

# PortFolio

Vol. 28, Issue N.º 04 ■ April 2018

The Official Publication of International Container Terminal Services, Inc.



WWW.ICTSI.COM

## BGT COMMISSIONS DREDGER FOR PHASE 2 EXPANSION

Basra Gateway Terminal (BGT) recently took delivery of a Damen Cutter Suction Dredger 500 (CSD500) as part of the second phase expansion of the terminal at the Port of Umm Qasr.

## BICT COMPLETES DREDGING AT BATUMI SEA PORT

In Georgia, Batumi International Container Terminal (BICT) – in cooperation with the Batumi Sea Port – has successfully completed dredging works to deepen the port water area and fairway.



# G L O B A L O P E R A



## TABLE OF CONTENTS

- |   |  |
|---|--|
| <p><b>04</b> BGT commissions dredger for Phase 2 expansion</p> <p><b>05</b> BICT completes dredging at Batumi Sea Port<br/>BGT at Breakbulk ME 2018 confab</p> <p><b>06</b> Puerto Cortes supports HND melon, coffee exports demand<br/>OPC encourages more female workers to join industry</p> <p><b>07</b> ICTSI sees bright spot ahead for Argentina<br/>ICTSI Americas at Intermodal South America 2018</p> | <p><b>08</b> ICTSI holds 27th Invitational Golf Tournament</p> <p><b>10</b> PNG's Noho-Magae supports ICTSI operations in Motukea</p> <p><b>11</b> ICTSI South Pacific sponsors PNG women's rugby club<br/>ICTSI PNG ink union agreements</p> <p><b>12</b> ICTSI volume reaches 9.2 million TEUs,<br/>revenues hit US\$1.244 billion</p> |
|---|--|

# PortFolio

is published by the Public Relations Office of International Container Terminal Services, Inc. for the employees, shareholders, clients and friends of the ICTSI Group.



**Narlene A. Soriano**  
EDITORIAL DIRECTOR

**Jupiter L. Kalambakal**  
MANAGING EDITOR

**Dennis T. Suriba**  
ASSOCIATE EDITOR

**John Paolo J. Bencito**  
ASSISTANT EDITOR

## PHILIPPINES

**Albert Joseph R. Canceran**  
**Marie Bernadette C. De Guzman**  
**Ma. Concepcion M. Dizon**  
**Rose A. Lobrin**  
**Francis J. Algernon G. Bartolome**  
**Joy E. Lapuz**

**Olga C. Ureta**  
**Annie Magsino**  
**Teresa Tidong**  
**Belle Lucero**  
**Chiara May C. Atis**  
**Rejamna P. Jubelag**

**Frances Simpson**  
AUSTRALIA

**Sheeba Khan**  
IRAQ

**Michael Qi**  
CHINA

**Michael Ratrimo**  
MADAGASCAR

**Iva Roman**  
CROATIA

**Silvana Gomez**  
COLOMBIA

**Katty Ossa Bianchi**  
ECUADOR

**Paulina Perez-Guerrero**  
MEXICO

**Ketevan Oragvelidze**  
GEORGIA

**Arif Raza**  
PAKISTAN

**Evelyn Leiva**  
HONDURAS

**Michal Kuzajczyk**  
POLAND

## 13 PICT cited for corporate excellence

PICT holds Integrated Management System training sessions

## 14 PICT pressHSE importance with port users

ICTSI wins Anvil for brand campaign

ICTSI scholars share 'co-op' experience

Erratum

If you wish to receive a copy of the PortFolio,  
please write, call or email us at:

ICTSI Public Relations Office, 2F ICTSI Administration Building,  
Manila International Container Terminal, MICT South Access  
Road, Port of Manila 1012 Manila, Philippines

☎ Telephone: (63 2) 245 4101 ext. 2287

✉ Email: [dsuriba@ictsi.com](mailto:dsuriba@ictsi.com)

[www.ictsi.com/media-center/newsletters](http://www.ictsi.com/media-center/newsletters)





# BGT COMMISSIONS DREDGER FOR PHASE 2 EXPANSION

By Sheeba Khan



**B**asra Gateway Terminal (BGT) recently took delivery of a Damen Cutter Suction Dredger 500 (CSD500) as part of the second phase expansion of the terminal at the Port of Umm Qasr.

“The acquisition of the new equipment makes the Port of Umm Qasr more competitive by enabling us to achieve the much-needed draft for larger ships. The arrival of larger vessels, which in turn creates additional routing options, will improve Iraq’s supply chain. This affirms our commitment to the Iraq Port Authority for the development of the Port of Umm Qasr,” said Phillip Marsham, BGT CEO.

The second phase expansion will add 400 meters of quay and two new berths, which are scheduled for completion in 2019. The CSD500 will be used to establish a 14-meter controlling depth for the new berths, and maintain the 12-meter controlling depth of the existing berths—allowing BGT to service 9,000 TEU vessels. It will be operated in coordination with the Iraq Port Authority.

