

News Release

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ICTSI Manila builds capacity New, fully equipped MICT yard, ICDs grow Luzon capability

Despite a rise of over 40% in cargo movements since the lifting of the Manila truck ban, anticipation of a surge in trade with the sustained robust growth of the Philippine economy, and following approval from the government to develop more yard and road infrastructure, International Container Terminal Services, Inc. (ICTSI) is fast-tracking the construction of new yard facilities at the Manila International Container Terminal (MICT) and at a new 21-hectare inland container depot in Laguna.

ICTSI said it is speeding up the MICT expansion and inland depot, which will jointly add more than 20 percent to the existing static yard capacity without impacting traffic patterns.

“Even in its earliest stages of development, the new ICD alone will add new laden, empty, and warehousing capacity to the market, and will deliver a further 250,000 TEU capacity to MICT,” says Christian R. Gonzalez, ICTSI head for Asia, Pacific and the Sub Continent.

This ICD is only one of two 20-hectare properties that ICTSI has purchased to be developed into ICDs. Development will begin in November with the first phases available for use in February 2015.

“These plans have been on the drawing board, ready for execution, and we were just waiting for government concurrence. Now that we have it, and we have the resources, we can move quickly to fast-track these projects,” added Gonzalez.

Gonzalez further revealed that ICTSI also has plans and the attendant resources to build a new berth: “A new berth is pivotal for incremental capacity to address economic expansion for many years down the line. We hope the government will re-visit this plan for a new berth.”

The new MICT yard will be equipped with a minimum of six rubber tired gantries (RTG). Notwithstanding, the purchase of still more RTGs and rail mounted gantries for the Laguna ICD is also being planned.

While these two yards are being developed, an adjacent temporary empty handling area at the MICT will also be put into operation by November 1, 2014.

Without any further changes to the road network or additional truck restrictions, the completion of these new yards will raise the overall capacity of Manila's two international ports to 4.2 million TEUs. Asian Terminal Inc.'s South Harbor has a declared capacity of 1.2 million TEUs.

Meanwhile, ICTSI will be incorporating rail provisions into the new MICT yard to augment the 21-hectare Laguna ICD. Thus, the ICD will be linked to the MICT by road, and later, rail, to ensure the most seamless transfer of cargo from the Port of Manila to economic zones south of Metro Manila.

Furthermore, the expansion at the MICT and the ICD will be complemented by ICTSI's plan to raise the capacity of its Subic terminals to establish Subic as Northern and Central Luzon's next gateway port and not a mere spillover terminal.

ICTSI and partner lines are further connecting Subic to Japan, Singapore, China, and further on, Europe and the Middle East.

A study recently published in *Port Calls* noted that timely investments of the country's port operators have enabled the total port capacity to keep pace with growth in trade, even as it noted that the existing capacity are not yet 100-percent utilized.

Titled Port and Road Infrastructure for Greater Luzon Trade, the study reported that capacity utilization in both MICT and South Harbor without the hindrance of any road regulation remains below 80 percent.

Close to 1.8 million TEUs passed through the MICT last year, representing 72 percent of its total capacity of 2.5 million, while almost 922,000 TEUs went through South Harbor or 77 percent of its 1.2 million capacity.

"Today overall available international container terminal capacity in Manila is 3.7 million TEUs per year against a throughput in 2013 of just over 2.7 million TEUs, highlighting that timely investment by the private sector has kept the demand-supply ratio well in balance," the report said.

"The development of new yard and road facilities at MICT, for which foundation work has already been undertaken, will raise annual international terminal capacity to 3 million TEUs per year at MICT and to 4.2 million TEUs per year overall for the international terminals," it added.