

KUANTAN PORT NEWS

October - December 2005

KUANTAN PORT CONSORTIUM
SDN BHD (100%)



Biodiesel Seen To Assert At Kuantan Port

03

Strengthening Services In Pursuit Of Continuous Growth

04

PPSC Industries : Joint Collaboration With KPC Promotes Further Growth

05

Partnership With Industry : A Workforce Ally

06

MV Diamond Princess Berthed At West Wharf

07

KPA General Manager Conferred DIMP

10





**KUANTAN PORT
CONSORTIUM SDN BHD**
(374383-H)
(wholly-owned subsidiary of Road
Builder [M] Holdings Berhad)

Wisma KPC,

KM25 Tanjung Gelang, P.O Box 199,

25720 Kuantan, Pahang Darul Makmur, Malaysia

Tel : 09 5833205 Fax : 09 5839393

Email : info@kuantanport.com.my

URL : www.kuantanport.com.my

YOUR CONTACTS

Executive Vice-Chairman

Dato' Haji Shamsudin Md. Dubi

Chief Operating Officer

Wong Soon Fah

General Manager (Administration & Finance)

Haji Awal Haji Ali

General Manager (Infrastructure, Research & Development)

Jr. Ho Phea Keat

General Manager (Operations)

Dato' Haji Zulkipli Shamsudin

Corporate Communications & Marketing Manager

Syam Salam

EDITORIAL GROUP

Editor

Syam Salam

Contributors

Jr. Haji Khasbullah Abdul Kadir

Iskandar Zaffa

Mohd. Zawawi Harun

Jr. Haji Zarak Ali Abdul Manaf

Mohd. Ghazali Abdul Rahim

Wan Abdullah Sani Wan Ibrahim

Photographer

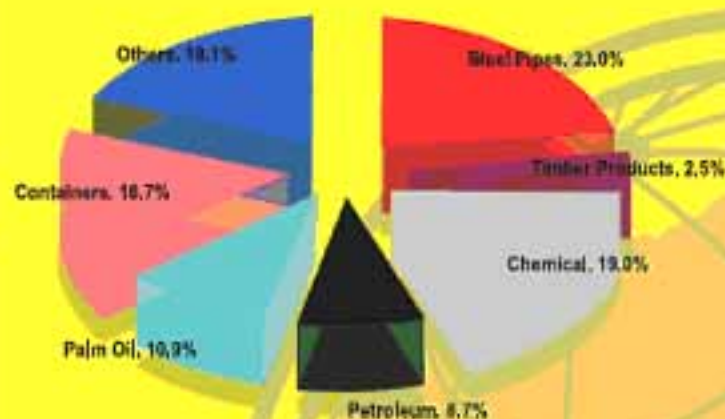
Mohd. Khairuddin Muhammad

Kuantan Port News is the official quarterly publication of Kuantan Port Consortium Sdn. Bhd. All efforts are made that correct facts are used at the time of print. The publisher will not be held responsible for any inadvertent errors. Press/media reporting based on this publication is permitted with proper attribution.

