

محطة بوابة البحر الأحمر
RED SEA GATEWAY TERMINAL

Ripples

TALK

Issue 05 / June 2015







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Managing Director's

Message

RSGT has made significant contributions to the growth of the port industry over the past five years, not only in Jeddah but also across the region network of ports under the Saudi Ports Authority. Through innovation and dedicated customer service, RSGT has built an unrivalled reputation as the Home of Mega Vessels by continuously setting industry standards

RSGT's remarkable achievements are driven by ongoing strategic investments in man power and advanced equipment. The first six months of this year (January – June 2015) have registered exceptionally good performance. In recognition of this performance, we have received two of the biggest vessels in the industry during this period: The CSCL Globe and the Mayview Maersk. The total throughput reflected a significant growth in overall TEU due to further improvement in planning and equipment availability levels.





While we are raising efficiency and handling capacity through investments in our operating systems and equipment, we keep in mind our overall business attitude which is shaped by our overall value “responsible care”. The people of RSGT understand that, on the long time run, success in business can only be achieved, if a company takes adequate care of all stakeholders in the value chain, namely employees, customers, shareholders and the society.

We also continue to invest in additional yard and equipment to improve our product. More cranes and yard equipment are already on order, in support of our future expansion plans.

I therefore, seek continued patronage of our valued customers, cooperation of our employees and thank our well-wishers who have contributed to the growth of the organization. It gives me tremendous pride to be able to call on the support of RSGT’s team of dedicated professionals as we meet challenges ahead and chart new course for success.”



Commercial

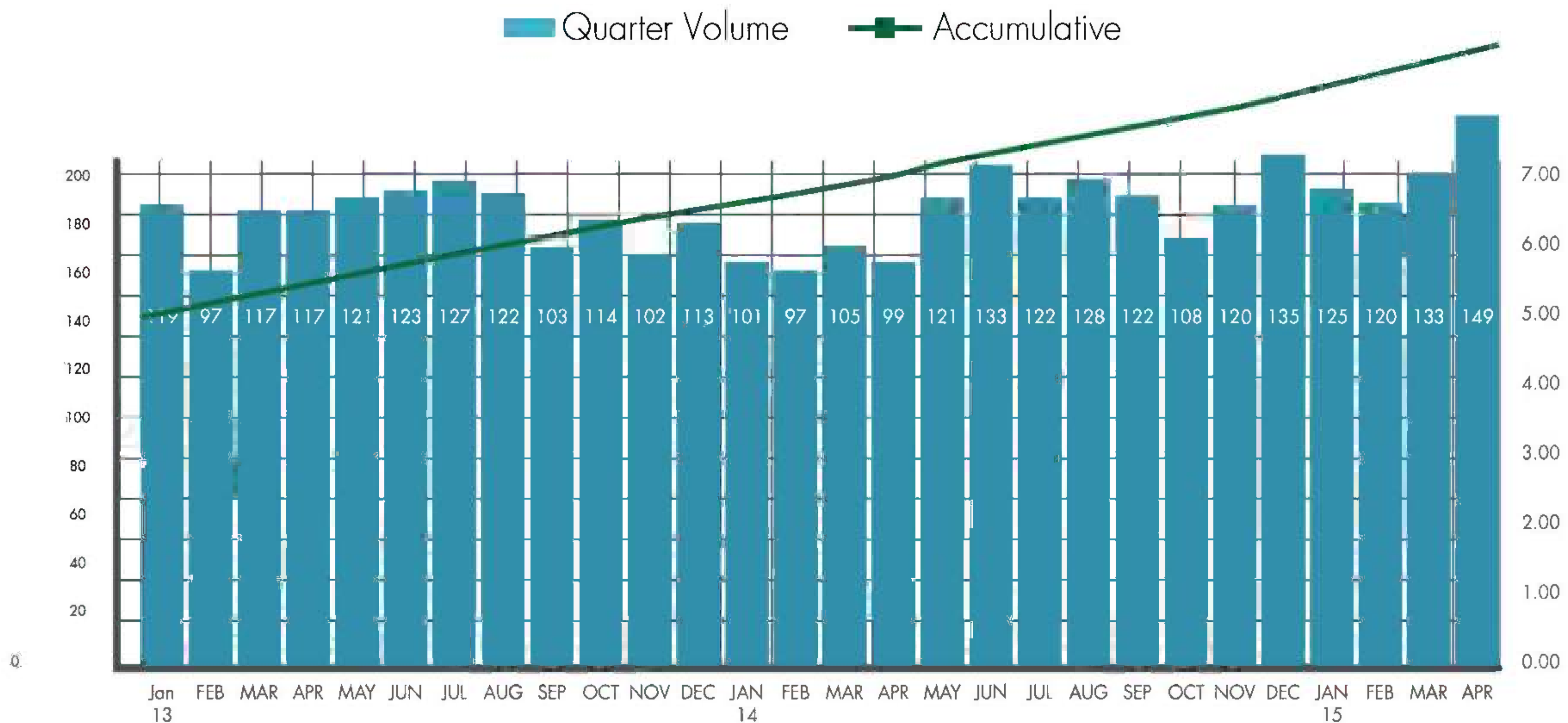
RSGT completed 2014 handling a total of 1.4M TEU container, with an overall local volume for Jeddah's gateway ratio of 61%.

The first quarter of 2015 followed a strong finish in 2014, marking the highest volume achieved in a quarter year with a total of 377K TEU throughput.

The gateway ratio in the first quarter of 2015 has also increased to 63% of the total volume handled.

In April 2015, RSGT handled the highest monthly throughput with 149K TEU, breaking all records since the start of commercial operations in 2009.

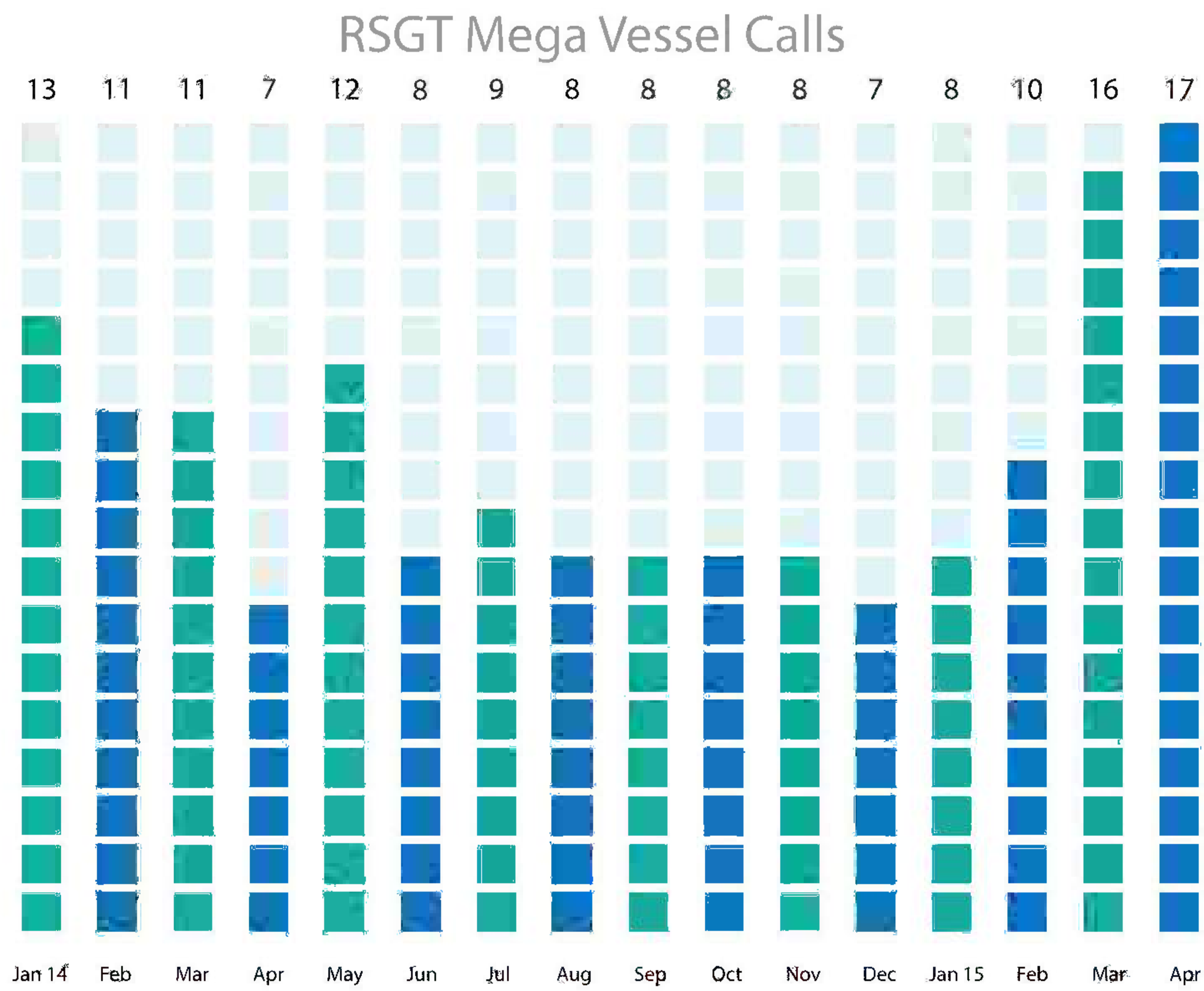
RSGT Volume Growth





Since June 2011, RSGT has handled a total of 427 mega vessels with more than 10,000 TEU.

