



# **Seeking Shipping Resilience – future port requirements for New Zealand's Upper North Island**

**A presentation to CILT NZ**

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# Why move a port?

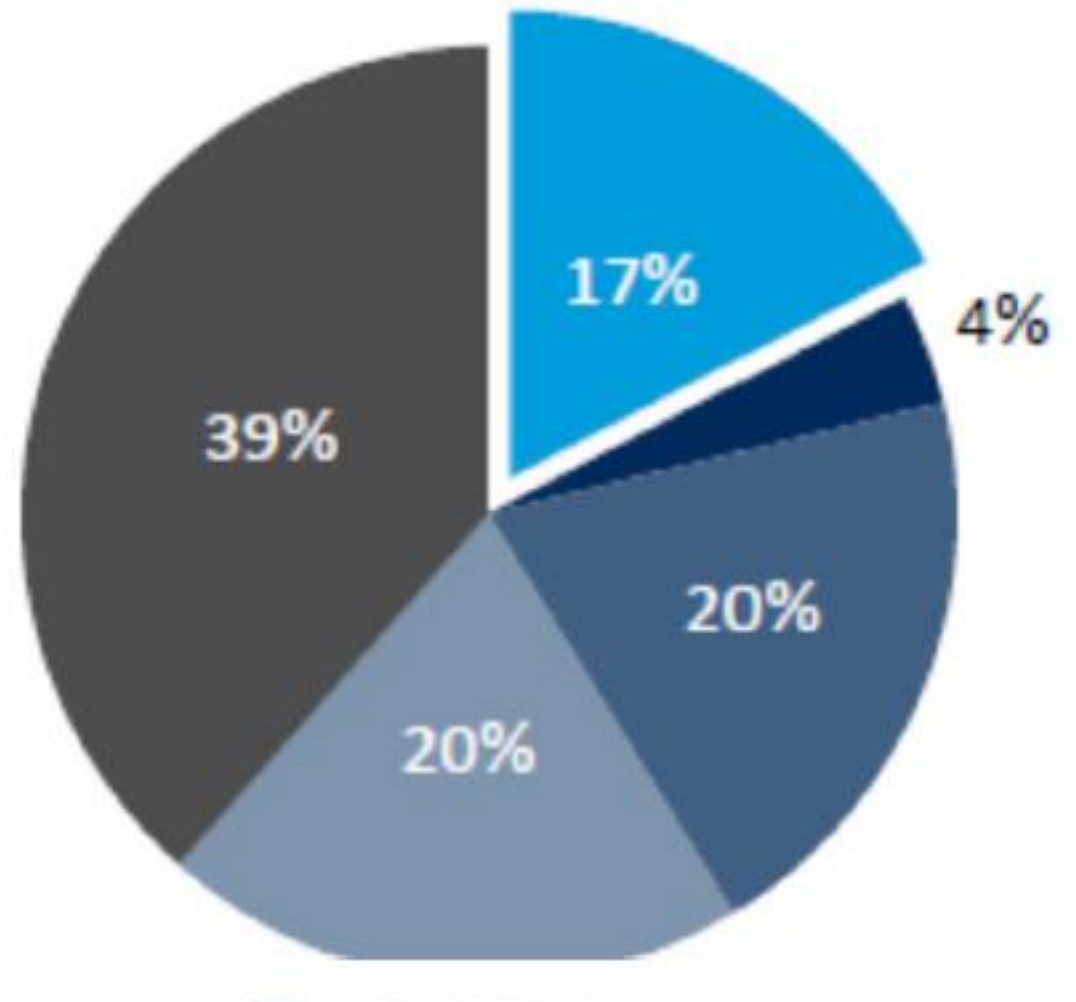
- **Ports** need capacity to receive next generation Container Ships:
  - Deeper and wider channels;
  - Longer and stronger quay lines;
  - Heavier cranes with much greater outreach;
  - Terminal stack areas with the capacity to deliver increased volumes
- **Transport Systems** need landsides that can cope with increased volume & peaks:
  - Road exchange areas and systems that avoid queuing;
  - Rail exchange sidings long enough for more higher capacity (longer) trains;
  - External approach roads that do not congest.
- **Cities** need to determine the potential for better alternative land use
- **Countries** need to look at achieving:
  - Lower costs for exporters and importers;
  - Better Financial and Economic Viability;
  - Future proofing against Risk e.g. Seismic and Channel strandings.

