International Container Terminal Services, Inc. EXCELLENCE UNCONTAINED

Vol. 28, Issue N.º 10
October 2018

The Official Publication of International Container Terminal Services, Inc.



ICTSI TO FURTHER EXPAND MANILA FLAGSHIP WITH NEW INFRASTRUCTURE, EQUIPMENT

The Philippine Ports Authority (PPA) has given the nod for capacity improvements at the Manila International Container Terminal (MICT), the flagship operation of International Container Terminal Services, Inc. (ICTSI).

BGT'S PHASE 2 EXPANSION ON TRACK FOR 2019

The second phase of Basra Gateway Terminal's (BGT) greenfield expansion is expected to be complete by the third quarter of 2019. This includes the construction of Beths 25 and 26 to be equipped with three quay cranes (21 rows across), and a 15-hectare container yard to be equipped with seven new rubber tired gantry cranes (RTGs).

G L O B A L O P E R A



TABLE OF CONTENTS

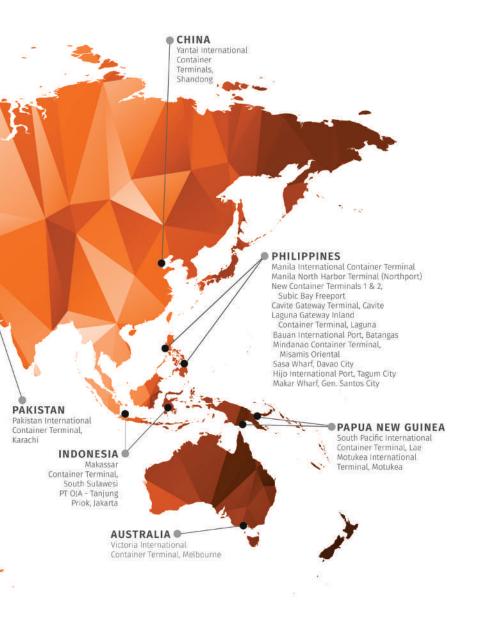
- **04** ICTSI to further expand Manila flagship with new infrastructure, equipment
- 05 Four-and-a-half years into operation Puerto Cortes reaches 3 million-TEU mark
- **06** BGT's phase 2 expansion on track for 2019
- **07** BGT handles heavy cargo for Al Basra Oil Terminal

 Contecon Guayaquil handles record volume on a single vessel call
- **08** Guayaquil Port dredging welcomed by CGSA

- **09** Legal Workshop series launched
 PICT gets nod for trade process optimization
- **10** APL *Navios Lapis* makes inaugural call at VICT VICT one of Australia's most outstanding projects for 2018
- **11** CMSA donates shoes to kids in foster homes



TIONS



- 12 ICTSI participates in 33rd International Coastal Cleanup
- **13** ICTSI joins Servathon 2018
- **14** Newest ICTSI scholar starts journey at NEU Students name roads inside VICT



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

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 Francis J Algernon G. Bartolome Joy E. Lapuz Olga C. Ureta Annie Magsino Teresa Tidong Belle Lucero Chiara May C. Atis Rejamna P. Jubelag Faith Isabela Burias

Nancy Lumanji

DR CONGO

Frances Simpson

AUSTRALIA

Michael Qi

CHINA

Iva Roman

CROATIA

Katty Ossa Bianchi

ECUADOR

Ketevan Oragvelidze

 $G \; E \; O \; R \; G \; I \; A$

Evelyn Leiva HONDURAS Sheeba Khan

IRAQ

Michael Ratrimo

Silvana Gomez

Paulina Perez-Guerrero

 $M \; E \; X \; I \; C \; O$

Arif Raza

Michal Kuzajczyk

POLAND

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

L Telephone: **(63 2) 245 4101 ext. 2287**

Email: dsuriba@ictsi.com



ICTSI TO FURTHER EXPAND MANILA FLAGSHIP WITH NEW INFRASTRUCTURE, EQUIPMENT

The Philippine Ports Authority (PPA) has given the nod for capacity improvements at the Manila International Container Terminal (MICT), the flagship operation of International Container Terminal Services, Inc. (ICTSI).