In March 2015, RSGT handled one of the largest container vessels in the world, CSCL Globe with a capacity of 19,100 TEU, asserting RSGT as the terminal of choice for mega vessel calls in Jeddah.

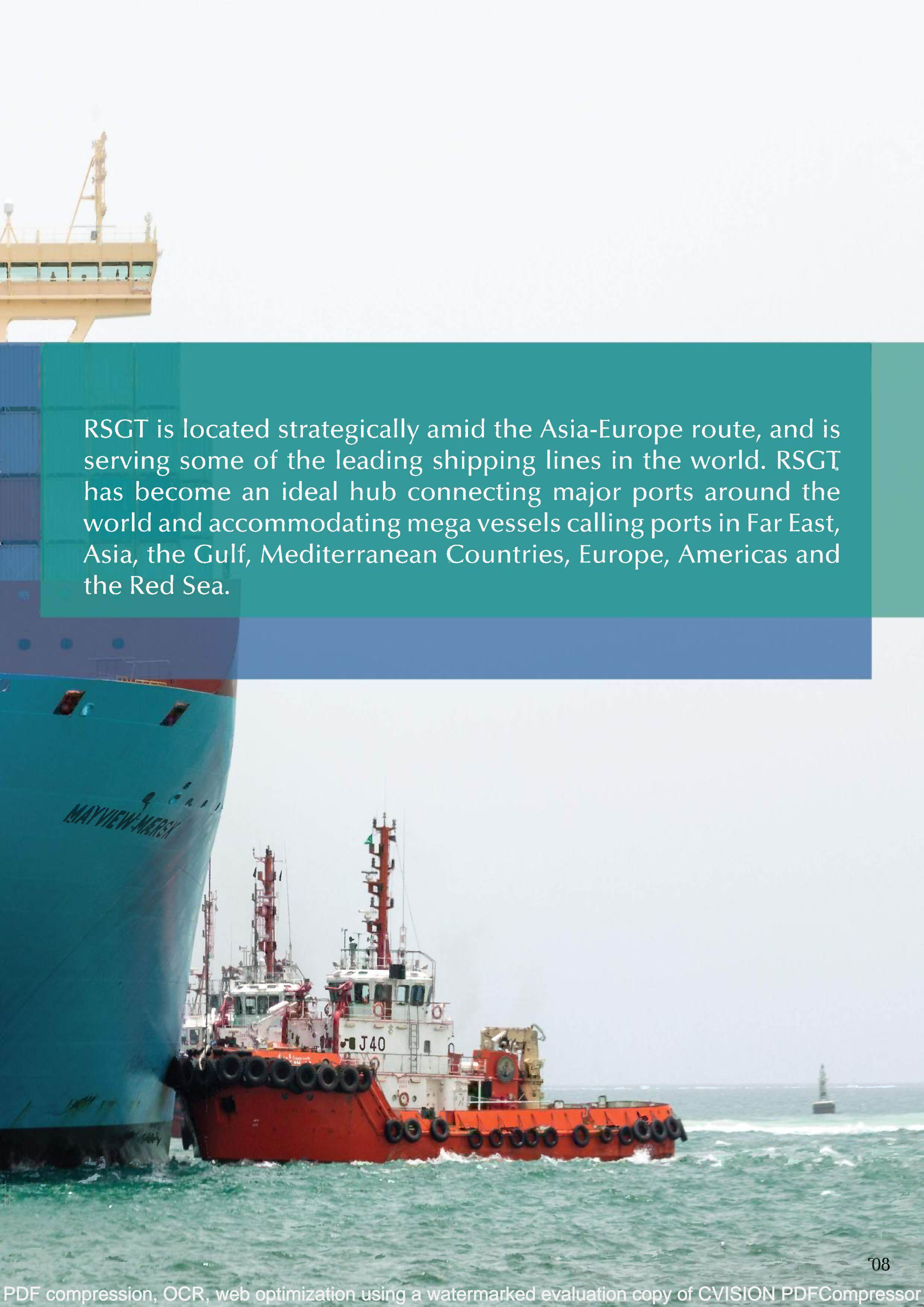


Main Line Service Coverage

AEC8 / AEX7 / FAL2	UASC / CSCL / CMA	Asia Europe Container Service 8 (UASC) / Asia Europe Service (CSC) / French Asia Line 2 (CMA)	Rotterdam - Hamburg - Zeebrugge - Le Havre - Jeddah - Port Kelang - Shenzhen-Shekou - Ningbo - Shanghai - Hong Kong - Shenzhen-Yantian
AMC1	UASC / CSCL	Asia - Mediterranean Container Service 1	La Spezia - Genoa - Fos - Barcelona - Valencia - Port Said - Jeddah - Khor Fakkan - Port Kelang - Qingdao - Shanghai - Ningbo - Shekou - Port Kelang - Port Said - La Spezia
FAL3	CMA	French Asia Line 3 (CMA)	Le Havre - Hamburg - Bremerhaven - Rotterdam - Southampton - Zeebrugge - Beirut - Jeddah - Port Kelang - Singapore - Tianjin Xingang - Dalian - Busan - Qingdao - Shanghai - Yantian - Singapore - Port Kelang - Le Havre
MINA	UASC / HJS	Middle East - Indian Subcontinent - North America Service	Khor Fakkan - Jebel Ali - Port Qasim - Nhava Sheva - Jeddah - Port Said - La Spezia - Genoa - Barcelona - Valencia - Algeciras - New York - Norfolk - Savannah - Algeciras - Valencia - Genoa - Port Said - Jeddah - Khor Fakkan
GEM1	UASC / CSCL / CMA	Gulf - East Mediterranean Service	Port Said - Mersin - Istanbul - Izmir - Port Said - Yanbu - Jeddah - Khor Fakkan - Sohar - Port Sultan Qaboos - Karachi - Hazira - Mundra - Khor Fakkan - Jebel Ali - Bahrain - Jubail - Khor Fakkan - Jeddah - Yanbu - Port Said
ME1	Maersk	Europe - Middle East (Roundtrip)	Jebel Ali - Jawaharlal Nehru - Mundra - Salalah - Jeddah - Port Tangier - Felixstowe - Antwerp - Bremerhaven - Wilhemshaven - Rotterdam - Aqaba - Jeddah - Jebel Ali - Jawaharlal Nehru - Mundra
ME2	Maersk	Europe - Middle East (East Bound) Europe - Middle East (West Bound)	Marsaxlokk - Port Tangier - Algeciras - Valencia - Barcelona - Genoa - Port Said - Jeddah - Salalah - Jebel Ali - Dammam - Jubail - Abu Dhabi - Jebel Ali - Dammam - Jubail - Abu Dhabi - Jebel Ali - Jeddah - Port Said - Marsaxlokk - Port Tangier - Algeciras - Valencia - Barcelona - Genoa
ME3 E	Maersk	Europe - Middle East (East Bound)	Novorossiysk - Ambarli Port - Izmit Korfezi - Izmir - Mersin - Iskenderun - Beirut - Jeddah - Jebel Ali - Pipavav - Hazira - Jawaharlal Nehru
ME5	Maersk	Europe - Middle East (East Bound) Europe - Middle East (West Bound)	Algeciras - Valencia - Genoa - Port Said - Aqaba - Jeddah - Djibouti - Salalah - Colombo - Chennai - Chennai - Colombo - Salalah - Jeddah - Aqaba - Port Said - Algeciras - Valencia - Genoa
HOA	Maersk	Horn of Africa	Tanjung Pelepas - Jebel Ali - Djibouti - Jeddah - Port Sudan - Djibouti - Laem Cha Bang - Tanjung Pelepas



RSGT: Home of the
Mega Vessels



RSGT is located strategically amid the Asia-Europe route, and is serving some of the leading shipping lines in the world. RSGT has become an ideal hub connecting major ports around the world and accommodating mega vessels calling ports in Far East, Asia, the Gulf, Mediterranean Countries, Europe, Americas and the Red Sea.

