Shanghai International Shipping Center: Positioning China for Export Success…

Huang Youfang

Sept. 11, 2010, Chongqing, China
1. Shanghai International Shipping Center (SISC)
2. Policy frameworks to optimize the SISC
3. SISC: key driver of China’s export competitiveness
1. The Shanghai International Shipping Center facility (SISC)
Shanghai as World leader

- World No. 1 position in total cargo throughputs (last 5 y.)
- World No. 2 in container throughputs (last three y.)

<table>
<thead>
<tr>
<th>Year</th>
<th>2005</th>
<th>2010 Est.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Freight (Bn Tons)</td>
<td>0.443</td>
<td>0.600</td>
</tr>
<tr>
<td>Container (Million TEU)</td>
<td>18.08</td>
<td>34.00</td>
</tr>
</tbody>
</table>
World leader in sea and air freight...

- The shipping lines cover 12 global shipping zones, 500 ports in 200 countries.
- World No.1 number for new ship building
- *Pudong Airport holds world No.3 position.*
2. Policy framework behind the SISC development

- Vision
- Policy framework
Enable Shanghai as leading shipping center through high-clustered shipping resources, coupled with a total shipping services offer and highly efficient logistics and dispatching services.

- International Hub
- Modern port collection and distribution system for multimodal transportation
- International shipping service system with convenient, efficient, safe, secured and legal port environment
Policy Framework for SISC Development

- Establish the shipping broker market and management system and optimize the shipping trade market.

- Simplify access procedures for shipping services; and improving the access system for the maritime-related businesses

- Improve shipping taxation policies.
3. SISC: key driver of China’s export competitiveness

- Integrated and Interactive Concept
- Seamless backward linkages
- Success Factors
- Creative and adaptive investment policy
- Social responsiveness
• Integration to the whole logistics chain

• Ports are not just competing on geographical location (hinterland) but on services provided to logistics chains

• Interaction w/ seaport hubs in the world supply chain: need for collaboration in order to achieve a sustainable competitive advantage in a port network and the global network as a whole.
Seamless backward linkages

Collaboration and interaction amongst logistics activities, industrial sectors and cargo handling
Success Factors

- **Integration**: Optimize logistics resources for multi-functional operations.
- **Information**: Use IT to optimize logistics processes.
- **Customization**: Provide customized logistics services via 3PL and 4PL enterprises.
- **Globalization**: Enhance logistics services throughout the global logistics market.
Creative and adaptive investment policy

Encourage multiple source investment

• Accelerated the construction of SISC and its transformation to international transshipment port facility

• Contributes the structural adjustment of Shanghai economic development.
• Risk or emergency management of logistics and supply chain systems becomes an imperative.

• Green port logistics technology includes green metrics (e.g. energy-saving, waste handling, etc.) and security planning (e.g. oil leakage monitoring, safe navigation, cargo inspection/quarantine, etc.).
Yangshan Deep-water Port Zone