



SURIAGROUP



SABAH PORTS TO WORK WITH MIDE ON CURRENT VESSEL BUNCHING

Sabah Ports Sdn Bhd (SPSB) is working closely with the Ministry of Industrial Development and Entrepreneurship Sabah (MIDE) and the State government to resolve backlogs and congestion at Sapangar Bay Container Port (SBCP). This follows MIDE Minister Datuk Phoong Jin Zhe's recent statement expressing confidence that the surcharge may not take place.

During his visit to Sapangar Bay Container Port (SBCP), the Minister was briefed that in light of the port's recent unprecedented growth, which included a record high in cargo handled in May 2024 and double-digit growth year-to-date, the port's yard is facing space limitations, and the requirement of additional space and land for port use is crucial. To address this, the Minister expresses support and agrees to assist SPSB to secure the additional space required. This collaborative effort will enable SPSB to manage the increased cargo volumes effectively.

"Our immediate goal is to address the current tranche of vessel backlog. To date, we have cleared all the vessels that were waiting at anchor prior to those that arrived the last few days. Vessels arriving subsequently will be managed within the appropriate wait times." said Datuk Ng Kiat Min, Managing Director of SPSB.

"Our key focus is to improve ship turnaround time and free up yard space by streamlining container handling processes. This includes optimizing the yard to better position import and export containers for faster discharge, bringing in extra manpower to increase

productivity, and temporarily relocating Ro-Ro services back to Kota Kinabalu Port to allocate more berth space at SBCP."

"The State Government vide Sabah Ports Authority (SPA) has offered assistance by providing 6-acres of land at Tanjung Lipat, Likas as temporary use for Ro-Ro operation as an interim measure to mitigate the current constraints. The Minister supported this initiative and further offered another site near Sabah Trade Centre as an alternative option based on the operational requirement."

The Minister further acknowledged that, in addition to port productivity, SBCP faces constraints such as space limitations and the accumulation of containers at the yard due to non-synchronized operating hours of third-party warehouses or depots.

"While the port operates 24 hours a day, some containers cannot be cleared timely due to storage limitations of cargo owners and warehouses not operating beyond regular working hours, resulting in an increased number of containers stored at the port especially after public holidays," Datuk Ng added.

"This was highlighted to the Minister and he has agreed to lead talks between the port, traders and logistics providers to work collaboratively during this crucial time."

Datuk Ng expressed gratitude to the Minister and the State government for their support and assured SPSB is committed to restore operations to normal as soon as possible. Currently, SPSB is engaging in dialogues with industry stakeholders to address congestion issues and ensure the smooth implementation of its plans.

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