



ENHANCING 21ST CENTURY MARITIME SILK ROAD: MALAYSIA'S PERSPECTIVE AND FUTURE COOPERATION

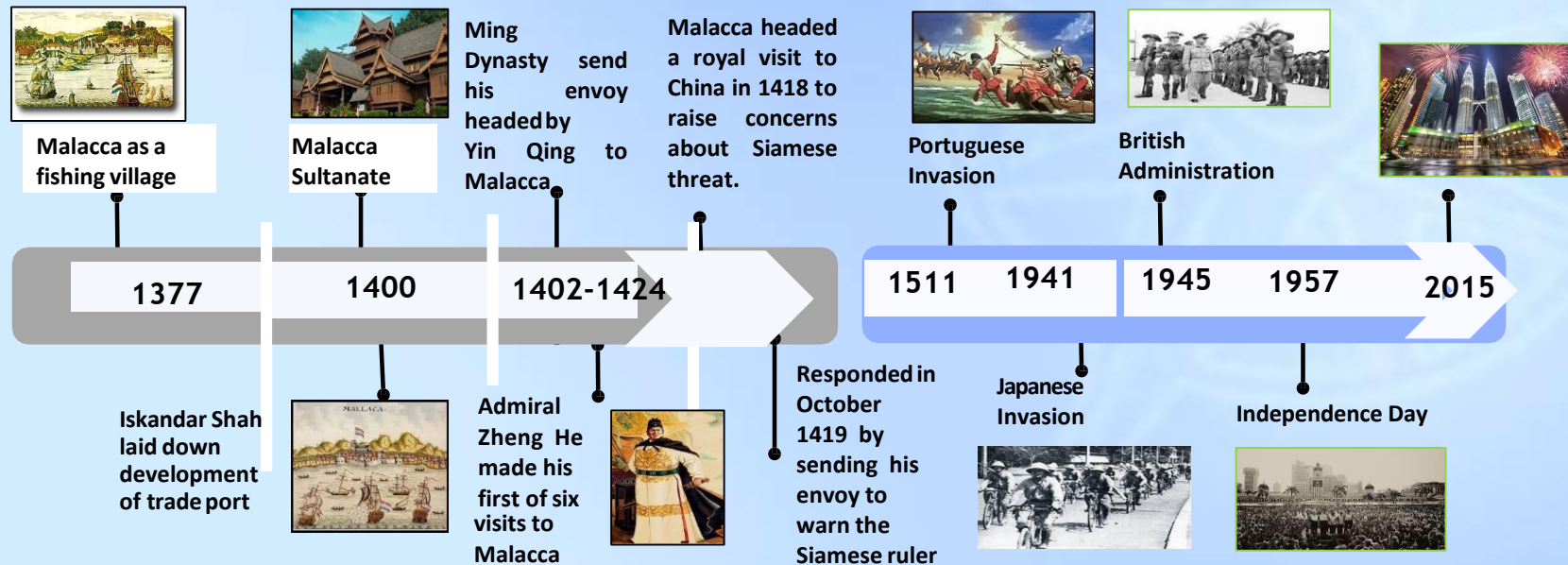
BY

DATO' CAPTAIN DAVID PADMAN

GENERAL MANAGER

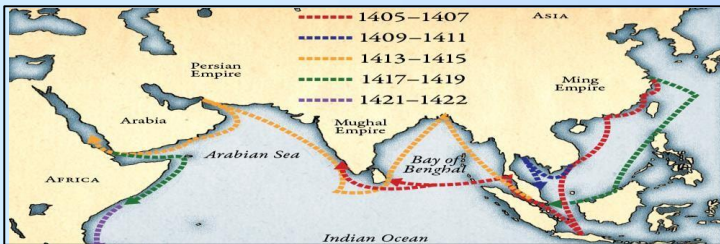
PORT KLANG AUTHORITY

MALAYSIA IN THE EARLY DAYS



- Yin Qing's - opened the way for the establishment of friendly relations between Malacca and China.
- Zheng He -Chinese merchants began calling at the port and pioneering foreign trading bases in Malacca
- China securing the trading routes and its special interest - Malacca turned to regional warehouse for trading of goods
- Malacca strengthen trade relations with China - Ming government changed their trade policy to eliminate the closed-door policy of the previous run.