Container Logistics Division

Customer Stickiness Program:

With continuous efforts and direct focus on Customer Stickiness CLD-Customer Relations team has managed to attract customers' interest towards RSGT and was able to secure more business with constant visits.

Mobile application:

RSGT has taken its Customer Stickiness Program to a different level to reach out to clients, providing basic information that will be useful for them as individuals and as a company.

Therefore, the Container Logistic Division-CLD- is reviving the Mobile Applications as they are the most common means of communication in the current business world.

The Mobile Tracking Solution Applications designed by RSGT will provide users with real-time information on the go. Whether you are a shipping line, agent, trucking company or consignee, you will have instant access through your smart phone from anywhere on the globe to monitor the data which would enable you to keep track of your precious cargo.

Value Added Services:

Additional channels for communication to facilitate customer service such as "Mobile Application – E-Service" are to enable our customers to track and trace online:

- Consignment
- Vessel Status
- Berth Schedule
- Invoice Status
- News updates
- Feedback and Complain



Container Logistics Division Front Desk Outside JIP

The advancements in mobile apps and the clearing agents' handbook add additional milestones to the list of achievements at RSGT. CLD has always been dedicated to providing corporate clients with flawless, cost-effective communication solutions for their business needs. In order to achieve this, it is proposed to have a separate front desk operation office. This practical step will not only be helpful for clearing agents and transporters, but will be equally beneficial for consignees to follow their consignments directly. Thus, a transparent system would be evolved and this office may contribute a lot to minimize the load from the existing CLD office.

CLD team is excited to bring this new customized corporate service to customers by leveraging their proven expertise and leading-edge technology. This will help enhance communications with customers and speed up operational efficiency and effectiveness.

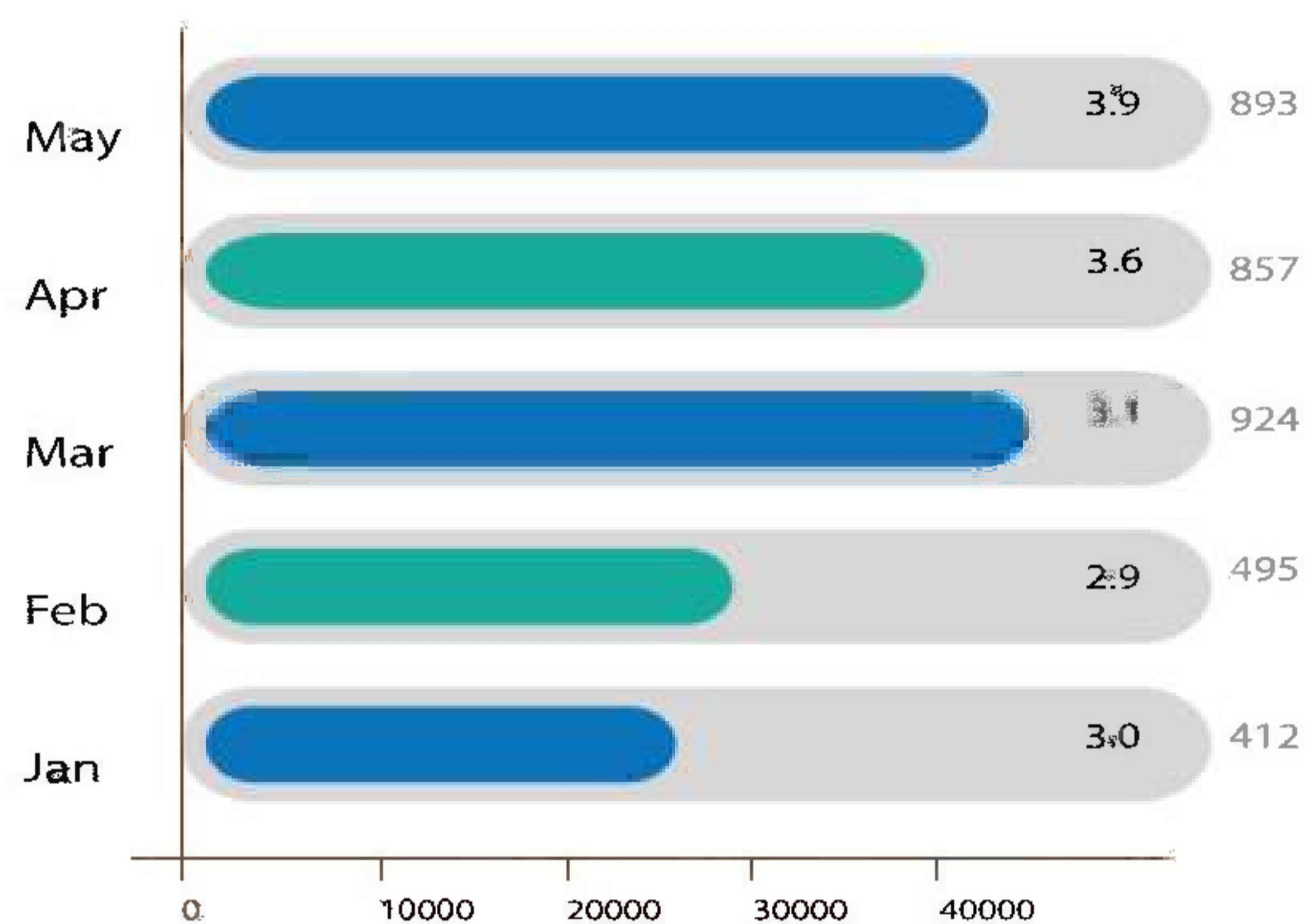
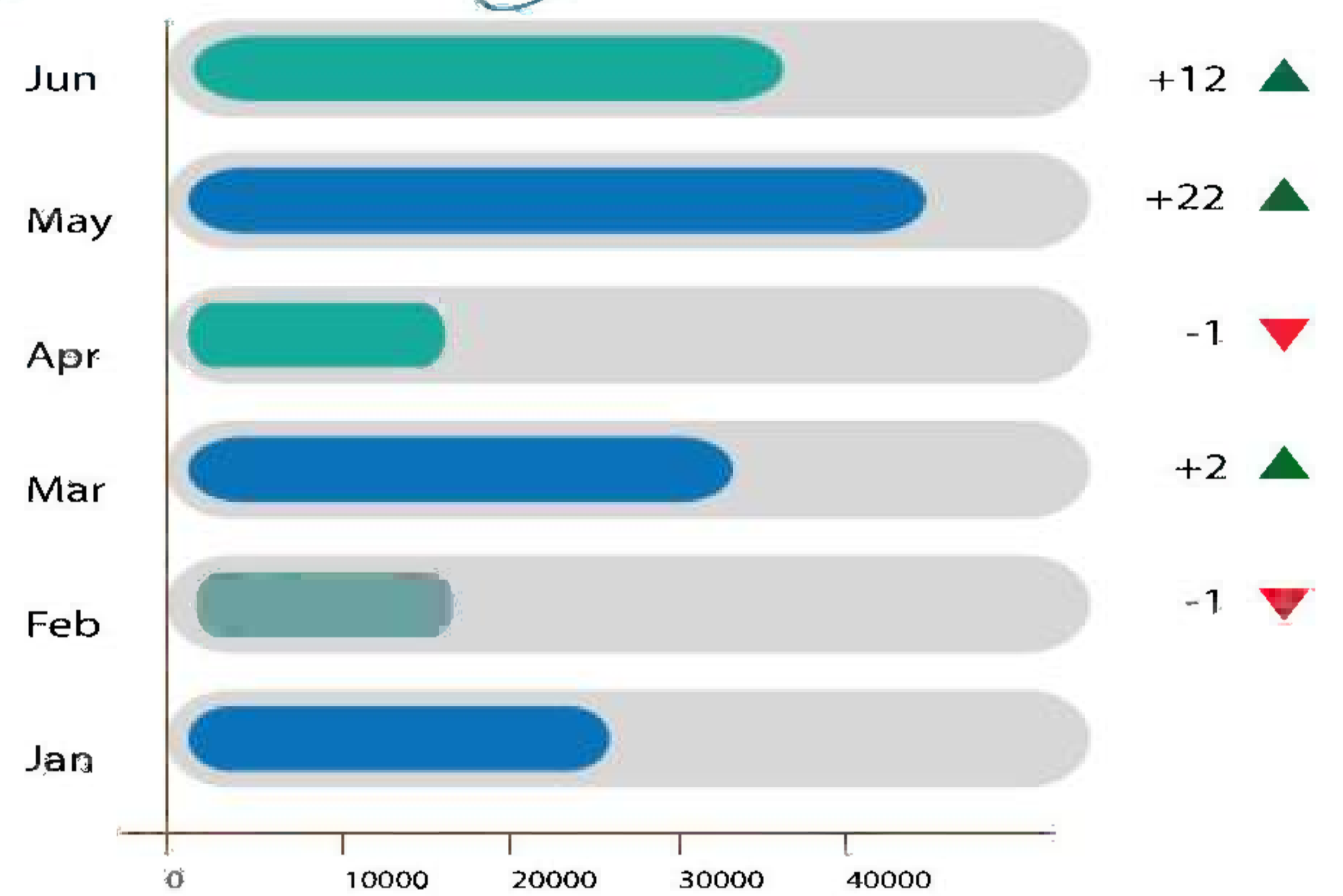




