

Bahrain Gateway: Khalifa Bin Salman Port profile

Kamal Ahmed, Chief Operating Officer, Economic Development Board, Bahrain

The opening of the new Khalifa Bin Salman Port later this year will see the Kingdom of Bahrain enhance its traditional place at the centre of transport and trade in the region, particularly for destinations in the Upper Gulf.

Khalifa Bin Salman Port is strategically positioned in the middle of the Arabian Gulf and offers capacity, efficient operations, fast turn-around times for vessels and short transit times. The port's location in the heart of the Gulf Cooperation Council (GCC) will make Bahrain an ideal choice for carriers trans-shipping containers to the important and rapidly expanding Upper Gulf region, particularly the markets of Kuwait, Iraq, Saudi Arabia, Qatar and northern Iran. It has been built with this Upper Gulf market specifically in mind, and will make Bahrain a cost effective location for carriers to trans-ship containers in this growing market.

In 2006, APM Terminals, the world's second largest terminal operator, was awarded a concession to manage and operate the existing port, Mina Salman, until such time as Khalifa Bin Salman Port was completed. This agreement has subsequently been followed by a 25 year operating concession from 1st February 2009, when the Bahrain government handed the port over to APM for commissioning and operating.

Once Khalifa Bin Salman Port is completed, APM Terminals plans to migrate operations from Mina Salman Port over a six-week period. This is primarily to accommodate cargo storage for import and export. From a vessel point of view, the switch will be immediate. At the end of one week actual operations will cease at the old port and they will begin at the new port from the beginning of the next. Iain Rawlinson, Chief Commercial Officer for APM Terminals Bahrain says that the main reason for this is one of "available labour and logistics. The old port has four gantries, so has the new – this approach ensures that we don't have to operate both facilities at the same time".

Construction

With a quay wall of 1.8 km, an operations depth of 15 m and cranes capable of handling vessels with an 18 stack width, Khalifa Bin Salman Port has been created specifically for the shipping needs of the 21st Century.

Built on a site of approximately 900,000 m², the port has been designed to allow for future expansion. A planned initial throughput of 1.1 million 20-foot Equivalent Units (TEUs) can rise to about 3 million TEUs, nearly the size of Felixstowe (AAPA Port Rankings 2006), as market demand increases.



Figure 1. The port is equipped with four new Post Panamax cranes, each fitted with twin spreaders.



Figure 2. 12 RTGs have been installed, each with GPS.

Equipment

The new equipment installed at the port is ‘tried and tested’ and ordered to meet the specific needs of the Upper Gulf market. APM Terminals worked closely with the Bahrain government to develop the specification. This meant that APM could essentially tailor the requirements, including equipment, to what it believed were the needs required to allow the port to operate efficiently now and to develop and expand over the foreseeable future.

The port is equipped with four new Post Panamax cranes, each fitted with twin spreaders. Rawlinson notes that this specification is not the highest capacity, but the design suits the size of the Upper Gulf market and is the most flexible in dealing with new demands or unforeseen trends in the market.

Twelve new Rubber Tyred Gantry cranes (RTGs) have also been installed and each of these have been equipped with Global Positioning Systems (GPS) as part of the installed Navis SPARCS system. This tried and tested system, which is in use in most of the leading container terminals worldwide, provides the port management with real-time information on container movements and position. Special attention has also been paid to the design of the RTG cabs to maximise the comfort and therefore the operational efficiency of their operators. This is particularly important since outside temperatures in the Gulf frequently exceed 30 degrees.

In addition, the new port also has a passenger terminal, two Ro-Ro ramps and enhanced general cargo facilities. A dedicated facility for handling aluminium ingots will service Bahrain’s increasingly important aluminium manufacturing industry.

Operating efficiency

Efficiency has been a watchword in the port specification. For example, a water recirculation system has been installed which catches the run-off water from machinery cleaning and hosing, allowing it to be filtered and reused. This is particularly important in a region where water has historically been a scarce and an increasingly valuable resource.

To reduce costs and further increase operating efficiency, all the RTGs have been fitted with foam-filled tyres. The foam is only slightly denser than air but the use of these tyres has reduced the number of punctures from running over dockside debris from eighty a month to virtually zero. As Rawlinson notes “this has not only cut a significant cost in tyres but it means that we have more equipment operational and available, again contributing to the port’s overall efficiency.”

