

PSA fast tracks Pasir Panjang Terminal expansion plans

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Introduction

From its humble beginnings at the mouth of the Singapore River, the Port of Singapore has grown to become the world's largest transshipment hub, and a global brand name in terminal operations.

Last year, the Port of Singapore was the world's busiest port, handling an astounding 23.2 million Twenty-foot Equivalent Units (TEUs) of containers. Out of these, PSA Singapore Terminals moved 22.28 million TEUs through its terminals, and registered another record year in terms of throughput.

In Singapore, PSA operates four container terminals at Tanjong Pagar, Keppel, Brani, and Pasir Panjang, with a total of 41 berths. Together, they operate as one seamless and integrated facility.

Business strengths

PSA's strength lies in our ability to handle large-scale, complex transshipment arrangements efficiently, and value-add to our customers' needs in their hubbing operations. The record 22.28 million TEUs of containers handled in 2005 is testimony to PSA's reputation as the hub port of choice, and a vote of confidence

from our customers. PSA's position as a standard-bearer of excellence in port operations has consistently been recognised by the shipping community.

PSA Singapore Terminals is among the few terminals in the world with the scale, productivity and management expertise to provide reliable and efficient services to our customers. PSA capitalises on its IT strengths and operational capabilities to help vessels complete their operations in the shortest time possible, and provide 'catch-up' services for ships with demanding schedules to make tight connections.

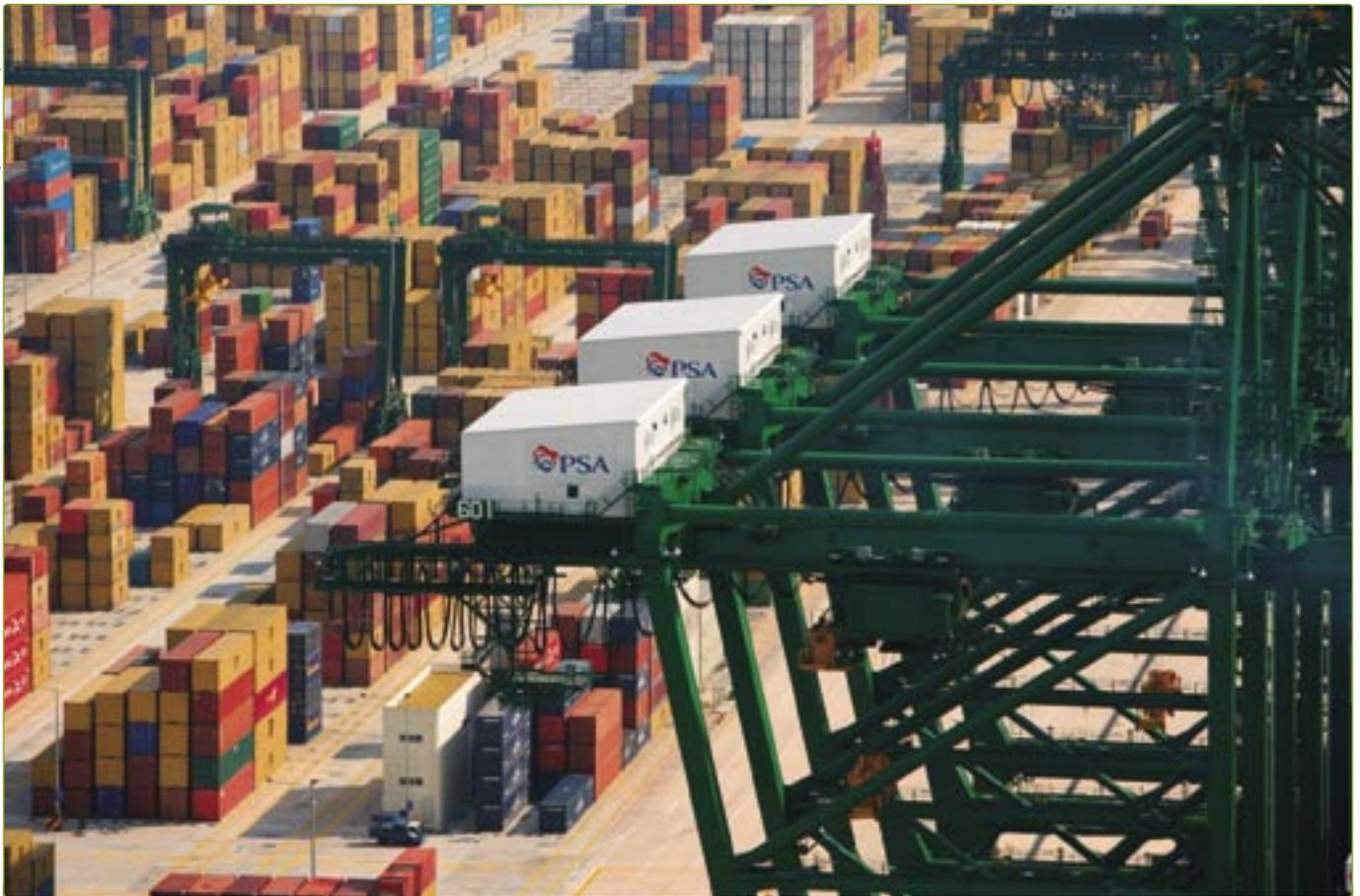
The deployment of ultra large containerships means that ports have to be more efficient and productive to handle the increased capacity. Otherwise, the vessels will have to prolong their port stay.