Named *Ishtar*, the dredger was customized to match BGT’s operational needs. It comes equipped with a spud carriage pontoon and anchor booms. A fully equipped accommodation unit was installed under the operating cabin and the cutter ladder was extended to achieve a maximum dredging depth of 16 meters. The unit also comes with a swivel hose and 400-meter floating pipe line to ensure immediate startup on site.



▲ The CSD500 *Ishtar*



# BICT COMPLETES DREDGING AT BATUMI SEA PORT

By Ketevan Oragvelidze



▲ The Batumi Sea Port can now accommodate larger ships that require deeper drafts.

In Georgia, Batumi International Container Terminal (BICT)—in cooperation with the Batumi Sea Port—has successfully completed dredging works to deepen the port water area and fairway.

The deepening of the port waterway gives BICT the capability to service larger container ships with drafts of up to 11 meters, considerably increasing the transport significance of both the container

terminal and the entire Batumi Sea Port in the Black Sea area, and the freight transit corridor of Europe and Asia in general.

The dredging also promotes the preservation of the Batumi Sea Port waterway and draft of the piers, significantly improving the port's operational potentials in providing more competitive services.

## SPOTLIGHT

### BGT at Breakbulk ME 2018 confab

BY SHEEBA KHAN

**B**asra Gateway Terminal (BGT) was among the exhibitor-participants at the Breakbulk Middle East 2018 Conference held from 6 to 7 February at the Abu Dhabi National Exhibition Center in the United Arab Emirates.

BGT interacted with clients and business partners during the two-day event, showcasing its services for project logistics solutions. More importantly, BGT also had the opportunity to meet existing and potential clients in the oil and gas sector, taking advantage of the booming business involving oil and gas.

Several major players were also present in the event, including Agility, CMA Project Division, COSCO General Cargo, Instar, Hapag-Lloyd, Bahri, Bahri, Höegh Autoliners, Rickmers-Line, Wilhelmsen Ships Service, and GAC, among others. The conference served as an ideal platform that brought together several industry experts to exchange industry insights, best practices, and latest developments.



▲ Team BGT at the Breakbulk Middle East 2018 (from left): Sheeba Khan, Marketing Head; Munther Al-Saiegh, Chief Commercial Officer; Mohamed Imchichi, RORO Terminal Operations Manager; Jim Stewart, Operations Director; Marko Miskovic, O&G Development Executive; Phillip Marsham, Chief Executive Officer; and Hany Salama, Chief Financial Officer.



# Puerto Cortes supports HND melon, coffee exports demand

*Promises greater efficiency anew*

BY EVELYN LEIVA

Operadora Portuaria Centroamericana (OPC) vows to deliver faster turnaround times for Honduras' valued melon and coffee exports as it works to further improve the terminal's operational efficiencies following the record number of TEU moves in 2017.

As the premier port in Central America, Puertos Cortes offers the best import and export option via the Atlantic for the CA-4 (El Salvador, Guatemala, Honduras and Nicaragua)—supporting the growing needs of businesses and customers in the region beyond the gates as the export of melon and coffee harvests intensify.

"The last coffee season started in October 2017 and we exported mainly to the United States, Mexico, Belgium, Germany, Holland, and Asia. In the case of melon, the peak season started in December, with exports mainly to the United States, the United Kingdom, the Netherlands, and Asia," said Valmir Araujo, OPC Senior Commercial Manager.

"Coffee exports jumped 34 percent relative to the 2016-2017 peak season, and the trend

indicates that this peak season (2017-2018) will possibly end 16 percent above the previous one. For melons, we are waiting to see how production will turn out considering the challenges this peak season," he added.

Coffee producers expect to obtain historical results in the 2017-2018 harvest. Honduras exports melon and other agricultural products to several countries, mainly the United States, the United Kingdom, and the Netherlands. New markets like Japan and Taiwan are growing due to the higher market value for these products.

OPC offers the best conditions for international export, with the largest number of reefer plugs (1,800 plugs) for containers that transport refrigerated cargo to and from the Central American region.

In 2017, Puerto Cortes moved a record-number of TEUs—a double digit jump since OPC started operations in 2014—as a result of recent investments and process improvements. Prior to these changes, vessels normally waited from a few hours to several days to

berth—negatively impacting customers via higher logistics costs.

"The terminal has 100 percent optimized the operating times to external trucks and ships, including competitive rates, customers added value services, high levels of security and high levels of efficiency," said Mr. Araujo.

Mariano Turnes, OPC Chief Executive Officer, promised that improvements for port customers and users will continue in line with the volume demand and the intensified regional commercial strategy.

