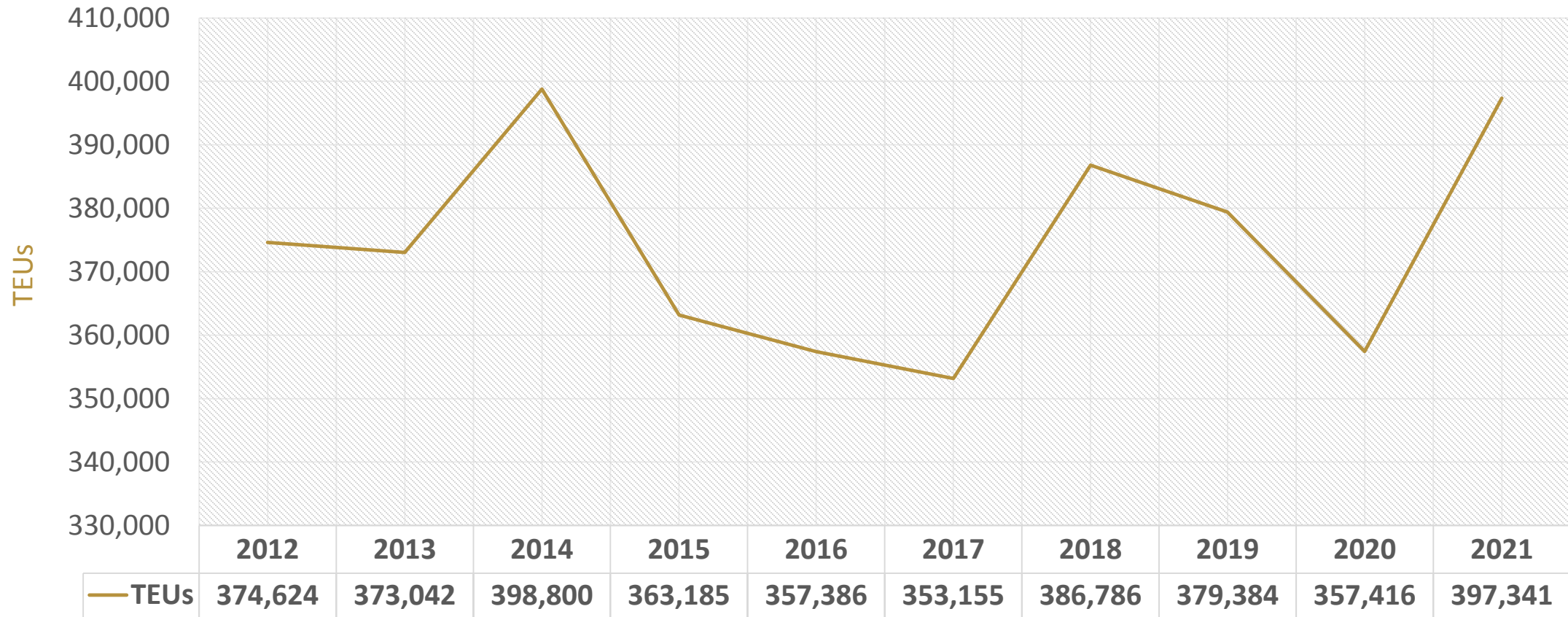


CARGO THROUGHPUT AT WHARF

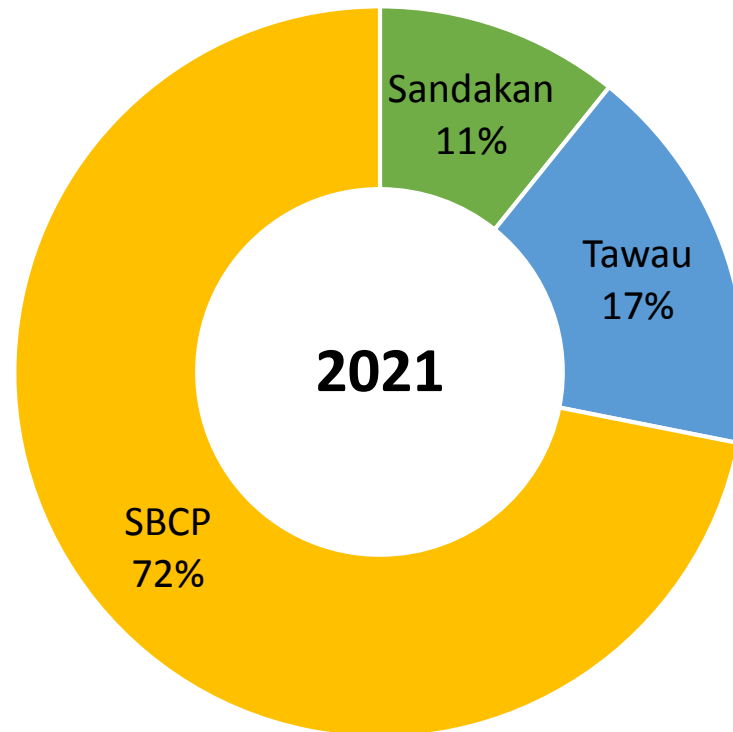


Total: 14,372 MT'000

SABAH PORTS TOTAL ANNUAL CONTAINER VOLUME (SBCP, Sandakan, Lahad Datu & Tawau Port)



CONTAINER THROUGHPUT BY PORT



Total: 397,341 TEU's

What is BIMP-EAGA?

Stands for Brunei-Indonesia-Malaysia-Philippines East ASEAN Growth Area, established in 1994. The subregion covers a land area of 1.6 million square kilometers with an estimated population of 73 million.



Purpose

To accelerate the socioeconomic development of less developed, marginalized, and geographically remote areas in the 4 countries as a broader goal to narrow development gaps.

As of 2021,

Existing Trade

Recorded to be US\$95.3 billion and accounted for 19.1% of BIMP's trade in goods.

Labor Force