# Future Ship Supply and Cargo Demand?

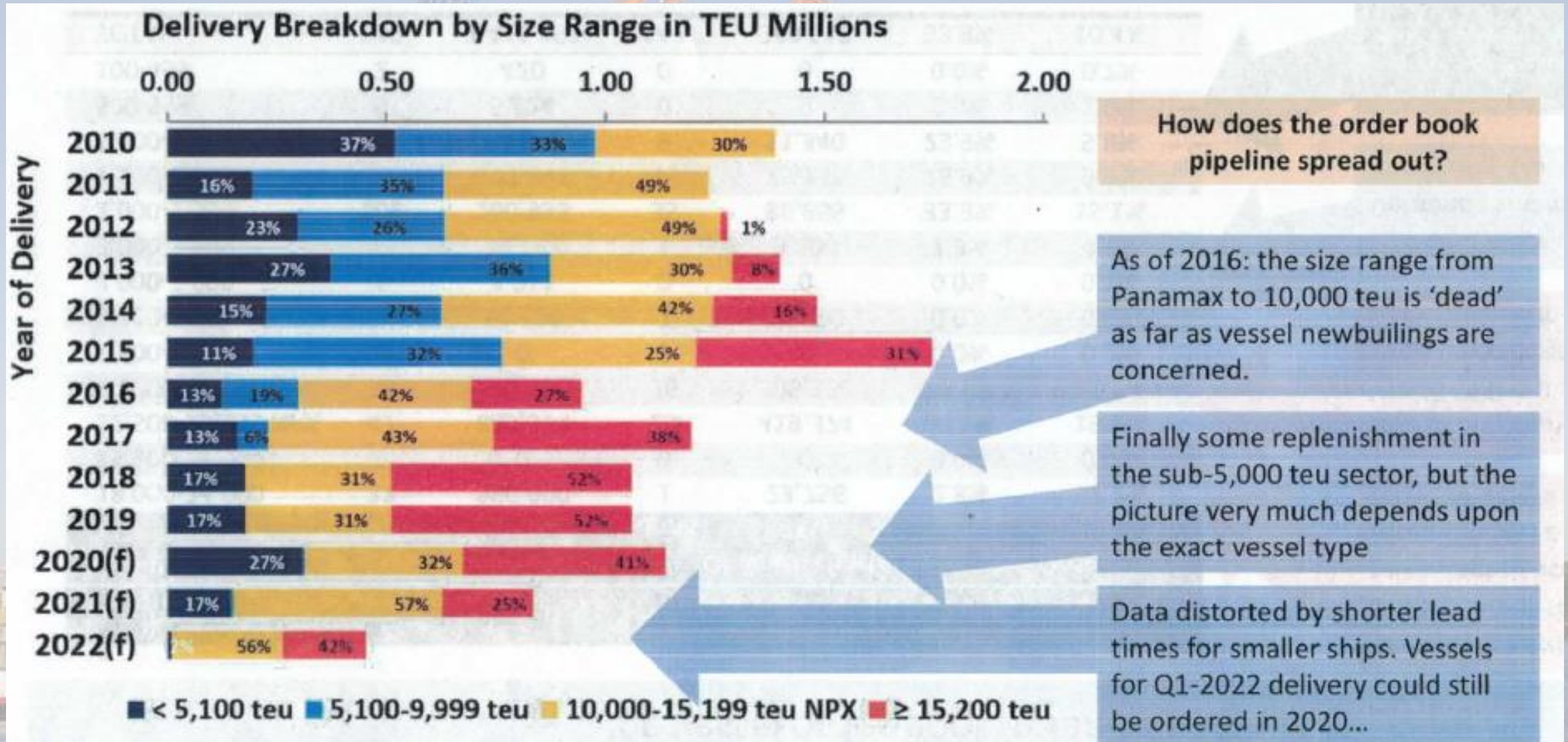
- **Forecast Container Ship Market Supply;**
- **Container Service Operators in the future;**
- **Total Transport Economics:**
  - Ship costs falling;
  - Hubbing increasing;
  - Landside Costs and Distances rising;
- **Relationship between Australian and New Zealand Trades:**
  - Balancing full container loads; and
  - Requirement to fill larger vessels to lower costs.

