



## **SABAH PORTS SDN BHD RESPONDS TO STIA ON OPERATIONAL CONCERNS AT TAWAU PORT**

Sabah Ports Sdn Bhd (SPSB) refers to the concerns raised by the Sabah Timber Industries Association (STIA), as reported in the media, regarding operational inefficiencies at Tawau Port—particularly disruptions stemming from the breakdown of mobile harbour cranes and resulting delays in cargo movement.

First and foremost, SPSB wishes to express its sincere regret for the inconvenience and economic impact experienced by port users, including the timber exporters. We fully understand the severity of the situation, including delays in shipment, demurrage charges, rental costs, and wider supply chain disruptions.

### **Immediate Remedial Measures**

The concurrent breakdown of both mobile harbour cranes has exerted substantial pressure on port operations. Despite routine servicing, the advanced age of the equipment and growing difficulty in sourcing compatible parts have led to intermittent downtime.

To address this, SPSB is taking the following actions:

- **Repair Efforts Underway:** Our in-house technical team, supported by external specialists, is working around the clock to restore the cranes. *Crane 1* is expected to return to service within the next 5 to 6 days. For *Crane 2*, we are in the process of sourcing the necessary components from our long-term supplier.
- **Exploring Temporary Solutions:** SPSB is evaluating the feasibility of deploying crawling cranes as an interim measure. Our supplier has confirmed resource availability should this option be activated.
- **Shipment Diversion Option:** As a short-term relief, STIA members may consider diverting urgent shipments to Sandakan Port, which is currently operating at normal capacity. While this is not a permanent solution, it offers a viable alternative to mitigate prolonged dwell times and commercial losses. Our team is ready to facilitate this transition where required.

### **Long-Term Equipment and Infrastructure Enhancement**

SPSB fully acknowledges the need for long-term upgrades at Tawau Port to improve reliability and service levels. Accordingly:

- The procurement of two (2) new quay cranes has been approved by the Board. Orders have been placed, and delivery is expected within 12 months.



- Structural and technical assessments have been undertaken to ensure compatibility with the port's current wharf, which has physical limitations due to age and design.
- The selected crane models are specifically tailored to Tawau Port's operational scale to ensure both cost-effectiveness and long-term sustainability.

We have worked closely with technical consultants to identify models that satisfy both operational and engineering requirements. SPSB reaffirms that the procurement process is progressing, with crane delivery anticipated within the year.

In parallel, we are actively engaging with the Ministry of Public Works Sabah to explore further infrastructure enhancements that will strengthen Tawau Port's resilience and future-readiness.

SPSB remains firmly committed to addressing the current challenges at Tawau Port and to implementing sustainable long-term improvements that align with industry needs and the State's economic aspirations.

We value our partnership with STIA and all stakeholders and welcome continued dialogue to strengthen mutual understanding and collaboration.

***\*Please attribute all quotes to Datuk Ng Kiat Min, Managing Director, Sabah Ports Sdn Bhd***

**Issued on 13 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](http://www.suriagroup.com.my) | [www.spsb.com.my](http://www.spsb.com.my)