Total labor force found in BIMP-EAGA makes up 18.2% of BIMP's Labor Force.

GDP

At 2021 prices, BIMP-EAGA GDP was at US\$323.1 billion and accounted for 17.9% of BIMP's GDP.

BUSINESS CHALLENGES WITHIN BIMP-EAGA

1.

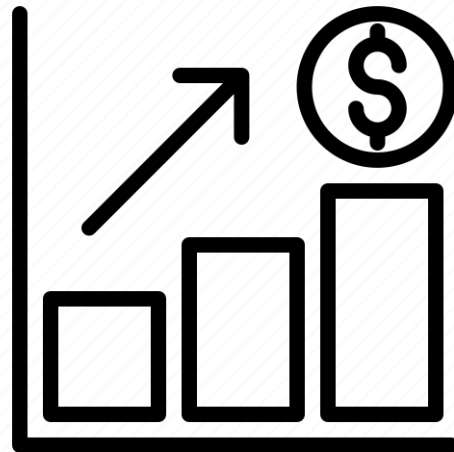


LAGGING BEHIND IN ECONOMIC DEVELOPMENT

- The region experiences slow economic development resulting in stagnant trade volumes.
- Relies on smaller ports and inadequate transportation infrastructure.
- Inability to achieve economies of scales as trade is dependant on small local crafts.

2.

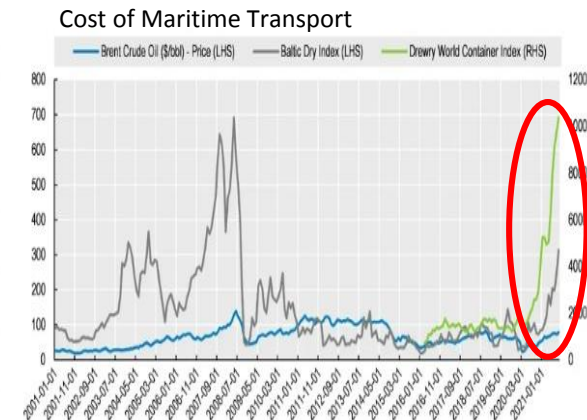
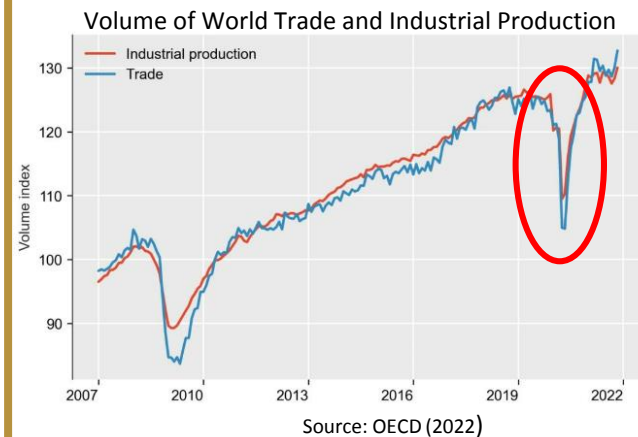
HIGH LOGISTIC COST & EXTENDED TRANSIT TIMES



- Trade routes not optimized
- Low containerised trade volumes for MLOs
- Dependence of feeder ports on transshipment load centres
- Limited port infrastructure & capacities
- Rising fuel prices

3.