MALACCA PORT DURING ANCIENT SILK ROAD



- Entrepot trading centre
- Visited by traders all over the world including China.
- Strategically located at the confluence of the South China Sea, the Straits of Malacca and Sunda.
- Situated in a protected zone, safe from Southwest Monsoon and Northeast Monsoon.



- In 1511, Tome Pires, a Portuguese who wrote an account of Malacca's administrative and trading history estimated that 2.4 million cruzados worth of trade passed through the port. In contrast - Seville, one of the wealthiest ports in Europe, reported trading value worth 4 million cruzados

BORNEO AND THE MARITIME SILK ROAD

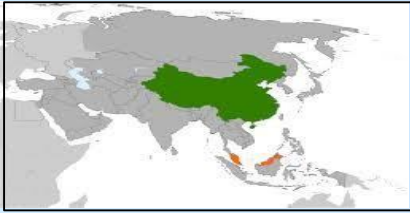


- Located in the middle of the Southeast Asia archipelago.
- Han Dynasty – Maritime Silk Road through Borneo was extended connecting the South China Sea with the African Red Sea.
- Song Dynasty - more routes extended connecting Borneo to China and included the Philippines.

HISTORICAL FINDINGS:

six excavated sites along the deltas of Sarawak river formed part of a harbor, and that the region's main industry was iron smelting. It was linked to the Maritime Silk Road and the routes taken by Admiral Zheng He.

MALAYSIA'S – CHINA TRADE RELATIONS



- Malaysia is China's third-biggest trading partner in Asia after Japan and South Korea.
- Both pledged to increase bilateral trade to US\$160 billion by 2017



- Total Trade : RM207.85 Billion (USD54.45 Billion) increase 2.2%
- 80.9% of export to China were Manufactured Goods



- Imports for Malaysia ↑ 8.7% to RM115.5 billion(USD30.26 billion).



- E&E to China ↑ 7% and account for 46.6% of total exports
- A total 41.6% of imports from China is also E&E

MARITIME SILK ROAD PHILOSOPHY

Spirit - "peace and cooperation, openness and inclusiveness, mutual learning and mutual benefit"



