Evergreen Marine Corporation (EMC) opened three new berths at Container Terminal No 5 in Kaohsiung Port to operations Friday, September 1, 2000, greatly boosting the carrier’s cargo handling capacity in its homeport.

Among the dignitaries invited to the inauguration ceremonies were Kaohsiung Mayor Frank Hsieh; Dr. Younger Wu, director-general of the Ministry of Transportation and Communication; Oliver F L Yu, director of the Kaohsiung Harbor Bureau; Chung Hou-chen, director of the Kaohsiung Customs; and Loh Yao-fon, chairman of Uniglory Marine Corporation.

In addition to government officials and top executives of the company, shippers and those in business circles in southern Taiwan were also invited to attend the opening ceremony and the reception.

In appreciation of the port authorities’ assistance in completing the construction work, S S Lin, chairman of Evergreen Marine Corporation who officiated at the inauguration ceremony, presented a plaque to the Kaohsiung Harbor Bureau during the event.

On May 12, 1997 EMC won a BOT (build-operate-transfer) bid to lease Berths 79, 80 and 81 at Container Terminal No 5.

First stage construction work was completed in May last year and Berth 79 was opened to shipping traffic ahead of schedule. The second stage construction, which covered the building of Berths 80 and 81, was completed in late August this year and is now open to business.

The three berths provide a total quay length of 815 meters and cover 401,866 square meters. Three large containerships can be berthed simultaneously.

The container yard can accommodate 20,000 TEU loaded containers and 5,500 TEU empty containers. Warehousing facilities cover 9,000 square meters with a storage capacity of more than 10,000 cubic meters.

Evergreen’s berths at Container Terminal No 5 are the best-equipped and most advanced privately-run
public berths in the port. They are not only fully computerized for maximum efficiency in cargo handling operations but are also authorised for customs clearance self-management operation.

The berths are equipped with a total of eight post-Panamax gantry cranes, 24 rail mounted gantry cranes and three empty container stackers. Eight towers provide lighting in the evening hours and there is a 2,000 kilowatt generator for back-up in case of power failure.

In addition, the Evergreen terminal also has an administrative building, a CFS yard, maintenance plant, gas station and miscellaneous other facilities to enable it to offer a comprehensive service to its customers.

Presently, Evergreen operates six dedicated berths in Kaohsiung Port including Berths 115, 116 and 117 at Container Terminal No 4 and Berths 79, 80 and 81 at Container Terminal No 5.

It has been Evergreen’s operational strategy and goal to offer one-stop transport service to its clients through investment in upstream and downstream businesses to cut operational costs and raise efficiency.

In connection with this policy, EMC has invested in the Taranto Container Terminal project in Italy which will have seven container berths upon completion. Three of the berths in the first phase construction are expected to be operational in spring 2001.

In addition, Evergreen has also invested in the Colon Container Terminal in Panama and the Evergreen Container Terminal in Laem Chabang, Thailand. The Evergreen affiliate Uniglory also operates a terminal in the port of Taichung.

News
Evergreen holds the opening ceremony of Kaohsiung’s Terminal 5 on September 1, 2000. Mr. S S Lin, Chairman of Evergreen Marine Corporation invites Kaohsiung Mayor Mr. Frank Hsieh, Dr. Younger Wu, Director-General of the Department of Aviation and Navigation, MOTC, Mr. Oliver Yu, Director of the Kaohsiung Harbor Bureau, Mr. Hou-Chen Chung, Director of the Kaohsiung Customs, and Mr. Loh Yao-fon, Chairman of Uniglory Marine Corporation to attend the opening ceremony and the reception.
To celebrate the 46th Maritime Day and the opening of the Riverside Park, the Kaohsiung Harbor Bureau held a ceremony for the opening of the park and the unveiling of the memorial monument in the Riverside Park at 9 a.m., July 11.

The Park presents itself differently in daytime and at night. Kaohsiung citizens will surely be attracted to spend their leisure time in the park.

The location of the Riverside Park was originally a warehouse owned by KHB. The old buildings and facilities were removed in May. The ribbon-cutting and unveiling ceremony was hosted by Mr. Cheng-Tan Ho, Executive Vice Minister of MOTC, Kaohsiung Deputy Mayor Ho-Shong Hou and KHB Director Oliver Yu.
In order to accommodate more containers and bigger ships, Kaohsiung Harbor Bureau has been constructing Terminal 5 in the Port of Kaohsiung and expects the construction to be finished in December this year. Terminal 5 will add 3 million TEU to Kaohsiung’s container handling capacity.