POST COVID-19 DEVELOPMENT



- High sea freight rates
- Global supply chain disruption
- Shortage of equipment
- Limited vessel space

BUSINESS CHALLENGES WITHIN BIMP-EAGA (cont.)

4.

TRADE LEAKAGES

- Frequent smuggling activities within the region
- Inadequate measures of control for cargo movement between regions
- Prohibited substances smuggled across borders
- Smuggling of goods results in revenue leakages to the State



MMEA foiled an attempt to smuggle out subsidised cooking oil out of Sabah (The Sun Daily, 2022).

Source [Image]: Controlled goods, subsidised cooking oil (Malay Mail, 2022)

5.

SECURITY

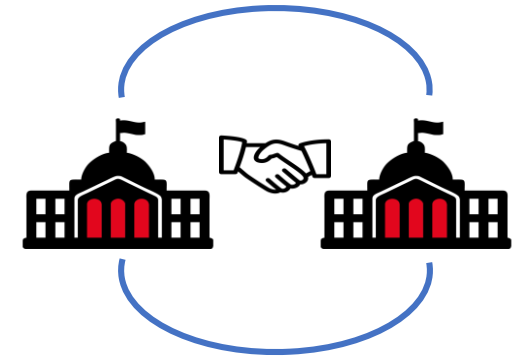
- Frequent piracy activities within the region
- Long coastlines in Sabah surrounded by neighbouring regions
- Difficulties in controlling movement of people across borders
- Increasing cost in security



Piracy and kidnappings remain a significant concern in Sabah (Fabian, 2020).

Source [Image]: Abu Sayyaf terrorists (Daily Express, 2022)

6.



FOREIGN TRADE POLICIES

- Inadequate support and facilitation for private sectors within BIMP-EAGA

BUSINESS CHALLENGES WITHIN SABAH

1.



TRADE IMBALANCE

100% imports are laden
whereas 70% exports are
empty.

2.



HIGH COST OF LOGISTIC

Lack of direct shipping line
calls.

3.