Container Logistics Division Performance for June 2015

Scan Performance: (performance and volume growth MoM)

Scan performance has recorded significant growth. Additionally, the MoM comparison achieved a growth of 19%. Moreover, the year to date performance remained stable.



Export Handling: (MoM - first half of 2015)

The first half of 2015 experienced a positive growth of 117% in MoM comparison. As a result, the turnaround time was slightly affected compared to volume.

2014 vs. 2015 Turnaround Time: (year on year - comparison with the first half of 2014)

The turnaround time during the first half of 2015 has significantly improved, with a recorded decline in 8%.



Volume vs. Performance Consistency

The second quarter of 2015 was by far the most challenging yet successful month of the last 5 operational years. CLD handled the highest volume in May, where the recorded growth was 37% compared to the beginning of 2015. Meanwhile the budget also increased by 25%. Despite a huge volume, CLD strived and eventually succeeded. This was an incredible performance recorded for 2015 with a 70% CCI average, which exceeded the target by 16%.

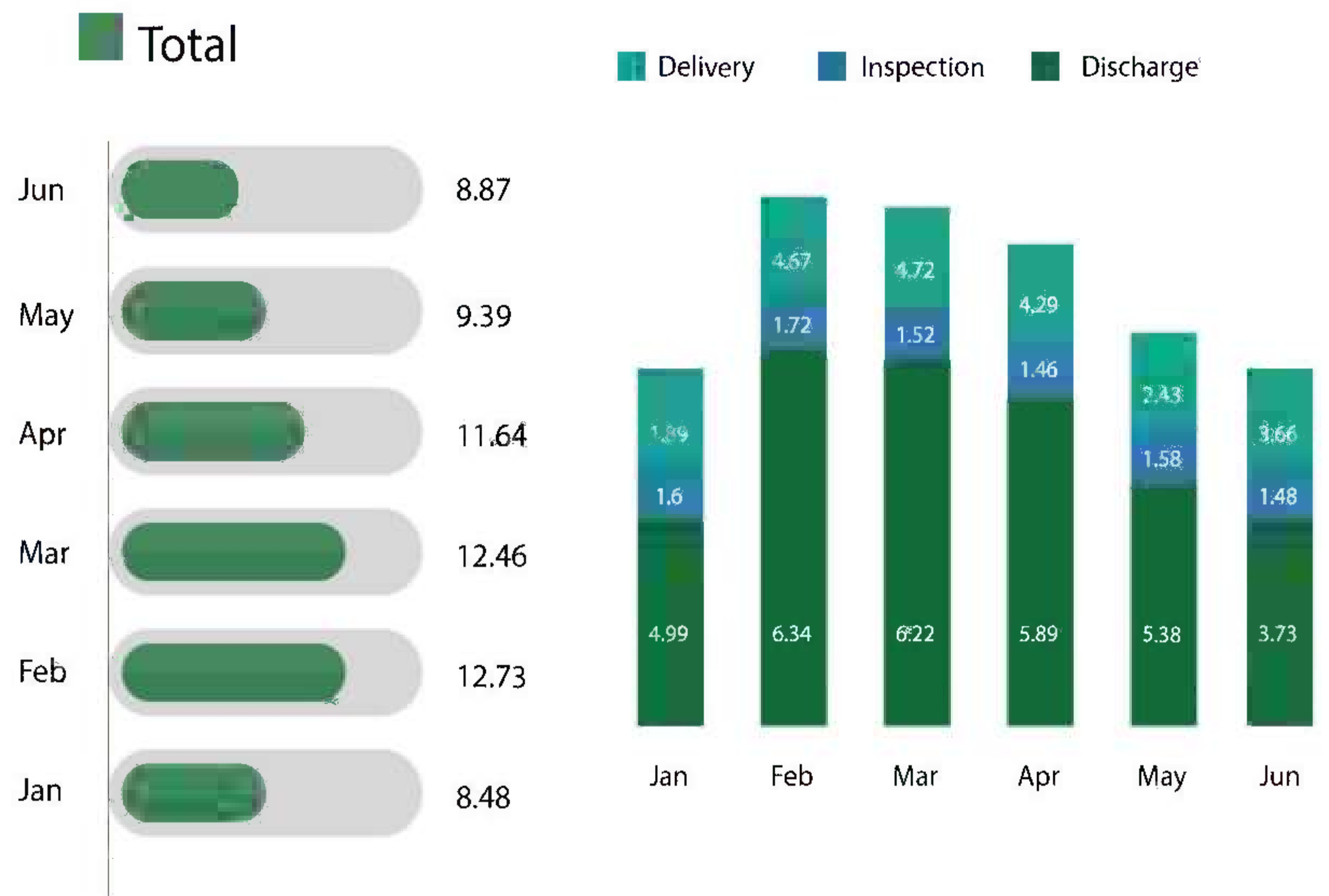
Chart of the Month



Container Logistics Division Performance for June 2015

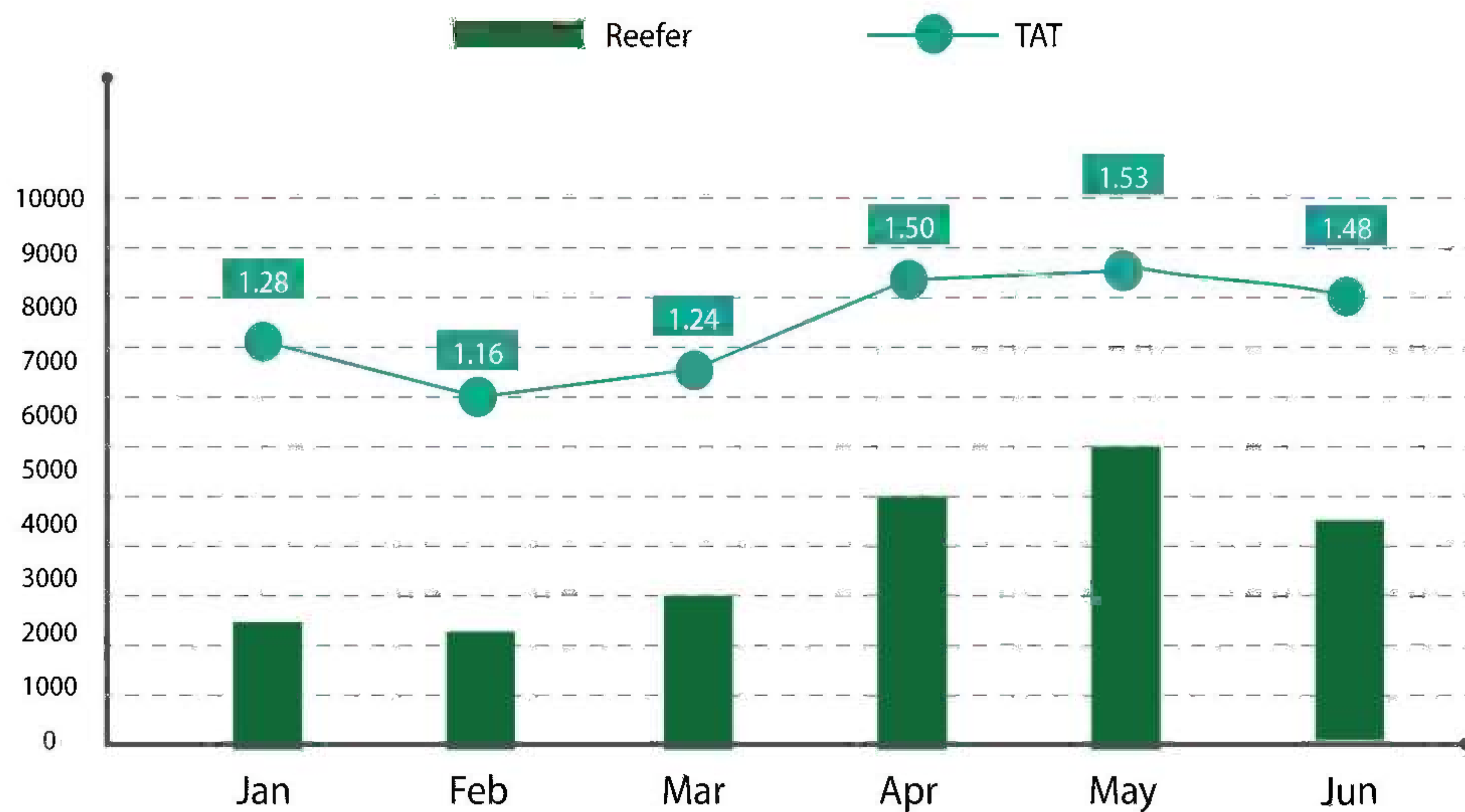
Dwell Days Assessment

The overall import dwell days for May were recorded at 9.39, which is a sign of great improvement compared to the first quarter of the year, with a 25% drop being recorded. Despite handling the highest volume by CLD, dwell days of pre-inspection were reduced, which directly contributed to the reduction in delivery days.

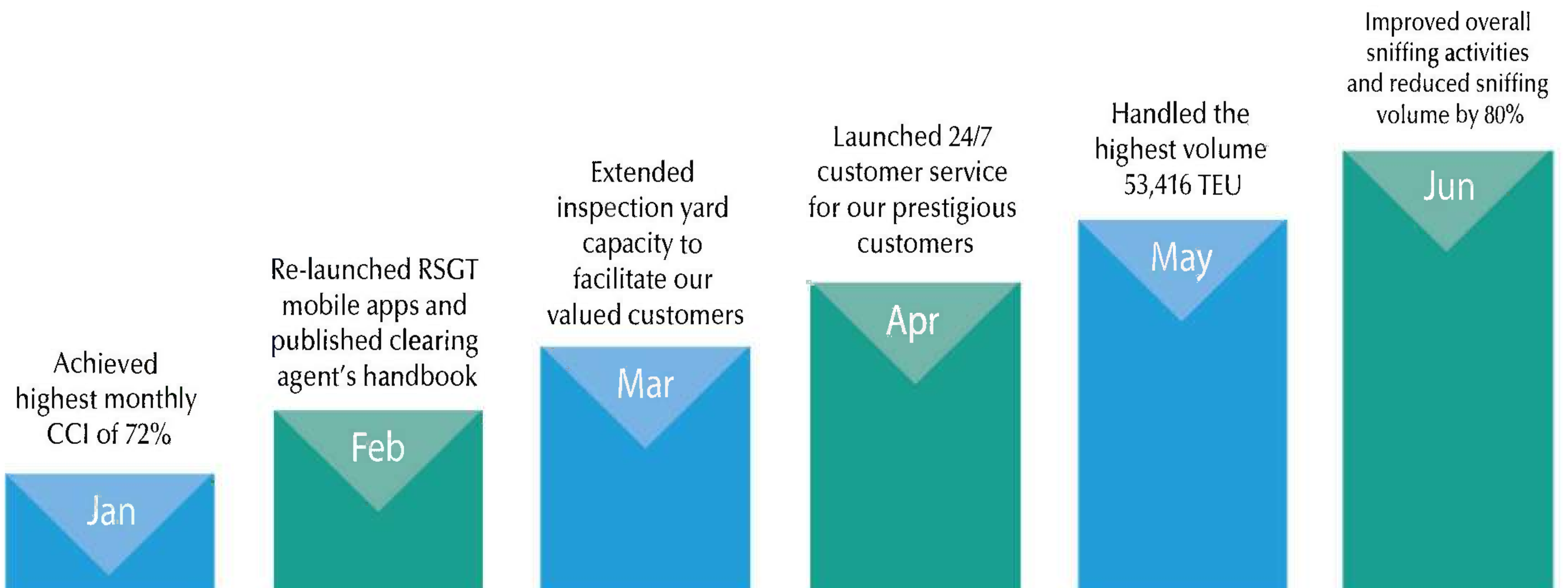


Reefer Dwell Days

CLD handled the largest ever reefer volume of 14,520 TEU in May, which is a 148% growth compared to January. Apart from this significant growth, turnaround time comparatively remained favorable with a slight in May which was recorded at 1.53.



CLD Milestones





Container Logistics Division

Mr. Mani Sundaresan
Assistant Manager, Commercial

Customer Voice

Is Container Logistics Division improved in terms of performance and services for the customers in past comparison?

