

PUNCHING ABOVE ITS WEIGHT

By David Mason-Jones

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Taiwan's maritime role in context

For a nation of only 22 million people, Taiwan's port infrastructure, merchant marine fleet and its general influence in the maritime affairs of the world is out of all proportion to its size as a nation.

Person for person, head for head, Taiwan has one of the most highly developed port infrastructures in the world and is truly a maritime nation of the first order.

The first statistic by which to gauge the international significance of Taiwan's ports is the total TEU throughput for the nation. This figure currently stands at around 15 million Teu's annually and this compares with the ports of Hong Kong – around 18 million Teu's annually – and Singapore – 16 million Teu's annually.

While this statistic may, at first glance, make Taiwan appear to be on the second rung of maritime importance, a closer examination may show that the per-capita significance of the island is greater than the figures indicate.

The difference between Taiwan and Hong Kong or Singapore, is that Taiwan is an off shore island depending on its own manufacturing base to secure a large proportion its trade. Hong Kong, on the other hand, is a coastal location which is a point of entry to a much larger hinterland with a much larger population base. Similarly, the degree to which transshipment from the Indonesian Archipelago and the states of South East Asia is a feature of the Singapore figures, shows that these competitor's figures are substantially inflated by the productive capacities of surrounding nations.

Taiwan forced to be a maritime nation

The fact of Taiwan's rise to the status of a first rate maritime nation is a result of the dire need resulting from its history, geographical position, population and political factors.

From 1895 to 1945 the island, often referred to by its Portuguese name, Formosa, was a colony of Japan and, in this role had little need for self development and expansion of its own productive capacity for its own sake. In 1945 the island was ceded back to China in the time of the Republic of China Government of the mainland. When the Republic of China government was ousted from the mainland in 1949, it transferred to the island of Taiwan where it set up effective government. Around two million mainland Chinese crossed the Taiwan Strait at that time and the two sides settled into a military stalemate.

This left the Taiwan government with the challenging question, "What do we do now?"

The main island of Taiwan and its outlying islands had little in the way of natural resources and so the only answer lay in the sea and in becoming a sea trading nation. As with the post war development of Japan, manufacturing would become central to the

economy but the key to a competitive manufacturing base was effective import of raw materials and efficient export of the value added goods. Ports and shipping were critical to this strategy.

Without the dire need to survive and prosper on its own two feet, Taiwan could have remained an underdeveloped offshore island.

Political reality forces global view

The next influence on the development of Taiwan's maritime capacity was the continuing stand off with the government of mainland China. Due to this hostility, Taiwanese ships could not call at mainland ports and sea trade with China had to be completed through intermediary ports such as Hong Kong and Singapore. Direct calls from Taiwan to the mainland are still banned.

This political reality meant that Taiwan had to expand its vision of sea trade away from the narrow focus of trading with the mainland – just 250nm away – to the wider scope of trading with the whole world. Sea trade on a global basis and efficiency of ports became absolutely critical to Taiwan's economic survival and prosperity.

Taiwan – the geography

The main island is like the shape of a leaf – a compact shape without peninsulas or major sea inlets. Despite the presence of mountains in the east, the eastern seaboard is a site for coastal populations and limited north south land lines of communication. A coastal plain dominates the western portion of the island and this is where the main population centres are located. The land lines of communication run north south along this coastal plain.

Taiwan has the offshore island group of the Pescadores in the Taiwan Strait. The nation also exercises effective government over the islands of Kinmen and Matsu lying just off the coast of mainland China – as close as 2km in places.

Location of Ports.

Within this geographical setting the main ports of Taiwan are located around the island at the cardinal points of the compass. The biggest port – by far – the port of Kaohsiung lies at the southern extreme of the island and has a number of smaller ports within its overall administrative area.

The port next in size, the port of Keelung, occupies the northern tip of the island close to the capital city of Taipei. Keelung also has a number of smaller ports within its overall administrative area.

On the west coast – approximately half way between Kaohsiung and Keelung – is the port of Taichung which faces the mainland of China.

On the east coast – facing the Pacific Ocean – is the port of Hualien.

The small islands of the Pescadores are serviced by the port of Makung on Penghu Island.

Port of Kaohsiung.

Kaohsiung is by far the most significant port in Taiwan and the indicator of this is its container throughput of around 11 million Teu's annually. This places Kaohsiung in the world premier league of ports and, if the Taiwan government has anything to do with it, the port will continue to grow and prosper with new growth plans underway for renewed infrastructure development.