NAVIGATING THROUGH THE PANDEMIC

- ✓ Higher cost
- ✓ Interruption to operations
- ✓ Disruption of supply chain



THE PROMISING GATEWAY OF SAPANGAR BAY CONTAINER PORT FOR BIMP-EAGA

SAPANGAR BAY CONTAINER PORT OFFERS COST-EFFECTIVE LOGISTICS SOLUTION FOR BIMP-EAGA





SAPANGAR BAY CONTAINER PORT

JOSEPH BULOHUK
Manager



CARGO TYPE

Container & RORO



NO. OF BERTH

5



MANPOWER

333



MAX. HANDLING CAPACITY

500,000 TEUs/Annum



QUAY CRANE

4



RTG

9



**EMPTY CONTAINER
HANDLER**

9



REACH STACKER

7



PRIME MOVER

37



FORKLIFT

5

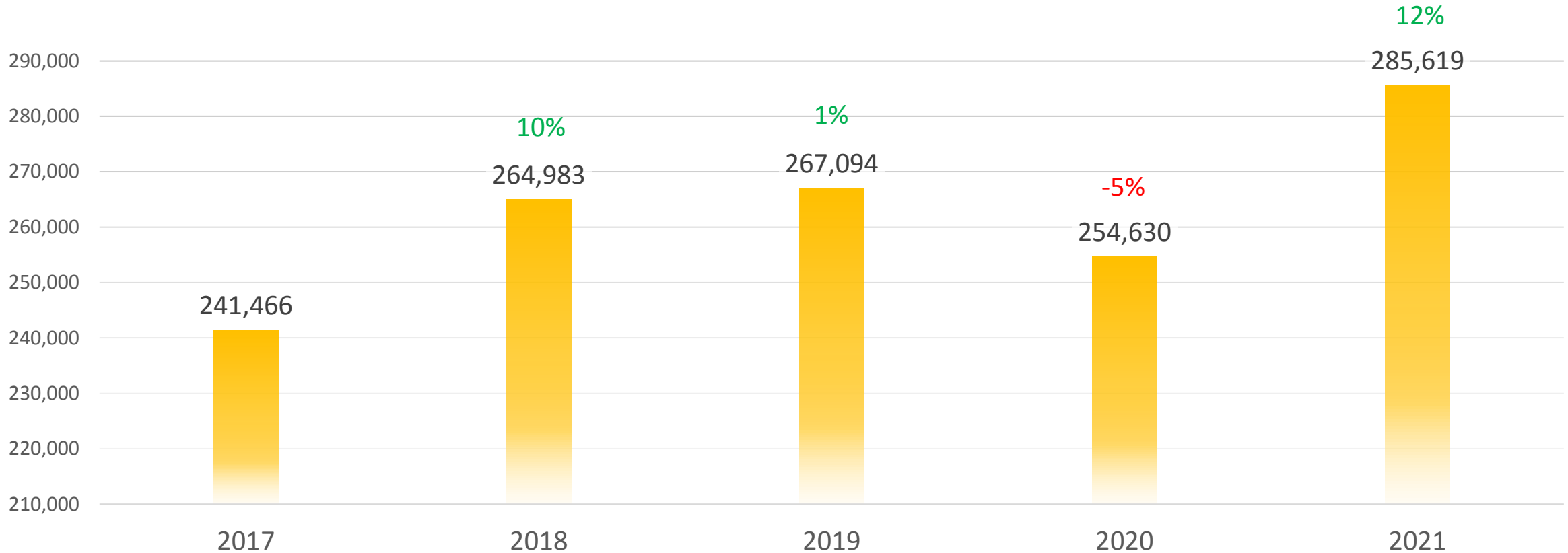


REEFER POINTS

292

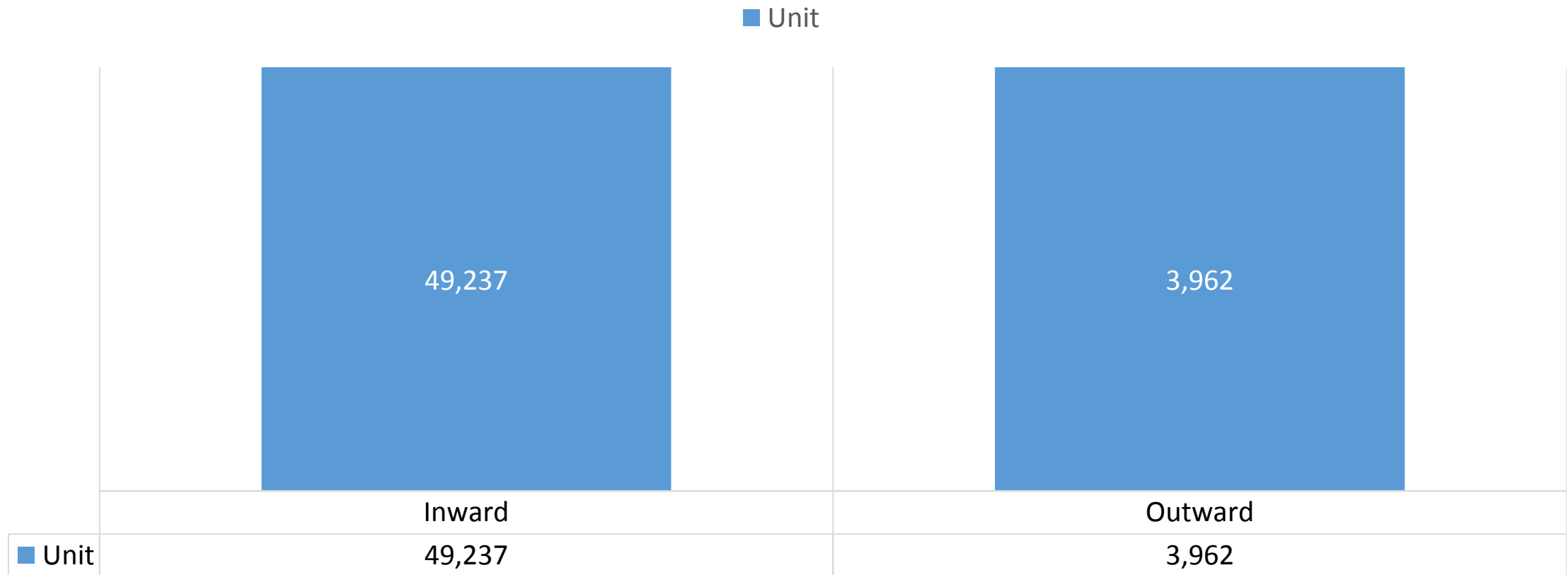
5-YEARS T/PUT PERFORMANCE (TEU)

