

PTP upgrading terminal operating system to boost exports

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JOHOR BARU: Pelabuhan Tanjung Pelepas Sdn Bhd is upgrading its terminal operating system as part of its smart operation solutions to boost exports for Malaysian companies.

Its commercial division head Prakash Thuraiasingam said the port operator would roll out on July 11 its upgraded American terminal operating system Navis N4, which is being used by more than 340 container terminals in over 80 countries.

"By investing in the latest technology, we are further establishing our terminal as one of the best equipped and most technologically-advanced container terminal in the region," he told *The Star*.

Pelabuhan Tanjung Pelepas has one of the largest container storage facilities in the region, with capacity to handle up to 12.5 million TEUs annually.

"PTP's extensive shipping connectivity to over 300 ports of call with more than 90 weekly services ensures that all goods can be delivered to almost all ports globally," said Prakash.

On future plans pertaining to Industry 4.0, he said: "The integration of the vessel traffic monitoring information system in our marine control system; installation of access control and CCTV to further strengthen our port security; replacement of diesel based RTG to electrified RTG; and the recent MoU signing with Terberg Tractors Malaysia to develop a comprehensive study on the viability of deploying autonomous driving terminal tractors to transfer containers within the terminal area

— these are among efforts to become an advanced preferred port in the region, a port which offers smart solutions that optimise operations, promote efficiency and reduce logistics costs."

Prakash was one of the four panellists at a forum on *Critical Aspects of Exporting with Growth Opportunities in Asean* at the Export Excellence Awards 2019 roadshow held recently at DoubleTree by Hilton Hotel here.

Fellow panelist Jordan Tang, who highlighted challenges in exporting goods or services overseas, said that crossing borders brings additional risks and considerations such as taxes, currency exchange, trade terms, export financing, and local compliances in their export target countries.

"It is three times more difficult to do business overseas than locally," said the founder and executive director of GPRO Global Sdn Bhd.

"For instance, taxes on imported goods vary from country to country and it is important to know the rates and types of taxes and duties imposed by the countries you are exporting to.

"Related to this tax matter is the trade term you offer to the importing parties. Both tax and trade term can impact your business costs and therefore profit margin.

"We also cannot underestimate the importance of knowing the local culture and language which can potentially pose challenges and determine success or failure of our export business in each country," said Tang.

At the forum, Standard Chartered Bank Malaysia Bhd transaction banking head of trade Segar Govindasamy said that Asean

with its growing population and urbanisation is projected to become a US\$4trln economy by 2023.

The panellist said that growth of the middle class (households with daily expenditure of up to US\$100) would lead to the need for more wealth and investment products, as well as demand for more aspirational consumer products and services.

"65% of the estimated 650 million Asean population will be in this bracket by 2030. Asia will lead the increase in middle-class population globally — a young and growing workforce, with as many as 60 million more people added to the labour pool by 2030. It will become the third largest in the world then," he said.

To a question by forum moderator Sabariah Molid Sofian, who is International Trade and Industry Ministry's Johor regional office director, on the common mistakes that companies make when it comes to financing their exports, Segar said: "Some companies are not aware of international payment methods, some see that there is no need to expand (the business), while others do not have clear views of the risks and volatility of the ringgit."

Segar further stressed that companies need to rope in bankers as partners in their export operations.

Linaco Manufacturing (M) Sdn Bhd managing director Joe Ling concurred that exporters need bankers' expertise.

"Some think of banks as moneylenders, but they are more than that. Exporters can gain knowledge from banks," said the panellist, adding that partners in the country of export was also important as they could assist

Malaysian exporters with the local culture.

The Export Excellence Awards 2019 roadshows provided a platform for entrepreneurs and businesses to share best practices and challenges faced by Malaysian companies in the export industry.

Star Media Group in partnership with Standard Chartered launched the inaugural Export Excellence Awards 2019, with PKT Logistics Group Sdn Bhd as co-sponsor and Malaysia External Trade Development Corporation (Matrade) as patron.

The seven main award categories are electrical and electronics; oil and gas; chemical, mineral and alloy; agriculture; machinery, equipment and automation; services; and other industries. Three companies will receive the Exporter of the Year title, while a special award will be given in the halal products category.

Deadline for entry submission is Aug 2, and winners will be announced at the awards ceremony in November. For details, go to exportawards.com.my.

