



Yantian International
Container Terminals

YANTIAN INTERNATIONAL CONTAINER TERMINALS

CARRYING A REGION FORWARD



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2013 has been a momentous year for Yantian International Container Terminals and, as Managing Director Patrick Lam explains, the future looks equally bright

WRITTEN BY: WILL DAYNES
RESEARCH BY: JAMES BOYLE





“In the early 1990s, a period of time now recognised as being the dawn of China’s economic take-off, the country’s import and export industries were very much in their infantile days,” explains Patrick Lam, Managing Director of Yantian International Container Terminals (YICT). “It was against this backdrop that the Central Government and the Shenzhen Municipal Government resolved to develop a large container port at Yantian, in Guangdong Province, China. This would become a reality when, in October 1993, the State Council approved the founding of YICT, a joint venture between Hutchison Ports Yantian Limited and Shenzhen Dongpeng Industry Company Limited, now the Yantian Port Group, which would be responsible for the construction and operations of Yantian Port.”

Now, twenty years on, YICT has developed into one of the most innovative and technologically advanced container handling facilities in the world. A natural deep-water port, it exists as the leading gateway serving import and export container traffic generated by its immediate cargo hinterlands. With a total of 16 berths and a yard area of 373 hectares, YICT has built up an extensive cargo base which attracts some 40 major shipping lines that provide approximately 100 weekly services linking to major ports worldwide.

Over the last two decades, Yantian Port’s annual throughput has risen consistently and in Lam’s opinion this can be put down to a number of key factors that continue to drive business growth. “There are a number of factors that have contributed to our success since 1993,” he continues. “These include



373 HECTARES

Size of YICT's yard area

internal qualities that we possess as well as external factors, from the fact that Yantian Port boasts the longest contiguous berth in the region and strive to deliver excellent service based on state-of-the-art terminal facilities, IT systems and a skilled workforce, to our on-going strategy to serve mega-vessels incorporated in port construction, facility design and terminal management system. Furthermore, we cannot forget that Yantian Port represents the gateway to the Guangdong Province trade catchment area, one of the densest manufacturing regions in the world.”

Of course more recent years have also brought with them a wildly unpredictable economic climate. One by-product of this has resulted in shipping lines widening their efforts to reduce costs and achieve economies of scale. They have attempted to do so by deploying more mega-vessels, entering into more vessel sharing agreements with other companies, and consolidating levels of traffic at large ports. So while traffic volumes through Yantian Port have steadily increased, it has not been immune to an economic climate that has helped create several unique challenges for YICT that it needs to overcome.

“The trend of deploying ever large vessels is increasingly becoming the norm, presenting



a challenge to all terminal operators,” Lam states. “YICT, however, is well-positioned for the challenge. Not only are we physically capable of servicing mega-vessels, thanks to our technical expertise, operational efficiency, state-of-the-art systems, and skilled workforce but we are also able to provide these vessels with the fast turnarounds they demand.”

YICT's ability to respond to changing

market conditions and customer demand not only shines through in its ability to sustain high traffic volumes, but also in the countless awards and honours it has been presented with over the years.

In 2005 it was presented with the award for Best Global Container Port of the Year for 2005-2006 by the Global Institute of Logistics (GIL) in London. What made this

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particular award so special was that it meant that YICT was recognised by GIL as the first port operator to be awarded such an accolade, and it represented the first ever international award to be granted to a Chinese port.

In recent times YICT has been proud to accept a number of other titles and has been recognised as being among the top ten container terminals in China, the top six container terminals in intermodal services in China, and for its technical innovation in the utilisation of LNG tractors at the terminal to create sustainable tractor operations.

The latter award was presented by the Container Branch of the China Ports Association.

One other award of particular note was presented to YICT in 2008. Presented by the World Health Organization and General Administration of Quality Supervision, Inspection and Quarantine of the People's Republic of China, the International Sanitary Port award is proof positive of the standards that YICT has achieved in its efforts to become a green operator.

“Care for the environment remains a core priority for us and as such we continually review our sustainability and green practices,” Lam enthuses. “As well as being a pioneer when it comes to the use of LNG to power 260 container tractors, we have also set out to



reduce port emissions and save fuel through the use of electric power rubber-tyre gantry cranes (RTGCs). Today we have 150 of these RTGCs in use, as well as a further 19 hybrid RTGCs, which run both on both electricity and diesel, helping to reduce fuel and carbon emissions by 40 percent.”

YICT also considers itself to be something of a catalyst for community vitality. In this role it continues to contribute towards a number of worthy causes, including caring for the elderly within the community, offering summer camp placements for students from the rural areas of Southwest China's Yunnan Province and organising summer internship programmes for local university students.

2013 has been another year of milestones for YICT, beginning on 8 January when it



officially handled its 100 millionth twenty-foot equivalent unit (TEU). Achieved in the space of 18.5 years, this feat set a new record in container port history. “This milestone follows YICT’s 2007 performance when we became the world’s first container terminal to reach an annual throughput exceeding ten million TEU,” Lam highlights. “With ‘100 Million TEU and beyond’ as our slogan, YICT is committed to overcoming all challenges and reaching new heights in the years to come.”

YICT followed up this achievement in July 2013 when it welcomed the inaugural call of the world’s largest container vessel, the 18,000 TEU Maersk Mc-Kinney Møller. This marked the beginning of a new phase for the port, which to date has seen approximately 95 percent of the world’s super mega-vessels with carrying capacity in excess of 10,000 TEU calling in on a regular basis.

“Looking ahead,” Lam concludes, “we remain convinced that southern China is still one of the most dynamic regions in the global economy, and that the port sector, as one of the key drivers of economic growth and a gateway for exchange and communication, will remain robust for the foreseeable future. For our part, we will continue to harness our strengths as the preferred-port-of-call for super mega-vessels and constantly create customer values through service excellence and innovations.” **BE**

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