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Sri Lanka Shippers Council punctuates electronic exactitude to Colombo-bound shipping lanes



At the head-table: Chrisso de Mel, Second Vice Chairman, SLSC, Nalin Silva, First Vice Chairman, Sean Van Dort, Chairman, and Dinesh de Silva, Immediate Past Chairman. (Pics by Ranjith Wimalasiri)

The Sri Lanka Shippers' Council (SLSC) held its 45th Annual General Meeting last week.

Incumbent Chairman, SLSC, Sean Van Dort, recording achievements of the council, said the shipping industry, and handling cargo in the Colombo port shed its archaic system of documentation and moved the complicating process of shipping to and from Colombo within a computerized focus.

In congruence with international demands, movement of cargo and shipping adhering to established shipping lanes, the industry moved into the updated concept of electronic cargo handling, he said.

The growing importance of Colombo placed strategically in the Indian ocean and its trade transit status was progressive transition. Comparing its days of predominance of manual handling of cargo was in stark comparison to its impact on the movement of shipping; as seen within the current context of cargo transition, he noted.

The Colombo port, as it now stands, is a busy cargo handling destination, that also caters to cargo exchange, fuelling, and transit needs, Van Dort said.

He said the progress in the port of Colombo was attributed to the current Minister of Finance, Ravi Karunanayake, when he was in the opposition, and also in the UNP Government of 2001. He was Minister of Trade at the time.

Contribution to modernization of the port was attributed to Minister Lalith Athulathmudali. The focus for modernization was planned and executed by the Government at that time initiated by Minister Athulathmudali. Fortunately, those plans were not thwarted or changed. Continuation of those plans are ongoing, Van Dort observed.

He said that Sri Lanka would be the first in this part of the world to engage in import and export documentation electronically.

Minister Karunanayake was invited as the chief guest, but he declined due to a busy schedule. An announcement that he regretted his absence was made at the AGM.

Guest of Honour, Tissa Wickramasinghe, General Manager – Commercial & Marketing, Colombo International Terminals Ltd., (CICT), in a forthright dissertation of the shipping industry, indicated that Colombo was a transshipment location that did not generate expected shipment volumes. However, he said, given Sri Lanka's geological location to service ultra large carriers, and the end focus that Colombo would in time become a transit port was a real projection. Current planning was in consonance with expectations for the future.

"The port generates shipping lines that generate cargo. The port does not generate cargo unless the ship is in. For example, Colombo has already been established mainly because of its transshipment volumes", Wickramasinghe said. "There is substantial room for improvement".

When domestic cargo volumes are high, ships call at port, results being that ships follow cargo. The shipping line becomes the captive market. "But, in the

current context, the contrary position is the real situation. They dictate terms, and we have to follow. This position prevails at the port of Colombo".

"For Colombo to develop, we will have to make shipping lines a captive market. If and when that happens, given our geological location to serve ultra large carriers that are coming out as if there is no tomorrow, that would and should be our focus", he noted.

These ultra large carriers created that volume and it was in 2014 that these carriers started calling in at Colombo, he said.

The development of the Colombo port was largely financed by the Asian Development Bank as a cost of US\$ 485 million. The government of Sri Lanka too partly contributed to this effort. The cost of the Terminal was US\$ 550 million. Such expenditure combined was in

excess of a billion dollars. A further two terminals are planned for additional development, he explained.

Wickramasinghe further said that when Mangala Samaraweera was Minister of Ports, he signed an agreement with the US, which gave Sri Lanka First Port Status. "This gave the country a huge plus to drive US volumes. This would also give us a plus advantage in transit movement of mega ships that would call in at Colombo".

"Domestic volumes have to be improved. We would then not be subservient to international shipping pressures", he stressed.

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