



**HUTCHISON PORTS**  
**PAKISTAN**

# PAKISTAN'S HIGH-TECH PORT OF CALL

Captain Syed Rashid Jamil, Chief Executive Officer, Hutchison Ports Pakistan, Karachi, Pakistan

International observers of Pakistan often perceive the country in terms of its challenges; and, indeed, there are many. South Asia's second-largest economy is ranked 144th in the World Bank's Doing Business index and faces a host of pressing issues, from flare-ups of insecurity, to power supply disruptions, to a shortage of financing options in underdeveloped regions.

To balance this one-sided perspective, I frequently invoke our country's boundless potential. Pakistan is in a prime location on the East-West trade routes. It also has a large and youthful population -- roughly 60% of our 196 million-strong country is under 25. Properly exploited, this youth bulge could support years of solid economic growth and transform the country into a trading powerhouse.

When it comes to trade, Pakistan has significant room to grow. Despite a double-digit growth in container volumes over the past five years, our total international trade in the 2015-16 period was a mere US\$65 billion. As the country develops, this value will certainly increase. As it does, Pakistan

will need the right supporting infrastructure in place. Here, Hutchison Ports Pakistan is already playing an important role.

The new terminal -- part of the Hutchison Ports network -- is truly a first for Pakistan. It is the nation's first purpose-built container terminal, the first operator within Karachi's new deepwater port, and the first in the country's container port size rankings, with its capacity scaled to handle 3.2 million TEU annually upon completion.

It is also one of South Asia's most advanced container terminals, running on a state-of-the-art operating system and endowed with the latest container handling equipment. This means that Karachi and Pakistan now have the modern gateway port that is needed to support further growth.

## OUR LOCATION ADVANTAGE

As location matters in our industry, I often receive tough questions about our terminal's positioning compared to that of other regional facilities. Yet I can think of no better place for Hutchison Ports Pakistan than Karachi.

Karachi has been Pakistan's premier port for over a century. It was built in 1854 to serve an extended hinterland covering much of today's Pakistan, Afghanistan and northern India. Even today, those looking to export from New Delhi might find Karachi to be a more direct choice than Mumbai.

An important centre of trade for many years, Karachi has built a well-developed cluster of warehousing and distribution facilities to serve the shipping industry. This has made our city hard to eclipse. In fact, despite the 1970s construction of Port Qasim, Pakistan's second-busiest port still lags behind its older neighbour in terms of throughput.

These days, there is also much discussion about Gwadar Port. But many observers forget that ports are like organisms. To grow and stay vibrant, they need a city or some other source of industrial activity nearby. Currently, Gwadar is still a fishing village. Industrial activity will need many years to develop. Therefore, when the government was

assessing the need to build a purpose-built deepwater container terminal in the early 2000s, the Karachi area was the only real option.

#### PURPOSE-BUILT AND IT-RICH

The success of Hutchison Ports Pakistan, and its ability to contribute to the Pakistani growth story, will be built on far more than geography alone: The facility offers a host of technical advantages.

One key characteristic is the terminal's purpose-built nature, a trait that is shared by no other Pakistani container port. Specifically, Hutchison Ports Pakistan was built to handle the largest containerships afloat, with a depth alongside of 16 metres and square berths that are 400 metres to a side. With these dimensions, we have no difficulty maintaining smooth internal traffic circulation and efficient stacking.

Another characteristic -- our terminal operating system -- is less tangible than but equally important as the layout. From the start, we have been using Hutchison Ports' proprietary terminal operation software package nGen.

nGen is a modular terminal-management platform. It controls and optimises port operations, including ship and yard planning, gate operations, vessel operations, yard configuration and performance, operations monitoring, equipment utilisation, productivity and cost optimisation.

Despite the fact that Hutchison Ports has used nGen successfully in other facilities for many years, adapting this tool to the Pakistani context was challenging.

For example, we needed to tailor the system to Pakistan's customs governance processes.

Local customs authorities are deeply involved in all movements of containers within the port.

Information must be provided to them when a vessel arrives, when we move containers from one block to another block, when we move boxes from the yard to the customs inspection zone, and when we accept a container from the gate.

