



# POIC LAHAD DATU PORT



*Future Direction and Initiative Approaches for Ports, Shipping and Logistic in Malaysia*

*BIMP-EAGA 2022 Exhibition & Conference, 2-4 August 2022*

*Rose Pun, Head of Marketing & Sales Division*

POIC experience in operating our port & dealing with  
Investors and Logistics player

It is important for Govt & private sector to work  
together

***Role & Opportunities at POIC LD Port in  
BIMP EAGA Trade & Development***





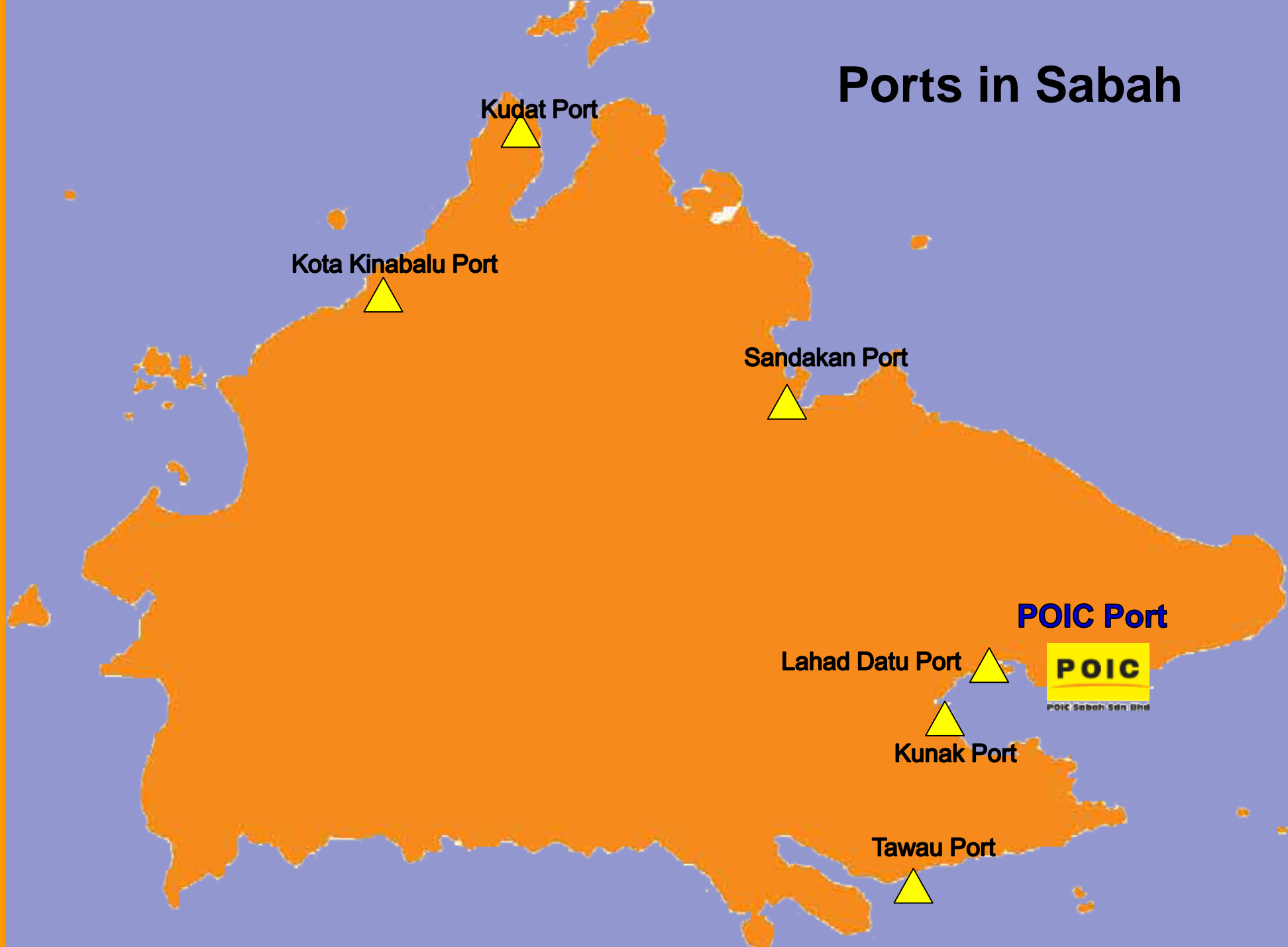
## ABOUT POIC

- Set up in January 2005
- Wholly owned by the state Government of Sabah under the purview of Ministry of Industrial Development
- **Port & Industrial development**
- 4,400 acres of **INTEGRATED INDUSTRIAL COMPLEX** designed to cater to light, medium and special/heavy industries.
- **POIC OWNS AND OPERATES POIC** Lahad Datu Port
- Comprehensive Port facilities - Container Terminal, Dry Bulk Terminal, Liquid Bulk Terminal and a Barge Berth