To meet the present and future needs of our customers, PSA Singapore Terminals has fast-tracked its expansion plans. As part of its strategy to sustain long-term growth and maintain Singapore's premier status as the world's largest transshipment hub, PSA Singapore Terminals will add a total of 15 new berths at Pasir Panjang Terminal (PPT) by 2011. The 15 new berths are expected to boost PSA Singapore Terminals' annual handling capacity of 20 million TEUs to 31 million TEUs, an increase of 55 percent.



Photo courtesy of PSA Corporation

Four new berths are scheduled to be commissioned in 2006.



Last year, the Port of Singapore handled 23.2 million TEUs, making it the world's busiest port.

Phase two development at PPT

With growing business volumes, PSA's focus in 2005 was to bring on new capacity as quickly as possible, while improving operational efficiency at the same time.

PSA embarked on PPT's phase two development in 2005 with the construction and commissioning of new berths, adding on to the six existing berths that formed PPT's phase one development.

The development of the new berths at PPT is already well ahead of schedule. Four of these new berths came into operation last year, even though only three berths were initially planned for 2005. Another four new berths are scheduled to be commissioned in 2006.

Layout and design of the new berths

As shipping lines are ordering bigger container ships, the layout and design of the new berths were planned to accommodate the needs of current and future mega ships. Each of the new berths at PPT is capable of handling 800,000 TEUs per berth per annum.

Besides having a maximum draft of up to 16 metres, the new berths at PPT also have quay lengths of 360 metres, which is longer than the world's mega vessels. MSC Pamela, the world's largest containership at 336.7 metres and 9,200 TEUs, made its maiden call at PPT on 23 July 2005.

Investment in port equipment and technology

Thus far, PSA has invested nearly S\$400 million on new port equipment and technology for the new berths.

PSA has awarded a contract worth S\$160 million for 80 units of rubber-tyred gantry cranes (RTGs) to Doosan Heavy Industries & Construction. These RTGs will be commissioned for operations by the fourth quarter of 2006 at PPT.

In addition, PPT has taken delivery of 12 new super post-panamax quay cranes capable of handling 22-container-rows across. Manufactured by Zhenhua Port and Machinery Company (ZMPC) in Shanghai, the quay cranes are designed to serve the newest generation of mega containerships with capacity in excess of 8,000 TEUs. The giant quay cranes are also fitted with power systems which are energy efficient and environment friendly.

PSA has also invested \$9 million to adopt the latest technology in communications systems – Motorola's TETRA (TErrestrial Trunked RAdio) digital radio system. Since ports rely on clear, fast and reliable communication on the ground to maintain frequent contact, facilitate decision-making, information exchange and coordinate movement of equipment and cargo, the enhanced voice clarity and efficient channel utilisation offered by the TETRA solution enables PSA to serve a larger user population with fewer channels. The system has been adopted at PPT and PSA's three other container terminals, and will enable PSA to manage its growing container traffic more efficiently.