"OPC not only focuses on customers solutions inside the terminal but also continuously supports the entire logistics chain to overcome existing external third-party barriers, aiming to reach more competitive cargo by optimizing the overall logistics cost to increase volume. We have implement additional process and technology optimize port operations," explained Mr. Turnes.

OPC recently opened its USD5 million Logistics Operations Center—the most technologically advanced logistics facility in Central America—to further consolidate its position as the top maritime gateway in the region and provide customers with new and value-added logistics solutions.

OPC will open the new Pier 6 in August 2018, adding 350 meters of new dock to the existing 850-meter dock, and space to operate two super post Panamax cranes.

## Providing equal opportunity for women OPC encourages more female workers to join industry

BY EVELYN LEIVA

Operadora Portuaria Centroamericana (OPC), as part of its commitment to the economic and social development of Honduras, is encouraging women to enter the maritime industry—a field that has been historically almost exclusive to male workers.

Mariano Turnes, OPC Chief Executive Officer, said the inclusion of women in port work symbolizes a shift in gender role and equal opportunities for both genders. He said that involving them in tasks usually performed by men has produced great results.

"From the inclusion of women, we find a new operative paradigm, which is clearly superior to the previous one. At OPC, we recognize the importance of the competencies that women have for their proactive attitude, tenacity, precision, and responsibility. These qualities offer a competitive

advantage for the Company," explained Mr. Turnes.

"As a woman, doing your job well is important because it helps improve the operability of the port and, at the same time, helps advance gender equality," said Iveth Quiróz, a mobile crane operator in OPC.

"There is no discrimination in the Company. As a crane operator, I was able to achieve many things aside from work and economic growth. I've managed to earn more respect from my colleagues; I've become an example to motivate other women in the terminal. It also makes me proud to be a pioneer in operating port equipment—I was the first (female) forklift operator and the first mobile crane operator of OPC. This is very important because we eliminate barriers and paradigms on the execution of this type of work," explained Ms. Quiróz.

David Penedo, OPC Operations Manager, said that the development of human capital is one of the Company's fundamental pillars and is a key to the success of the Company. For this reason, female employees undergo the standardized training process for all types of port equipment.

"Women have excelled in team operations and the results have been satisfactory. We trained the first certified mobile crane operators in the region, as well as female reach stacker, terminal tractor, and forklift operators," said Mr. Penedo.

"The port area has changed in the sense that it has now become a work option for women. Here in OPC, we value and respect everyone equally. Our female colleagues have found an organization to which they are important," he adds.



OPC's Iveth Quiróz is the first female mobile harbor crane operator in OPC.

# ICTSI sees bright spot ahead for Argentina

*EKR meets with President Macri*



▲ President Mauricio Macri of Argentina and Enrique K. Razon Jr., ICTSI Chairman and President shake hands after their meeting at the Olivos Presidential Residence in Buenos Aires. Behind them are María Eugenia Vidal, Buenos Aires Governor, and Guillermo Dietrich, Argentine Minister of Transportation.

ICTSI Chairman and President Enrique K. Razon Jr. expressed the Company's strong commitment to further modernize and expand Argentina's TecPlata terminal as he met with His Excellency, President Mauricio Macri at the Quinta Presidencial Los Olivos in Buenos Aires last March.

Confident in Argentina's strong potential, Mr. Razon mentioned ICTSI's notable investments in the past and willingness to do it again through TecPlata—the country's most modern container terminal located in La Plata.

With capability enhancements already in the pipeline, ICTSI can immediately invest in the terminal's expansion and double the terminal's capacity if needed, Mr. Razon said further.

Also present in the meeting were Anders Kjeldsen, ICTSI Senior Vice President and Americas Region Head, and Eduardo Zabalza, TecPlata CEO.

## SPOTLIGHT

# ICTSI Americas at Intermodal South America 2018

International Container Terminal Services, Inc. (ICTSI) South America took part in the recently concluded Intermodal South America 2018—one of the largest and longest-running event for the logistics, cargo transport, and foreign trade industries.

Held from 13 to 15 March in Sao Paulo, Brazil, the annual event serves as a strategic business platform—gathering key players from the national and international markets to

encourage new businesses and partnerships. The three-day event also works as a platform for launches, improving brand awareness, joint ventures, content, sales, and networking.

The ICTSI Americas team organized a commercial forum which centered on commercial guidelines, best industry practices, and regional idea-sharing, to maximize client and stakeholder engagement.



