Development and Operations of Dry Port

A Malaysian Experience

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Agenda

• Logistics and Transport
• Dry Port
• Development of Dry Port
• Operations of Dry Port
• Challenges
• Future Outlook
• Conclusions
Logistics and Transport

- North South Highway - Bukit Kayu Hitam to Second Crossing

- Rails:
  - Padang Besar to Penang
  - Penang to Kuala Lumpur to Port Klang
  - Kuala Lumpur to Tumpat
  - Kuala Lumpur to Singapore

- Major Ports
  - Penang
  - Port Klang
  - Port of Tanjung Pelepas
  - Johor Port
  - Kuantan Port
Dry Port

- An inland intermodal terminal directly connected by road or rail to a seaport and operating as a centre for the transshipment of sea cargo to inland destinations
- Part of logistics centres to facilitate movement (flow) of cargo especially containers between ports and their origins or destinations
- In Malaysia
  - Padang Besar Cargo Terminal (PBCT - 1984) – Cross Border Trade
  - Ipoh Cargo Terminal (ICT - 1989) – Between Penang and Port Klang
  - Nilai Inland Port (NIP – 1995) – Between Port Klang and Johor Port
  - Segamat Inland Port (SIP – 1998) – National Load Centre / Transhipment Hub
Dry Port

- To accelerate national and international business
- To activate intermodalism
- To promote regional economic development
- To enhance seaport competitiveness
- Function of transport and logistics including value-added activities
Dry Port
# Dry Port

<table>
<thead>
<tr>
<th>Accessibility</th>
<th>Connectivity</th>
<th>Development</th>
<th>Operations</th>
</tr>
</thead>
<tbody>
<tr>
<td>PBCT</td>
<td>Road &amp; Rail</td>
<td>Penang Port and Port Klang</td>
<td>Government</td>
</tr>
<tr>
<td>ICT</td>
<td>Road &amp; Rail</td>
<td>Penang Port, Port Klang, Johor Port</td>
<td>Government and Private</td>
</tr>
<tr>
<td>NIP</td>
<td>Road</td>
<td>Port Klang &amp; Johor Port</td>
<td>Private and Government</td>
</tr>
<tr>
<td>SIP</td>
<td>Road &amp; Rail</td>
<td>Port Klang &amp; Johor Port</td>
<td>Government</td>
</tr>
</tbody>
</table>

Table 1. Dry Port Development and Operations
Padang Besar Container Terminal (PBCT)
Padang Besar Container Terminal (PBCT)

- 8 acres with 2,500 TEUs capacity
- Handles 10k to 11k per month
- Upgrading work to increase capacity to handle 15k per month in progress
- 5 trains (45 wagons) up and down to Penang Port per day
Ipoh Cargo Terminal (ICT)

- Bonded and Non-Bonded Warehouse
- Rail siding with 35 wagons capacity
- Daily trip to Port Klang
Nilai Inland Port (NIP)

- Connected to Port Klang and Tanjung Pelepas Port
Segamat Inland Port (SIP)
Segamat Inland Port (SIP)

- 40 acres
- Rail siding can accommodate 40 wagons at any one time
- Its managed by Kelang Port Authority
Challenges

- Infrastructure and Operations
- Rails productivity and efficiency
- Road access
- Intermodal coordination
- Between Inland Port, Sea Port and Carrier Operators
- Competition with hauliers / empty depot
- SIP – not ideal, far from manufacturing zones
Future Outlook

- Improve Infrastructure capacity – Belt and Road Initiatives
- Enhance Stakeholders involvement – regulatory, industry players etc
- Development of human capital – CILT M roles
  - Competency
  - Multi-skills
  - Accreditation
  - Certification
- New and Advanced Technology – IR 4.0

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Infrastructure Enhancement

• Chuping Valley Industrial Area
  • Perlis Inland Port
  • Solar Farm
  • Bio Health
• Bukit Kayu Hitam
• Halal Hub & Third Cross Border Facilities, Rantau Panjang
• Freight Village
Proposed Northern Border Economic Zone

- Connecting Port of Songkhla and Penang Port via Bukit Kayu Hitam
- Rail Line from Port of Songkhla to the main rail line through Padang Besar
- Increase Border Trade
Rantau Panjang Border Town

- 3rd Border access between Malaysia and Thailand
- Movements of Halal products
Freight Village

- Distribution centre for cargo connected by rail and road
- Hub and spoke system
- Reduction of trucks on the road contributing to carbon footprint reduction
- Catalyst for E-Commerce improving efficiency and productivity for the last mile
Conclusions

- Malaysia has developed a number of dry ports over the last twenty years
- Due to increase in international and domestic trades, more dry ports are to be developed
Thank you

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