Foremost among these improvements is the first phase construction of Berths 7 and 8, which started on October 15. The second phase, to begin in February 2019 pending final approvals, will add a full backup area for the future berths 9 and 10.

"The berth expansion, featuring a controlling depth of 13.5 to 14.5 meters, will further strengthen MICT's capacity to service larger box ships and the increasing volume that comes with them," explains Christian R. Gonzalez, ICTSI Global Corporate Head.

"On top of our commitments, the construction of these berths is our response to the need for increased capacity improved productivity over the longer term. We also need to accommodate the changing trends like the steady increase in vessel size, the consolidation of major shipping players, and the integration of rail servicesespecially here in the Philippines."

Aside from the berth expansion, ICTSI looks to increase MICT's yard space with the construction of the backup area for Berths 9 and 10. When completed, this additional area will give the terminal substantial flexibility to deal with the increasing impact of weather-related issues and changes in the regulatory environment.

Complementing these capacity improvements will be the commissioning of 16 new rubber tired gantries (RTG) in 2019–the first eight set to arrive in April.

A pair of new super post-Panamax quay cranes are also expected to be delivered next year following the three units commissioned this year.

The construction of Berth 7 is part of ICTSI's contractual obligations to upgrade, expand and develop the MICT under its concession

with the PPA. For 2018 alone, the ICTSI Group has allocated more than US\$380 million for capital expenditure which includes the expansion of the MICT.

As part of ICTSI's pitch towards seamless intermodal connectivity, import and export cargo now pass through the interterminal link between MICT and NorthPort—the country's premiere domestic gateway. The interterminal connectivity allows port users to enjoy the added flexibility offered by North Port's dedicated container freight station (CFS) and MICT's logistics center.

From MICT and NorthPort, cargo transfer is now possible via the Laguna Gateway Inland Container Terminal in Calamba and Cavite Gateway Terminal—the country's first and only roll-on/roll-off barge terminal.

Four-and-a-half years into operation Puerto Cortes reaches 3 million-TEU mark

BY EVELYN LEIVA



△ OPC personnel led by Mariano Turnes, OPC Chief Executive Officer (holding the flowers), held a simple celebration to commemorate OPC's 3 millionth TEU milestone

Operadora Portuaria Centroamericana (Puerto Cortes) has managed to handle 3 million TEUs of container traffic after nearly five years since starting operations. This achievement offers a glimpse of the things ahead of everything that is in place right now at Puerto Cortes.

The types of cargo that regularly pass through the terminal are cotton yarn, used vehicles, various merchandises, paper in rolls, and construction materials, among others. Exports like ready-made clothes, bananas, seasonal products like coffee, melon, and vegetables, are also part of the regular list of items that are handled by the port.

Shipping companies, whose ships mainly come from the United States, Panama, South America, the Carribbean, and Europe, described Puerto Cortes as very productive after the recent improvements in OPC's infrastructure and operation.

"Our equipment operators' attention to every ship and external truck handled at the terminal is very dedicated. Operations at Puerto Cortes follow international safety standards. By being efficient, we enable these vessels to quickly continue with their schedule. OPC remains focused in delivering excellent added values to the local and regional importers, staying in



close communication with them," said Valmir Araujo, Puerto Cortes Senior Commercial Manager.

"Our clients have noticed the improvements since we took over and are confident that more efficient projects

will be implemented to further improve operations at the terminal. With the new Pier 6, the new super post-Panamax cranes, and the dredging, we intend to receive large vessels and reach an annual capacity of 1.2 million TEUs," he adds.

BGT's phase 2 expansion on track for 2019

BY SHEEBA KHAN



▲ Ongoing civil works at BGT

The second phase of Basra Gateway Terminal's (BGT) greenfield expansion is expected to be complete by the third quarter of 2019. This includes the construction of Beths 25 and 26 to be equipped with three quay cranes (21 rows across), and a 15-hectare container yard to be equipped with seven new rubber tired gantry cranes (RTGs). Upon completion, Phase 2 will increase BGT's capacity by 300,000 TEUs.