# Future Shipping Service Supply

- Only 21% of the capacity of current ships under construction are under 10,000 teu and most are much larger;
- By the earliest time when a new port could be ready, there will be few vessels left of the size that currently serve ANZ;
- Even less will have sufficient refrigerated capacity

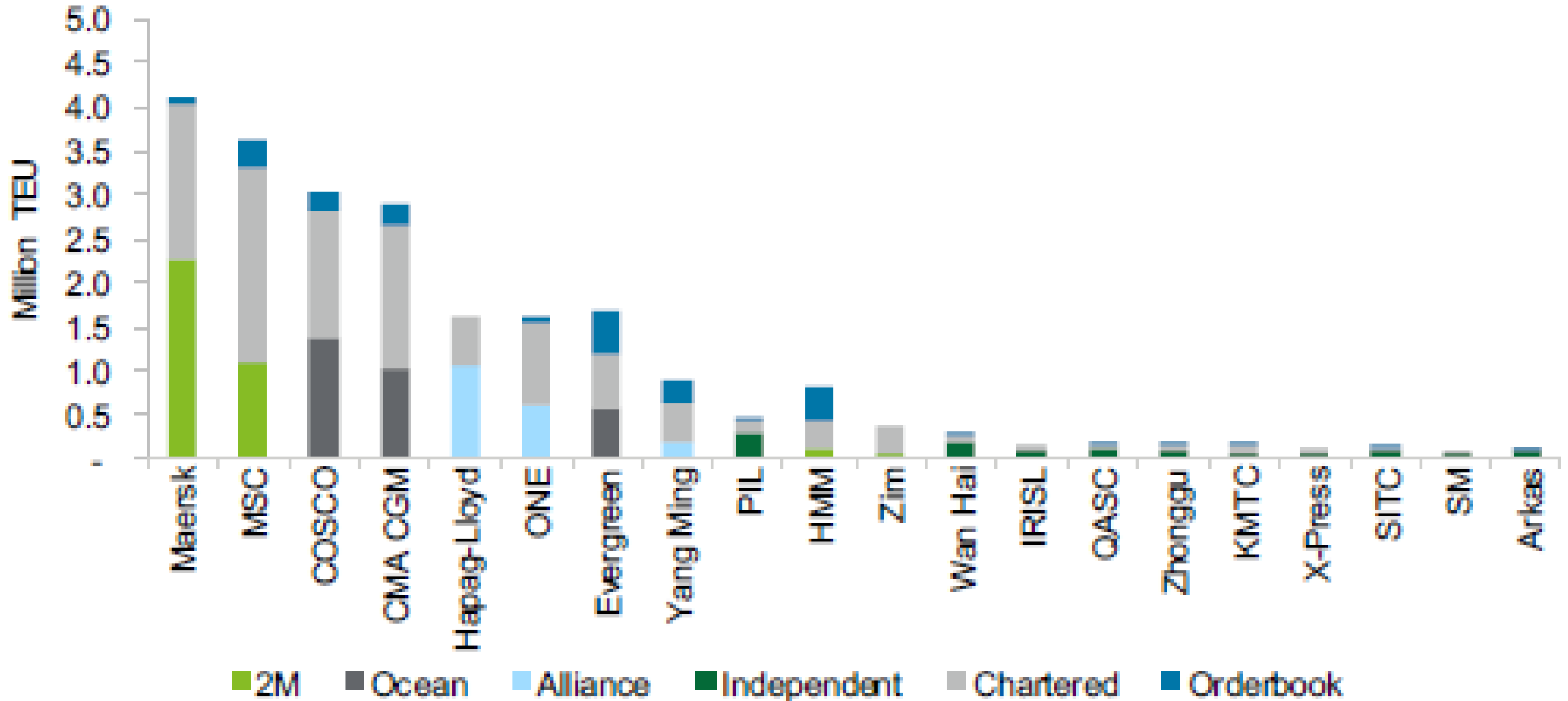


# Vessel Order Book 2020– Marine Money - Alphaliner



# Consortia Alignments

Top 20 container lines