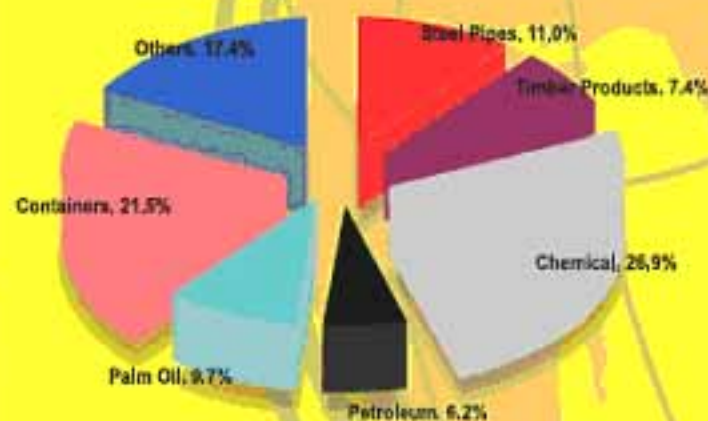
KUANTAN PORT

PERFORMANCE FOR JAN - DEC 2005

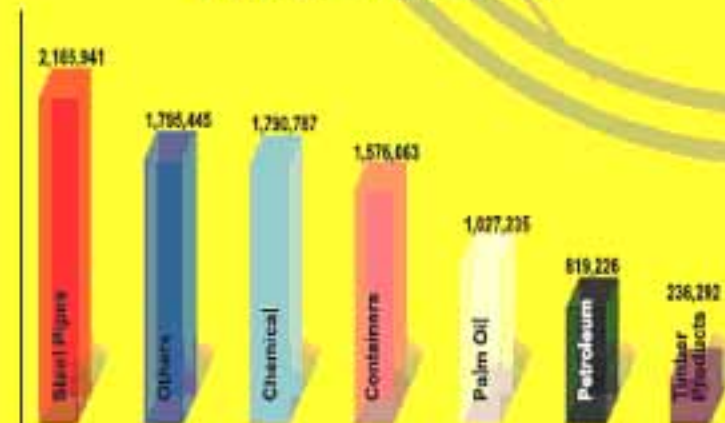
TYPES OF CARGO HANDLED



TYPES OF VESSELS CALL



TYPES OF TRAFFIC (FWT)



Total = 9,410,803

Biodiesel Seen To Assert Edge At Kuantan Port

Global uncertainty will continue to impact Kuantan Port throughout 2006. Last year, we registered almost the same volume recorded in 2004 i.e. 9.4 million tonnes. However, as the new year beckons, Kuantan Port is cautiously positioning itself and is optimistic that it will be better than 2005.

"Strategic positioning will continue to be Kuantan Port Consortium Sdn Bhd (KPC) primary marketing focus. The four key areas include petrochemical, ASEAN automotive trade hub, China trade and palm oil. The strategic positioning of each of these key areas is calculated upon KPC's strength and competitive advantages over other local ports. Each of these areas is also carefully formulated to be in line with the national and east coast states economic growth trend," said Wong Soon Fah, COO of KPC.




He added that, "The palm oil industry is a clear national core competency. It is one of the pillars of the Malaysian economy, accounting for 27% of the world's edible oil production. Malaysia is the world's largest producer of palm oil, contributing 58% of the world's production. Malaysia's R&D is way ahead of the competition, with more than 300 patents registered. The state of Pahang also has one of the largest palm oil plantation acreage in Peninsular Malaysia with 583,276 hectares. From January to October 2005, crude palm oil (CPO) production in the East Coast stood at 2,416,004 tonnes or 33% of Peninsular Malaysia's total CPO production."

Among many of its uses, palm oil is also said to be one of the most promising renewable energy source. The depletion of fossil fuels, coupled with the increasing awareness of environmental protection, has led to concerted and escalating efforts in search for a renewable and environmentally friendly alternative energy source and biodiesel is the result. Biodiesel is a clean burning alternative fuel derived from a blending process of processed liquid palm oil and petroleum diesel which can be used in compression ignition engines or diesel engines.

Biodiesel is the term refers to methyl esters of long chain fatty acids made using an alcohol like methanol and a chemical process that separates glycerin and methyl esters (biodiesel) from fats or vegetable oils such as palm oil, rapeseed oil, and soy bean oil. Biodiesel is cleaner as it does not emit toxin, does not contain sulphur, and has lesser carbon monoxide. Using biodiesel could reduce environmental pollution by between 75 percent and 90 percent and provide better engine lubrication as compared to petroleum diesel.

Biodiesel have become increasingly popular in recent years amid concern over the world's diminishing oil and gas reserves and as countries try to reduce their dependence on imported fossil fuels. In Malaysia, biodiesel will be fully commercialised and ready for general use from January 1, 2007. High demand of biodiesel from countries like Italy, Germany, South Korea, Columbia, and India has inspired palm oil companies in Malaysia to embark on the production of this highly touted renewable energy.

The COO mentioned that, "As at November 2005, already nine companies were issued with approved licence to produce biodiesel and two are located at Gebeng and Kuantan Port Industrial Area. The location chosen was partly due to the fact that the plant must be close to an export point to save on logistics costs. Kuantan Port Industrial Area has strong advantages in terms of the availability of palm oil and its downstream oleochemical activities as well as other raw materials to produce biodiesel. Its existing facilities such as the availability of pipe rack facility, tank farms, dedicated palm oil berth and liquid chemical berths also compliments the whole set up."