Definitely improved. We are glad to inform you that the service and performance of the Container Logistics Division at RSGT are very high and satisfy our needs.

How do you rate our inspection processes and the turnaround time?

The inspection process is really fast and supportive to us to keep up our cargo clearance as well as to achieve our customer satisfaction promptly

How do you evaluate our value added services in comparison of other Terminals in Jeddah?

Your service is always presenting a very good support and maintaining the best performance rate compared to the other terminals in Jeddah. We are very happy of RSGT added value services as it saves us a lot of time and enhances our performance.

How do you see container logistics and your partnership to progress further in the future?

Now it's going smoothly without any interruption. In the container logistics, we are not facing any difficulties at present and if we need to expedite any tasks, we shall request your full support to help us along a case to case basis.

How do you evaluate our customer service representatives?

The customer service care always you are on top level for sustaining customer satisfaction and we truly appreciate your timely actions and opinions based on our necessities, valuable cooperation and good support find an amicable solution.



Mr. Talal Al-Muraishad Clearing Agent

How do you evaluate value services between Red Sea Gateway Terminal and other terminals in the Jeddah Islamic Port?

RSGT is more customer focused and always attempts to delight their customers. Additionally, what distinguishes RSGT from other terminals is that they provide online services to their clients, thus allowing them to track their shipments.

How can the container terminal contribute to raising the Kingdom's economy?

The container terminal should focus on the below:

- Extend terminal capacity to accommodate more volume.
- Implement electronic services to facilitate all customs processes.

What is your advice to improve Red Sea Gateway Terminal's performance to meet your expectations?