The new berths will transform the Port of Umm Qasr into a more competitive, major

port capable of handling up to 9,000-TEU capacity vessels. The expansion will also facilitate direct calls by vessels operating in the major trade routes resulting in reduced feeder costs for shipping lines and cargo owners. With improved capacity, Iraq will rely less on alternative ports in neighboring countries.

Phase 1, which included the construction of Berth 27, was completed during the first quarter of 2017, triggering impressive growth.

Upon full development, BGT will have four berths dedicated to containerized traffic, 800 meters of berth space, 60 hectares of container yard space, and annual capacity of more than 1 million TEUs.

ICTSI will invest a total of USD250 million to the Port of Umm Qasr as a testament to its commitment to provide Umm Qasr with international standard of port service.

BGT handles heavy cargo for Al Basra Oil Terminal

BY SHEEBA KHAN

Basra Gateway Terminal (BGT) achieved a milestone last September with the handling of approximately 180 tons of cargo for Al Basra Oil Terminal (ABOT), one of the two offshore crude oil marine loading terminals in Iraq that is the focal point of the country's oil export.

Measuring 19 meters long, 3 meters wide and 4.3 meters high, the shipment consists of replacement loading arms to be installed in ABOT's four berths as part of efforts to improve the facility's production. BGT facilitated the discharge, storage, and loading of the 180-ton shipment onto the offshore barge.

"This shipment is another example that highlights the reliability and safety offered

by Basra Gateway Terminal for project cargo. We are pleased to complete this important operation as a significant step towards the refurbishing of ABOT–a project that holds great value as it will positively impact the country's economy," said Phillip Marsham, BGT Chief Executive Officer.

Built in the 1970s, ABOT suffered considerable damage over the course of challenging years, resulting in reduced oil production. Oil exports account for more than 80 percent of Iraq's gross domestic products. Once installed, the new loading arms will increase ABOT's loading capacity, significantly impacting the country's economy.





Contecon Guayaquil handles record volume on a single vessel call

Contecon Guayaquil (CGSA) set a record for the most number of containers handled from a single vessel during the call of *MH Hamburg* last 24 August.

CGSA moved a total of 8,276 TEUS from the 293.6-meter long, 40-meter wide boxship. Built in 2009, *MH Hamburg* is registered in the Marshall Islands.



One of the most important maritime terminals in the South American Pacific and the largest in Ecuador, CGSA has an annual capacity of 1.5 million TEUs. With a total area of 121 hectares that include 40 hectares of container yard, the terminal strategically sits near the country's main export zones. The terminal also has 3,627-plug reefer facility and

dedicated storage area for handling bananas–Ecuador's leading export.

In July, the Ecuadorian government formally allowed CGSA to handle large vessels up to 305 meters long, making it the only terminal in the country capable of servicing two mega vessels simultaneously.

Guayaquil Port dredging welcomed by CGSA



File photo of Contecon Guayaquil

Contecon Guayaquil (CGSA) welcomes the recent decision by the Guayaquil government to dredge and maintain the channel leading to the Port of Guayaquil.

Through an international tender, the Technical Commission of the Municipality of Guayaquil last 5 October awarded a 25year concession to the Luxembourg-based Jan De Nul Group, which will undertake the dredging and maintenance of the 95-kilometer main access channel leading to the port.

With dredging works expected to be completed within the first year of the concession, mega vessels will soon be able to enter the port even with a 12.5-meter draft at high tide, from the existing access channel depth of 9.6 meters.

Jose Antonio Contreras, CGSA Chief Executive Officer, says: "This landmark undertaking of the Guayaquil municipality to dredge and maintain the main access channel, the first in 60 years, is truly laudable. It will help ensure the progress not only of Guayaquil, whose ports will be directly benefitted, but of the entire Ecuador."

"Further, we should be able to strengthen our position as the country's preferred port of call in the Pacific coast that has a deeper access channel allowing the entry of the world's largest box ships. We can now look forward to the arrival of neo-Panamax box ships since the terminal is ready to handle these new-generation vessels," Contreras adds.

