


Moving into the big league

The RM155mil expansion of the Swettenham Pier Cruise Terminal will finally start early next year after a delay of more than a year. Upon completion of the project, the terminal should be able to handle 1.7 million passengers a year by 2021 and 12,000 passengers at any one time.

> See reports on Page 9



Glory days ahead: North Butterworth Container Terminal in Butterworth, Penang, is set to be a major player. — LO TERN CHERN/The Star

Penang cruise terminal to be expanded

CEO: Plans in progress to position terminal as a home port to cruise vessels in the region

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GEORGE TOWN: After more than a year's delay, the RM155mil expansion of the Swettenham Pier Cruise Terminal (SPCT) is set to begin early next year.

Upon completion, the joint venture project between Penang Port Sdn Bhd (60%) and Royal Caribbean Cruises Ltd (40%) would be able to handle 1.7 million passengers a year by 2021.

It can also cater to 12,000 passengers at any one time.

The cruise segment registered 1.2 million passengers last year.

Penang Port Sdn Bhd (PPSB) chief executive officer V. Sasedharan said plans were afoot to position the terminal as a home port to the cruise vessels in the region.

He said the terminal could take in Oasis-class cruise ships, such as the Symphony of the Seas, which is the biggest passenger liner in the world, upon completion of the expansion works.

He said about RM4mil had been spent on carrying out hydraulic studies as part of its due diligence before work began on building the berth.



In the works: Sasedharan showing the expansion of SPCT.

"The expansion is not merely to bring in the big ships, but also to create a synergy for the development of the state's economy.

"Ultimately, we have to look into being a home port to cruise vessels. It is a natural thing to do as Penang port is the only port in the country

which has a cruise terminal.

"There is a lot of work to be done if Penang is to be a home port.

"We need the infrastructure to combine a seamless travel of air, sea and land as well as provide world class service to achieve such a status," he told *The Star*.

PPSB has been given a 30 years lease on the 13,000 sq m land where under the expansion plans, the existing 400m berth would be extended by 220m with an additional 118m-long "mooring dolphin" used to secure ships from drifting.

Upon completion, the terminal would be able to handle two mega-sized cruise ships simultaneously on the outer berths along with one small- and one medium-sized ships on the inner berths by end 2019.

Sasedharan said cruise line passengers are high-end travellers, adding that the spin-off of Swettenham Pier becoming a home port was enormous as it could be a catalyst of growth for the local economy.

"If we are home port to a cruise vessel, its passengers would usually arrive a few days earlier by air and stay in local hotels until the ship departs.

"If we want to be a home port to these cruise vessels, we have to be ready to handle the arrivals at every gate, from the moment they touch down in Penang.

"If 3,000 passengers fly in, the present Penang International Airport would not be able to handle them as it is already bursting at

the seams.

"What if there are two cruise liners waiting at the home port of Penang, or about 7,000 passengers arrive early. Would the hotels and retailers be able to cater for such an influx?" he asked.

He said Singapore Port is a success story in promoting cruise liners as it has first class supporting infrastructure and services.

Sasedharan said PPSB was trying to leverage on the advantage of being the only port with a cruise terminal to increase the growth of its port business.

He said SPCT contributed 30% of the overall profits, with 70% coming from the cargo segment, especially the North Butterworth Container Terminal.

"While cargo business forms the chunk of our revenue, we need to leverage on the cruise business as it could be a bigger contributor during an economic downturn which would first affect the container business.

"We have missed a lot of opportunity in bringing in bigger ships due to the delay of the expansion.

"We expect our growth to accelerate once the work is completed," he said.