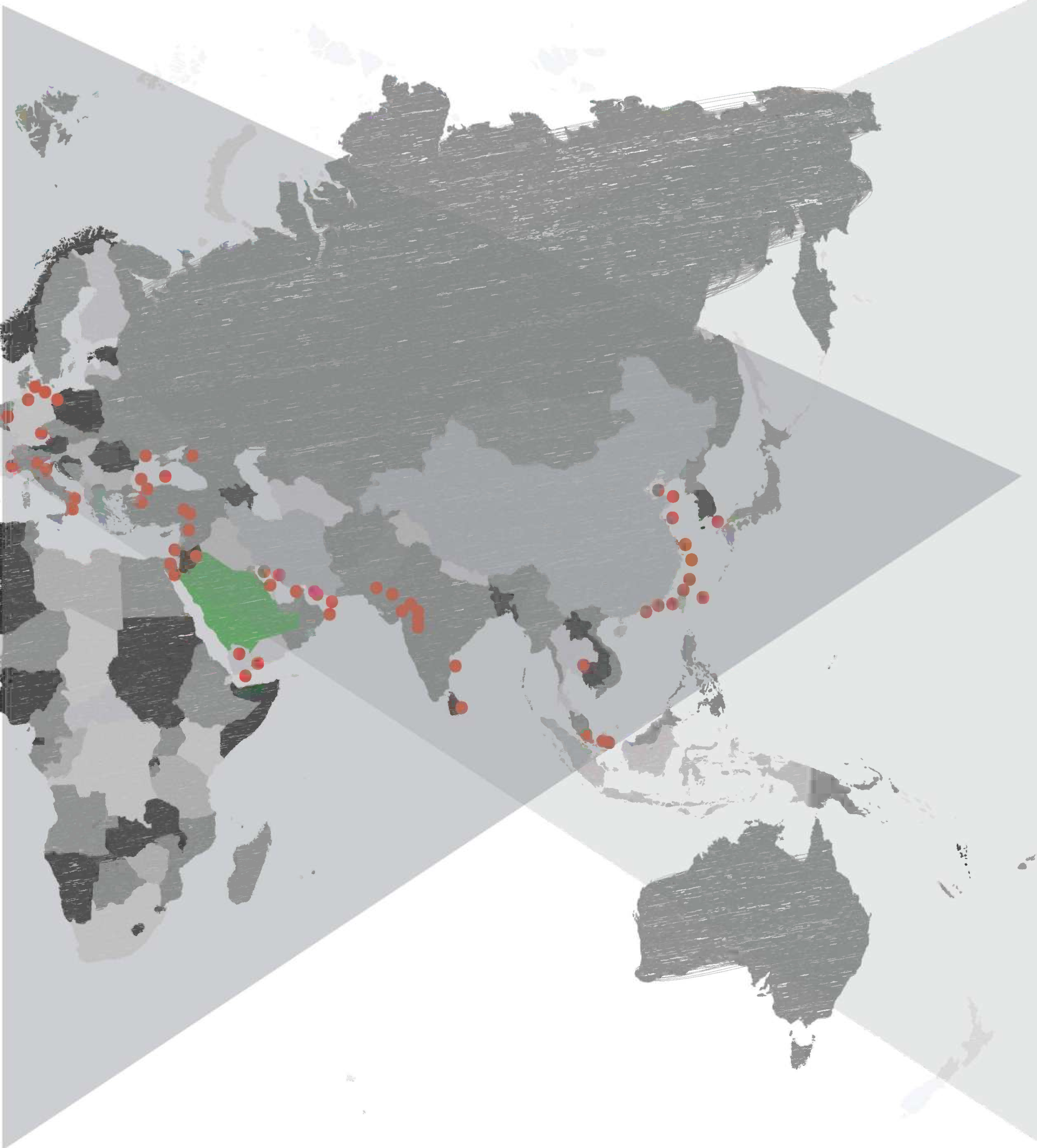
RSGT has resolved all issues faced by the booking section so far and now they offer this service within 24 hours without any backlogs or delays, compared to other terminals.

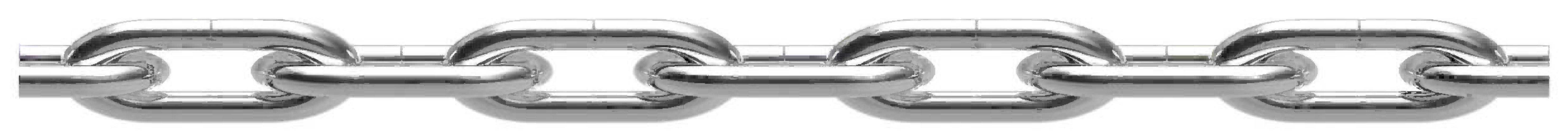
We are now awaiting the completion of the "Smart Gate" project. I'm sure this project will contribute to the improvement of RSGT's productivity and performance.

RSGT



Service Reach





Safety for Life

Terminal Traffic Management

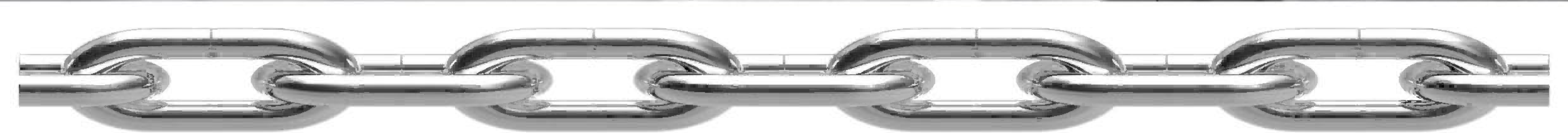
The aim of terminal traffic management is to avoid incidents, congestion and improve turnaround time. It involves the influence and control of four factors specifically: speed, direction, access and awareness.

Reducing the risk of an incident occurring can be achieved by implementing tangible restrictions such as speed signs, speed bumps, set traffic flow directions and clearly marked pedestrian walkways. Additionally, this can be achieved through the implementation of procedures, policies and training.

This includes time and separation controls for mobile equipment and truck drivers during loading and unloading operations.

Traffic critical areas are those where the level of likelihood or the severity consequences of an incident are dramatically increased. Such as:

- Loading and unloading zones
- Mobile plant operation exclusion zones
- Entry and exit areas and blind corners
- Areas of poor visibility or where lighting conditions change
- Intersection of pedestrian crossings and high volume traffic laneways
- Yard and container storage areas



RSGT is adopting a combination of hard and soft controls strategies to enhance traffic management. This includes the following:

- Installing speed restrictors in terminal tractors
- Using speed guns to monitor speed of vehicles
- Not allowing truck drivers outside driver cabins
- Dedicated bus stations for people pickup and drop off
- Checking on lighting conditions to provide optimum lighting
- Mobile equipment work areas are no entry zones for pedestrians
- Use of barriers to separate pedestrians and mobile equipment
- Use temporary barriers for one off jobs where mobile equipment and people are operating in close proximity
- Establish one way traffic flow or separation routes for mobile equipment
- Mobile equipment fitted with lighting, horn, siren and reversing beepers to alert pedestrians

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- Mobile equipment fitted with lighting, horn, siren and reversing beepers to alert pedestrians
- Installation of walkways, fences, gates, high visibility paint and signage
- Inspections by equipment operators and quality maintenance staff
- Parking clear of obstructions and interaction points
- Using traffic controllers or spotters in certain situations
- Using high visibility clothing, safety boots, hard hats and safety glasses.

As a result of these controls RSGT has implemented safe traffic flow throughout the terminal. As an ever evolving business and due to our increased volumes, we conduct regular review ensuring that a safe and efficient traffic flow is maintained.