Terminal 5 covers 109 hectares of land and its construction is divided into two stages. The first stage includes the construction of Berth 74 to Berth 77 invested and built by KHB. The second stage covers Berth 78 to Berth 81. The infrastructure (e.g. quayside) is invested and built by KHB, while the superstructure (e.g. container yards and administrative buildings) is invested by shipping companies. Shipping lines also provide their own terminal equipment.

The first stage construction was finished in March 1999, and the construction of Berth 78 to Berth 81 was finished in May 13, 1999. The container yard and the equipment of Berth 78 were completed in December 1998 and are operated by Hanjin Shipping Corp.


Kaohsiung’s container handling capacity in 1999 reached 6,985,361 TEU. Terminal 5 will add another 3 million TEU to its capacity, which will allow Kaohsiung to handle 10 million TEU per year.
3. Kaohsiung’s Terminal 5 to Be Completed in December

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I. Solution to High Level Total Logistics Service

In November 1998, Hanjin Shipping, a worldwide provider of total logistics service, opened its new "Hanjin Shipping Kaohsiung Container Terminal" in Kaohsiung, Taiwan. Currently ranked 3rd in world's container ports in terms of total throughput, the Kaohsiung Container Terminal will serve as a center for development of the world economy and trade in the 21st century.

Hanjin Shipping has developed the Kaohsiung Container Terminal through direct investment of tens of millions of US dollars in the terminal.

HJS Kaohsiung Container Terminal will not only be a major and pivotal port for container transportation in Taiwan, but also a gateway to East and South Mainland China.

II. First Class Terminal Operation System

Hanjin Shipping Kaohsiung Container Terminal is equipped with the latest facilities and with a sound logistics foundation to accommodate customers with a complete range of terminal services. The terminal occupies a land area of 190,432m2 and has been designed to handle 430,000 TEU per year alongside a berth measuring 320 meters and a depth of 15 meters. In One-time handling capacity terms the terminal equates to 11,354 TEU(Dry:10,682 TEU, Reefer:672 TEU) and is equipped with 348 reefer receptacles(440V) to properly manage ever-increasing refrigerated container volume.

Located within the terminal, the CFS, measuring 3,120 m2, is equipped to handle approximately 1,000,000 R/T(40,000 TEU) per year, thus ensuring the service quality of LCL cargoes is more efficient than ever before.

Moreover, as the Kaohsiung Container Terminal possesses its own M&R shop, it will be able to maintain containers in optimal conditions, including reefers, and ensure that our customers’ cargoes reach their destinations safely.
Ⅲ・Strategic Location

Hanjin Shipping Kaohsiung Container Terminal is a gateway to East and South Mainland China (Ningbo, Fuzhou, Xiamen, etc). Geographically, the terminal is ideally located to enable faster and more efficient service when calling on those ports in China, thus saving both transit time and transshipment costs.

IV・Advanced Computer System

Nowadays, it goes without saying that customer service is the most important factor in this rapidly changing and competitive environment. Our advanced terminal management systems have been developed to provide up-to-date information while ensuring maximized productivity to our customers.

We heartily express our belief that our advanced terminal management system will further improve every aspect of our customers’ needs.

(Provided by Hanjin Shipping Kaohsiung Container Terminal)
5. Container-Handling Efficiency in Kaohsiung Harbor Improved

According to statistics released by the Ministry of Transportation and Communications, a significant improvement has been seen in the container handling efficiency of Taiwan’s international ports since the stevedore system was privatized in 1997. The turnaround time for cargo vessels has also been reduced year on year (see attached chart).

Kaohsiung handles has ranked third in the world since

6. MOTC Expects to Fully Computerize Company and Harbor Entry/Exit Registration Systems by Year-End

The Ministry of Transportation and Communications (MOTC) has indicated that the shipping company and harbor entry/exit registration system will be fully computerized by the end of this year. Once the new system becomes effective, the domestic shipping companies will be able to submit applications for company registration and the entry and exit of commercial ships completely online.

The MOTC has been implementing a marine shipping information system since 1996 and expects to achieve paperless operations by the end of 2002. Currently, a marine and harbor information system is in place. In the future, efforts will be concentrated on administrative operations management and application systems. The total capital invested on the whole project is estimated at about NT$400 million.

According to the MOTC, this year will not only see the establishment of the online company registration and harbor entry/exit registration systems, but also a system to update and renew data on ships and sailors. Furthermore, the Electronic Signature Law formulated by the Commerce Department of the Ministry of Economic Affairs has been approved by the Executive Yuan. If the law is enacted by the Legislative Yuan this year, the MOTC will revise related laws and regulations within six months, and the marine industry will at that time be able to use electronic signature for paying fees and applying for certificates.
The MOTC also points out that the most important task for next year is to establish electronic data interchange (EDI) standards for commercial harbor and online operations between different harbors. Other tasks include the networking interconnection of units related to customs networks and financial information services. At present, the establishment of the network is been carried out jointly by the MOTC and Chunghwa Telecom. Chunghwa Telecom has already provided a marine shipping information network and has been building up an integrated harbor, shipping, and information communication systems as well as simplifying shipping operations with the aim of improving marine shipping operation procedures in order to upgrade overall operational efficiency and service quality.
Taiwan’s Yang Ming Line has leased the container yard on Berth 70-2 in the Port of Kaohsiung to expand its operations in Kaohsiung. This move is also beneficial for Yang Ming in its plans to develop a distribution center at the port.

