



SABAH PORTS CLARIFIES STATUS OF CRANE REPAIRS AT TAWAU PORT

Sabah Ports Sdn Bhd (SPSB) wishes to address recent remarks issued by the Sabah Timber Industries Association (STIA) regarding operational challenges at Tawau Port.

In line with our commitment to transparency and collaboration, SPSB convened a stakeholder engagement session on 14 May 2025 in Tawau. This session was attended by representatives from STIA, the Tawau Chinese Chamber of Commerce, the Sabah Shipping Agents Association, and the Tawau Forwarding & Lorry Association, with the presence of Sabah Ports Authority and senior SPSB officials. The primary objective was to update stakeholders on both immediate and long-term solutions, including the procurement of two new ship-to-shore gantry cranes, which are scheduled to arrive later this year.

The session also served as a platform to address stakeholder concerns, explore practical interim measures and provide assurance that SPSB is actively taking all necessary steps to resolve the situation and prevent future recurrences.

As of 2:00 PM on 22 May 2025, one crane has been fully restored and is operational, with all safety systems in place. Restoration work on the second crane is ongoing, supported by crane experts. These repair efforts have required intensive involvement from three dedicated teams—comprising our internal engineers, independent crane specialists, and technical experts from the original crane manufacturer. Our actions continue to be guided by professional assessments, with safety, technical soundness, and operational sustainability as top priorities.

We also wish to address the issue of backlogs raised by STIA and highlight the efforts undertaken by SPSB to mitigate this. During the stakeholder engagement session on 14 May 2025, SPSB made a clear commitment to prioritise the berthing and loading of 200 STIA containers scheduled for 24 May 2025. It was mutually agreed that shipboard cranes would be used as an interim measure if the port cranes were not yet operational. SPSB fulfilled its part of this agreement and ensured that the port remained fully operational and ready to facilitate the urgent shipment.

Unfortunately, the shipment did not proceed due to the shipping line's decision to omit Tawau from its schedule—a factor beyond SPSB's control.

In this regard, we do not agree with the assertion that the port's temporary equipment issues should be cited as the basis for the current backlogs, particularly when practical alternatives had been discussed and agreed upon, with operational readiness maintained on our end. We further encourage STIA members to engage with a broader range of shipping lines to avoid over-reliance on a single provider which increases vulnerability to service disruptions.

We wish to emphasise that SPSB is managing the situation with full resolve. We have mobilised both internal and external expertise, maintained open communication, and implemented practical solutions despite the challenges. The Tawau Port team has remained in close contact with shipping agents and customers, providing timely updates on crane conditions and port operations. Our commitment to transparency and responsiveness was evident from the early stakeholder dialogue we initiated and the continuous communication we have maintained.



Any suggestion that SPSB has failed to engage or update stakeholders is regrettable. We trust that the actions taken and progress achieved to date demonstrate our commitment to operational accountability and transparency.

As a self-funded port operator, SPSB's mandate encompasses both operational efficiency and financial prudence. Despite the significant investment required, we are allocating approximately RM70 million for the procurement of two new quay cranes to enhance Tawau Port's capacity and reliability. We hope this affirms to STIA and its members our long-term commitment to better serve the Tawau business community.

We will continue to provide timely updates and remain open to further engagement with STIA and all industry stakeholders. Our immediate focus remains on the full restoration of the second crane while ensuring the continued operation of the currently functional crane until the arrival of the new gantry cranes. At the same time, we remain committed to supporting the needs of all port users and ensuring uninterrupted service.

Issued on 23 May 2025 by

CUSTOMER RELATIONS DEPARTMENT, SABAH PORTS SDN BHD

Contact : Julia Ismail
012-7799741/088-483399
julia@spsb.com.my

www.suriagroup.com.my | www.spsb.com.my