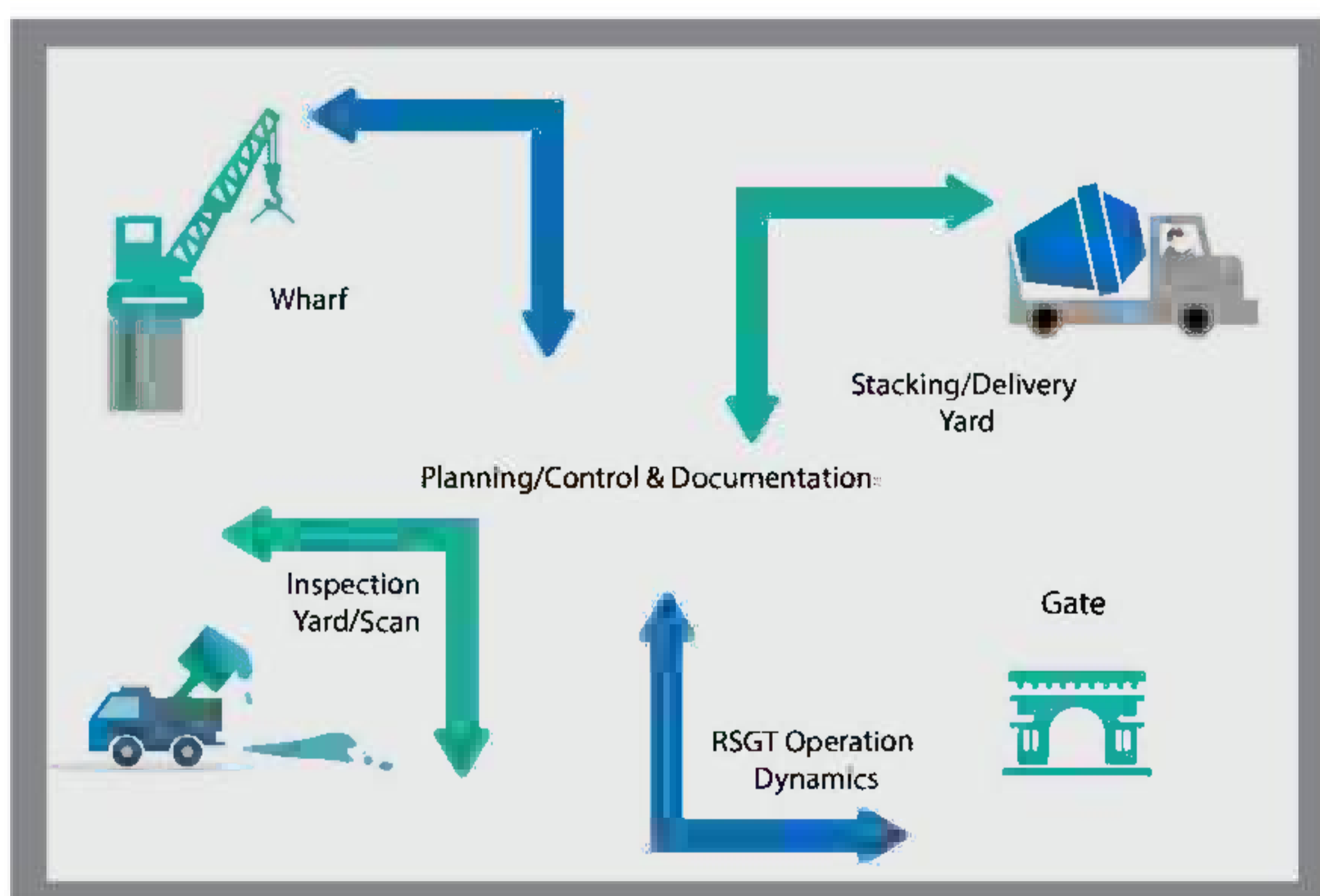
Operations

Largest Container Ship in the World

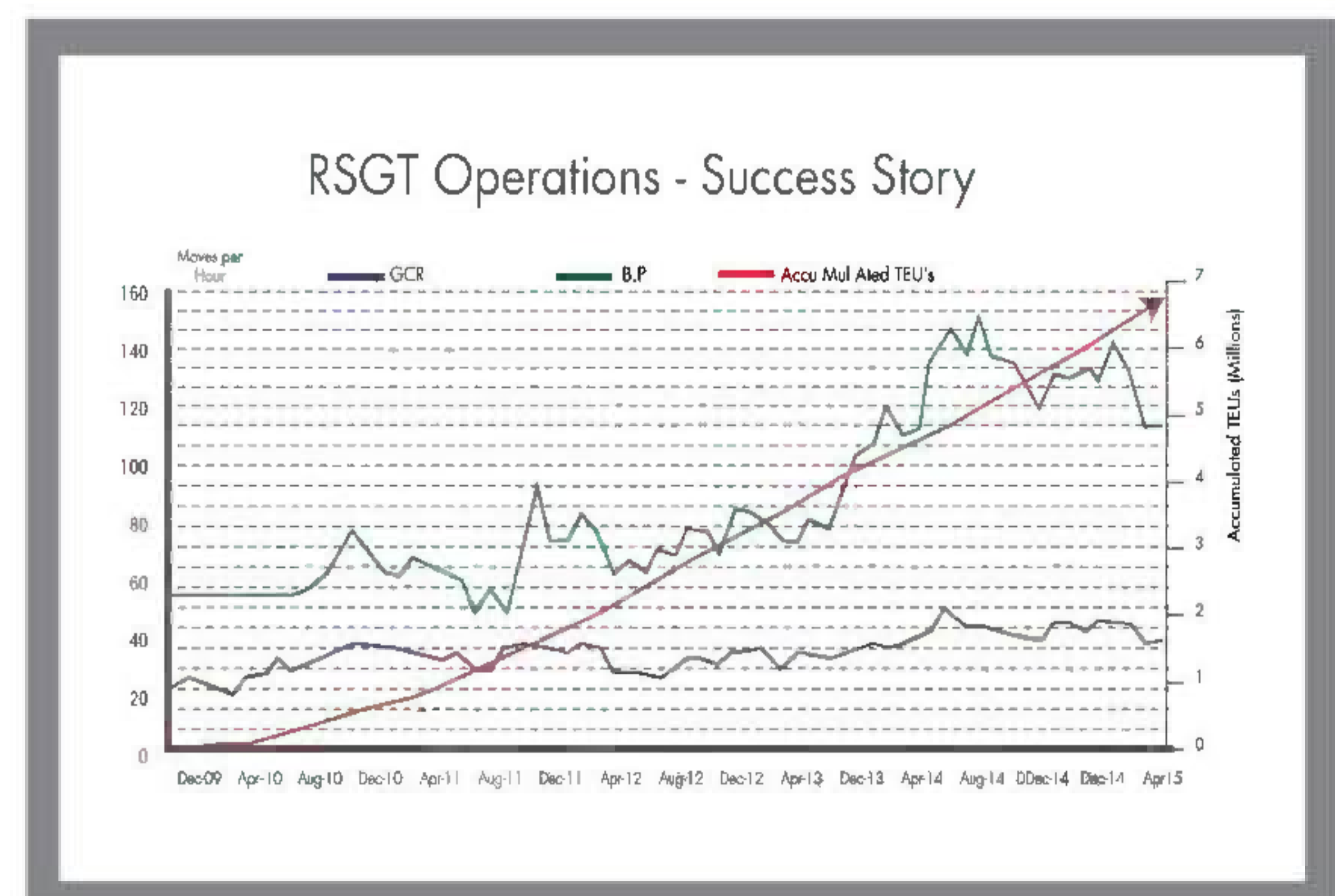
15th of March 2015 marked another milestone for the RSGT operations division for its reception of the CSCL GLOBE. Furthermore, the operations division deployed 5 quay cranes to discharge and load a total of 993 containers. The team was able to complete the vessel operation efficiently in just 6 hours and 10 minutes at a gross crane rate of 47.40 and berth productivity of 124.20 to ensure quality and safety.

The RSGT operations division has always welcomed the challenge of accommodating new generation mega vessels and will always demonstrate excellence in performance to satisfy its valued customers.