"For those who are planning to set up a biodiesel plant, rest assured that Kuantan Port is ready to receive you. We have proven track record in promoting investments in the petrochemical and palm oil industries and presently handles over 3 million tonnes of liquid cargo annually. To further enhance and to make Kuantan Port an attractive site, an additional berth will be constructed with land adjacent for tank farms for storage," remarked Wong. 



STRENGTHENING SERVICES IN PURSUIT OF CONTINUOUS GROWTH IN ACCORDANCE TO KPC'S VISION AND MISSION

Ir. Hj. Khasbullah Abdul Kadir

After going through the eighth year of the privatisation era, Kuantan Port Consortium Sdn Bhd (KPC) has developed Kuantan Port into a modern multipurpose port. With a large sum of capital expenditure (more than RM300 million) invested on infrastructures, port facilities and machineries by Road Builder (M) Holding Berhad, the shareholder of KPC, it is now the responsibility of the employees of KPC to ensure that the investments transform into improvements in port services and cargo grown.

"To have the physical developments alone without maximising the commitment from the employees will make our vision and mission to be the leading maritime trade and logistics services centre in the East Coast of Peninsular Malaysia and the Asia Pacific region, harder to achieve. To compliment the physical developments, the manpower management is a vital element that needs to be studied and updated. We must assure a continuous process of learning and upgrading of skills as well as knowledge amongst the workers persist. The combination of the knowledgeable and skilled workforce with the right attitude will make our vision achievable," said Ir. Haji Khasbullah Abdul Kadir, Traffic Manager.

He explained that, "Apart from working very hard in achieving our objectives, we are always emphasising on our motto to be a friendly, reliable and efficient service provider. In a move to further enhance our services to all our valued customers, we in the Traffic Department have stationed Traffic Executives operating round the clock, thus empowering the decision making process possible at all times. Any complains from the customers or operational problem that arises at the berths would be attended immediately and more efficiently. Should there be a need to refer to their superiors for further assistance or guidance, it can be done more effectively. These executives with years of hands-on experience both in the container and conventional operations, have induced greater efficiency and higher productivity in cargo handling especially in the second and the third shifts which have improved significantly".

The Traffic Department is also in the process of upgrading all the drivers/operators in terms of competency in handling/operating port equipment. We expect all of our drivers/operators apt to handle and operate safely and efficiently any of our port equipment without any restrictions.

Once this is achieved, the shortage of drivers/operators for certain types of equipment will be eliminated. All the drivers/operators are inculcated with a sense of ownership and responsibility thus cleanliness of the equipment are ensured and minor maintenance are taken care of

Equipment Planning Unit (EPU) has been formed recently to strengthen the equipment planning. This is to ensure that there shall be no shortage of equipment that may result in inefficiency or low productivity. The EPU with the cooperation of the drivers/operators can eventually act as a minor workshop where all inspections of the equipment are done.

Apart from the introduction of IT applications in certain operational activities as an approach towards a paperless working environment, we are also simplifying our working procedures so that our customers can benefit fully. For instance, all the conventional cargo can now be brought into our operational areas (custom bonded) at all convenient times as we no longer stop cargo from being brought into our operational areas during meal hours or changing of shifts.

In addition, some improvements for container operations were also done. For example, all empty containers trucking out of the operational areas are now given pre-approved EIR (gate pass) at the container yard cabin without requiring them to be placed on the trucks. We have also changed the lane for the incoming container trucks. Now the drivers need not cross the lane to submit their documents at the main gate. In expediting the gate operations, we are in the midst of studying the issuances of gate passes for incoming containers with less documentation process.

"Currently all the Traffic Department work flows/activities are being scrutinized by the KPC 9000 Steering Committee chaired by our Executive Vice-Chairman. We believe there will be lots of improvements once the loose ends are being rectified and the proper work flows executed. Nevertheless, all the improvements achieved so far were due to the understanding and good communications between the port and its users. This relationship must be well maintained and strengthened to achieve continuous improvements as our port customers are trade ambassadors for Kuantan Port. We must therefore work hard and smart, and our services must always exceed the customers' expectations. Last but not least, we have to heighten all our efforts in achieving our vision and mission. Nothing comes easy," Ir. Haji Khasbullah cited.

