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PRESS RELEASE

9 July 2020

YB. DATUK SERI IR. DR. WEE KA SIONG, MINISTER OF TRANSPORT MALAYSIA'S WORKING VISIT TO PORT KLANG

1. PORT KLANG, 9 July 2020, YB. Datuk Seri Ir. Dr. Wee Ka Siong, Minister of Transport Malaysia made an official working visit to Port Klang today. He arrived at Port Klang Authority (PKA) Headquarters and was received by YBhg. Datuk Chong Sin Woon, Chairman of Port Klang Authority, Capt. K. Subramaniam, General Manager of Port Klang Authority and senior officials from Northport (Malaysia) Bhd, Westports Malaysia Sdn Bhd and Port Klang Free Zone Sdn Bhd.
2. YB. Datuk Seri Ir. Dr. Wee Ka Siong was briefed on Port Klang's operations, port activities and performance as well as ongoing and future development plans. In particular, he was briefed on the impact of COVID-19 on ports and shipping business and the challenges ahead faced by the logistics industry.

PORT KLANG'S PERFORMANCE FIRST HALF OF 2020

3. Port Klang saw a **negative growth of 9.3% in terms of container handling for the first half of 2020** as compared to the first half of 2019.
4. This is due to the impact of COVID-19 on the logistics and manufacturing industries faced by Malaysia and the rest of the world.
5. However since the announcement of the Malaysian Government to open up the economic activities, Port Klang has seen **an increase in container handling since June 2020** in comparison to the months of March till May 2020.

FOUR PHASES OF MOVEMENT OF NON-ESSENTIAL CARGO DURING THE MCO PERIOD

6. Port Klang Authority and the terminals expressed their gratitude towards the Malaysian Government and the Minister of Transport in particular on his proactive actions towards easing the ports and logistics constraints during the Movement Control Order period.
7. **The 4 release periods** approved by the government to enable **the movement of non-essential cargo** helped in **reducing the congestion at Port Klang's yards from 78% to 60%**. This in turn ensured smooth and uninterrupted flow of essential goods to the Rakyat.
8. 300,000 containers were successfully moved in and out of the port within 30 days during the MCO period.

PORT KLANG'S DEVELOPMENT PLANS

9. **Pulau Carey, PKA** is currently undertaking a feasibility study to develop a third terminal at Pulau Carey with multipurpose facilities and dedicated logistics hubs. This study is expected to be completed by Q1 2021.
10. **Westports 2**, Westports will commence the development of Westports Phase 2 involving the construction of 8 container terminals with berth length of nearly 5km which will provide an additional capacity of 13 million TEUs, bringing Port Klang's total capacity to 33 Million TEUs by 2045.
11. **Northport** is currently developing a 350,000 sqft multipurpose warehouse and has identified **new land bank areas** for further development for port operations and related industries.
12. The Minister was assured **that Port Klang is focused on continuous development** and improvements to elevate Malaysia's Principal Port to greater heights and remain competitive as a leading international logistics hub.
13. YB. Datuk Seri Dr. Ir. Wee Ka Siong then visited the terminals of Northport, Westports and Port Klang Free Zone where several new initiatives were launched.

PKA'S VESSEL TRAFFIC MANAGEMENT SYSTEM (VTMS)

14. PKA's Vessel Traffic Management System (VTMS) is located at the Tower Block Building of Westports in Pulau Indah.
15. The VTMS is the control center for traffic moving within Port Klang. It was implemented to enhance navigation safety and expedite movement of ships and is equipped with the latest equipment including radar, VHF radio communication, automatic vessel identification system, CCTV and weather monitoring system.

16. VTMS allows the monitoring of vessels in real time to enable safe and efficient traffic management within the port limit and its approaches. It also provides information on vessels transiting the port such as vessels particulars, cargo on board, last and next port of call and the vessel's estimated time of arrival and departure.

WESTPORTS REMOTE PHYSICAL-CHECK SYSTEM (RPS P-CHECK SYSTEM)

17. The Westports' Remote Physical-Check System (RPS P-Check System) was internally developed by Westports Malaysia to replace the 'Stowage Clerk' currently positioned under the Quay Crane to physically check the container for the details. This will now be done through the concept of RPS which involves remote tally operations by "Remote Physical Clerk" via verification using Video Analytics camera installed on the Quay Cranes structure. These outdoor certified PTZ CCTV camera's stream video's 24 by 7 through networking devices installed at the Stowage Cabin.
18. As part of Westports' drive towards automation and digitalization, the project achieve several objectives simultaneously, without diluting the efficiency and productivity.
19. Westports Malaysia is the World's 1st Terminal implementing this technology via a Wireless Infrastructure.
20. The benefits of this technology are limitless, such as the following:
 - i. Time savings in which a Container P-check turnaround time via RPS is significantly reduced to 30 seconds from previously 2-3 minutes.
 - ii. RPS Clerks has mobility in which they can work remotely at any location within the Terminal.
 - iii. RPS Clerks can multitask within a ratio of 1 RPSC to 3 QC's compared to previous practise of fixed to 1 crane.
 - iv. RPS Clerks are also able to work in an environment friendly location which promotes safety and healthy lifestyle.
21. After Westports, the Minister was given a tour of PKFZ's facilities and briefed of its current operations and its future plans to enhance its role as a logistics hub operator in support of enhancing trade in Port Klang.
22. At the end of the full day programme, YB. Datuk Seri Dr. Ir. Wee Ka Siong reiterated that the Malaysian Government has been at the forefront with proactive measures in taking Malaysia through this Covid-19 crisis successfully. The government has announced several packages to revitalise the economy and in the same light, the Minister announced that Port Klang Authority has approved a financial incentive package and new initiatives to assist and alleviate the financial burden of logistics players in Port Klang.

FINANCIAL INCENTIVES BY PORT KLANG AUTHORITY

23. This package includes:

- i) Exemption and discounts from 50% up to 100% on lease rentals to PKA's tenants from March to December 2020 amounting to RM 510,535.
- ii) A 20% discount on port dues to Shipping Lines from July to December 2020 amounting to RM 2,543,563.
- iii) A 20% discount on foreshore charges to private jetty users comprising importers and exporters from July to December 2020 amounting to RM 180,517.
- iv) A deferment up to 30% rent collection for PKFZ Tenants from July to December 2020 amounting to RM14 Million which will be collected over the period of 12 months in 2021.

24. The total amount of this Financial Incentive Package amounts to **RM 17,234,615**

OTHER INITIATIVES BY PORT KLANG AUTHORITY TO ASSIST THE PORT COMMUNITY AND ENHANCE TRADE

- 25. Extension of the free storage period at the terminals for import from 4 days extended to 6 days and for export from 5 days extended to 7 days. This initiative will enable importers and exporters to use the terminal's yards for cargo storage if there is insufficient storage at their premises without any charges incurred for the duration of the free storage period.
- 26. Commercial incentives provided by terminal operators to shipping lines, exporters and importers.
- 27. Development of a common Digitalized Platform to enhance service connectivity between various players in the port and logistics industry.
- 28. Continuous Infrastructure Development despite the economic slowdown.

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