At present, CGSA has an alongside draft of 10.50 metres at MLWS, while the access channel has up to 9.75 meters.

Nearly 85 percent of goods imported and exported from the country pass through the Port of Guayaquil due to its close proximity to export zones and agricultural areas.

Recently, CGSA got the government's nod to simultaneously handle larger vessels at its Berths 2 and 3, essentially becoming the only terminal in Ecuador capable of doing so. This follows the inauguration of the terminal's expanded logistics support area, capable of handling 6,000 reefer containers per month-the largest in the equator and possibly the largest in the Pacific.

Located near Ecuador's main export zones, Contecon Guayaquil is ICTSI's largest port concession in Latin America with a handling capacity of up to 1.4-million twenty equivalent-foot units (TEUs) annually.

Legal Workshop series launched

BY WILFRED STEVEN A. FERNANDEZ

The ICTSI Global Corporate Legal Affairs (GCLA) team launched the first ICTSI legal workshop series last September, aimed at cascading the Company's best practices in data privacy, obligations and contracts, and compliance to employees and important stakeholders.

Led by the team's lawyers, Atty. Arthur Raymund Enerio, Atty. Carmeline Viniegra and Atty. Lirene Mora-Suarez, the skill-share was opened to a wider audience to create awareness amongst employees on relevant laws and compliance requirements across ICTSI's day-to-day operations.

Atty. Enerio started the series last Sept. 11 with a discussion on Republic Act 10173 or



Knowledge Sharing and Best Practices. ICTSI Regional Senior Legal Manager Atty. Mora-Suarez conducts one of the three-part sessions.

the Data Privacy Act, citing its importance and demonstrated ways on how to comply. He also showed how to secure sensitive information in all official communication.

He likewise discussed the proper use of the Company's undertaking and consent forms, whenever sensitive information is needed.

Atty. Viniegra meanwhile last Sept. 21 gave a primer on Obligation and Contracts under the Philippine Civil Code — differentiating Obligations with Contracts and provided a background how these binding agreements should work.

Another initiative of GCLA, the Contract Template Library, an online depository of contract templates was introduced to help ICTSI departments and subsidiaries in their contract-related dealings.

Lastly, ICTSI Regional Legal Manager for Asia, Atty. Mora-Suarez discussed the Company's compliance requirements as a publicly-listed company last Oct. 2 — highlighting important reporting mechanisms to governments and other regulatory agencies.

Originally intended as a lecture-workshop for GCLA's paralegals, the series was well-attended by teams from the Corporate Group and MICT.

SPOTLIGHT

PICT gets nod for trade process optimization

BY ARIF RAZA

Pakistan International Container Terminal (PICT) constantly looks for ways to further optimize its business operations as part of its commitment to bring efficiency to the container terminal industry.

In an event organized by the All Pakistan Customs Agent Association (APCAA) and Federation of Pakistan Chambers of Commerce & Industry (FPCCI), Junaid



Mr. Qureshi discusses PICT's trade process optimization initiatives in front of members of APCAA and FPCCI members

Qureshi, PICT Operations Manager, presented several of the Company's recent trade-optimization initiatives including the Container Tracking System, which allows customers to receive mobile phone updates regarding the processing of their cargoes.

"The container tracking system leverages readily available technology to streamline and optimize our operations. This is one of several initiatives that we are working on to make our

processes more efficient. These ideas will not only facilitate trade more effectively–it will also establish a feedback system for terminal process and performance through data integration," said Mr. Qureshi.

Senior FPCCI and APCAA officials acknowledged PICT's efforts, also citing these initiatives as a good means to establish transparency and close coordination with stakeholders.

APLNavios Lapis makes inaugural call at VICT

BY FRANCES SIMPSON

Victoria International Container Terminal (VICT) continues to make strides as more vessels start making calls at Webb Dock East in the Port of Melbourne.