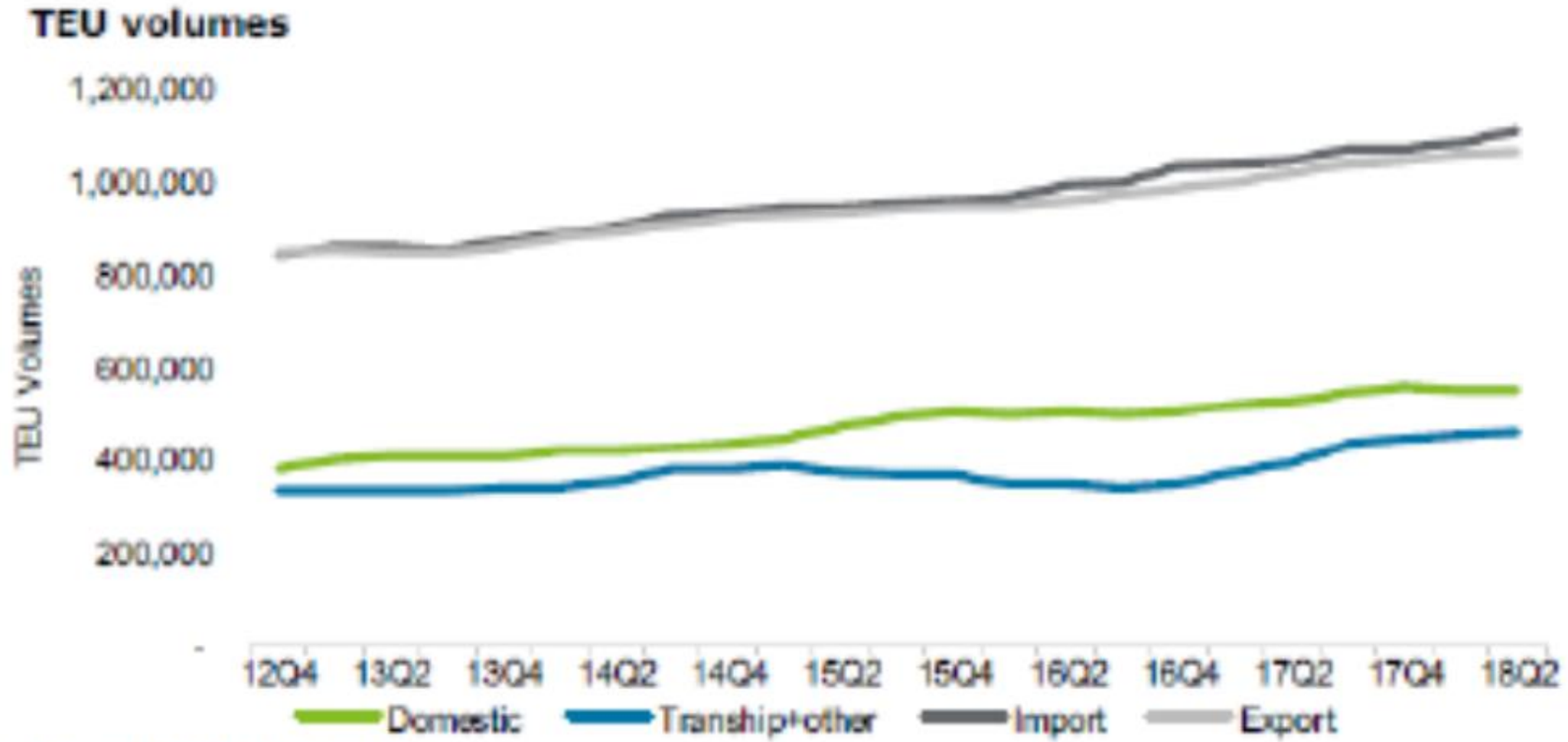
Source: Alphaliner

# Conditions for Shipping Line Support

## **Port must:**

- Enable use of larger (cascaded) vessels;
- Have berthing on arrival;
- Enhance shipping schedules;
- Provide integrated feeder services;
- Provide satisfactory crane intensity;
- Achieve competitive ship exchange rates;
- Offer cost competitive terminal charges; and
- Provide competitive advantage.