### Subsidiaries

- POIC Logistics, POIC Trading, POIC Bulking

# Ports in Sabah





# SABAH



# LAHAD DATU TOWN



## Lahad Datu : An Emerging Port City



# POIC PORT BUSINESS MODEL

Sabah Economic Activity	GDP * (RM Mil)	%
Agriculture	14,817	20.1
Mining & Quarrying	18,207	24.7
Manufacturing	6,266	8.5
Construction	2,446	3.3
Services	31,755	43.0
Import duties	285	0.4
Total	73,776	100

**POIC Mission is to transform Sabah into an industrialized, high income, developed economy - Port is built as a necessary infrastructures**

**POIC Port is designed to be the logistics distribution, bulk breaking hub**

**To open up the potential of Sabah (esp East Coast) and the BIMP-EAGA region, to bring greater economic activities**

**Aims to create Industries and build new Cargo**

# 1

## ENHANCING CAPACITY TO COMPETE AND INCREASING PORT USERS

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1. Generation of higher internal throughput
2. Attracting & retaining more industrial player

# Our Major Customers

Industry	No	Type of Cargo
Fertilizer	7	<p>Import : Ammonium Sulphate, ERP, MOP, Urea, Rock Phosphate (China, Egypt, Lithuania, Russia, Latvia, Canada, Jordan, Australia)</p> <p>Export : Fertilizer in Bag - Makasar, Jakarta, Samarinda, Africa, Egypt, Bintulu, China</p>
PO refinery / PO related activities	7	<p>Import : CPO, Sludge oil (Sarawak, Indonesia)</p> <p>Export : PAO, RBD Stearin, RBD Olien, Fatty Acid Methyl Ester (FAME),POME,CPO, PFAD, Palm Oil Methyl Ester (PME), Crude Glycerin (Philippines, Singapore, Indonesia, China, Thailand, Mexico, Netherland, Rotterdam, Spain, Italy, Turkey, Pakistan, India, Taiwan, South Korean, Japan, Hong Kong, San Francisco, Switzerland)</p>
PKS	3	Japan, Taiwan
FMCG/Food	3	Wheat, Foods (Australia, Peninsular Malaysia)



	NO. OF S&P & LEASE AGREEMENT SIGNED	ACREAGE ALLOCATED	WARE HOUSE (Unit)	PURCHASE/ LEASE (RM/Mil)	EMPLOYMENT CREATED	IN VESTMENT VALUE (RM/Mil)
Total	55	482	2	264.67	2,186	3,445

Factories in Operation: 35

Factories Under Construction: 4

Factories Planning for Construction: 28

Fertilizers



Excelwin Biotech  
Sunnite Timur S/B

Oil Palm



Asia Oil Products

Biomass



The Green Biomass



Logistics, Transport



Fanmount Transportation

Keris Success Sdn Bhd

Syt LFK Transport

Supporting Industries



Harrisons Sabah

# 2

## NETWORKING AND SMART PARTNERSHIP

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1. Develop networking with regional/international logistics players - Mutually beneficial linkages among industry players within the region (e.g. BIMP-EAGA)
2. Enhancing Port Connectivity
3. Improving supply chain linkages

# Collaboration with Strategic Partners



**2019**

30 Aug - Port Collaboration Agreement with PELINDO II

6 Sept - Port Collaboration Agreement with NORTHPORT (MALAYSIA) BERHAD

**2021**

30 July - Strategic Collaboration Agreement (SCA) Between POIC Sabah Sdn Bhd And Dongnam A. Circulater Co., Ltd, a South Korea company from Busan.

23 Dec - Framework Agreement Between POIC Sabah Sdn Bhd And Dubai Logistics World



**2022**

8 April - SCA signing with China Construction Bank Corporation

12 Apr – SCA signing with Shandong Port Overseas Development Group Co., Ltd  
Discussion in progress –collaboration with Port in Indonesia





Engagement with BIMP EAGA - Southern Philippine, Sulawesi Business private players  
and Investment & Trade Mission to Sabah by the Honourable Yshmael Ismail Sali , Governor of Tawi Tawi Island Provinces of the  
Reppublic of Philippines in October