▲ The ICTSI Americas team (from left): Anders Kjeldsen, ICTSI Senior Vice President, Americas Region Head; Rodrigo Aguiar, Tecon Suape Commercial Director; Jose Antonio Contreras, Conatecon Guayaquil Chief Executive Officer; Jhoana Vega, Executive Assistant to ICTSI Americas Region Head; Fortino Landeros, Conatecon Manzanillo Chief Executive Officer; Mikkel Puyat, ICTSI Global Commercial Manager; Eduardo Zabalza, TecPlata Chief Executive Officer; Mayerline Santamaria, Puerto Aguadulce Commercial Manager; Tico Wieske, ICTSI Global Commercial Vice President; Javier Ramirez, Tecon Suape Chief Executive Officer; Jorge Kogakis, Tecon Suape Operations Director; Valmir Araujo, Operadora Portuaria Centroamericana Senior Commercial Manager; Luis Sabatini, Conatecon Guayaquil Commercial Manager; and Gonzalo Ortiz, Conatecon Manzanillo Commercial Director. Also present (not in photo) in the event were Bart Wiersum, ICTSI Americas Business Development Director; Mariano Turnes, Operadora Portuaria Centroamericana Chief Executive Officer; Julio Lourenço, Tecon Suape Senior Commercial Manager; Sydney Lemos, Tecon Suape Senior Operations Manager; and Italo Leão, Tecon Suape Commercial Coordinator.



From left: Tony Coronel of ICTSI APBS, Joey Ilagan of TMS Ship Agencies, Inc., Jimmy Bartolome of Namsung Shipping Co. Ltd., and Joel Zarate of OOCL Philippines

## ICTSI HOLDS 25TH INVITATIONAL GOLF TOURNAMENT

International Container Terminal Services, Inc. (ICTSI) held its annual golf tournament for clients and stakeholders last 26 February at the Sta. Elena Golf & Country Club in Sta. Rosa, Laguna. More than 140 executives from different companies turned out for the event.



Eddie Yi of Yang Ming Marine Transport Corp. with his new Mercedes B180



Jun Lacson of Mitsui O.S.K. Lines, Paul Louie Tugade of Perry's Group of Companies, Chris Lozano of MICT, and Ricky Sanchez of OOCL Philippines



Roberto Dela Cruz of RCL Feeders Phils., Inc., Jose Ramon Garcia and Ramon Garcia of Ocean Network Express, and Joel de Vera of Standard Chartered



Qing Quan of SITC Philippines, Atty. Elmer Cadano of PPA, Jay Valdez of MICT, and Hector Miole of PPA



Class D Champion Shoichi Maeda (left) of K Line Philippines with Enrique K. Razon Jr., ICTSI Chairman and President



Class A Champion Jong Castañeda of NYK Logistics Philippines



Class C Third Runner-up Qing Quan of SITC Philippines



Class B First Runner-up Ja Coching of Mercury Steam Ship Agencies





▲ EKR hands the “car key” to grand raffle winner Eddie Yi



▲ Joselito Sibayan of Apex Mining, Jules Domingo of DIPSSCOR, and Angelito Colona of PCCI



▲ Leonardo Achacoso of Transweath Parking Services, Inc., Joey Camara of World Chicken, and Jong Castañeda of NYK Logistics Philippines, Inc.



Bobby Reyes of EastWest Bank, Boj Locsin of SBITC, and Miguel Pertierra of Soriomont Steamship Agencies



Walter Wassmer of Banco de Oro, Arthur Medel of Sanfilipo, Romy Salvador of NorthPort, and Pak David Sirait of Pelindo II Indonesia



▲ Klaus Nielsen of MCC Transport Philippines Inc.

CLASS A	
Champion	Jong Castaneda
1st Runner-up	Octavio Victor Espiritu
2nd Runner-up	Paul Tugade
3rd Runner-up	Enrique K. Razon Jr.
4th Runner-up	Juan Ibazeta

CLASS B	
Champion	Ramon Torres
1st Runner-up	Ja Coching
2nd Runner-up	Jay Valdez
3rd Runner-up	Norman Uy
4th Runner-up	Jonvic Remulla

CLASS C	
Champion	Jimmy Bartolome
1st Runner-up	Juan Sta. Ana
2nd Runner-up	Vicente Pacheco Jr.
3rd Runner-up	Qing Quan
4th Runner-up	Gernimo Bella

CLASS D	
Champion	Soichi Maeda
1st Runner-up	Ed Relucio
2nd Runner-up	Andrew Tan
3rd Runner-up	Juan Camacho
4th Runner-up	Cesar Sarmiento



# PNG's Noho-Magae supports ICTSI operations in Motukea



▲ ICTSI South Pacific and Motukea stakeholder communities ink shareholder agreement for Motukea International Terminal (seated, from left): Tom Lancan, TADA Deputy Chairman; Opao Udia, Motukoitabu Assembly and TADA Chairman; Iduhu Erue Igo, BACODA chairman; and Sepoe Gabutu, BACODA, Deputy Chairman; (standing, from left) Rev. Dick Avi, Rtd; Nick Allan; Ted Muttiah, MIT CEO; Priscilla Ao, MIT Human Resources Manager; Ahuta Badu; Rev. Oika Gabutu; and Micky Tamarua, Community Coordinator.