JOINT COLLABORATION WITH KPC PROMOTES FURTHER GROWTH



PPSC Industries Sdn Bhd. (PPSC), a member of Wah Seong Corporation Bhd, was incorporated in 1985 and has since grown from being a regional pipe-coating contractor into a major provider to the global oil & gas industry. Its main manufacturing hub in Kuantan, Pahang, Malaysia is one of the world's most advanced and maintains the highest health, safety and environmental standards. The coating facilities in Kuantan is accredited with the prestigious and international standards of ISO 9001 and ISO 14001, and certified to OHSAS 18001,



Wan Mahusain Wan Man

"PPSC is located just over 7 kilometers from Kuantan Port which is strategically positioned along a major shipping route in the South China Sea. Kuantan Port is renowned as one of the most experienced port in the handling of steel pipes, thus providing PPSC's clients the convenience of shipping bare pipes directly to Kuantan for coating.

Furthermore in 2003, a joint collaboration to promote further growth of the steel pipe coating operations and the port service industry, agreements were sealed with Kuantan Port Consortium for a 10-year

Wan Mahusain Wan Man, General Manager of PPSC Industries Sdn Bhd explains, "Due to continuing business expansion and growth, the coating operation was relocated from Kuantan Port Industrial Area to its own 48 hectares land in the MIEL Gebeng Industrial. Year 2002 saw the completion of the construction, installation and commissioning of Phase I of PPSC's new coating facilities for 3Layer and Internal Coating Plant. This was followed by Phase II of new coating facilities for Concrete Coating Plant in 2005. Installation and commissioning of Phase III of new coating facilities for Asphalt Enamel Coating Plant is expected to be completed by mid 2006. The new coating facilities are equipped with the latest state of the art technology that will boost production capacity and provide better quality of services and products while maintaining the highest health, safety and environmental standards".

The coating facility in Kuantan offers a wide range of pipe coating system such as :-

- Fusion Bonded Epoxy (FBE) Coating
- Three Layer Polyethylene (3LPE) Coating
- Three Layer Polypropylene (3LPP) Coating
- Asphalt Enamel (AE) Coating
- Concrete Weight Coating
- Internal Coating

priority berthing at KPC's main wharves, and the construction of a dedicated facility for the handling of steel pipes at KPC's new service jetty were constructed and commissioned. This dedicated facility named Berth 6 was completed in August 2005 and has significantly improved the loading rate of coated pipes to vessels and barges calling at Kuantan Port," says Wan Mahusain,

Since its incorporation, PPSC has fulfilled the demands for coating services from international oil majors such as Petronas, Exxonmobil, Shell, BP and PTT. The coated pipes also have been re-exported to project locations in Australia, Brunei, China, Hong Kong, Indonesia, Myanmar, Middle East, Pakistan, Russia, Singapore, Sri Lanka, South Korea, Taiwan, Vietnam, Thailand, Libya, Algeria, South Africa as far as Azerbaijan and Georgia.

In addition to the pipe coating systems, PPSC has also the capability and resources to provide other supporting services such as :-

- Application of passive fire protective (PFP) coating
- Manufacturing and installation of sacrificial anodes
- Supply of field jointing material
- Customs coating of bends and fitting
- Other painting requirements
- Shipping and transportation to project locations

Written by Goh Eng Hoi, Assistant Manager Corporate Communications,
Wah Seong Corporation Industries Berhad

PARTNERSHIP WITH INDUSTRY :

A Workforce Ally

KPC work closely with clients and form strategic partnership with business counterparts to enhance their respective business interests and needs. At KPC we listen to our clients and try to prosper them in order to ensure our own growth. We are committed to providing the most efficient methods to handle cargo and ships via the port to spur higher economic growth in the east coast.

An example of this strategic partnership is the development of a jetty to handle exceptionally heavy cargo with KNM Berhad in particular, a world-class manufacturer of process equipment for the global oil, gas and petrochemical industries, had constructed a specialised berth at Kuantan Port named Berth No.5 which was recently completed and commissioned.

KNM Berhad's business activities include designing, manufacturing, fabricating, assembling, commissioning and maintenance of process equipment, pressure vessels, heat exchangers, skid mounted assemblies, storage tanks, and module assemblies for oil, gas and petrochemical industries. It has five fabrication plants in Malaysia namely at Kuantan Port, Gebeng, Malacca and Bintulu, and abroad located in China and Dubai.

As a leading provider of port services in the east coast, Kuantan Port studies its clients shipping needs – from conventional to containerised cargoes and from hazardous cargoes to large loads – are well taken care of.