Visit to Proposed site in Phase 3A



# 3

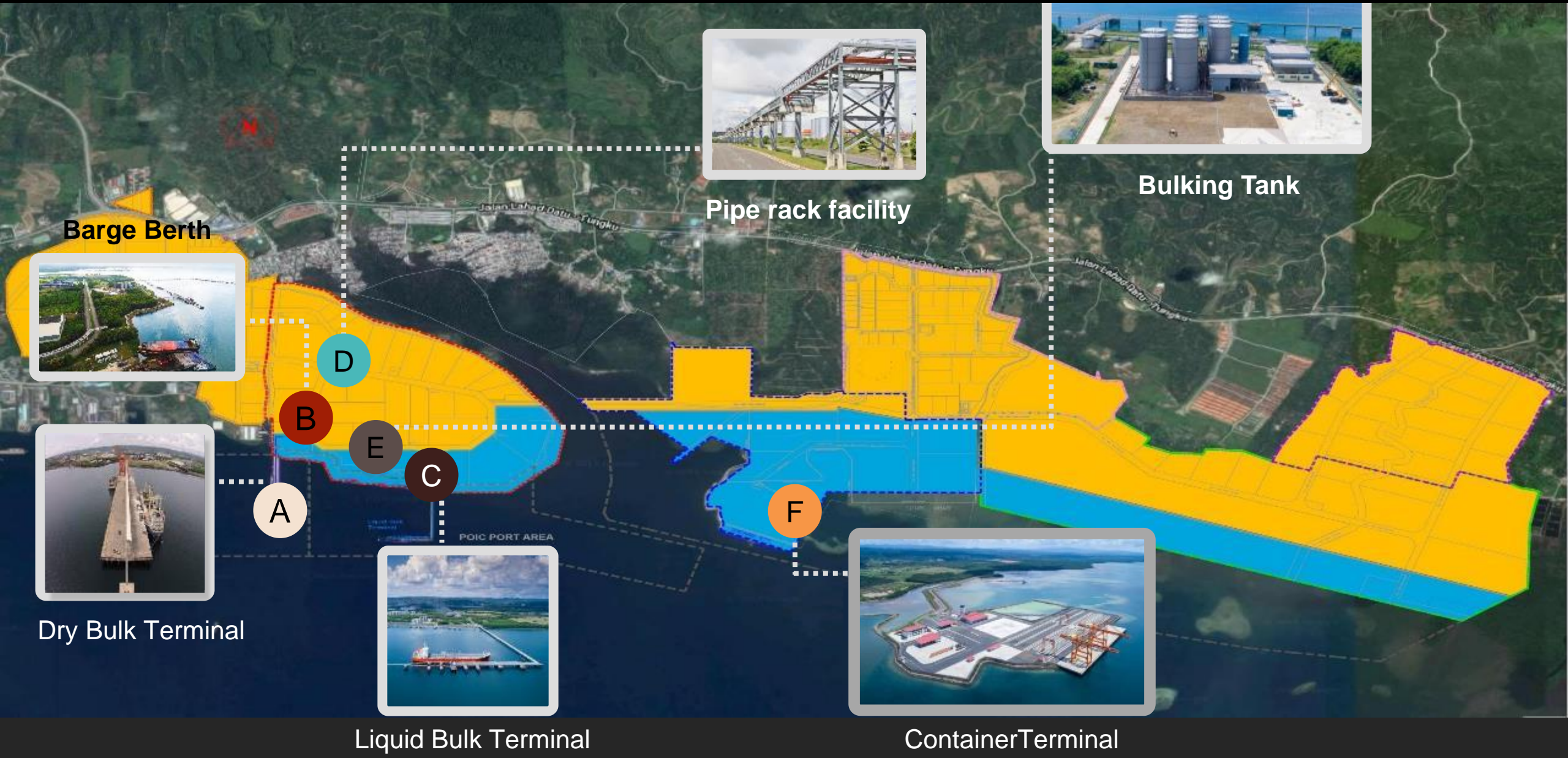
## PORT MODERNIZATION

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1. POIC continue to improve quality of infrastructure and facilities
2. Addressing industry's needs and requirements



# Port & Logistics Facilities ~ COMPREHENSIVE PORT FACILITIES in One Location





# Dry Bulk Terminal



BERTH NO.	LENGTH	DRAFT (M)	MAXIMUM VESSEL SIZE (DWT)
1	188	12.8	60,000
2	138	10.8	10,000
3	188	9.2	30,000
4	138	9.2	10,000