**N**oho-Magae, an organization representing the Baruni and Tatana communities in Papua New Guinea, has thrown its full support behind International Container Terminal Services, Inc. (ICTSI) subsidiary ICTSI South Pacific, joining as shareholders of Motukea International Terminal in Port Moresby.

Representing the Noho-Magae organization, Iduhu Erue Igo, Baruni Community Development Association (BACODA) Chairman, and Tom Lancan, Tatana-Araira Development Association (TADA) Development Chairman, signed the agreement formalizing the respective communities as shareholders. Motukoitabu Assembly Chairman Opao Udia witnessed the landmark event.

“This is a momentous occasion for our communities. ICTSI has shown good intent throughout our negotiations and we are proud to be partners of MIT. We are confident that global port operator ICTSI will bring industry proven best practices to Papua New Guinea, and our communities—as partners—will benefit from the opportunities stemming from the implementation of international standards,” said Mr. Opao, who is also the chairman of TADA.

Edward Muttiah, MIT Chief Executive Officer, said: “ICTSI is delighted to have

Noho-Magae on board to represent the interests of the Baruni and Tata communities.”

He adds: “Today, we commence a 25-year journey and the strong support of our community partners has ensured a solid foundation built on trust, respect, and mutual commitment to build a world-class maritime facility—one that will, in time, become a source of pride for the nation.”

Christian R. Gonzalez, ICTSI Senior Vice President and Asia Pacific Region Head, expressed optimism on the project, saying ICTSI is “privileged and excited to have been granted the opportunity to collaborate with our host community to jointly realize the potential of the Port of Motukea as a logistics hub. This mutually beneficial goal would not be possible without the support of our host communities.”

The formalization of the shareholder agreement followed the signing of a

Memorandum of Agreement between the community representatives and MIT last year to establish a collaborative framework for the successful operation of MIT.

MIT will handle all international container and general, non-bulk cargo vessels through the international wharf at Motukea. ICTSI expects to commence operation mid-May.

MIT has also committed to work closely with community leaders to implement meaningful community engagement projects. The ICTSI Foundation will support MIT initiatives identifying high-impact programs for overall community development.

ICTSI won a 25-year concession to operate the new Port of Motukea, which is designed to handle larger international vessels and facilitate greater trade with Australia, New Zealand, China, Japan, and other markets in the region.



# ICTSI South Pacific sponsors PNG women's rugby club

**I**CTSI South Pacific (ICTSISP), International Container Terminal Services, Inc.'s (ICTSI) subsidiary in Papua New Guinea, announced that it will be supporting the PNG women's national rugby team—the PNG Palais—as the team competes in the blue ribbon Hong Kong Sevens and the prestigious World Cup Sevens in San Francisco.



▲ (From left) John Larry, PNG ICTSI Palais Coach; Cassandra Sampson, PNG ICTSI Palais Vice Captain; Taiva Lavai, PNG ICTSI Palais Captain; Priscilla Ao, ICTSISP Human Resource Manager; and Ted Muttiah, ICTSISP Chief Executive Officer

John Larry, Coach for the PNG Palais, said they are thrilled to have ICTSI South Pacific on board: "With their support, the PNG ICTSI women's rugby sevens team can take its place on the international stage."

"The strong backing of a global company such as ICTSI will definitely boost the confidence of current and emerging players," Mr. Larry added.

Ted Muttiah, ICTSI South Pacific Chief Executive Officer, welcomed the partnership, saying that the strength and skill of the current national pool is a testament to their determination. He added: "Women's rugby is said to be the fastest growing team sport in the world."

## ICTSI PNG ink union agreements

ICTSI South Pacific and its PNG terminal operating subsidiaries—South Pacific International Container Terminal Limited (SPICTL) and Motukea International Terminal Limited (MITL)—have initiated the signing of the implementation agreements with the PNG Maritime Transport Workers Union (PNG MTWU). These agreements provide that SPICTL and MITL will carry out all the provisions of both the "PNG National Stevedoring & Handling Workers' Industrial Agreement of 2016" and the "PNG Other Maritime Workers' Industrial Agreement of 2016." Photo shows officers after the signing: (standing, from left) Dirk Van Acker, ICTSI South Pacific Chief Operating Officer; Daniel Mathew, PNG MTWU Assistant General Secretary; Revamiria, Industrial Organizer—Southern Region; Priscilla Ao, ICTSISP Human Resource Manager; (seated, from left) Mea Arua, PNG MTWU President; Florence Willie, PNG Employer Federation Executive Director; Reg McAlister, PNG MTWU General Secretary; and Ted Muttiah, ICTSISP Chief Executive Officer.





