Johor Port ends 2020 on a high note

JOHOR BARU: Johor Port Bhd, a member of MMC Group, finished strongly in 2020 by surpassing shipments of one million twenty-foot equivalent units (TEUs) amid the Covid-19 pandemic.

"We are very pleased to see that despite the headwinds of Covid-19, as well as the shortage of empty containers in Malaysia and other parts of the region which affected the overall port business and related industry sectors, Johor Port still managed to progress its business efficaciously and surpassed the one million mark for the year 2020," said Johor Port CEO Md Derick Basir.

For the first quarter of last year, Johor Port posted a growth of 6% on a year-on-year basis.

It said the emergence of the Covid-19 pandemic affected the port's business for three consecutive months, but with the re-opening of industries on May 4, 2020, the export volume regained its momentum as manufacturers stepped up their production.

It said the export and import volumes have shown improvement this year mainly due to the strong support of gateway cargoes.

"The majority of the gateway volume was derived from the production by major industry players. Johor Port also managed to secure four new services in the year 2020, mainly to the Intra-Asia region. The terminal also managed to entice Sealand to bring in a new service to cater to its short-haul cargoes," it said.

Apart from the traditional gateway business, Johor Port said it encouraged ad-hoc calls and mini transhipments which provided the additional volume to its terminal.

Operational improvements have also contributed to productivity improvement and yard efficiency, which resulted in a better gross moves per hour (GMPH) of 22 crane GMPH as opposed to previous years where the terminal had been consistently operating at a GMPH figure of 20 crane moves per hour.

"We remain optimistic on our growth prospects throughout the year, as we have witnessed global trade recovering gradually. While we are expecting a long recovery period of between six months to an entire year, Johor Port is committed to ensuring business continuity and for the port to be managed well throughout this volatile time," said Md Derick.

The company said ports and terminals represented a doorway to maximise the country's economic development and were a crucial lifeline that interconnected local communities to the regional and global markets.

The United Nations Conference on Trade and Development expects maritime trade growth to expand by 4.8% in 2021, assuming the world economic output recovers. Johor Port said the maritime transport industry would need to be prepared for any economic uncertainty in the post-Covid-19 world.

Despite the economic uncertainty, Johor Port said it has a leverage through its strategic positioning as a major regional commodity hub which connects Asean to the Intra-Asia region, as well as a competitive edge in its customer segmentation.