# DRY BULK WHARF LAYOUT

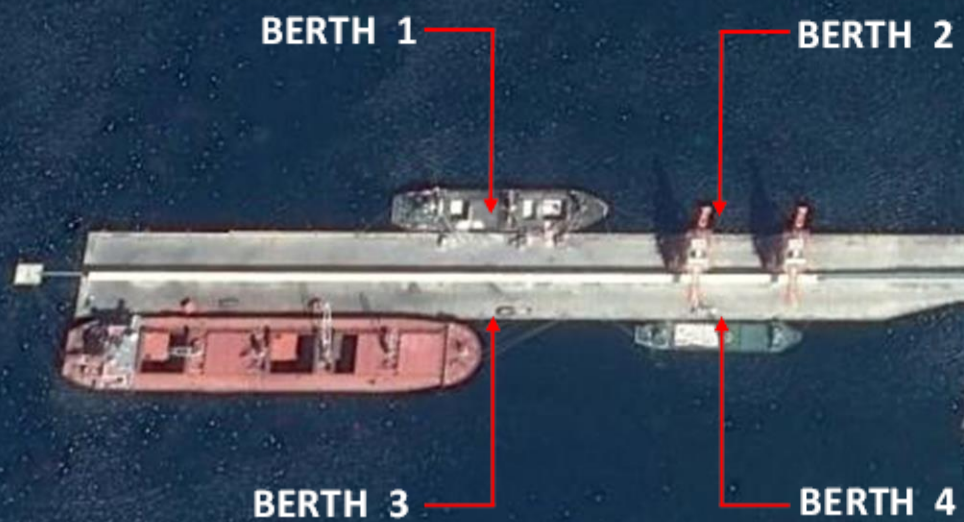


Image © 2015 CNES / Astrium

Google earth





**PKS/PKE CARGO WAREHOUSE AND GENERAL CARGO WAREHOUES**



# Commissioning of the Conveyor Belt System – 27 July 2022



To-date 179,073MT  
PKS @ DBT



BNE Trading Sdn Bhd



Blossom Bio Energy Sdn Bhd



Victoria Acre Sdn Bhd

At the Transit Warehouse Biomass cargo is loaded into the Loading Beam and transported using a 500M length Conveyor System to Wharf. At the end of the Conveyor System, the Biomass cargo goes through a Tipper Car and unloaded into the vessel's Hatch.





# Grab Bulk Unloader @ POIC Dry Bulk Terminal

- The Grab Bulk Unloader (GBU) commissioned in *January 2021* to handle dry bulk.
- 1 GBU is designed to deliver 500 MT /hour.
- MV Guang Hai was the first 'Gearless' vessel discharging fertiliser using GBU – *27 December 2021*
- It was made possible with the implementation of the modern and advanced discharging cargo at higher speeds 2 x 500 MT /hour, greater precision and lower spillage.

MY Josco Huizhou

Date of berthing: 2/1/2021

Discharging: BRP 21,957.9mt

Cargo owner: Union Harvest



# Dry Bulk Handling Option @ POIC Dry Bulk Terminal

## Grab and Hopper

- Conventional and reliable method
- 60 MT per hour
- Operated by TS Shipping Sdn Bhd



## Grab Bulk Unloader (GBU)

- 500MT per hour per GBU
- Can handle gearless vessel
- Reduce cargo spillages
- Operated by Usaha Teknikal Sdn Bhd



## Conveyor System

- 350MT per hour
- Users cargo less contamination
- Reduce trimming
- For handling biomass export only



# POIC Dry Bulk Terminal upgraded to handle up to 60,000DWT vessel

To meet with the demand of bigger vessels at the POIC Dry Bulk Terminal, we have upgraded the Fender System at Berth-1 in **October 2019** to receive vessel of up to 60,000DWT.

MV Great Vanguard  
DWT: 38,652

Date of berthing: 6/11/2019  
Length: 179M

Discharging: 12,500MT of Ammonium Chloride



# POIC Barge Landing Place

Berth

Draft

Barge Size

1

5M

8,000 DWT



## Side Berthing Upgrade Soon

### Advantages

- Increase in loading & discharging speed
- Can accommodate more barges at any one time
- Can load and discharge various types of cargoes with no restrictions
- Can accommodate small size vessels

	Year 2013 - 2021
Throughput (MT)	347,649.70
Cargo	Stone, river sand, heavy equipment, SBE, PKS, EPP
Country	Malaysia, Indonesia, Thailand, Brunei



# Liquid Bulk Terminal



BERTH NO.	DRAFT (M)	MAXIMUM VESSEL SIZE (DWT)
1 & 2	20	100,000
3 & 4	12	20,000
5 & 7	12	3,000

## CARGO HANDLING:

- 10 inch pipelines – Five
- Air Compressor – 14 bars capacity for pigging pipeline
- Hot Water Boiler for pipe cleaning Pipeline & Interchange Facility