When Berth 5 was completed and eleven units of heavy and over-sized cargoes were planned to be loaded at this new jetty, a number of meetings between KNM Berhad and Alcan Cove project team were held to ensure safe operations and no hiccups. The collective team spirit of the tripartite companies made this a reality on 19th November 2005.

Berth No. 5 had successfully handled its first load out-shipment of over-sized project cargoes totalling 3,737 tonnes consisting of 1 unit of ferrosil washer with a weight of 810 nett tonnes and measuring 24 metres in length, 30 metres in height and 24 metres in width, 5 units of agglomerators ranging between 228 and 233 nett weight tonnes and with a dimension of 12.18 metres in length, 26 metres in height and 12.18 metres in width. The consignment also includes 4 precipitators with a weight of 408 tonnes each, measures 13.7 metres in length, 34.5 metres in height and 13.7 metres in width, and a strong feed liquor tank weighing 141 tonnes. These heavy lifts were produced by KNM Process Systems Sdn Bhd located at the Port for Alcan Cove Project, Melbourne.

We leave nothing to chance ! 

MV Diamond Princess At West Wharf




The *Diamond Princess*, owned by Fairlane Shipping International and operated by Princess Cruise Lines, Los Angeles, was built in Japan in 2002 and started operations in 2004. She is one of the largest cruise ships in the world, has 18 decks with 950 suites and deluxe rooms.

The 5-star cruise vessel with a length overall of 290 metres, 40 metres wide and a GRT of 115,875 had berthed at West Wharf, Kemaman Port on 9th December 2005 with 2,629 passengers and 1,123 crew member on board. The West Wharf, which is owned by Road Builder (M) Holdings Berhad and operated by Kuantan Port Consortium Sdn Bhd (KPC), has a length of 510 metres with a maximum displacement tonnes of 150,000 and a draught of 14.5 metres.

Terengganu state exco, Dato' Mohamed Awang Tera, Chairman for Industrial Development and Tourism, Dato'

Shamsudin Dubi, Executive Vice-Chairman of KPC, and Wong Soon Fah, Chief Operating Officer of KPC were among the dignitaries and officials to welcome the vessel and the exchange of souvenirs with the ship's master, Captain Paul Wright.

Prior to the arrival at Kemaman, *Diamond Princess* had earlier called the ports of Shanghai, Nagasaki, Xingang, Pusan, Hong Kong, Nha Trang, Vung Tau and Laem Chabang. The next port of call is Singapore.

Besides Pahang, Terengganu is a well-known tourist destination. Its ability to attract large numbers of tourists attests to the fact that Pahang and Terengganu have much to offer especially in sea sports events, culture, traditional cuisine, historical heritage and eco-tourism. 



COST-EFFECTIVE PRACTICE ENRICHES COMPETENCIES




knowledgeable workforce mean employees become more aware of the delivery system, are better prepared to anticipate problems, can be moved into other positions at peak times of the operation and cohesiveness is enhanced.

Port equipment maintenance is crucial to avoid interruptions to port operations. With the emphasis on proactive maintenance and refurbishment of port equipment, the Engineering Support Department, among others, had successfully refurbished the grab for the level luffing crane. The in-house refurbishment proved cost-effective saving RM30,000 compared to contracting out the job.

KPC had invested heavily in cranes and equipment in recent years to keep ahead with the rising demands in cargo handling. Having adequate numbers of equipment is very important and coupled with efficient and highly motivated workforce for the job are the crux of high productivity.

With the intent of increasing the flexibility and job enrichment/enlargement of its workforce, KPC instill multi-skilling within the organisation with the aim of improving efficiency and competencies, reducing costs, improving quality and increasing production. A flexible and

The 10 year-old four-rope clamshell grab used for handling various dry bulk cargoes such as fertilisers, wheat, maize and coal had incurred damage at the bottom and side plates of the grab due to constant hitting or lugging on the walls or the floor of the ship's hold. The repair task included the replacement of the bottom and side knives of the grab where high resistance steel was installed and welded. The shells were then strengthened by installing additional stiffeners to improve the durability of the grabs. 

In The Spirit of Aidilfitri



It's already the 17th day of Aidilfitri, however the festive spirit still lingers in the air as KPC hosted a raya celebration on the 19th November 2005. Some 2,000 guests comprising port users, industrialists, KPC staff and families thronged the KPC hall and premise to get together and celebrate Hari Raya Aidilfitri.