To preserve efficiency, we built 17 message functions within nGen to help us exchange this customs data.

Additionally, we had to adapt nGen to accommodate in-person documentation delivery and payment by agents who serve as intermediaries between truck drivers and the terminal. For this, we created a built-in document-checking process.

To ensure smooth customisation and roll-out, Hutchison Ports Pakistan sourced a talented implementation team from our sister terminal, Hutchison Ports KICT, which

dedicated a few local operations experts to the project. Hutchison Ports' group operations team in Hong Kong worked with these experts consistently to transfer group best practices. Through two-way communication, and many visits back and forth, we superbly matched nGen to the local context.

#### REMOTE-CONTROL EQUIPPED

We also went to great lengths to source the latest equipment, the most impressive of which is our fleet of eight Remote-Controlled Quay Cranes (RCQCs).

While RCQCs have been deployed successfully overseas, their use at Hutchison Ports Pakistan is yet another first for the country. Prior to and during the installation, we leveraged our experiences at Hutchison Ports terminals in Saudi Arabia's Dammam and Oman's Sohar.

These facilities provided invaluable data that was used to design risk assessments, plan training sessions, select safety protection systems and hone standard operating procedures.

Thanks to this preparatory work, installation has been smooth and efficiency has risen rapidly. In fact, on 16 July, 2017 just seven months after terminal operations commenced, we achieved our highest ever vessel operating rate -- 154.12 moves per hour using six RCQCs. Of course, this rate was also Pakistan's highest.

Those who are familiar with RCQCs

would recognise many of our units' features: laser scanners that scan the profile of the ship to prevent collisions, traffic indicators that guide tractor drivers to the best positions, and a host of cameras that provide operators with many angles of observation. But crane-enthusiasts may not be as familiar with our proprietary, integrated KPI system. Hutchison Ports developed this system to collect a wealth of useful data.

A time-stamped performance reading is recorded at 14 points along the container movement cycle. Subsequent analysis yields useful insights that help us improve the loading/discharge sequence, graphic user interface, manual-auto handover logic, and standard operating procedures.

#### PERFORMANCE

Ultimately, our attention to sourcing the latest equipment, customising technology and cultivating people has paid off. On average, Pakistani container terminals tend to be congested, and efficiency tends to be low. Yet we routinely operate at 25 to 30 moves per hour and have no congestion to speak of.

While this has earned us positive feedback from our customers, the greatest beneficiaries in the long run may be the Pakistani people. Current investments in the country, combined with the growth of the middle class, are creating the conditions for accelerated trade. Hutchison Ports Pakistan is ready and able to be a facilitator of this exciting evolution.

#### ABOUT THE AUTHOR

Captain Syed Rashid Jamil is Chief Executive Officer of Hutchison Ports Pakistan, part of the Hutchison Ports network. He has worked for Hutchison Ports since 1997, when he joined Hutchison Ports KICT. There he held multiple roles, including that of Chief Operating Officer, prior to taking the position of Deputy CEO in 2012 and, subsequently, CEO of Hutchison Ports Sohar in 2013. He was appointed Project Director of Hutchison Ports Pakistan in 2015 and became CEO soon after. He began his professional career as a seafarer in 1971 and moved to shore as a Port Captain with Pakistan National Shipping Corporation in 1986. He then worked as Pakistan Sales Manager at Sea Land Pakistan Agencies.

#### ABOUT THE ORGANISATION

Hutchison Ports Pakistan is situated at the estuary of the Keamari Groyne basin, a location that provides the most convenient access to ships entering Karachi as well

as a depth alongside that accommodates the largest vessels afloat. Hutchison Ports Pakistan is a member of Hutchison Ports, the port and related services division of CK Hutchison Holdings Limited. Hutchison Ports is the world's leading port investor, developer and operator with a network of port operations in 49 ports spanning 26 countries throughout Asia, the Middle East, Africa, Europe, the Americas and Australasia. Over the years, Hutchison Ports has expanded into other logistics and transportation-related businesses, including cruise ship terminals, airport operations, distribution centres, rail services and ship repair facilities.

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