# The New Zealand Import/Export Task



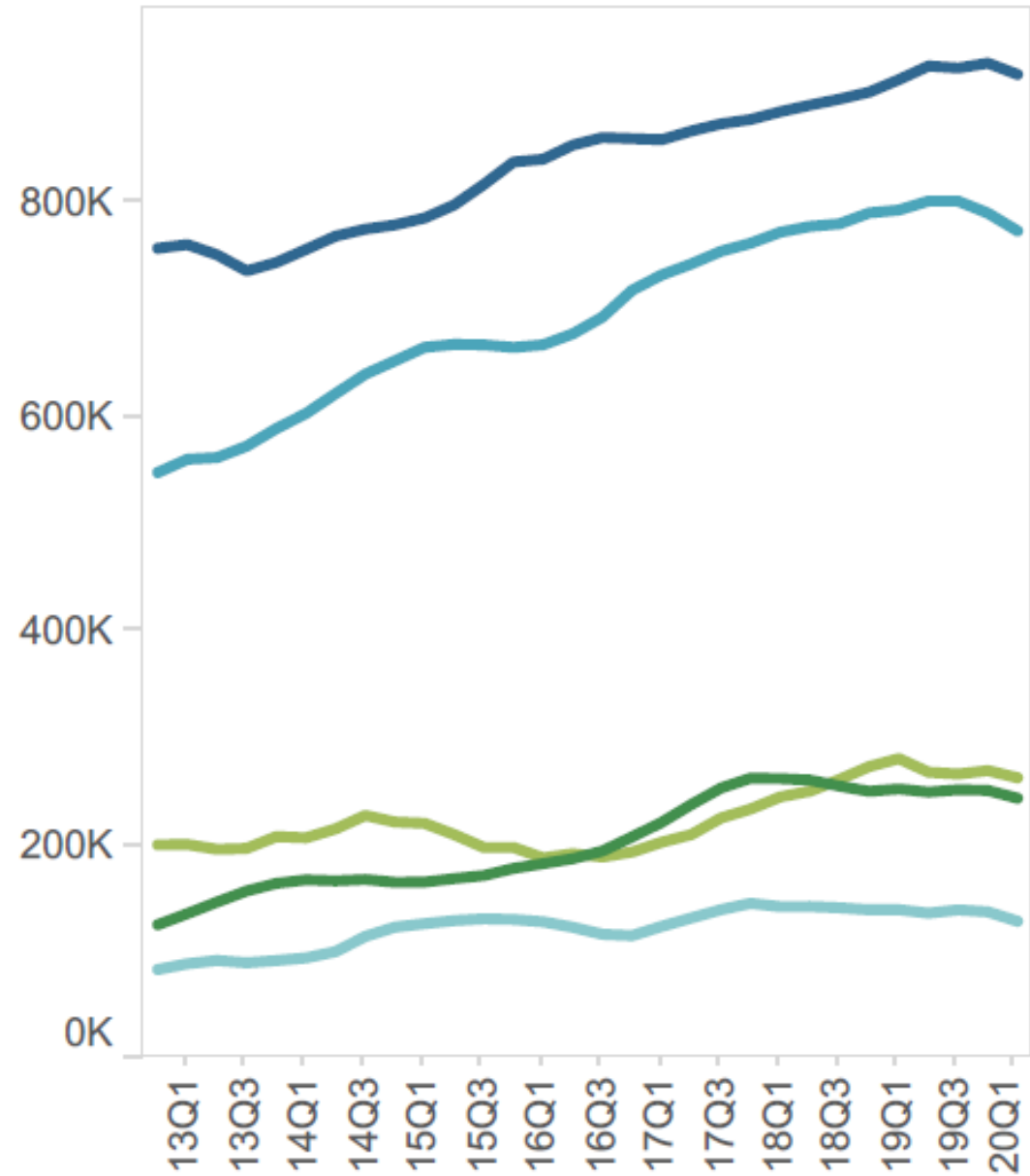
Source: FIGS, Deloitte analysis



# New Zealand Import/Export Ratio

- Overall the Export volumes exceed Imports by around 30%
- Although these figures are a little misleading as ratios vary significantly between container types;
- The imbalance has always attracted cross-over services from Australia;
- Bigger vessels need even more containers

12 month rolling TEU totals : full containers