ANNUAL CONTAINERS HANDLED IN SBCP
2017 TO 2021



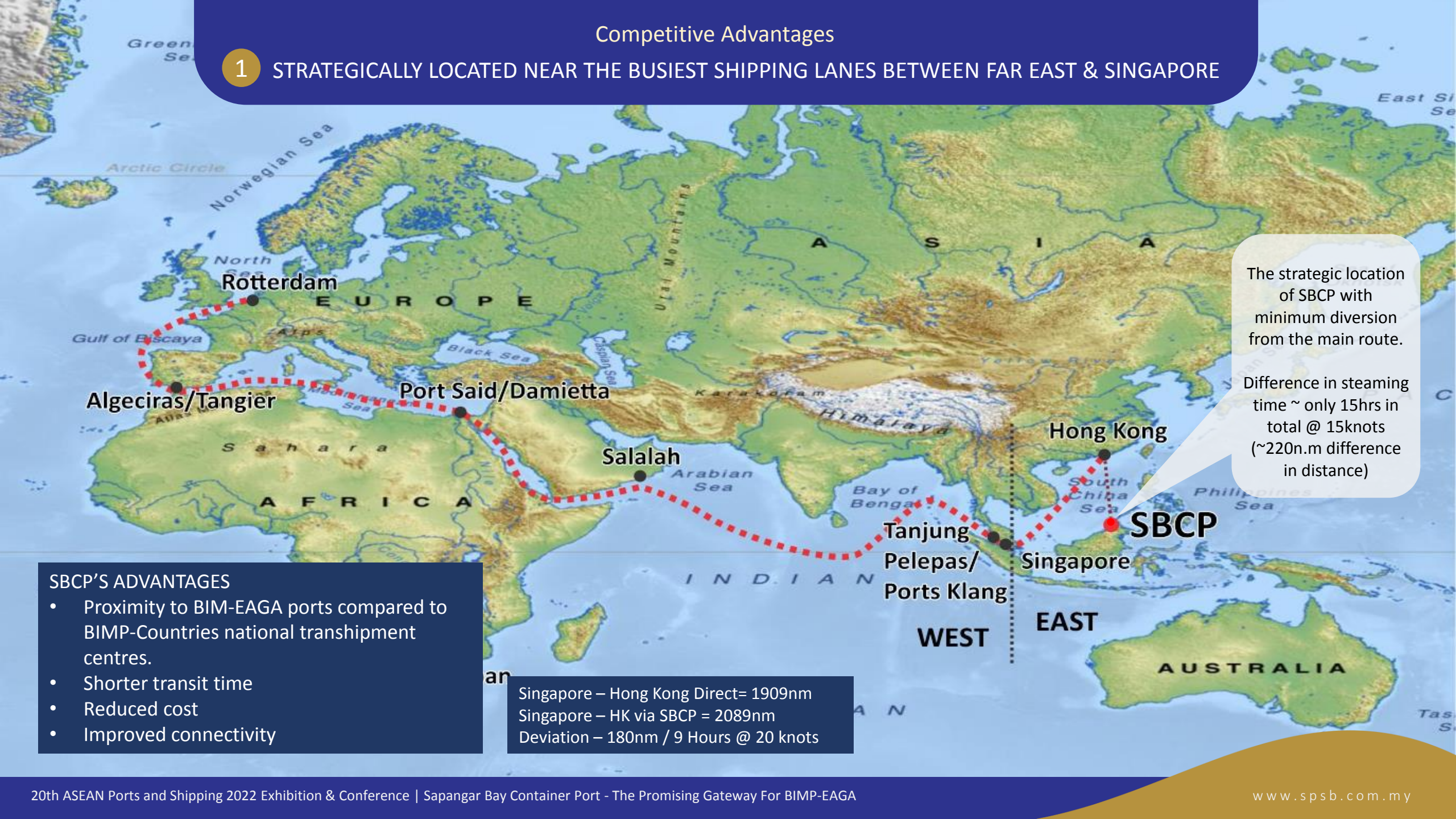
RO-RO PERFORMANCE 2022

JANUARY – SEPTEMBER 2022



Competitive Advantages

1 STRATEGICALLY LOCATED NEAR THE BUSIEST SHIPPING LANES BETWEEN FAR EAST & SINGAPORE



The strategic location of SBCP with minimum diversion from the main route.