# LIQUID BULK JETTY LAYOUT





# First Shipment of DG on 29 Aug 2019



**Berth-3**



**MT Nylex 1**

**Cargo owner: Genting Bio Diesel**

**POIC Liquid Bulk Terminal -  
Successfully handled first  
shipment of methanol**

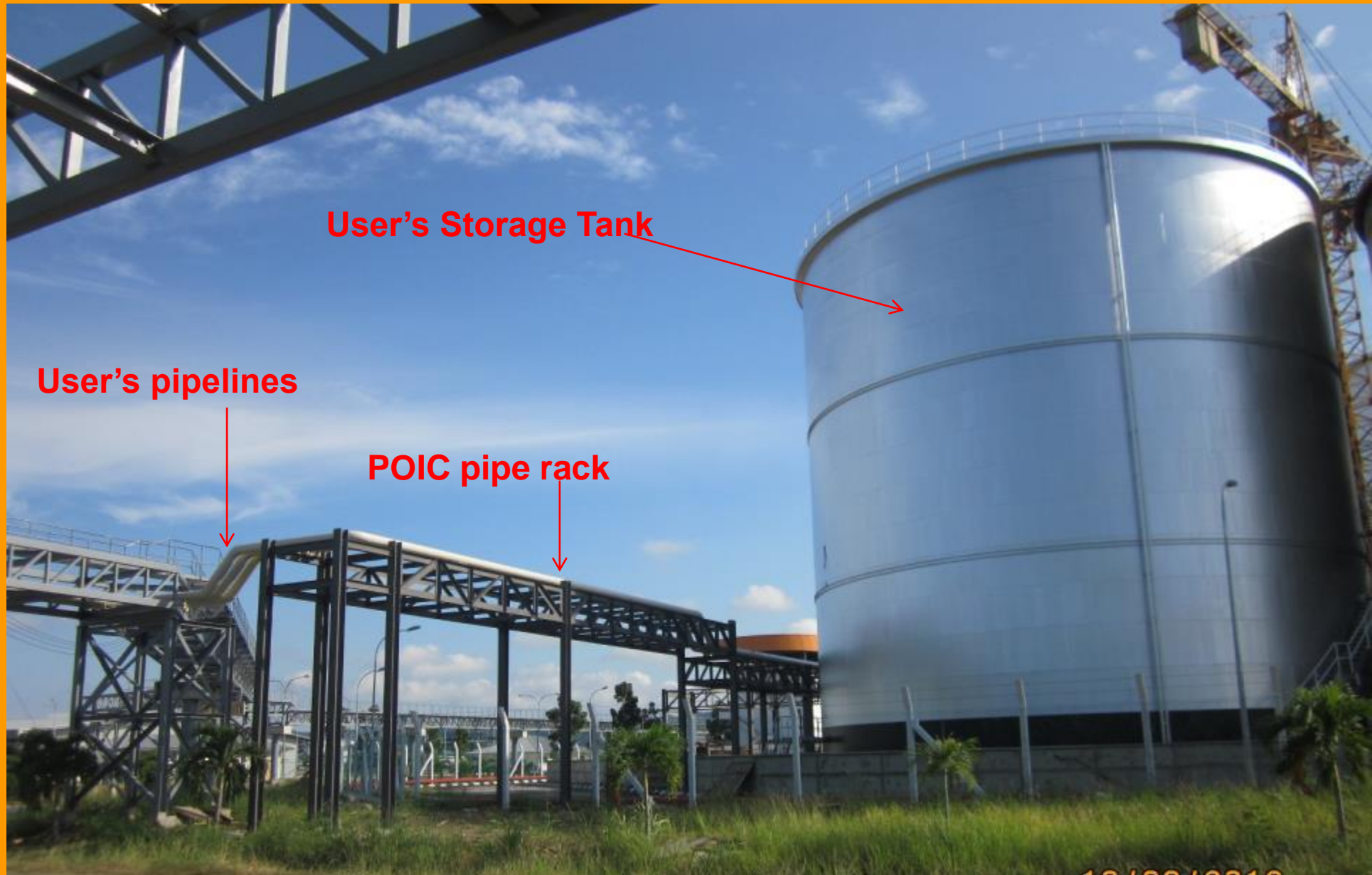


# POIC Bulking Installation



**Located at POIC Phase 1, nearby POIC Liquid Bulk Terminal**

Tank size (MT)	Tank material	Tank Dimension		Coating		Y/N	Heating Coil		Insulation
		Overall Height (M)	Diameter (M)	Internal	External		Material	Stirrers	
2,000 x 10	MS	22.86	11.64	Yes	Yes	Yes	SS	Yes	No



**User's Storage Tank**

**User's pipelines**

**POIC pipe rack**



# POIC Bulk Terminal @ Phase 1

East Malaysia Crude Palm Oil Futures (FEPO) by Bursa Malaysia Derivatives (BMD)

FEPO was launched in **4 October 2021** for Sabah and Sarawak palm oil market players and have designated ports in Lahad Datu as one of the Port Tank Installation (PTI)

## FUTURE EXPANSION

We have ample land of 8.0 acres earmarked for future terminal expansion for **edible and non edible oils**. Our tanks can be bonded based on market demand.



FUTURE EXPANSION  
8.0 Acres



# Container Terminal

- ✓ Design Capacity~250,000 TEU's / annum
- ✓ Current capacity - 50,000 TEUs / annum

- Quay Crane Weight Handling 20'' 28 Tone / 40'' 35 Tone
- Container Yard 28,000 Square Feet
- Container Freight Station 33,120.23 Square Feet



STORAGE FACILITIES		No. OF GROUND SLOTS			
Inbound yard	312	BERTH NO.	LENGTH (M)	DRAFT (M)	MAXIMUM VESSEL SIZE (DWT)
Outbound yard	324				
Empty container yard	222				
IMDG Yard	72				
Reefer yard	36				
		1	308	15	65,000



# Maiden voyage into POIC Container Terminal – September 2019

Arrival of maiden vessel - Danum172 at POIC Container Terminal, Lahad Datu on 4th Sept 2019.

Vessel is owned by Shin Yang Shipping Corporation

The vessel brought in nine 40-foot containers of cocoa shells and took out nine 20-foot containers of fertilizers.