Early records show that Kaohsiung was a small fishing village during the Ming Dynasty – Emperor Chiaching (1522-1566). The strategic location of Taiwan and the potential of Kaohsiung was recognised early by foreigners and this resulted in Dutch invasion in 1624. When the Dutch were ousted in 1661 the government planned the development of Kaohsiung.

In 1858, under Emperor Hsienfeng a decision was made to develop Kaohsiung into an international port. A period of Japanese occupation followed between 1895 and 1945 when development in Taiwan was focussed on supplying raw materials for the Japanese economy. In this role, Kaohsiung was a feeder port for Japan.

At the end of World War II Kaohsiung was damaged and unusable. The Kaohsiung Harbour Bureau (HBH) was established in 1945 to restore the harbour. By 1955 the harbour was repaired and back in action. The harbour has been continuously developed since then including the construction of the cross harbour tunnel in 1984 to connect the offshore island of Chi Chin with Kaohsiung city.

The Port of Kaohsiung now has vast container terminals and the government of Taiwan is promoting Kaohsiung Port as a Asia Pacific transshipment shipping center, global logistics management center and free port.

The Port of Kaohsiung extends 12 kilometers from the northwestern end to the southeastern end and contains a massive 26km frontage of berths.

Kaohsiung Freeport status

The Port of Kaohsiung achieved freeport status in January 2005.

Auxiliary Ports of Kaohsiung

Not only is the Kaohsiung Harbour Authority responsible for its own administration, several smaller ports in the southern part of the main island and in the Taiwan Strait also come under its administration. These are Anping and Makung.

Port of Anping

Anping is an historical riverine port with a maritime heritage of many centuries. Silting meant that its importance diminished. The Taiwan government and the Kaohsiung Harbour Bureau are rebuilding Anping to a much greater capacity than it has had in recent decades.

Recently the depth of the working area of the harbour was dredged to 11.5m to allow access by deeper draught vessels. The total berth frontage is 5566m but there are no purpose built container terminals as yet.

Anping Port is only 145 miles away from Xiamen on the mainland and once cross Straits trading takes place, Anping will become a major access route to the mainland.

When development of Anping Port is complete, there will be 32 docks and the loading capacity will reach 16 million tonnes. Total cargo volume at Anping exceeded 5 million tonnes in December, 2004.

Port of Makung

Makung Port is located southwest of Taiwan in the Pescadores Island group in the Taiwan Strait. It has a 956 m wharf for both passengers and cargo. The harbour is primarily for the purpose of inter-island trade between Penghu Island and the island of Taiwan. It has no purpose built container facility. Makung can accommodate ships of up to 5,000 dwt and will soon be expanded to include a shipyard and improved commercial facilities.

Port of Keelung

Keelung was opened as a commercial port in 1863. Harbour development and railway construction commenced to link Keelung with Taipei. An expansion plan was interrupted by World War II when Keelung was heavily bombed.

The modern Keelung Harbour Bureau was established on 9th November 1945 and set about removing ship wreckage and restoring the port. Since then, Keelung Port has made great progress and is now the second most important port in Taiwan.

The port now has extensive container handling facilities as well as bulk/ general cargo wharves and two specialist oil wharves.

Free port status of Keelung

Keelung has been operating as a Freeport since October 2004. It is one of only two ports in Taiwan to have achieved this status.

Auxiliary ports of Keelung

Keelung is responsible for the auxiliary ports of Taipei and Suao.

The Port of Taipei

Taipei Port is a shallow port at the moment with limited capacity but, under a current development plan, is slated to be dredged much deeper and be developed with far greater berth capacity. The port is located on the south bank of the Danshuei River. The aim of the expansion plans is to relieve the pressure on the Port of Keelung.

The first two berths will be available in late 2006 and early 2007. This will give 340m berth frontage with a draught of nine metres. Further berths will be completed in 2009 and 2011. The harbour will be dredged to 16m.

Freeport status of Taipei Port

The port submitted an application on 2nd August 2004. Preliminary examination approved by the Ministry of Transportation and Communications on 14th December 2004.

Port of Suao

This is situated on the northeast coast of Taiwan and is an auxiliary port for Keelung. It has 13 berths totaling 2610 m and draught to 15 m. The port can handle post-panamax vessels and is used mainly as a local port for cargo from Lang-Yang plain. It will share the cargo volume of Keelung when further interconnecting roads are completed.