MALAYSIA'S CHINA RELATIONS – VIEW ON MSR

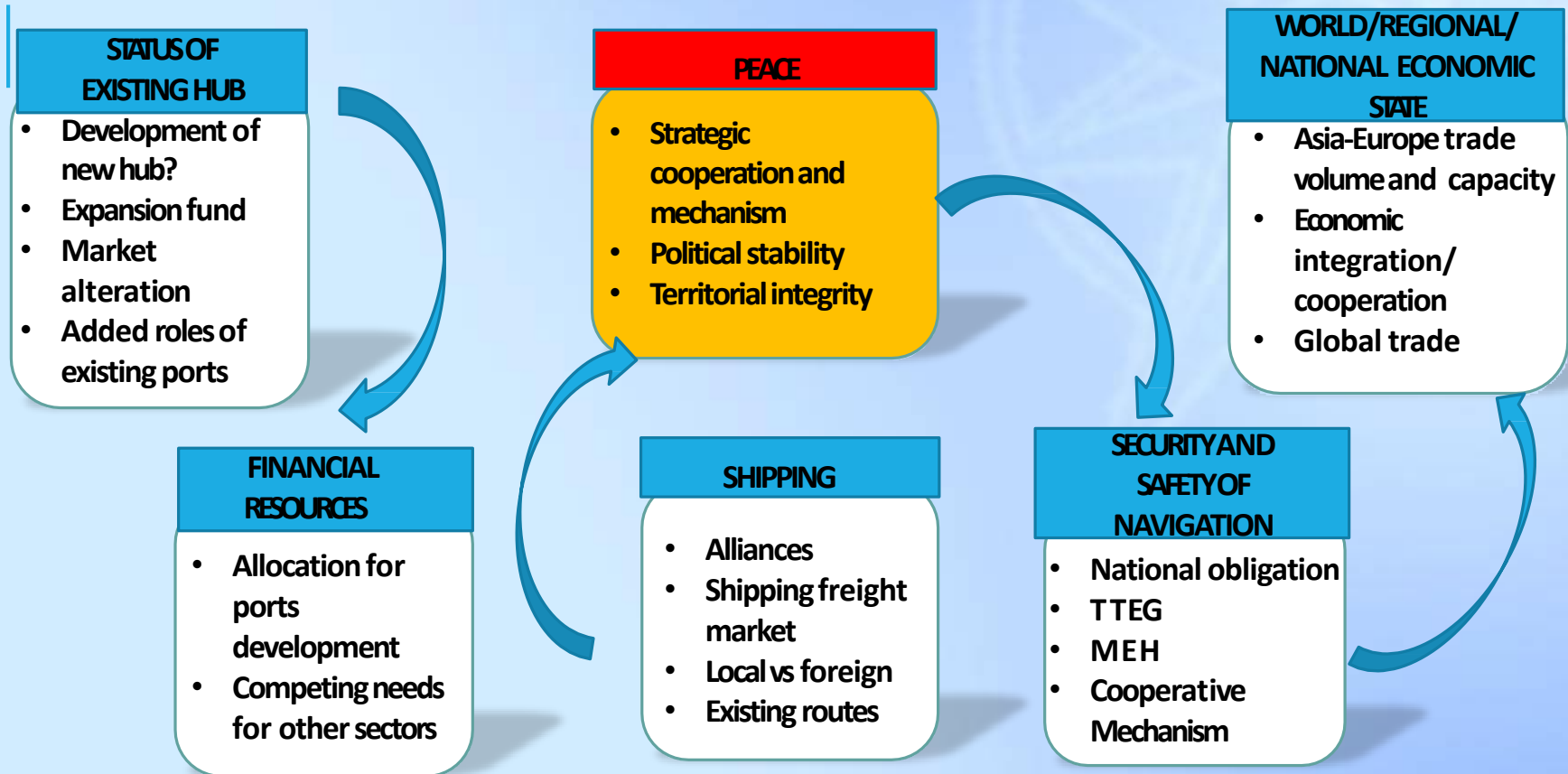
- Malaysia and China celebrated the 40th Anniversary of diplomatic relations in May 2014.
- Cooperation in the establishment of the 21st Century MSR was incorporated into the Joint Communique between Malaysia and China in conjunction with the 40th Anniversary of diplomatic relations.



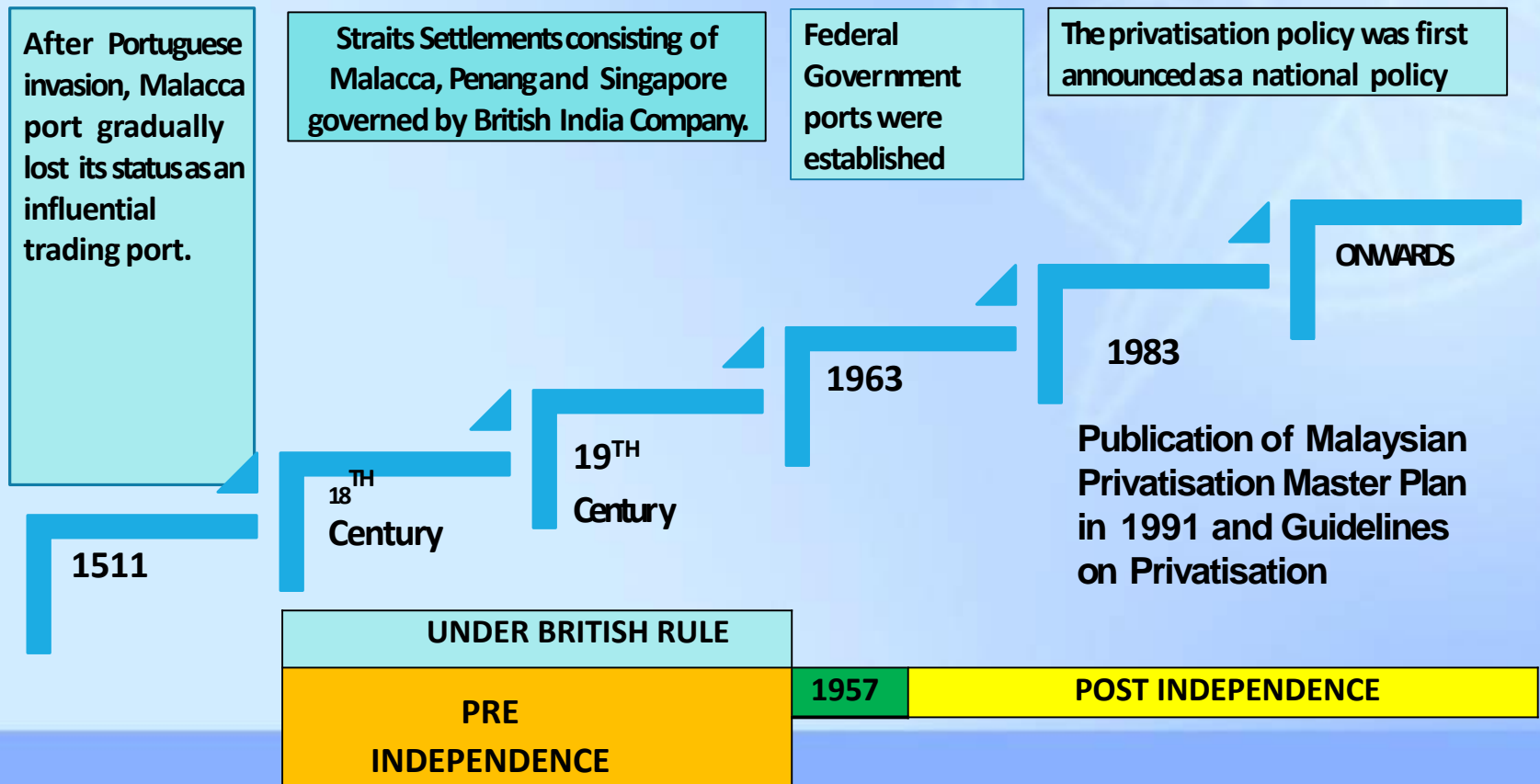
- Transport Minister of Malaysia expressed Malaysia's support for the 21st Century MSR.