BERTH NO.	LENGTH (M)	DRAFT (M)	MAXIMUM VESSEL SIZE (DWT)
1	308	15	65,000



STORAGE FACILITIES	No. OF GROUND SLOTS
Inbound yard	312
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# MOVING FORWARD

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Broadening port service offerings &  
potential new cargoes

## Oil Palm Cultivation & CPO Production in Malaysia (2020)

	State	Oil Palm Planted Areas (Ha)	Crude Palm Oil Production (MT)
1	<b>Sabah</b>	<b>1,543,054</b>	<b>4,647,375</b>
2	<b>Sarawak</b>	<b>1,584,520</b>	<b>4,054,339</b>
3	<b>Johor</b>	<b>740,828</b>	<b>3,157,647</b>
4	<b>Pahang</b>	<b>782,247</b>	<b>2,998,600</b>
5	<b>Perak</b>	<b>391,768</b>	<b>1,840,646</b>
6	<b>Negeri Sembilan</b>	<b>190,462</b>	<b>651,310</b>
7	<b>Terengganu</b>	<b>178,682</b>	<b>541,371</b>
8	<b>Kelantan</b>	<b>167,599</b>	<b>338,021</b>
9	<b>Selangor</b>	<b>126,525</b>	<b>509,535</b>
10	<b>Kedah</b>	<b>89,782</b>	<b>218,106</b>
11	<b>Other States</b>	<b>69,885</b>	<b>183,663</b>
	<b>MALAYSIA</b>	<b>5,865,297</b>	<b>19,140,613</b>



# Creating Industries and build Cargo

**For the purpose of getting started in industrializing Sabah, we started with PO and palm biomass sector**



- Crude Palm Oil
- Crude Palm Kernel Oil
- (CPO) + (CPKO)
- [6.1M ton] [634,532 ton]



- **For palm oil**, aim is towards unlocking oleochemical & biochem → products typically require containerization
- If palm oil is used as input to produce consumer products such as instant noodle, edible oils, biscuits, personal care and household products, the TEUs will be significantly higher.

For palm biomass → Aim is to convert biomass into bio products such as bio-pellets.

E.g of end products are biochar, activated carbon, fibre, animal feed, compost/fertilizer, PKS for energy.