# ICTSI volume reaches 9.2 million TEUs, revenues hit US\$1.244 billion

**I**nternational Container Terminal Services, Inc. (ICTSI) reported audited consolidated financial results for the year ended 31 December 2017, posting revenue from port operations of US\$1.244 billion, 10 percent higher compared to US\$1.128 billion in 2016; Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) of US\$578.0 million, 10 percent better than the US\$525.1 million generated the previous year; and net income attributable to equity holders of US\$182.1 million, up one percent compared to the US\$180.0 million earned last year. Fully diluted earnings per share for the period was up six percent to US\$0.069 from US\$0.065 in 2016.

The increase in net income was mainly due to the continuing ramp-up at the Company's new terminal in Matadi, Democratic Republic of the Congo (DRC); strong operating results from the terminals in Iraq, Mexico, Honduras, Madagascar, China, Poland and Brazil; and the gain related to the termination of the sub-concession agreement in Lagos, Nigeria.

The increase, however, was tapered by higher interest and financing charges, higher depreciation and amortization expenses, start-up costs at the Company's terminal in Melbourne, Australia, and increase in the Company's share in the net loss at Sociedad Puerto Industrial Aguadulce S.A. (SPIA), its joint venture container terminal project with PSA International Pte Ltd. (PSA) in Buenaventura, Colombia, which increased from US\$5.6 million in 2016 to US\$36.7 million for the same period in 2017 as the company started full commercial operations at the beginning of the year. Excluding the gain of US\$7.5 million on the termination of the sub-concession agreement in Nigeria in 2017 and the charge of US\$23.4 million on the pre-termination of the lease agreement at ICTSI Oregon, Inc., the Company's terminal in Portland, Oregon, USA in 2016, consolidated net income attributable to equity holders would have declined by 14 percent in 2017.

ICTSI handled consolidated volume of 9,153,458 twenty-foot equivalent units (TEUs) in 2017, five percent more than the 8,689,363 TEUs handled in 2016. The increase in volume was primarily due to continuing improvement in global trade activities particularly in the emerging markets,

continuing ramp-up at ICTSI's operations in Basra, Iraq, new services at Manzanillo, Mexico and contribution of new terminals in Matadi, DRC and Melbourne, Australia. Excluding the new terminals, consolidated volume would have increased by four percent.

Gross revenues from port operations in 2017 increased 10 percent to US\$1.244 billion from US\$1.128 billion the previous year. The increase in revenues was mainly due to higher volume, tariff rate adjustments at certain terminals, new contracts and services with shipping lines, and the contribution from the Company's new terminals in Matadi, DRC and Melbourne, Australia. Organically, consolidated gross revenues increased by seven percent.

Consolidated cash operating expenses in 2017 was 13 percent higher at US\$475.9 million compared to US\$419.6 million in 2016. The increase in cash operating expenses was mainly due to the cost contribution of the new terminal operations in Matadi, DRC and Melbourne, Australia, higher throughput, increase in fuel prices and power rates at certain terminals, and unfavorable translation impact of the BRL appreciation in Suape, Brazil. The increase was tapered by the additional benefits of the on-going group-wide cost optimization initiatives and the favorable translation impact of Philippine Peso denominated expenses at the various terminals in the Philippines.

Consolidated EBITDA for 2017 increased 10 percent to US\$578.0 million, from US\$525.1 million in 2016 mainly due to

strong operating results from the terminals in Iraq, Mexico, Honduras, Madagascar, China, Poland and Brazil, combined with the additional benefits of the on-going group-wide cost optimization initiatives, and positive contribution of the new terminal in Matadi, DRC tapered by start-up costs and fixed port lease expense at Melbourne, Australia. EBITDA margin, on the other hand, slightly decreased to 46.4 percent in 2017 from 46.5 percent in 2016.

Capital expenditures, net of capitalized borrowing costs and other expenses, amounted to US\$174.8 million, approximately 73 percent of the US\$240.0 million capital expenditure budget for 2017. The capital expenditure was mainly to fund the completion of the initial stage development of the Company's greenfield projects in DRC and Iraq; the second stage development of the Company's project in Australia; continuing development of the Company's container terminals in Mexico and Honduras; and capacity expansion in its terminal operations in Manila. In addition, ICTSI invested US\$25.0 million in the development of SPIA.

The Group's capital expenditure budget for 2018 is approximately US\$380.0 million, mainly allocated for the capacity expansion in its terminal operations in Manila, Mexico and Iraq; continuing rehabilitation and development of the Company's container terminal in Honduras; procurement of additional equipment and minor infrastructure works in its newly acquired terminal operations in Papua New Guinea; and the completions of its new barge terminal project in Cavite City, Philippines.



# PICT cited for corporate excellence

BY ARIF RAZA

Pakistan International Container Terminal (PICT) was conferred the Corporate Excellence Award for the transport sector during the 33rd Management Association of Pakistan (MAP) Awards Ceremony last 27 February at the Marriott Hotel in Karachi, Pakistan.