Difference in steaming time ~ only 15hrs in total @ 15knots (~220n.m difference in distance)

- SBCP'S ADVANTAGES**
- Proximity to BIM-EAGA ports compared to BIMP-Countries national transshipment centres.
 - Shorter transit time
 - Reduced cost
 - Improved connectivity

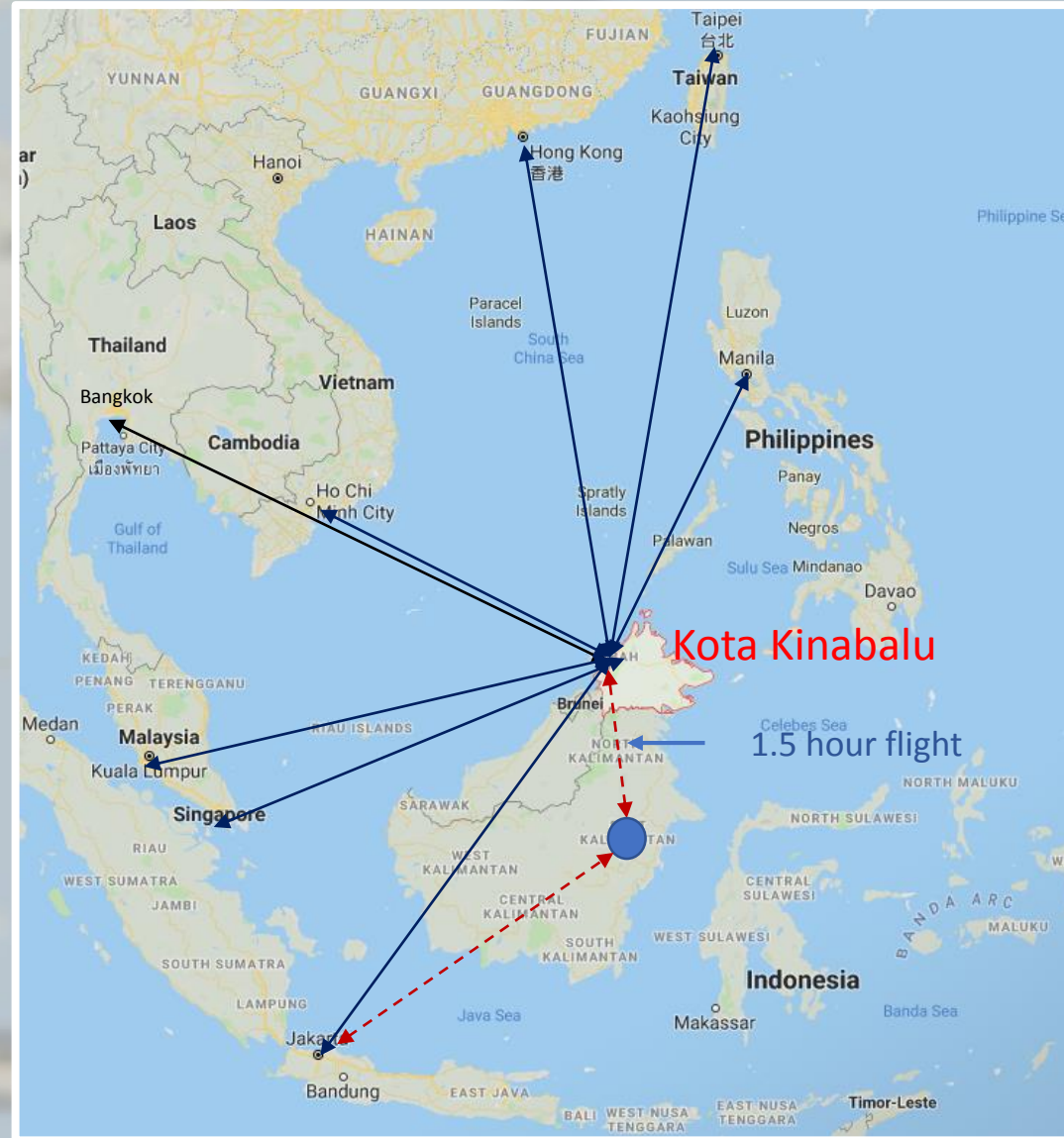
Singapore – Hong Kong Direct= 1909nm
Singapore – HK via SBCP = 2089nm
Deviation – 180nm / 9 Hours @ 20 knots



Sabah is geographically located right at the center of ASEAN making Sabah an ideal location for trade facilitation in the region especially to the untapped economics in East ASEAN and BIMP-EAGA Sub-Region.