Export Import Re-export Domestic Trans..

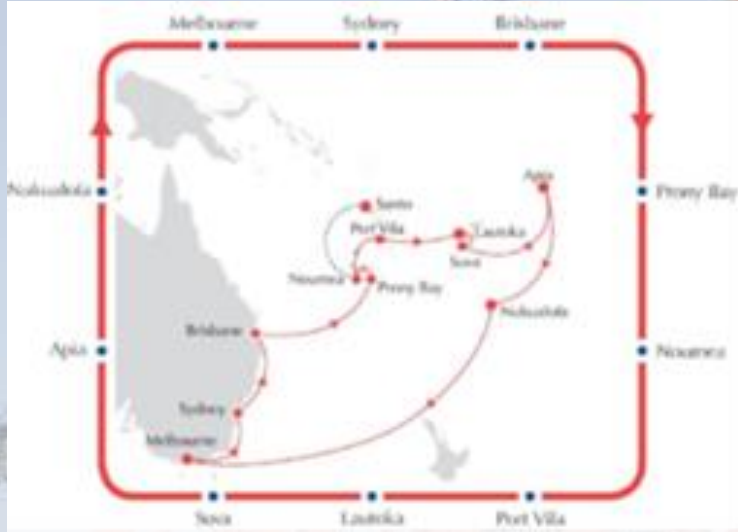
# Total of all Australian Container Port Throughputs for 2018/19 (BITR Report)

TEU *1,000	Q3+4 (2018)	Q1+2 (2019)	2018/19	% Total	% Imports
Full Import	2009.5	1,806.10	3815.6	46.6%	
MT Import	142.2	154.7	296.9	3.6%	
	2151.7	1,960.80	4112.5		
Full Export	1,125.40	1,072.40	2197.8	26.8%	57.6%
MT Export	1,000.00	884.7	1884.7	23.0%	
	2,125.40	1,957.10	4,082.50		
Total	4,277.10	3,917.90	8,195.00	100.0%	