Port of Taichung

Taichung is a man-made harbour. With the sustained economic growth of the 1950's and 60's the Taiwan government identified the need to develop a new port on the west coast. Construction began in 1973 and the port was rapidly completed. It now has 46 wharves, consisting of 7 container wharves, 17 general cargo wharves, 4 bulk cargo wharves, 7 liquid wharves, 3 cement wharves, 2 grain wharves, 4 coal wharves, one waste steel wharf and one passenger wharf.

Future plans include expanding the port to a world class international port with 83 wharves.

Taichung Freeport status

Application submitted 27th May 2004. Passed preliminary Ministry of Transport and Communications examination on 31st August 2004. Under examination by the Executive Yuan.

Port of Hualien

Located on Taiwan's east coast, Hualien Port is a relatively small port with 25 deep-water berths totaling 4,742 meters in length. The port handles general cargo, dry bulk and oil. It also has several shallow water wharves with a total length of 504 meters for accommodating fishing boats and other small vessels.

Hualien Freeport status

Hualien is not a freeport and has, as yet, not applied for status.

Taiwan's maritime assets

Taiwan's status as a world class maritime nation is not only confirmed by the volumes of trade through its ports but also by the sheer size of its international shipping fleet. The composition of this fleet includes a vast number of small shipping company as well as some of the premier container lines of the world.

With the huge size and diversity of the national fleet it is possible to highlight only a few of the most prominent shipping lines.

Yang Ming

Yang Ming Marine Transport Corporation was established on December 28, 1972.

Yang Ming's operating fleet currently comprises 77 vessels with a total tonnage of 3.39 million dwt. The fleet is composed of full-container ships, huge bulk carriers, ore/coal carriers and supertankers. Within its fleet Yang Ming owns nine, 8200 Teu vessels and has orders for more. Yang Ming is one of the world's leading, experienced container transportation companies and, due to a rolling program of ship replacement, its fleet is comparably young.

The main services include; a full-container liner service connecting Asia with North America, Asia with Europe and the Mediterranean, North America with Europe and the Mediterranean; Intra Asia service connecting the main ports in Southeast Asia with those of Northeast Asia.

Yang Ming operates dedicated container terminals at Keelung and Kaohsiung in Taiwan, and at the Port of Los Angeles in the U.S.

Wan Hai

Wan Hai Lines had humble beginnings with the Purchase of a "Liberty" type vessel named "Fosmar", carrying steel between Japan and America. The Wan Hai Steamship Co., Inc. was formed in February 1965.

Man Hai's first container acquisition was in June 1976 when the full-container vessel, M.V. Ming Chun, was deployed in Taiwan/Japan Service. This started Wan Hai's container liner service.

When founded, Wan Hai's business was mainly log transportation between Taiwan, Japan and the Southeast Asia. In 1976 Wan Hai took the strategic decision to enter the fully-container vessel shipping business.

Wan Hai's shipping routes include Taiwan, Kanton and Kansai areas of Japan, Korea, Mainland China, Hong Kong, Philippines, Thailand, Malaysia, Indonesia, Singapore, Vietnam, Burma, Cambodia, India, Pakistan, Sri Lanka, and the Middle East.

Evergreen

Evergreen marine Corp was founded on 1st September 1968. Since then its growth has been staggering and its fleet now exceeds 100 vessels and rates amongst the foremost in global container shipping fleets. The company has established world shipping routes linking Asia with Europe and Asia with North America.

Both in terms of the size of its fleet and its cargo loading capacity, Evergreen is among the world's leading international shipping companies.

But, as with the modern history of Taiwan itself, Evergreen's success has often come through courageous management at a time of crisis. When the energy crisis hit in 1975 the world shipping industry slumped. Evergreen had the foresight to begin its containership project. The company a full container service for the routes linking the Far East with the US West Coast. Evergreen now covers more than 80 countries with its shipping network.

Conclusion

Since 1949, Taiwan's history and its success as a seafaring nation has been driven by the need to react positively to crisis. Nothing ever came easily to the people of Taiwan. And yet a prosperous maritime nation has been built – an example to all around it.

As the ports and shipping lines of Taiwan adjust to the expansion of maritime trade in Asia, one can be assured that this will be marked by the same innovation and positive response as Taiwan has shown in the past. The facilities of Taiwan – in terms of its port infrastructure and its shipping capacity – will remain a massive maritime asset for Asia as a whole.

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