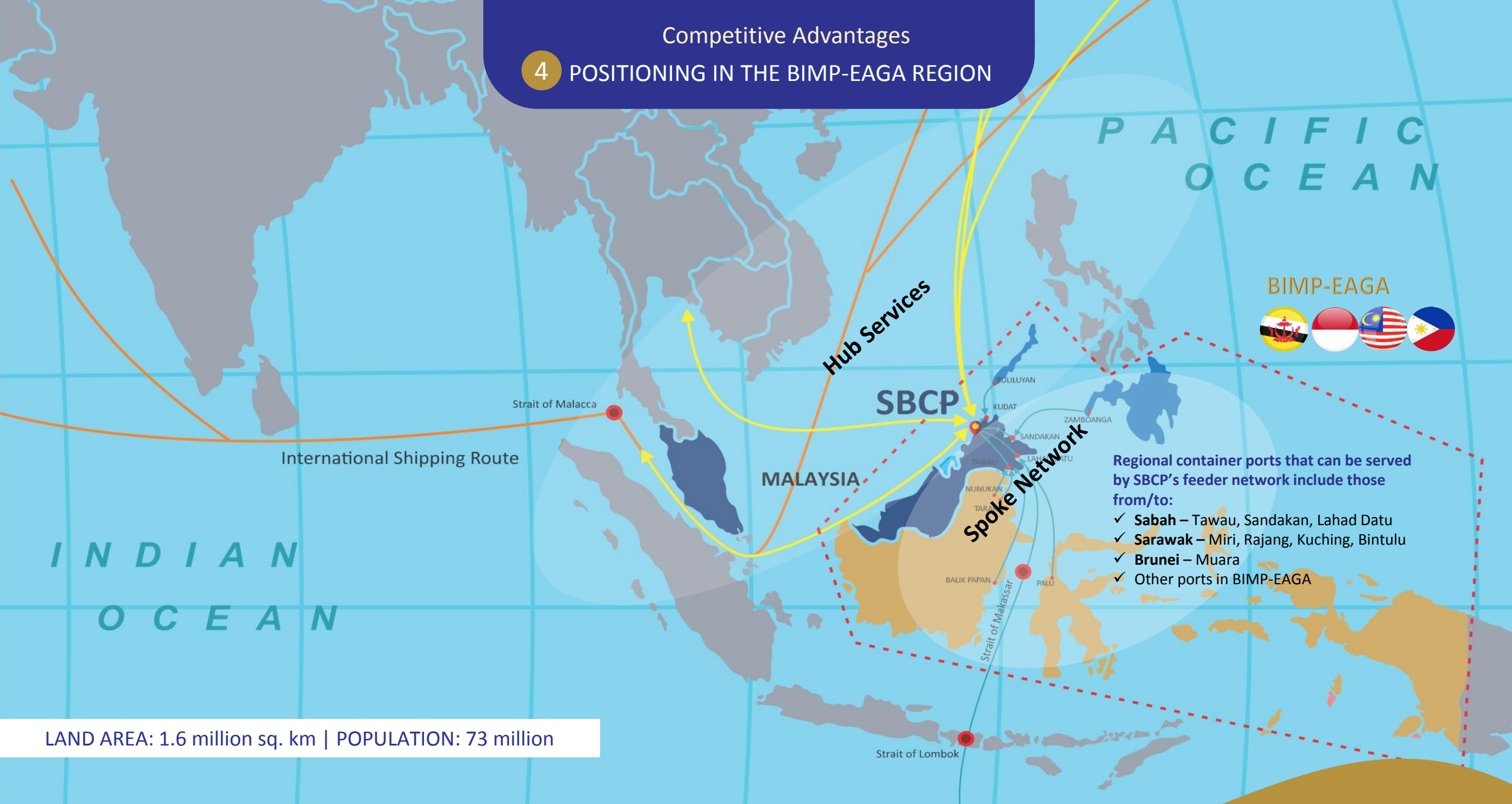
Competitive Advantages

3 STRATEGIC AIR CONNECTIVITY TO ASIA MAJOR CITIES



Competitive Advantages

4 POSITIONING IN THE BIMP-EAGA REGION



LAND AREA: 1.6 million sq. km | POPULATION: 73 million

Competitive Advantages

5 SHELTERED PORT WITH WIDE ACCESS CHANNEL

PULAU GAYA

PULAU SAPANGAR

SBCP

3.5 km

Natural depth of more than 25m.