# Some existing "Cross Over" routes



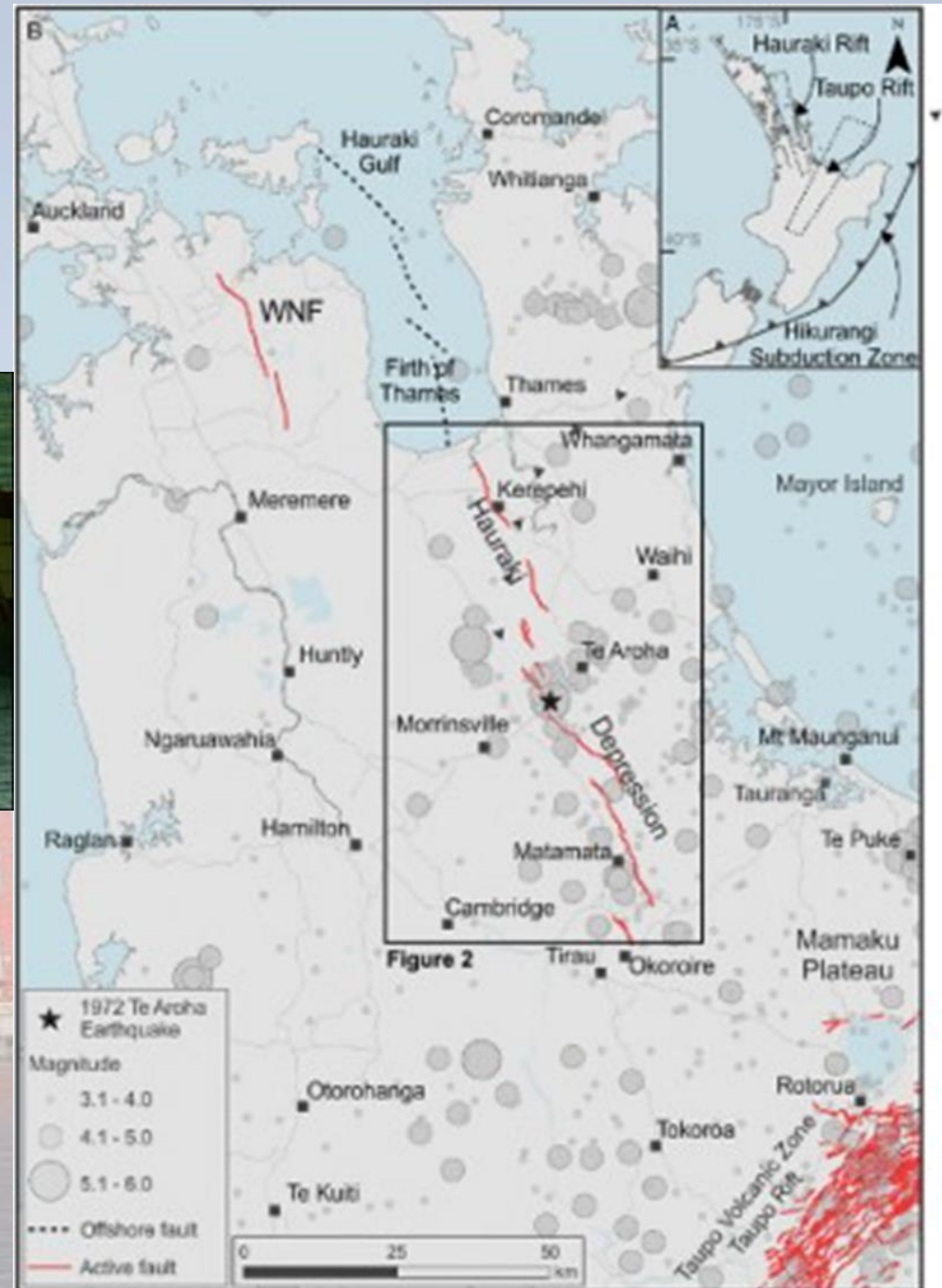
# More "Cross Over" routes



# Potential integration of ANZ Services to Asia



# Ship owners also want resilience & alternatives if disaster hits





**Thanks for the  
Opportunity to Join in  
this Important  
Discussion**