“This award is an expression of our commitment to best management and governance practices. Winning this award not only gives us pride, but also strengthens our determination to continue responsible growth,” said Khurram Aziz Khan, PICT Chief Executive Officer.



Arif Raza (third from left), Human Resources and Administration Manager, accepts the award on behalf of PICT.

## LEVEL UP

### PICT holds Integrated Management System training sessions

BY ARIF RAZA

Pakistan International Container Terminal (PICT) held several Integrated Management System (IMS) training sessions for employees last February as part of efforts to increase the level of awareness on the implementation of new requirements of the revised ISO 9001 and ISO 14001. The sessions were spearheaded by certified trainers from M/S Bureau Veritas.



## PORT SAFETY

### PICT press HSE importance with port users

BY ARIF RAZA

As part of efforts to raise awareness on the importance of Health, Safety and Environment (HSE) requirements with stakeholders, Pakistan International Container Terminal (PICT) recently organized a training for private transporters using the Karachi Port.

The Company asked members of the Transporters Goods Association (TGA) to participate in the sessions last February to ensure adherence and compliance to PICT's health, safety, and environmental standards. The training, which garnered positive feedback, was organized through the combined efforts of the Terminal Operations and Quality, Health, Safety, Environment (QHSE) departments.





# ICTSI wins Anvil for brand campaign



▲ ICTSI PRO receives PRSP's Silver Anvil Award for the 2017 Corporate Branding Campaign. Photo shows Dennis Suriba (second from left) and Edward Milag (third from left), Public Relations Officers, and Jocelyn Badoy (third from left), campaign consultant, receiving the coveted Anvil from PRSP officials, Jika Dalupan (extreme left) and Bong Osorio (extreme right).

**I**nternational Container Terminal Services, Inc. (ICTSI) received a Silver Anvil Award from the Public Relations Society of the Philippines (PRSP) for its 2017 Corporate Branding Campaign.

The Public Relations Office (PRO) spearheaded the campaign to further strengthen the ICTSI brand in its international print advertising placements. Institutional ads for ICTSI and a series of commodity ads for ICTSI terminals worldwide were developed.

The print ad series is featured in the *PortFolio*. For every monthly issue of the *PortFolio*, a print ad of an ICTSI terminal is featured at the back cover.

Still ongoing are the development of print ads that would complete and cover all ICTSI's terminals.

## ICTSI CARES

# ICTSI scholars share 'co-op' experience

Pioneer ICTSI-Northeastern University scholars Charmille Coleen Dizon of Olongapo City and Marlito Soriano of General Santos City continue their exemplar academic performance as they work towards completing their degrees at the Northeastern University in Boston, Massachusetts

The two scholars recently participated in NEU's Cooperative Education program as part of their course work, giving them career-related work experience even before they graduate.

Charmille, who is taking up a combined major in Geology and Physics, shared her experience after working at a research facility in Cape Cod last Fall.

"I had a really fun and exciting co-op in 2017. I worked in the Coastal Research Lab at Woods Hole Oceanographic Institution (WHOI) and I really loved Cape Cod.

The co-op itself was awesome, we had fieldwork in different sites in New England. I went kayaking for the first time when we had to cross a swamp to get to the location in Rhode Island. I also did some data processing on Python and MATLAB," she said. "I had a lot of fun and met new people!"

Charmille expressed that she is currently writing a paper based on the work she did at WHOI, eventually submitting it as part of her junior thesis and apply for the Honors in Marine and Environmental Sciences distinction upon graduation.

For Spring 2018, she will be taking up courses in Modern Physics, Thermodynamics and Statistical Mechanics, Structural Geology + Lab, Glacial and Quaternary History + Lab, and Interpreting Earth History.

Marlito meanwhile, who is taking up International Business with concentration in Accountancy, said that the co-op was a "memorable" and "unique" experience for him.

"Bio-Rad Laboratories hired me as an accounts payable specialist for this memorable co-op experience. I learned a lot from regularly staying in touch with suppliers and collecting invoices from them to properly documenting those invoices while working with an enterprise resource planning (ERP) system, and then eventually issuing checks bi-weekly.

I was also able to take part in preparing reports for cost accounting," he shared.

"But this experience offered more than that. I was able to engage in activities like transferring assets from one site to another after the corporate office ordered the shutdown of the facility where I was working at. Everyone was laid off and only the people from the finance department were left. It was a unique experience."

For Spring 2018, Marlito will be taking up Financial Reporting & Analysis 2, Interdisciplinary Advanced Writing in the Disciplines, Social and Political Philosophy, and Management Information Systems.

NEU features a cooperative education program, more commonly known as "co-op," that integrates classroom study with professional experience and contains over 3,100 partners across all seven continents. The program has been a key part of NEU's curriculum of experiential learning for more than 100 years and is one of the largest co-op/internship programs in the world.