Empty Fruit Bunch  
2.3M dry ton



Oil Palm Trunk  
4.5M dry ton



Oil Palm Frond  
16.4M dry ton



Palm Kernel Shell  
1.4M dry ton



Palm Kernel Cake  
700,000 ton







## Port & Logistics

**Free Trade Zone / Bonded Facilities**

**Regional Break-bulking & Consolidation Hub**

**Shipyards (Building & Repair)**

**(Heavy Machineries, Equipment, Vehicles, Repair & Assembling – for BIMF EAGA Region & ASEAN)**

**O&G Supply Base / Maintenance, repair & overhaul**



## Halal Hub

**Halal Cosmetic & Healthcare**

**Halal Logistics**

**Agriculture Processing**

**Ruminants Downstream**

**Food Processing Hub**



## Bio-based Industries

**Nano-cellulose**

**Pulp & paper**

**Graphene & Carbon Nano Tube**

**Bio-chemical**



## Oil & Gas

**Refinery & Specialty Chemical**

**Ship Bunkering**

**Tank Terminal**



## Strategic competitive advantage of POIC Lahad Datu

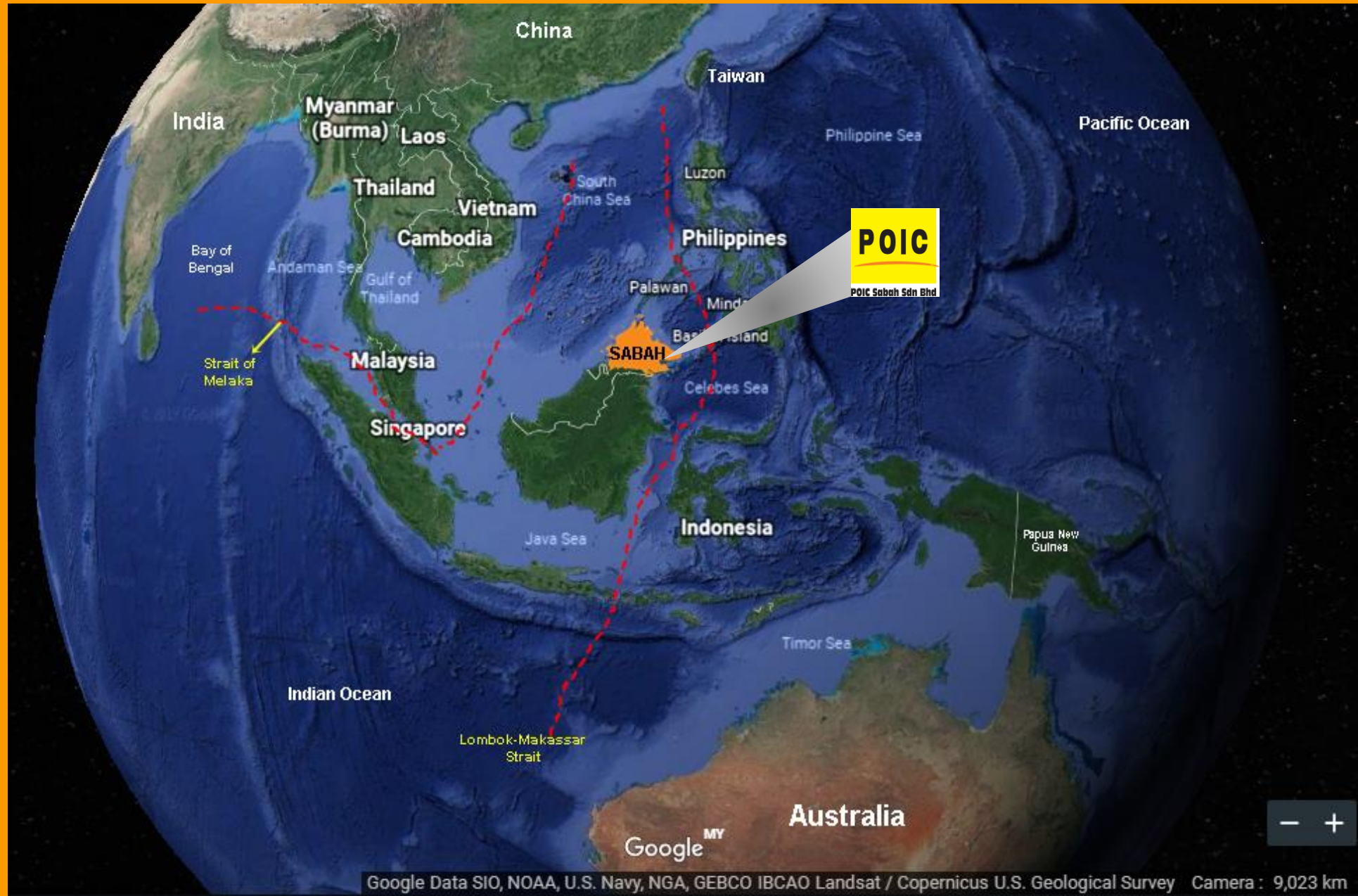
1. Along major shipping lane.
2. Water depth (20m)

The bigger the ship, the lower the cost of transportation.  
True especially for crude oil carriers and container ships.

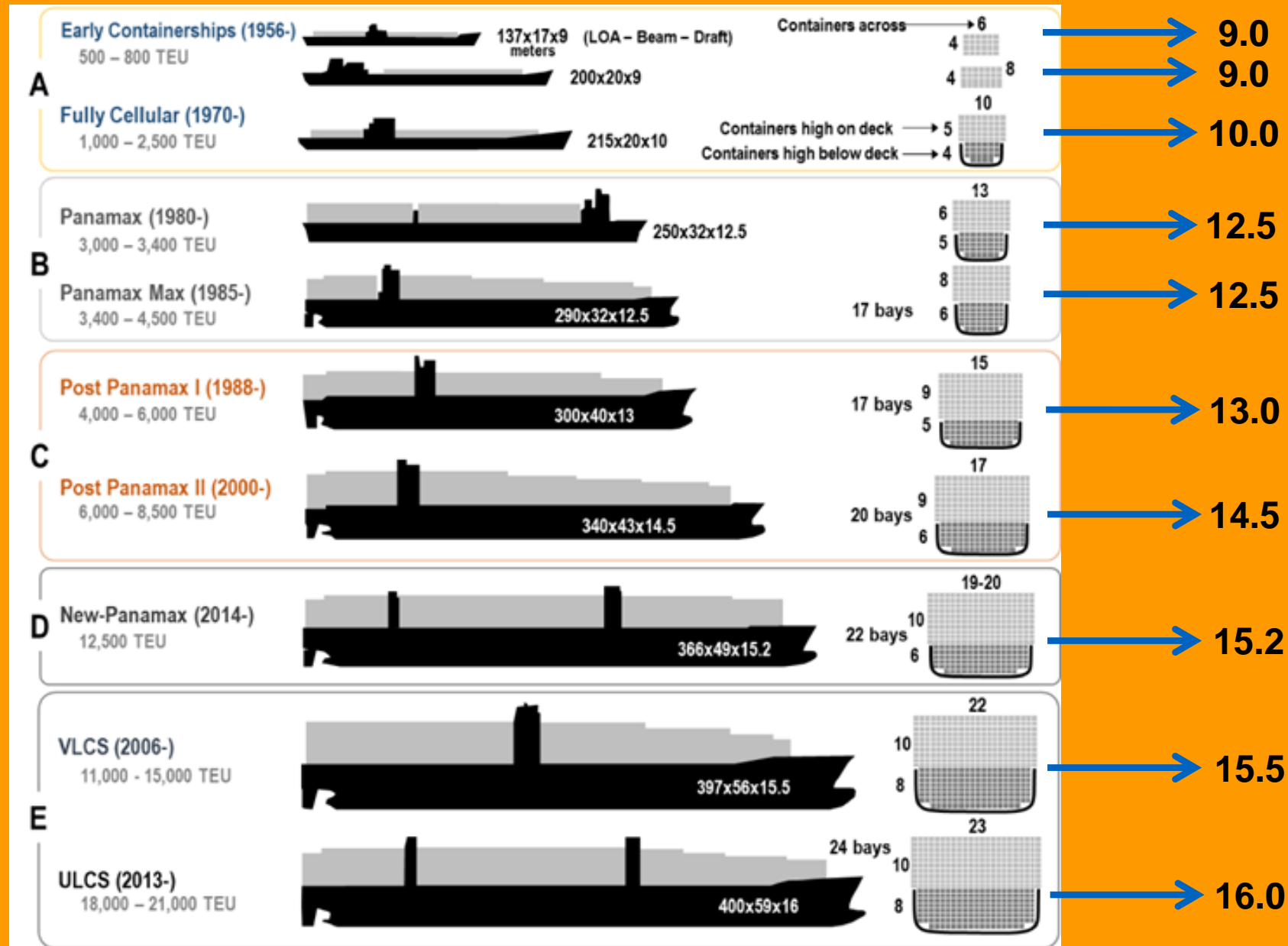
3. Large Industrial land area available.



