

Bintulu Port to ship LNG to more countries

By JACK WONG

KUCHING: Bintulu Port Sdn Bhd is set to ship liquefied natural gas (LNG) directly to more countries after becoming the first Asean port operator to bulk export the fuel in International Organisation for Standardisation (ISO) tanks on a large scale.

LNG is conventionally shipped by chemical tankers.

The innovation of exporting LNG in ISO tanks will significantly increase the number of destinations to which LNG may be shipped directly.

This reinforces Bintulu Port's prime position to capitalise on the expected increase in LNG demand from China, India and Asean countries in 2022 and beyond, according to Bintulu Port Holdings Bhd (BPHB) group chief executive officer Datuk Mohammad Medan Abdullah.

He said Bintulu Port has completed six shipments of LNG in ISO tanks from Bintulu International Container Terminal (BICT) since the maiden call from China's Tiger Clean Energy Ltd's (TCEL) 169-metre long vessel Fan Zhou 6 early last year.

Petronas LNG Ltd has recently inked a sales and purchase agreement with TCEL for the supply of LNG to TCEL's LNG ISO tank filling facility in BICT.

"Our prospects for continued growth in this sector are promising," said Mohammad Medan in the newly released company's 2021 report.

Bintulu Port is the sole LNG export gateway for Malaysia, which is one of the world's top five LNG exporters.

In October 2021, another BPHB's wholly-owned subsidiary BiPort Bulkiers Sdn Bhd (BBSB) was officially appointed by Bursa Malaysia Derivatives to provide Port Tank Installation services in Sarawak to facilitate its new East Malaysia Crude Palm Oil Futures contracts.

Mohammad Medan said this extension of BBSB services is strategic as it leverages its existing facilities and capabilities.

"With strong potential for large cargo trading volume at a higher margin compared to existing operations, this move will help

BBSB increase its volume and revenue while enhancing its profitability," he added.

He said Bintulu Port is expected to benefit from two new service routes launched recently by MTT Shipping Sdn Bhd and Shin Yang Shipping Corp Bhd (Syscorp) that will increase the port's connectivity to local and regional destinations, including Port Klang, Singapore and Laem Chabang in Thailand.

MTT Shipping's new route, which runs from Bintulu to Kota Kinabalu to Laem Chabang to Port Klang and back to Bintulu Port, is expected to contribute additional transshipment throughput volume at Bintulu Port.

Syscorp, one of the main shipping lines providing feeder services to Sabah and Sarawak, is expected to contribute to container throughput volume at BICT via its new service route that connects Kuching, Bintulu and Singapore, added Mohammad Medan.

For its financial year ended Dec 31, 2021 (FY21), BPHB group recorded annual cargo throughput volume of 47.17 million tonnes, down marginally by 0.93% from FY20.

Meanwhile, Samalaju Industrial Port (which is 100%-owned by BPHB) commenced its container handling services about four months ago.

The new service-enabled companies operate in nearby Samalaju Industrial Park to import and export containerised cargo to and from origin and destination countries directly from the new port, in addition to going through BICT.

The industrial port was designed to cater for the energy intensive industries, like aluminium and ferroalloy smelters, in Samalaju Industrial Park.

On Bintulu Port Sdn Bhd's concession with the Bintulu Port Authority Mohammad Medan said both parties are currently in the midst of concession renewal negotiations.

"We have targeted to finalise terms (of a new concession agreement for the next 30 years) by the fourth quarter of 2022," he said.