RSGT Operation Dynamics

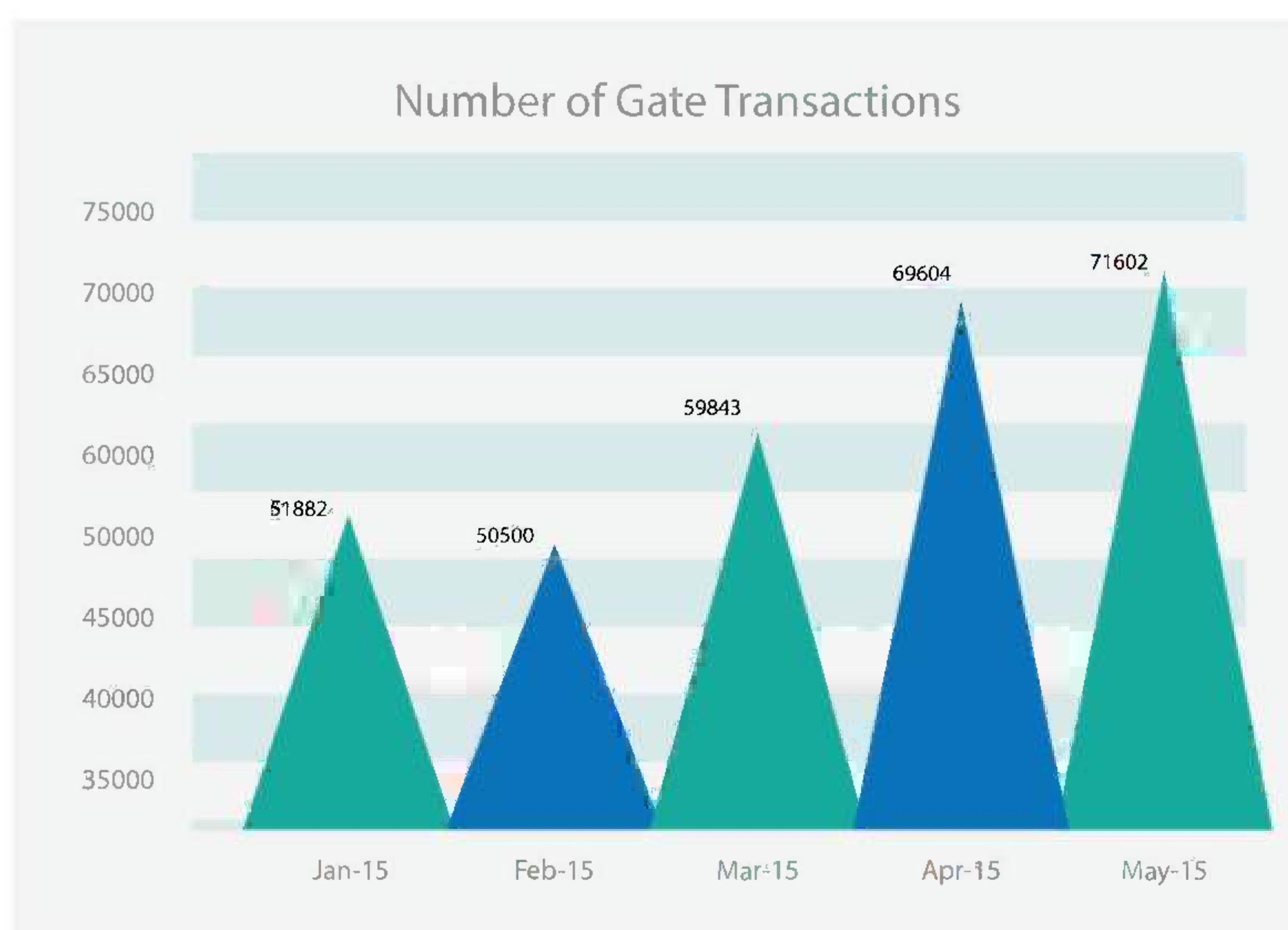
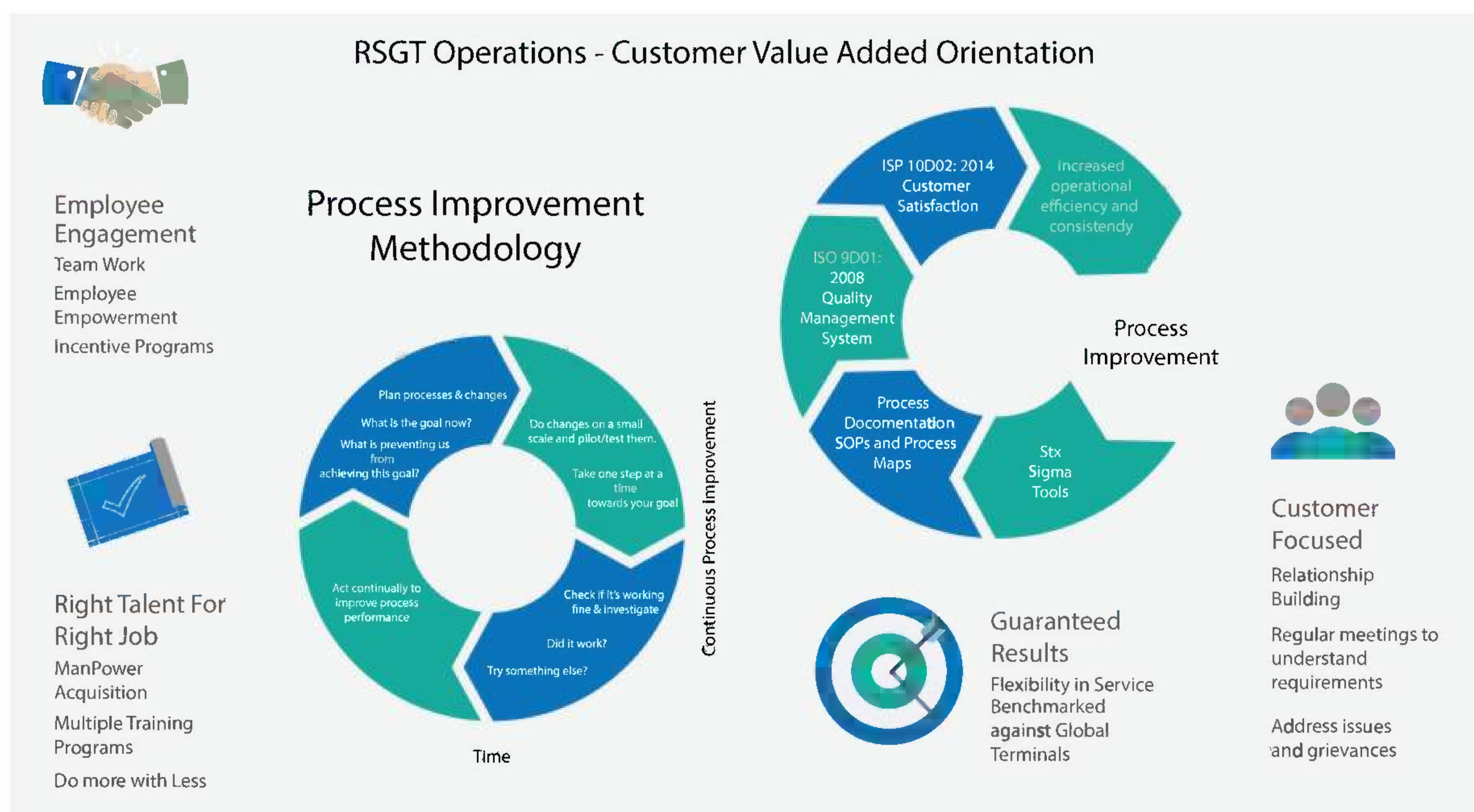


Success Story



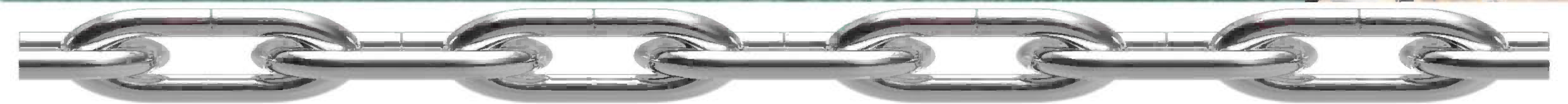


Customer Value Added Orientation



Handling High Levels of Gate Transactions

- The gate has witnessed a sharp rise in transactions in 2015
- The transition of vessel services during March 2015 has brought in major impact to terminal gates.
 - Local export volumes doubled with the introduction of a new line in March 2015 and we witnessed an increase at the gate with an average growth by 9% MoM.



Engineering

Quality Maintenance - Reliable Services

The quality maintenance concept is fundamentally the prevention of defects. This includes all events from the start of maintenance operations until their completion and is the responsibility of all TSD personnel.

Achievement of the quality assurance system depends on preventing maintenance problems through our knowledge and performance. The fundamental rule to follow for all maintenance is that preventative maintenance specifications must be met at all times.

Preventative maintenance is concerned with regulating events rather than being regulated by them. It relies on eliminating maintenance failures before they happen. This extends to safety of personnel, maintenance of equipment and virtually every aspect of the total maintenance effort through process excellence techniques such as PDCA, 6 Sigma and others.

The quality assurance knowledge is developed through the proper use of data collection and analysis techniques. The recently implemented computerized maintenance management system "MEX" provides maintenance managers with unlimited quantities of factual information. The correct use of this information provides them with the knowledge required to achieve maximum reliability of equipment and systems.

The quality assurance program provides an efficient method for gathering and maintaining information on the quality characteristics of equipment and the source and nature of defects and their impact on the current operation. It permits decisions to be based on facts rather than on general opinion or memory. It provides comparative data that will be useful long after the details of particular times or events have been forgotten.

Continuous improvement points out problem areas to maintenance managers so they can take appropriate action to accomplish the following:

- Improve the quality, consistency and reliability of the total maintenance work.
- Improve the work environment, tools and equipment used in the performance of maintenance.
- Better utilization of man-hours.
- Improve the training, work habits and procedures of maintenance personnel.
- Increase the excellence and value of reports and correspondence originated by the maintenance activity.
- Distribute the required technical information more effectively.
- Establish realistic material and equipment requirements in support of the maintenance effort.

General Facts

Container Ships

Container ships are cargo ships that carry all of their load in truck-size intermodal containers, in a technique called containerization. They are a common means of commercial freight transport and now carry most seagoing non-bulk cargo. Container ship capacity is measured in twenty-foot equivalent units TEU.

Today, about 90% of non-bulk cargo worldwide is transported by container, and modern container ships can carry up to 16,020 TEU. As a class, container ships now rival crude oil tankers and bulk carriers as the largest commercial vessels on the ocean.



Size Categories of Container Ships

Container ships are distinguished into 7 major size categories:

- Small feeder
- Feeder
- Feedermax
- Panamax
- Post Panamax
- New Panamax
- Ultra Large Container Vessel

Shipping Industry Alliances

In an effort to control costs and maximize capacity utilization on ever larger ships, vessel sharing agreements, co-operative agreements and slot-exchanges have become a growing feature of the maritime container shipping industry. As of March 2015, 16 of the world's largest container shipping lines had consolidated their routes and services accounting for 95% of container cargo volumes moving in the dominant east-west trade routes.



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