NEU is currently ranked first on the "Best Schools for Internships" list by the Princeton Review, and has consistently ranked in the top five for over a decade.

Both Charmille and Marlito are expected to finish their studies by 2019.

## ERRATUM

In the story "MICTSI, Wan Hai begin partnership" published last month, Mr. Paul Huang was incorrectly mentioned as the general manager of Wan Hai Lines—Mr. Huang was a former executive vice president of Evergreen Philippines. The *PortFolio* editorial team would like to issue an apology for the mistake.





# MICT Top Equipment Operators

• MARCH 2018 •

## TOP 10

### Prime Mover

	1 JOHN LITO LUGOD
	2 SHERWIN DALAGON
	3 ERWIN VIZCAINO
	4 MINARD DY
	5 ALEXANDER DESQUITADO
	6 ANTHONY SILVERIO
	7 JOSE CAÑETE JR.
	8 CRISTOM ABRIGO
	9 XAVIER CAYETANO
	10 HERCULANO CUMPA JR.

## TOP 10

### Rubber Tired Gantry

	1 GARRY FRANCISCO
	2 FLORENTINO DE GUZMAN
	3 JOEL DELOS SANTOS
	4 ALLAN LADERO
	5 DANTE CANIEDO
	6 RENE CABILING
	7 TOMAS CASPILLO
	8 HENRY FRIAS
	9 DANILO DAYANAN
	10 ALEXANDER VILLACORTE
	11 BENJAMIN BLASÉ

## TOP 10

### Side Stacker

	1 ROLANDO BAYSA
	2 ALLAN ALMEÑE
	3 ROY ECHEVARRIA
	4 REYNALDO SARMIENTO
	5 OSCAR BELANO
	6 LEONILO GABRAL
	7 JAY MORANDARTE
	8 RICHARD SIBYA
	9 JESSE PAUL MANGMAN
	10 DANNY GARCIA

## TOP 10

### Quay Crane

	1 EDUARDO MUGAR
	2 EDUARDO BONUEL
	3 SONNY NUÑEZ
	4 PATRICK PASCO
	5 REYNALDO BOLIVAR
	6 NORIEL REIZA
	7 RENATO BAUTISTA
	8 RICARDO ESTANDARTE
	9 LEO ARABEJO
	10 SILVANO GARCIA





# EVERY SHIPMENT OF THE WORLD'S MOST CONSISTENTLY EXCELLENT ARABICA DESERVES THE MOST CONSISTENTLY EXCELLENT STANDARDS OF HANDLING.

**Puerto Aguadulce:** finally, a world-class gateway for a top global source of premium Arabica coffee beans.

Envisioning increased competitiveness, Colombia has a massive infrastructure program, and a growth framework where commodity exports play a vital role.

These elements—infrastructure investments and commodity exports—are spotlighted in Puerto Aguadulce at the Port of Buenaventura, the most important port on Colombia's Pacific coast. Sociedad Puerto Industrial de Aguadulce, a joint venture of International Container Terminal Services, Inc. (ICTSI) and PSA International, has designed and equipped Aguadulce to serve the trade requirements of Colombia, Latin America and the global economy.



*Puerto Aguadulce is a multi-user container and bulk handling facility that can handle mega vessels, making it a strategic part of Colombia's push to maximize trade growth ushered in by a wider Panama Canal.*



#### About ICTSI

Headquartered in Manila, Philippines, International Container Terminal Services, Inc. (ICTSI) is in the business of port development, management, and operations. Independent of shipping, logistics, or consignee-related interests, ICTSI works transparently with all port community stakeholders. Operating in both developed and emerging market economies—in Asia Pacific, the Americas, Europe, the Middle East, and Africa—ICTSI has received global acclaim for its port privatization partnerships with governments.

#### About PSA

PSA International is one of the leading global port groups. PSA participates in port projects across Asia, Europe and the Americas with flagship operations in Singapore and Antwerp. Employing the finest talents in the industry, PSA delivers reliable and best-in-class service to its customers and develops win-win relationships with its partners. As the port operator of choice in the world's gateway hubs, PSA is "The World's Port of Call". PSA International has been voted "Best Global Container Terminal Operating Company" for eight years at the Asian Freight & Supply Chain Awards since 2005.



#### HEAD OFFICE

ICTSI Administration Bldg., Manila International Container Terminal  
MICT South Access Road, Port of Manila, Manila 1012, Philippines  
☎ +632 245 4101 ☎ +632 245 2245 ✉ info@ictsi.com  
www.ictsi.com

**Sociedad Puerto Industrial de Aguadulce S.A. (SPIA)**  
Av. Cra. 9 No. 113-52 of 507 Edificio Torres Unidas II,  
Bogotá, Colombia  
☎ +571 6370533 ☎ +571 6370533 extension 25  
✉ info@ictsi.com