FACTOR'S AFFECTING MSR



CURRENT PORT POLICY & DEVELOPMENT IN MALAYSIA



MAJOR PORTS IN MALAYSIA



PORT KLANG – NATIONAL LOAD CENTER



- Malaysia's premier and largest seaport.
- Serving the Klang Valley which is the most developed and industrialized region in Malaysia.
- Designated since 1993 as the National Load Center.
- Handles more than half of Malaysia's container trade and is a major regional distribution and transshipment hub.
- Hutchinson Port Holdings is a shareholder.
- World's 12th busiest container port. Current capacity 16.6 Million TEUs

PORT OF TANJUNG PELEPAS – MALAYSIA'S TRANSHIPMENT HUB



- Malaysia's transshipment hub at the southern tip of Peninsular Malaysia.
- Fastest growing container port in the world.
- World's top 20 container terminals.
- Moller-Maersk, the world's largest container service operators as shareholders.
- Current capacity 9.6 Million TEUs

CRUISE TOURISM IN MALAYSIA



Development of new cruise Terminal

- Malacca International Cruise Terminal
Under construction, Operational 2017
- Kota Kinabalu Cruise Terminal
Under construction, Operational 2018



**B OUESTED CRUISE CENTRE,
PORT KLANG**

Technical info: No of. Berths : 3
Berths length : Berth 1 – 438m
Berth 2 – 195m
Berth 3 – 210m
Maximum draft : 14 m



**SWETTENHAM PIER CRUISE
TERMINAL, PENANG**

Technical info:
No of. Berths :
Berths length :
Maximum draft : 14 m



**KOTA KINABALU PORT,
SABAH**

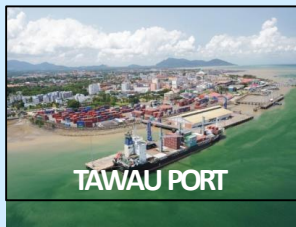
Technical info
No. Of berths :2
Berth length
: 120m – 350m
Maximum Draft : 9.6m

MALACCA GATEWAY MILESTONE AND STATUS



- Will include development of a cruise terminal called Melaka International Cruise Terminal and marina with 100mega yachts and 1,000 yachts capacity.
- 6 mega yachts owners have registered interest to berth their mega yachts