Rawlinson believes that the combined effect of careful planning and judicious investment has been to increase efficiency through the use of technology, deliver greater operational reliability because of new equipment, and provide greater space for container storage.

All this will greatly increase the efficiency of cargo management around the port, increasing throughput and, because carriers are not delayed, saving in transport time and overall cost.

Impact on the market

Bahrain is at the geographical heart of the Upper Gulf and the region has needed a new port to manage the continually growing demand for cargo transport, which is conservatively estimated to be growing annually at around 10 per cent.

Due to its location, the Khalifa Bin Salman Port is better placed geographically than Dubai’s Jebel Ali port to serve large and rapidly developing markets such as Iraq, Iran, Kuwait and Saudi Arabia.

The new port’s modern facilities will allow mother ships from Europe, Asia and America to dock directly in Bahrain without having to unload and transfer cargo at Jebel Ali to local feeder

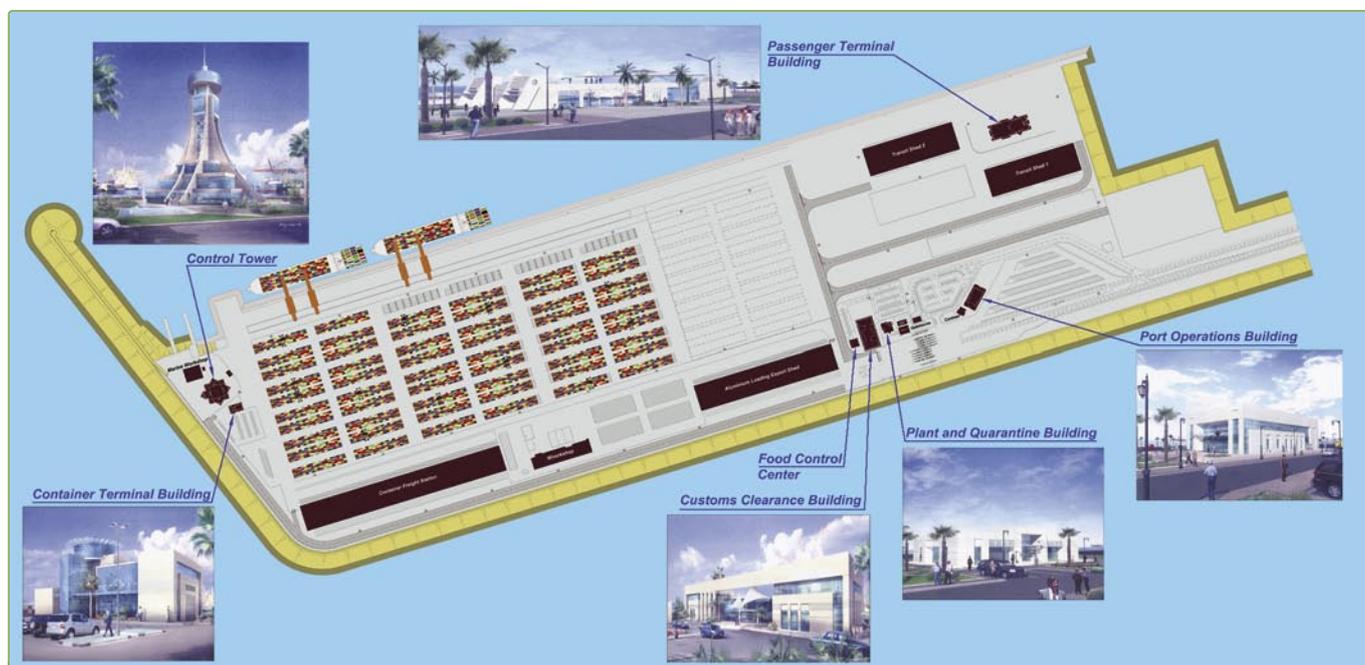


Figure 3. Port layout.

vessels to the Upper Gulf. This saves considerable time and money for customers. For example, Transit time from Bahrain to Basra in Iraq is only 14 hours, and it is much closer to Kuwait and other important ports such as Bandar Iman Khomeini in northern Iran or Jubail in Saudi Arabia.