The newly leased container yard covers about 13,000 square feet. Regardless of the rather small size of its operations area, this container yard is significant in the respect that it is located in the fourth stage development area of the future logistics center. Even before the logistics center is developed and put into operation, this yard makes the utilization of storage capacity more flexible. It can save about NT$2.4 million per year by adding a capacity of about 268 TEU to Berth 70-2 for empty containers.

By establishing the Yes Logistics Corp. last year, Yang Ming determined to enter the international logistics business. Over the last few months, Yang Ming has developed strategic alliances with Portsnportals.com: the e-commerce arm of Hong Kong’s Hutchison International Port Holdings Ltd. and other trade and maritime-related partners.

In May of this year, the Yes Logistics Corp. began operating an Internet-based global logistics system. The lease of the container yard in the logistics park also shows the ambition and determination of Yang Ming in developing its logistics business.
A revision of the Customs Guidelines for Offshore Shipping Centers has been announced by the Department of Customs Administration, Ministry of Finance. The revised guidelines will allow companies in the export processing zones to directly undertake the center’s business as well as engage in the “simple processing and repackaging” of the center’s goods without setting up bonded warehouses first. By locating the manufacturing firms in the Center, the EPZ-based manufacturers can import raw materials and semi-finished products from Mainland China to the Center; they can also undertake processing and re-processing, and export the finished products back to Mainland China. The companies are limited to those approved by the relevant customs bureau as having autonomous management status and book-entry system. In addition, they should apply to the bureau for permission to carry out such operations in designated areas. In the future, goods from China will be shipped in directly for “simple processing and repackaging.”

The offshore operations centers are located within Taiwan’s international commercial ports. Goods transported between China and third countries can be transshipped and processed. Under such rules, the offshore shipping operation centers can only be operated in the restricted area of Kaohsiung harbor.
9. MOTC Announces Plan to Affiliate Ports with Cities

To make Taiwan’s commercial ports more competitive in the world market, the MOTC recently announced a plan to explore the feasibility of closer affiliation between ports and cities. The core of this plan is to make the ports more efficient and competitive. Local governments will be able to participate in the planning, construction, management, and decision-making of port operations, as well as share in the port’s accomplishments and profits. The MOTC will provide a report on this issue to the Legislative Yuan.

The Legislative Yuan has recently reviewed amendments to the Civil Aviation Law, Commercial Port Law, Highway Law, and Tourism Development Law. The most contentious one is the Commercial Port Law, which concerns the integration of ports and cities.

During the rule of the Nationalist Party (KMT), the proposal for affiliating ports with cities was turned down by the government. The new Democratic Progressive Party (DPP) government has promised to review the proposal as President Chen Shui-bian promised to affiliate the Port of Kaohsiung with Kaohsiung City when he was campaigning in the presidential election.

Orient Overseas Container Line holds the christening ceremony on August 28 for its new ships "OOCL San Francisco and OOCL Chicago". (Provided by OOCL Line LTD)

Director Oliver Yu and delegates of Port of Kaohsiung was invited to join the ceremony. (Provided by OOCL Line LTD)
KHB Director Oliver Yu and Yang Ming Line Vice President Ching-Chuan Wu sign an agreement on August 22 at the Howard Plaza for future cooperation in establishing an international logistics center. (Provided by Yang Ming Line LTD)

At the ceremony, Director Yu indicates that the collaboration with Yang Ming will make a better utilization of the port's facilities and resources and likewise develop Kaohsiung as a pivotal port for logistics. (Provided by Yang Ming Line LTD)

Director Yu receives a medal from Evergreen Chairman S.S. Lin as a token of appreciation for KHB's assistance and support while building Container Terminal NO.5. (Provided by Evergreen)

Evergreen's Terminal No.5 is officially open to operations on September 1, 2000. After the opening, KHB Director Oliver Yu accompanies Evergreen Chairman S.S. Lin, Vice President Hsue-Hsiung Liao, Kaohsiung Mayor Frank Hsieh, and Dr. Younger Wu, Director-General of the Department of Aviation and Navigation, MOTC for a tour in the new Container Terminal. (Provided by Evergreen)