EXPLORING VENTURE WITH SABAH PORTS

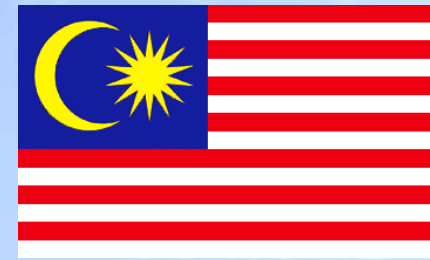


WHY

- China is Malaysia's largest export destination for palm oil products. 20.4 % of Malaysia global exports.
- Malaysia accounted for 58.8% of palm oil of the China imports.
- Palm oil is the most important estate crop in Sabah.
- Sabah is single largest contributor to Malaysia's palm oil industry (30% of the National total and 12% of world total)

CURRENT COOPERATION BETWEEN MALAYSIA – CHINA PORTS (PORT ALLIANCE)

On 23rd November 2015 a port Alliance was signed between the following ports:-



- i. NINGBO PORT GROUP LIMITED
- ii. PORT OF DALIAN AUTHORITY
- iii. SHANGHAI INTERNATIONAL PORT GROUP CO.LTD
- iv. GUANGZHOU PORT AUTHORITY
- v. FUJIAN FUZHOU PORT AUTHORITY
- vi. JIANGSU TAICANG PORT MANAGEMENT COMMITTEE
- vii. PORT & SHIPPING AUTHORITY OF HAIKU CITY
- viii. BEIBUWAN PORT ADMINISTRATION OF SHENZHEN MUNICIPALITY
- ix. XIAMEN PORT AUTHORITY

- i. PORT KLANG AUTHORITY
- ii. BINTULU PORT AUTHORITY
- iii. JOHOR PORT AUTHORITY,
- iv. KUANTAN PORT AUTHORITY
- v. MALACCA PORT AUTHORITY
- vi. PENANG PORT COMMISSION

TERMS OF REFERENCE FOR PORT ALLIANCE

PORT STUDIES

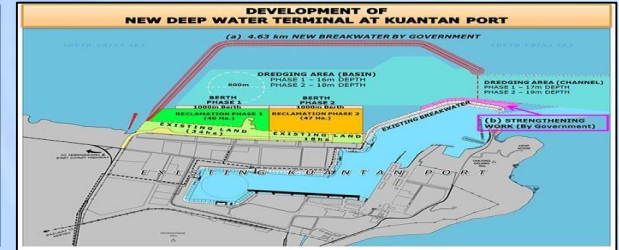
TRAINING AND APPRENTICESHIP

TECHNICAL ASSISTANCE

EXCHANGE OF INFORMATION

**TRAFFIC DEVELOPMENT AND PROMOTION OF SERVICES BETWEEN
PORTS**

COMMERCIAL COOPERATION ON PORT DEVELOPMENT



- Guangxi Beibu Group International China (GBGI) holds a 40% stake in Kuantan Port Consortium Sdn. Bhd. a Malaysian company appointed by the Government for the development of Kuantan Port for the next 30 years.
- Guangxi Beibu Group has brought in the cruise line MV Bei Bu Wan Zhi Xing to call at Kuantan Port starting February 2015.



OTHER COMMERCIAL COOPERATION



- Malaysia China Kuantan Industrial Park (MCKIP) - Jointly developed by Malaysia and China and accorded a “National Industrial Park” Status.
- MCKIP and China-Malaysia Qin Zhou Industrial Park (CMQIP), have been identified as an “Iconic Project for Bilateral Investment Cooperation”

CONCLUSION



- MALAYSIA IS EVER READY TO WORK CLOSELY WITH CHINA
- VARIOUS FORMS OF COOPERATION EXIST WITHIN THE MARITIME SECTOR ESPECIALLY IN PORT COMMERCIAL DEVELOPMENT
- COOPERATION AND INVESTMENT IN NEW AREAS
- CAPACITY BUILDING TRAINING / EXPERT TRAINING THAT OFFERS WIDE RANGE OF ADVANTAGES FOR PORT AUTHORITIES , OPERATORS AND PORT RELATED COMPANIES FROM BOTH COUNTRIES
- MALAYSIA SHARE THE SAME SPIRIT OF MSR WHERE "PEACE AND COOPERATION, OPENNESS AND INCLUSIVENESS, MUTUAL LEARNING AND MUTUAL BENEFIT" PREVAIL OVER OTHER INTENTIONS.

**TERIMA KASIH
THANK YOU**



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