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## Sustainability Remains The Highest Premise



*Even though productivity is the key premise in PSA's mentality, yet it is allowed to be compromised by a higher one: sustainability, writes stars Alumna **Anja HREŠČAK**, Slovenian based journalist who visited the world's most prominent transshipment hub, PSA's terminals in Singapore, on the occasion of the stars Singapore symposium 2022.*

Words can hardly describe the immense capacity of the biggest transshipment hub in the world; countless containers of different colours piled up and lined up in seemingly endless rows covering almost every inch of spare land between quays and terminal routes. Traffic is heavy there; pathways are busy with trucks in different sizes, moving containers inside the terminal and from one vessel to another or from one pile to another. The shoes you're wearing, the computer you're working on, the smartphone ringing in your pocket, the car you're driving or the refrigerator storing your food might have passed through one of these terminals. The port of Singapore and its two operators are at work day and night accommodating vessels, sorting the goods to eventually provide us with the commodities surrounding every part of our being. Approximately 80 percent of containers arriving in Singapore are eventually transmitted to another location. PSA is a leading global port group and the bigger of two terminal operators in Singapore. Nine container terminals and an automobile terminal among others – sit in its domain.

The economy of Singapore is characterised by export, by trade; the city-state's natural deep seaports and geostrategic location at the crossroads of the most important shipping canals makes the maritime industry a major economic sector accounting for almost seven percent of the country's GDP and more than 170,000 jobs. PSA that operates Singapore's transshipment container terminal is most definitely a vital part of the city's maritime sector.

Words put in figures: on the territory, expanding over more than 822 hectares and quay length more than 21 kilometres alongside the coastline of Singapore, PSA handled 37.2

million TEUs (TEU stands for the twenty-foot equivalent unit and is the basic unit for vessel container cargo) in 2021; accounting for almost one-seventh of the world's total container transshipment throughput. The automobile terminal handled 1.31 million tons of general cargo and 851,000 vehicles in 2021. Each year more than 130,000 vessels reach Singapore's port. The silhouette of the city-state of Singapore is accordingly impressive providing a picturesque backdrop for hundreds of crane installations.

PSA's terminals in Singapore port are connected to more than 600 other ports worldwide and vessels that stop here eventually sail to every major port worldwide. More than 34 ships sail to South-Eastern-Asian ports every day, more than 12 to China including Hong Kong and Taiwan, at least four to Europe and at least two to USA, Japan and Australia daily. PSA's global revenue in 2021 exceeded 4.67 billion Singapore dollars (approximately 3,21 billion euros).

The port itself and PSA particularly is an ever-expanding entity. Five years ago PSA International included a global network of operations and infrastructure in 16 countries, 27 individual locations and operated 43 deep sea, inland and rail terminals. It has grown to being present in 26 countries, 56 specific locations and operates 65 terminals. In April 2022, it completed the acquisition of BDP International, a leading integrated supply chain and logistics solutions provider with over 130 offices worldwide. Despite the fact that Singapore as a city state has limited land space, PSA keeps expanding with newer, better, more sophisticated and bigger terminals and cranes – taking the space needed from the sea.

No wonder as the basic means of service in logistics has expanded as well: vessels are larger and massive corporations merge into mega alliances. Only 40 years ago the biggest constructed vessel Hamburg Express was 230 meters long and could carry as much as 2950 TEUs (meaning containers). By the beginning of the new millennium vessels grew by a hundred meters and the biggest one – Charlotte Maersk – could carry almost 9000 TEU. Today the biggest mega-vessel, Evergreen A class, can carry as much as 24,000 TEU on its 400-meter-long deck. Port-evolution ultimately followed this mega-ship evolution. As the massive Evergreen A class measures 43 meter in height as well as in width, mega berths were needed to accommodate such mastodon and deeper drafts had to be provided in the ports so the floating skyscraper could sail in. The biggest so-called quay cranes at the terminals are now 52 meters tall and have 70 meters outreach. PSA offers 15 such mega berths with a capacity for more than 15 million TEUs annually.

One of the world's most sophisticated and modern terminals, Tuas, is currently being constructed to be fully operational by 2040, with the first berths already on stream. It will not be merely the world's biggest container terminal but one of the first next generation ports – a fully automated terminal which will incorporate numerous innovative technologies, representing the heart of the company which started as the port authority before transforming to port operator and is now gradually evolving as a global supply chain player, focusing not only on transshipment but on creating value-added logistic services connecting supply chain stakeholders on one digital platform. PSA's existing digital platform does not only offer data exchange but complete orchestration of logistics. Or as the company puts it: »PSA is reimagining logistics.«

Today PSA's digital solutions connect the cargo owners, operators and terminals, merging event data with cargo data. Its app is the google maps of logistics. The trade data sharing platform increases supply chain efficiency.

Yesterday's and today's pandemic related turmoil strengthens PSA's belief that it can contribute to more sustainable cargo movements. So not only does PSA want to grow, but it wants to be better, too, by gradually lowering carbon emissions.

For one, PSA is focused on enhancing energy efficiency within the port and it is working towards zero-emission operations by 2050. And one step further is the renewable energy sources within ports territory. Solar systems have already been installed in some of PSA's properties worldwide. New terminal Tuas will not only be fully automated but ultimately seek to create its own energy source. Even though productivity is the key premise in PSA's mentality, yet it important that any productivity enhancements be complemented by the need for sustainability. Even in an industry such as port transshipment PSA is proving it is possible.



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