



PORT KLANG AUTHORITY

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OFFICIAL STATEMENT

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CONGESTION OF REEFER YARD AT PORT KLANG

Port Klang's terminals at Northport and Westports are experiencing congestion due to a sudden surge of vessels and containers arriving in the third quarter of this year. This scenario is experienced by all major ports in the region and elsewhere. The main reason for the sudden surge is due to arriving vessels bunching at Port Klang after experiencing delays in preceeding ports. The situation is made worse by bad weather during the monsoon season where vessels are delayed at ports in China, Hong Kong and Singapore and subsequently omit some of these ports to arrive at Port Klang at about the same time. As a result of this the current waiting time for a berth in Port Klang is 2-3 days.

2. Further to this, some shipping lines have cancelled calls at Port Klang or have very limited space available to load export containers out of Port Klang due to high demand for slots in Chinese ports. This has resulted in export boxes staying in the port longer than usual resulting in shortage of storage space in container yards. The matter is further exacerbated by shipping lines deciding to offload their transshipment boxes which are not meant for Port Klang and requesting for a longer stay time before onward connections are arranged. Both these factors have resulted in yard capacity utilization of 95% which is regarded as congested.

3. Both terminals have taken measures to temporarily increase yard space by converting vacant spaces close to the existing yards to accommodate additional boxes. This in turn, has resulted in a drop in productivity where more shifting of boxes is required and movements of yard equipment are hampered. To mitigate these problems, terminals are giving berth priority for vessels that have more loading movements then discharging in order to reduce the remaining boxes in the yard. Terminals have also urged importers to clear their boxes quickly from the terminals and avoid using the port as a storage area.

4. This morning there was a complaint from the importers of fruits and vegetables who claimed that their consignments were delayed at Westports and delivery which usually takes two to three days is now taking up to seven days. With reference to these refrigerated containers (reefers), the capacity for reefer containers at Westports is 3532 x 40 footer containers with current utilization at 80%. Of these, 700 to 800 containers are domestic imports and about 30-40% are subjected to inspection by Malaysian Quarantine & Inspection Services (MAQIS). Westports is working closely with MAQIS to ensure as many containers as possible are inspected daily before release to the consignees. MAQIS team inspects these containers in two sessions daily to clear as many containers as possible. However over the last week Westports has reported that many of the containers that have been inspected and released by MAQIS are yet to be cleared from the port by consignees and are still occupying the ground slots preventing other containers from being transferred to this location for inspection. As a result of this the number of containers inspected and released by MAQIS is reducing and causing further clearance delays. Therefore, Port Klang Authority urges all consignees to take delivery of all inspected containers immediately to enable more containers to be inspected and cleared in the coming days.

5. In further addressing the current issue, Westports has created additional reefer space at CFS 3 for MAQIS inspection. Although this location is some distance away from the usual inspection area, Westports has agreed to bear the cost of shifting the containers. In addition, Westports will complete a new reefer block with 600 plug points by 31st December 2020, hence increasing the inspection capacity and to help ease any congestion in the future.

6. Port Klang Authority is monitoring the situation closely and is coordinating with Westports, MAQIS and the Royal Malaysian Customs to facilitate the clearance process for MAQIS held containers. With the above measures in place Port Klang Authority believes that this situation will be resolved soon. The anticipated surge in volume of containers during Chinese New Year is being addressed by Port Klang Authority in collaboration with the port terminals and the relevant government agencies and measures will be put in place to ensure smooth operations and timely clearance for all shipments.

CAPT. K. SUBRAMANIAM
General Manager
PORT KLANG AUTHORITY

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