SEA CONNECTIVITY – DOMESTIC



Shipping Lines:



- Good domestic connectivity calling SBCP

SEA CONNECTIVITY – INTERNATIONAL



Legend

- Transshipment Ports
- ⬅⋯⋯➡ Feeder Route
- ↔ Mother vessel Route

Shipping Lines:



- Regular services to transshipment ports.
- Transshipment via PKG / PTP SG / HKG



MOVING FORWARD

INCREASING PORT CAPACITY AND EQUIPMENT CAPABILITY EXPANSION OF SAPANGAR BAY CONTAINER PORT (SBCP)



2021



SAPANGAR BAY CONTAINER PORT

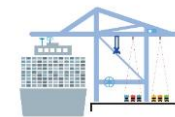
4 units Quay Crane → 12 meters depth → 500 meters Quay Length → 500,000 TEUs capacity

2025



SAPANGAR BAY CONTAINER PORT

6 units Quay Crane → 14 meters depth → 833 meters Quay Length → 1,250,000 TEUs capacity



Addition of 2 post-panama QC to cater for growth of demand after 2 years of post-expansion operations.

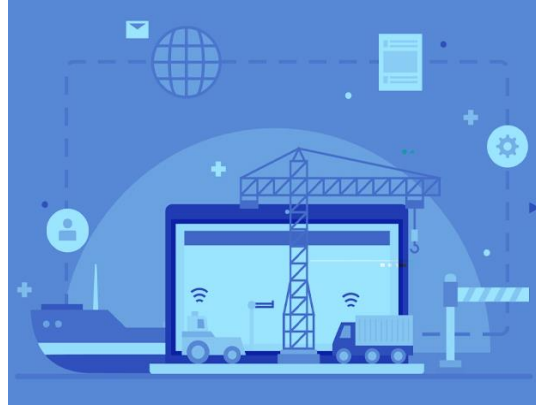


Investment in state of the art automated equipment to enable seamless operations between quayside to yard.



Implementation of twin-lifts to improve crane handling rates and to meet the benchmark for global transshipment ports.

INCREASING PORT CAPACITY AND EQUIPMENT CAPABILITY IMPROVING PORT OPERATION EFFICIENCY



- 1) End-fit vertical yard with Semi-Automation to be the first of its kind in Malaysia.
- 2) Enhancing Terminal Operating System
- 3) State of the art cargo handling equipment
- 4) Introducing automation of container transfers
- 5) Skilled employee

INCREASING PORT CAPACITY AND EQUIPMENT CAPABILITY FREE ZONE DEVELOPMENT



1 Creation of economic zones to boost production and added-value industrial and distribution services.

2 Economic zones to act as magnet to trade flows to help develop downstream processing.

3 Increase global attractiveness of Sabah as a competitive regional manufacturing center.

INCREASING PORT CAPACITY AND EQUIPMENT CAPABILITY GREEN PORT INITIATIVES



RTG Fleet
Electrified



QC Fleet
Electrified



Cold
Ironing



LED
lightings for
high mast



Solar Panels
Incorporated in
Port



Port Reception Facilities
(IMO requirement)
- Collection of waste from
ocean-going vessels.

OUR ACHIEVEMENTS IN 2019 - 2021



**APEC Green Port Award
2019**



**Asia Sustainability
Reporting Rating (ASSRAT)
Award 2019**



**Women of the Year in
Port/Terminal Industry
2020**



**South East Asia's Terminal
Of The Year 2020**



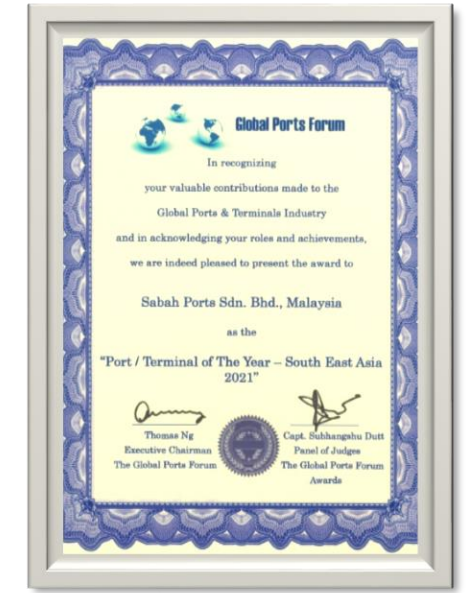
**ACES 2020: Winner of
Green Initiative Award
category 2020**



**MSWG-ASEAN Corporate
Governance Award 2020:
Merit Award for Most
Improved CG Disclosure**



**Emerging
Port/Terminal of
The Year 2021**



**Port/Terminal of
The Year – South
East Asia 2021**

THANK YOU