On 7 October, Navios Lapis made its inaugural call at VICT as part of American President Lines' newly launched China Australia 6 (CA6) service that links the Chinese ports of Ningbo, Shanghai, and Yantian to the ports of Sydney, Melbourne, and Brisbane in Australia. Built in 2009, the 4,250 TEU boxship bears the Marshall Islands flag.



Jason Kelly (left), VICT Operations Shift Lead, presents a memento to Capt. Jayart Bil Pajarillo, Navios Lapis Vessel Master, to commemorate the vessel's

MAKING THE LIST

VICT one of Australia's most outstanding projects for 2018

BY FRANCES SIMPSON

International Container Terminal Services, Inc. (ICTSI) was among the recipients of the **Australian Engineering Excellence Awards** during a gala ceremony held last September in Sydney.

ICTSI won the award for its design, build and operation of the Victoria International



AECOM and Advanced Consulting Services personnel at VICT after winning the National Australian Engineering Excellence Awards (from left): Rocco Vivarelli and Stuart Finch of VICT; Raymond Choi of Advanced Consulting Services; Matt Wheaton of VICT; Martin Hewitt, Emilio De Paulis, Trevor March, Josh Dwyer, and Kejing Chen of AECOM.

Container Terminal at Webb Dock East, Port of Melbourne. The Company shares the award with project partners AECOM and Advanced Consulting Services.

In August, VICT took home the Victorian Division Award to qualify for the national awards.

The fully automated terminal is one of the most technologically advanced, environmentally sustainable, and safest in the world. Redefining the standard of port

operations in Australia, VICT restored the role of Webb Dock East at the Port of Melbourne as an international container handling facility.

Organized by Engineers Australia --the country's principal engineering association -- the annual award shines the light on the industry's most innovative and outstanding projects and serves as an opportunity to acknowledge the significant contributions of engineers and their fields for the advancement of society.

CMSA donates shoes to kids in foster homes

BY PAULINA PEREZ-GUERRERO

Contecon Manzanillo, through its Feet with Shoes campaign, donated school shoes to children under the care of Liborio Espinoza and Los Angelitos foster homes in Manzanillo last 6 September.

A total of 66 children from Los Angelitos and 16 from Liborio Espinoza were given school shoes by CMSA employees who went out of their way to support the campaign. The turnover was spearheaded by Abraham Cigarroa Cervantes, Finance and Administration Director; Wendy Larrañaga, Human Resources Manager; Paulina

Perez-Guerrero, Social Responsibility and Communications Coordinator, and several other employees.

The Feet with Shoes campaign aims to provide children, especially those living in foster homes, with simple tools like shoes necessary for their educational and personal development. The Company believes that by providing the young generation with the opportunity to become model and productive citizens, they will be able to lead the country to a promising future.









ICTSI participates in 33rd International Coastal Cleanup

BY MICHAEL VINCENT LLORENTE

International Container Terminal Services, Inc. (ICTSI) continues to reaffirm its commitment to environmental conservation by joining the 33rd International Coastal Cleanup at the Manila Bay in Roxas Boulevard, Manila last 22 September.

ICTSI regularly participates in this annual event to spread awareness on keeping our shorelines free of pollution.

More than 180 personnel from different departments, Éco Patrols, Knights of Colombus-Tondo, and Bull Riders Club of Tondo volunteered to collect waste materials along the shorelines of Manila Bay.

Various organization, schools, local government units, companies, and nongovernment organizations also took part in the event spearheaded by City Government of Manila.

Garbage collected was segregated and analyzed to gather data, which will be used as basis for the study on how to restore Manila Bay to its original, pristine condition.

















ICTSI joins Servathon 2018

BY MICHAEL VINCENT LLORENTE

The ICTSI Foundation, together with 60 volunteers and their families, took part in the 2018 Servathon held last 29 September at the Philippine International Convention Center in Pasay.

More than a thousand volunteers from 28 companies gathered this year to assemble home kits composed of slippers, sleeping mats, blankets, and other necessities for beneficiaries in Marawi City. For this

year, ICTSI was tasked to make hand sanitizers.

A cheerleading competition was also held to provide some entertainment and foster camaraderie among the volunteers.