# Strategic Shipping Route



# Types, DWT & Draughts of Ship



POIC LD  
20 M Draft



# Crude Oil Carriers

SHIP	DRAFT (m)
 <p>Aircraft Carrier</p>	12 m
 <p>VLCC VLCC (330 m)</p>	23 m
 <p>ULCC ULCC (415 m)</p>	26 m

POIC LD  
20 M  
Draft

# Estimate Lead Time From Lahad Datu Port To Worldwide Port

NO	PORT	COUNTRY	LEAD TIME (DAYS)
<b>CHINA</b>			
1	Xiamen		2.4
2	Hong Kong		2.4
3	Guangzhou		2.5
4	Shenzhen		2.5
5	Shanghai		3.3
6	Ningbo		3.3
7	Qingdao		4.0
8	Dalian		4.3
9	Tianjin		4.6
<b>JAPAN</b>			
1	Fukuoka		4
2	Port of Kobe		4.4
3	Osaka		4.4
4	Nagoya		4.7
5	Yokohama		5.1
6	Tokyo		5.1
<b>INDONESIA</b>			
1	Port of Balikpapan, East Kalimantan		1
2	Port of Makassar		1.2
3	Port of Banjarmasin, South Kalimantan		1.2
4	Port of Tanjung Perak, Surabaya		1.9

NO	PORT	COUNTRY	LEAD TIME (DAYS)
5	Port of Tanjung Priok, Jakarta		2.4
<b>MALAYSIA</b>			
1	Bintulu		1.5
2	Tanjung Pelepas, Johor		2.4
3	North Port, Klang		3
<b>OTHER COUNTRIES</b>			
1	Davao	Philippines	1
2	Singapore	Singapore	2.4
3	Singapore	Singapore	2.4
4	Kaohsiung	Taiwan	2.4
5	Laem Chabang	Thailand	2.8
6	Darwin	Australia	3
7	Busan	South Korea	4.1
8	Western Australia, Fremantle	Australia	6.2
9	Jebel Ali, Dubai	UAE	9.2
10	Antwerp	Belgium	18.4
11	Rotterdam	Netherlands	18.6
12	Hamburg	Germany	19.0
13	Los Angeles	United States	31.2

\*At standard speed of container vessel travel at speeds around 24 knots.  
(Average speed of Container Vessel is from 16 – 25 knots)

Source: <http://ports.com/>



# Declaration of POIC Lahad Datu Port as a Public Port on 29 June 2022



The State government, through its Deputy Chief Minister /Minister of Works, YB Datuk Seri Panglima Bung Moktar Bin Radin, declared POIC Lahad Datu Port as a public port on 29th June, 2022

POIC Lahad Datu port is able to handle all cargo, 24/7 . The port facilities are no longer confined to handle only investors' cargo. Instead, all port users/vessels – domestic, regional and international are welcome to call at POIC Lahad Datu Port (Port Code LDPMY)

# Thank You

Datuk Fredian Gan, Chief Executive Officer

[fredian@poic.com.my](mailto:fredian@poic.com.my)

Rose Pun, Head Marketing & Sales Division

[rose@poic.com.my](mailto:rose@poic.com.my)

Ann Abdullah, Assistant Manager Marketing & Sales

[norain@poic.com.my](mailto:norain@poic.com.my)/ [sales@poic.com.my](mailto:sales@poic.com.my)

**17<sup>th</sup> Floor, Wisma Perindustrian, Jalan Istiadat, Teluk Likas,  
88400 Kota Kinabalu, Sabah Malaysia**

**Tel : +6088 272 261, +6088 230 196**

**Fax : +6088 272 580**

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