With fuel costs hard to predict and companies looking for reliability and cost efficiency, carriers require the ports they call on to deliver the service levels they are committed to. Khalifa Bin Salman Port is ideally positioned to provide carriers with the ability to offer regular weekly services to the region's ports at slower steaming speeds yet with longer port stays – thus allowing carriers to build more flexibility into their regional networks and still keep costs down. Several carriers have already expressed interest in the opportunities afforded by the port's unique position and facilities. The presence of warehousing, which is suitable for the reworking of Upper Gulf cargoes in Bahrain, is an added incentive for carriers currently weighing up their options.

Related infrastructure

Significantly, the port is immediately adjacent to the Bahrain Logistics Zone (BLZ) and the two entities work closely together. The relationship is a symbiotic one, with both benefiting. The BLZ, which has its own customs operations, is the Middle East's first multi-modal logistics hub and focuses on re-export and value-adding logistics activities. Because of these facilities, goods are therefore able to move efficiently between the port and the BLZ. Additionally, the BLZ is only 13 km from Bahrain's international airport, and can claim the shortest logistics transfer time to and from sea and air in the Gulf. The zone has been designed to capitalise on Bahrain's proximity to Saudi Arabia and is only 40 km from Al Khobar in Saudi Arabia via the Bahrain-Saudi Arabia Causeway.

Future

Bahrain has a long tradition as the trading hub of the Gulf. The development of Khalifa Bin Salman Port ensures its future relevance and allows it both to keep up with the dramatic market growth in the region, and to take advantage of the major developing markets in countries such as Iraq and Iran.

Khalifa Bin Salman Port also allows Bahrain to reassert its role as the leading regional trading hub in the Upper Gulf, having been overshadowed in recent years by Dubai. Shaikh Mohammed bin Essa Al Khalifa, Chief Executive of the Bahrain Economic Development Board, underlines the development's importance: "Bahrain is the long-established trading heart of the

TABLE 1: KHALIFA BIN SALMAN PORT – KEY STATISTICS

Container Terminal/ General Cargo Area:	900,000 sq. metres
Warehouses:	23,600 sq. metres
Terminal storage capacity:	10,800 Ground Slots
Berths (Length):	1,800 metres
Type of Berths:	900m Container 600m Conventional/RoRo Cargo/ 300m Passenger
Equipment:	4 Post Panamax Cranes 61 mt 12 RTGs 26 Forklifts 2.5-3-15 mt 1 Top Loader 38 Yard Trailers 2 Reachstackers 3 Empty Handlers 28 Terminal Tractors 6 Gantry Spreaders 2 Shuttle Carriers
Maximum Depth at Quayside:	15m
Container 1:	15m
Container 2:	15m
Container 3:	15m
Conventional Cargo:	15m
RoRo:	15m
Electric Reefer Points:	840 Plugs
Anchorage Time:	0 Hours
Security:	24/7 Surveillance, Gate Access Control, Mandatory Gate Pass

Gulf and the opening of the Khalifa bin Salman Port, together with the Bahrain Logistics Zone, consolidate our trading leadership and history."

As Bahrain continues to evolve and adapt to the demands of the 21st Century it is becoming very well equipped to cope with global trade. The new Khalifa Bin Salman Port will help Bahrain to continue to offer its customers unrivalled cost efficiency, strategic positioning and the most liberal open gateway in the Gulf.

ABOUT THE ORGANISATION

The **Bahrain Economic Development Board (EDB)** is a public agency with overall responsibility for the economic development strategy of Bahrain, and for creating the right climate to attract direct investment into the Kingdom.

The role of the Bahrain EDB is to provide leadership by uniting all of the Kingdom's shareholders through a unified vision, and to develop key strategies for growth. The Bahrain EDB also acts as a facilitator, helping all of Bahrain's stakeholders to understand and adopt the changes necessary for progress. In addition, the Bahrain EDB provides sound project management to ensure that all agreed reform initiatives are implemented in an effective and timely manner.

ENQUIRIES

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