PSA will continue to invest in excellent technology and port equipment to meet the industry's long-term growth and provide world-class services to our customers.

Win-win partnerships

PSA is always open to business collaborations and partnerships, whether with port operators or shipping lines, as we believe that there is scope to explore opportunities and pursue sustainable partnerships which make commercial sense to all partners and parties involved.

In 2003, history was made when PSA embarked on a joint venture with COSCO to operate the COSCO-PSA Terminal (CPT) at PPT. CPT was PSA's first joint venture with a customer in Singapore, and heralded PSA's commercial flexibility and

receptiveness to engage in strategic partnerships, whether in Singapore or globally.

Another significant milestone was crossed last December, when PSA entered into a joint venture with Mediterranean Shipping Company (MSC), the world's second largest shipping company, to jointly manage and operate a container terminal for MSC in Singapore. The MSC-PSA Asia Terminal (MPAT) will occupy three berths at PPT, and these berths will have an annual capacity in excess of two million TEUs.

Like the berth operated and managed by CPT, the operations of the MPAT berths will be seamlessly integrated with PSA's other world-class berths at Brani, Keppel, Tanjong Pagar, and Pasir Panjang Terminals in Singapore.

PPT's phase three and four development

To-date, PSA has a total of 41 berths with 131 quay cranes in Singapore. Another 11 new berths will be added by 2011, boosting PSA's total annual handling capacity to 31 million TEUs.

The Ministry of Transport (MOT) and the Maritime and Port Authority of Singapore (MPA), the two government bodies overseeing the development of the Port of Singapore, have started to plan for the next phase of development at Pasir Panjang, which will eventually add another 16 berths.

MOT and MPA are closely monitoring industry trends and developments so that the port infrastructure will meet the needs of our existing customers, as well as our future customers. PSA is working closely with MPA, as it is the developer of the new port facilities. In addition, since the reclaimed land at PPT is owned by the Government, PSA will apply for land when the need arises.

Conclusion

With new berths in operation at PPT and expansion plans well-ahead of schedule, PSA is confident of meeting the industry's long-term growth, and adding value to our customers' hubbing operations.

Our berths and equipment at PPT were designed with the needs of current and future mega ships in mind. Hence, PSA is operationally ready to handle the world's mega vessels. Besides ensuring that our infrastructure and equipment is up-to-date, we constantly upgrade our operating systems and operations standards to meet the challenging needs of our shipping line customers.

PSA is committed to reviewing the needs of our customers constantly. We customise our service packages to meet our customers' unique requirements. In addition, we offer our customers excellent connectivity to the global shipping network and economies of scale, which help them reduce their costs and improve their asset utilisation.

Our business partners and associates can be well-assured that we will continue to invest in technology, port equipment and human resources to ensure that we provide world-class services to best meet the needs of our customers, so that PSA will continue to be 'The World's Port of Call.'

ABOUT PSA SINGAPORE TERMINALS

PSA Singapore terminals operates the world's largest container transshipment hub in Singapore. It links shippers to an excellent network of 200 shipping lines with connections to 600 ports in 123 countries. Shippers have access to daily sailings to every major port in the world at this mega hub. PSA Singapore Terminals' position as a standard-bearer of excellence in port operations has consistently been recognised by the shipping community. It was voted the 'Best Container Terminal Operator (Asia)' for the 16th time at the 2005 Asian Freight & Supply Chain Awards, 'Best Container Terminal' at the Lloyd's List Maritime Asia Awards 2005 for the sixth time since its inauguration in 1999, and 'Container Terminal of the Year' at the 2005 Asia Logistics Awards for the third time. Its parent company, PSA International, was voted the 'Best Global Container Terminal Operator' at the 2005 Asian Freight & Supply Chain Awards. In 2005, PSA Singapore Terminals handled 22.28 million TEUs.

ENQUIRIES

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