Dato' Shamsudin Md Dubi, Executive Vice-Chairman and Wong Soon Fah, Chief Operating Officer of KPC, played host to the raya feast in the hope to foster closer ties and boost stronger relationship with the port community, its staff and family members. Raya celebrations have been the annual do for KPC since its inception as a private port entity. 

COST-EFFECTIVE PRACTICE ENRICHES COMPETENCIES




knowledgeable workforce mean employees become more aware of the delivery system, are better prepared to anticipate problems, can be moved into other positions at peak times of the operation and cohesiveness is enhanced.

Port equipment maintenance is crucial to avoid interruptions to port operations. With the emphasis on proactive maintenance and refurbishment of port equipment, the Engineering Support Department, among others, had successfully refurbished the grab for the level luffing crane. The in-house refurbishment proved cost-effective saving RM30,000 compared to contracting out the job.

KPC had invested heavily in cranes and equipment in recent years to keep ahead with the rising demands in cargo handling. Having adequate numbers of equipment is very important and coupled with efficient and highly motivated workforce for the job are the crux of high productivity.

With the intent of increasing the flexibility and job enrichment/enlargement of its workforce, KPC instill multi-skilling within the organisation with the aim of improving efficiency and competencies, reducing costs, improving quality and increasing production. A flexible and

The 10 year-old four-rope clamshell grab used for handling various dry bulk cargoes such as fertilisers, wheat, maize and coal had incurred damage at the bottom and side plates of the grab due to constant hitting or lugging on the walls or the floor of the ship's hold. The repair task included the replacement of the bottom and side knives of the grab where high resistance steel was installed and welded. The shells were then strengthened by installing additional stiffeners to improve the durability of the grabs. 

In The Spirit of Aidilfitri




It's already the 17th day of Aidilfitri, however the festive spirit still lingers in the air as KPC hosted a raya celebration on the 19th November 2005. Some 2,000 guests comprising port users, industrialists, KPC staff and families thronged the KPC hall and premise to get together and celebrate Hari Raya Aidilfitri.

Dato' Shamsudin Md Dubi, Executive Vice-Chairman and Wong Soon Fah, Chief Operating Officer of KPC, played host to the raya feast in the hope to foster closer ties and boost stronger relationship with the port community, its staff and family members. Raya celebrations have been the annual do for KPC since its inception as a private port entity. 

KPA General Manager Conferred DIMP


Dato' Khairul Anuar Abdul Rahman, 44, General Manager of Kuantan Port Authority (KPA) was conferred Darjah Indera Mahkota Pahang (DIMP) by the Sultan of Pahang on 4th February 2006 which carries the title Dato' in conjunction with the Royal Highness' 75th birthday.

Appointed as a legal officer of KPA on 1st February 1991, he was later promoted as Corporate Services Manager on 1st October 1994 and subsequently became the General Manager of KPA upon the privatisation of Kuantan Port to Kuantan Port Consortium Sdn Bhd on 1st January 1998. As a regulatory body, the general manager of KPA also supervises and manages Kemaman Port Authority.

The Chairman, Board of Directors, Management and the employees of KPC congratulate Dato' Khairul Anuar on being bestowed with the royal award and on his achievements and contributions in developing the economic growth of Kuantan and Kemaman Ports. 



Kuantan Port Consortium Sdn Bhd and Kuantan Port Authority jointly hosted the 4/2005 Asean Ports Association Malaysia (MAPA) meeting on 21st December 2005 held in Kuantan. MAPA meets every quarter. More than twenty heads and representatives from Malaysian port authorities and operators attended the meeting which deliberated on human resource development, port familiarisation programme, APA Malaysia webpage, APA Malaysia newsletter inaugural issue, handling of dangerous goods, APA Malaysia - Indian Port Association MoU Joint Working Group, and the MAPA Constitution.

The meeting also discussed on preparations of MAPA to host the 27th Asean Ports Association Working Committee Meeting in June 2006, tentatively to be held in Kuching, Sarawak. In the spirit of Asean, delegates from the nine-member countries of the port fraternity under the Asean Ports Association umbrella, namely Brunei Darussalam, Cambodia, Indonesia, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam will be attending the meeting. 

APA Malaysia Meeting Held In Kuantan