Newest ICTSI scholar starts journey at NEU

BY JOY LAPUZ

John Lenard Rivera, ICTSI's newest international scholar, has started his journey at the Northeastern University (NEU) in Boston, Massachusetts.

A graduate of Jose Abad Santos High School in Binondo, Manila, Mr. Rivera is the third successful recipient of the ICTSI-Northeastern University scholarship following Marlito Soriano Jr. and Coleen Dizon. Enrolled in Civil Engineering, Mr. Rivera was among 200 other senior high school students who applied for the scholarship last year.





(From left) Marlito Soriano Jr., John Lenard Rivera, and Joy Lapuz, ICTSI Foundation **Program Operations** Manager, together with personnel from the International Advancement, Global Services. and International Admissions offices at Northeastern University

COMMUNITY ENGAGEMENT

Students name roads inside VICT

BY FRANCES SIMPSON

As part of the continuing engagement with the Port Melbourne community, Victoria **International Container Terminal (VICT)** did a little crowdsourcing to decide the names of several roads inside the terminal.

Earlier in the year, Year 6 Students from Port Melbourne visited the terminal for a tour and a workshop. The 11- and 12-year-olds were asked to name four roads located inside VICT. After all the suggestions were in, the rest of the school voted on what they thought would be the appropriate names for the four roads. The names with the most votes were announced last September and they are: Dino Drive, Paradise Place, Water Way, and Aussie Avenue.



New names for VICT's internal roads: Dino drive (violet), Paradise Place (pink), Water Way (blue), and Aussie Avenue (orange).

Top Equipment Operators

SEPTEMBER 2018

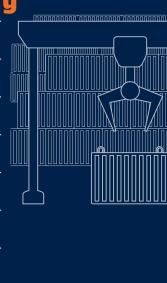


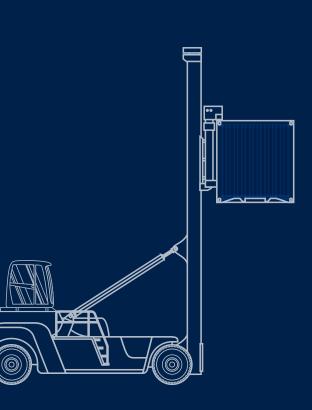
Rubber Tired Gamtry 1 FLORENTINO DE GUZMAN 2 ALEXANDER VILLACORTE 3 ANTHONY CABALQUINTO 4 TOMAS CASPILLO 5 DANILO DAYANAN 6 ROLANDO PELANTE 7 RICKY GONZALES

RAUL CABER

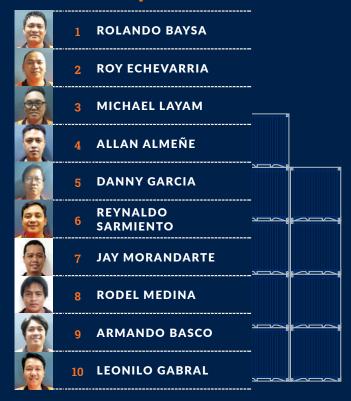
FERDINAND JAVIER

ROGELIO ESCOBEDO





Side Lifter/Stacker



Being the largest container handling facility in PNG, the Port of Lae is envisioned to maximize its potential of becoming a major port of call, mainly through SPICTL's expansion of port facilities, and complementary programs for community development

FROM RICH COAST **TO CHOICE CUISINE: WE'RE GIVING** PAPUA NEW **GUINEA'S TUNA BOUNTIES** A FIRST CLASS **JOURNEY.**

South Pacific International Container Terminal

supports Papua New Guinea's flourishing tuna fishing and production—helping ensure the topranking skipjack, bigeye, yellowfin, and albacore tunas enjoy a first-class journey: from ocean catch and past the strict standards of the world's most discerning chefs



Headquartered in Manila, Philippines, International Container Terminal Services, Inc. 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.



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

ICTSI South Pacific Ltd. Level 2 Brian Bell Plaza, Boroko, NCD 121 Port Moresby, Papua New Guinea +675-7439 0763 **■** marketingpng@ictsi.com