NEWSLETTER - PORT LINK INTERNATIONAL SERVICES (PVT) LTD, MARINE GROUP

Industry News ■ Company News ■ Ongoing Developments ■ Future Plans

FREIGHT & LOGISTICS INDUSTRY

"In global context, efficient freight forwarding and Logistics industry is the backbone of any economy. Pakistan's geo-strategic location and its potential to become a hub for trade & connectivity offers a promising future in the logistics sector."

As per Pakistan Economic Survey 2018-2019, services sector posted a growth of 4.71% during FY2019. Transport, Storage & Communication registered a growth of 3.34% due to positive contribution of Railways (38.93%), Air Transport (3.38%) and Road Transport (3.85%). According to Ministries of Communication and Postal Services Pakistan, the logistics market of Pakistan has reached $34.2 billion with the annual growth rate of 18% (2018). The United Nations Conference on Trade and Development (UNCTAD) indicated in its Maritime Transport Review Report that roughly 80% of global trade by volume and 70% by value is carried out by sea and handled by ports worldwide. Pakistan is blessed with a 1,046 km coastline which makes it a crucial part of the 21st century Maritime Silk Road. As seaborne trade exapnds, freight forwarding business in pakistan continues to grow rapidly with the help of international shipping companies being actively involved in Pakistan.

Pakistan GDP (US $) 2018: 312.57 Billion
GDP Growth rate: 5.4%
Pakistan Population: 212 Million

Pakistan GDP (US $) 2019 expected: 320 Billion
Pakistan's GDP (US $) projected to trend around 360 Billion in 2020

CPEC AND PAKISTAN ECONOMY

CPEC is the flagship and most actively implemented project of the Belt & Road Initiative (BRI). Pakistan and China have successfully launched 22 projects costing around US$ 28.5 billion. Through this mega project, Pakistan is harnessing its Geo-Startegic location into a Geo-Economic advantage, making it an economic hub and promising a great future. An integral part of CPEC is the development of new port at Gwadar.

Presently, bulk (90%) of Pakistan's international trade is routed through the Karachi Port Trust and Port Qasim. There exists an opportunity to increase the volume of marine cargo with the development of Gwadar.

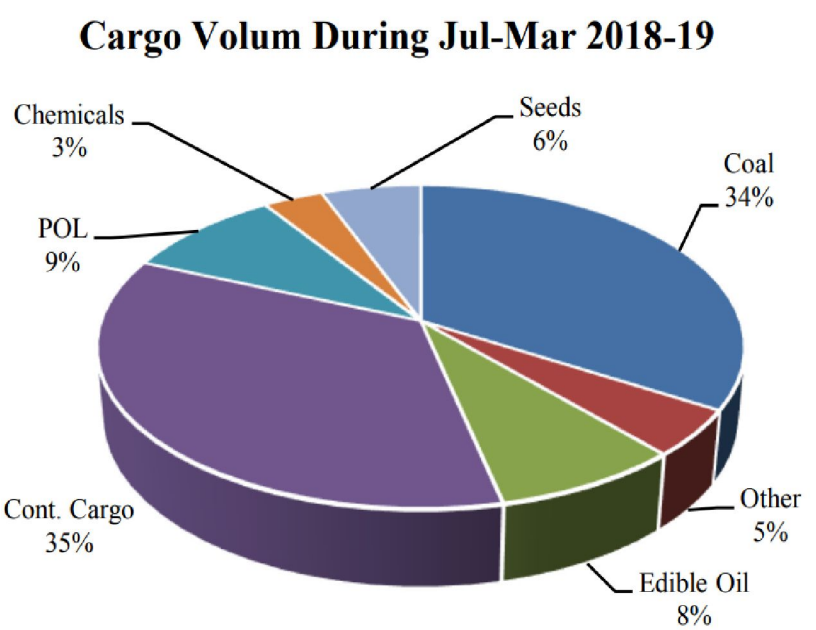
CPEC presents an amazing opportunity for the logistics sector as well as overall economy of Pakistan.

High investments are inline with priority given to land routes, plans are in progress to construct new and upgrade existing roads as per international standards aiming to improve freight capacity. This will increase volumes of export-import trade goods, make Pakistan's logistics sector more efficient and exports more competitive

"Pakistan-China trade has maintained an annual growth rate of 18.8% and this figure is expected to increase further"

During FY 2018-2019, Cargo handled via Karachi Port Trust amounted to 10,415,000 tons as compared to 9,206,000 tons last year; depicting a 13% increase.

The Port Qasim performance showed an increase of 12.6% (36.580 Million tons). This growth of total traffic attributes to Coal, LNG, Chemicals, Cement, Palm Oil and Mogas.



AREAS TO INVEST

- Air Freight & Transportation: 08 custom airports in Pakistan.
- Trucking: Projected demand for freight transport will increase, doubling by 2025 and increasing six-fold by 2050 to 600 billion tkm.
- 2 major ports, Port Karachi and Port Qasim, handle 95% of all international trade and 14 dry ports cater to high value external trade.
- Gwadar Port will be built as a leading port in the region to serve as a gateway to the CPEC. The port will act as a bridge for the new Maritime Silk Route linking 3 billion people in Asia, Africa and Europe. The dredging project will enable docking of larger ships with a deadweight tonnage of up to 70,000.
- Railways: As of January 2019, Ministry of Railways Pakistan plans to add 20 new cargo trains by year end.

Logistics Policy (Vision 2025, Annual 18-19 Plan & 11th Fifth year Plan 2013-18)

Salient Features:

- Facilitate the freight traffic movement from the Special Economic Zones (SEZs) in Pakistan & Western China along the economic cooridor.
- Investment in Pakistan Railways, Ministry of Maritime Affairs, Ministry of Communication, National Highway Authority, Pakistan Maritime Security Agency.
- Karachi's infrastructure development plan.
- Vision 2025 plans development of a separate freight corridor on the railway tracks.
- Construction of East bay Expressway (CPEC financing).

FOREIGN INVESTMENT IN PAKISTAN LOGISTIC & FREIGHT INDUSTRY

Qatar announces $3bn investment in Pakistan

Pakistan and Qatar sign three MOUs on trade and investment (June, 2019). The economic partnership between Qatar and Pakistan will reach $9 bn, says Qatar Foreign Minister. Ban was also lifted for rice exporters.

Saudi Arabia Investment in Pakistan worth $20 billion - A Game Changer

Pakistan and Saudia Arabia entered a new era of bilateral relationship by signing investment deals worth more than $20 billion.

Pakistan welcomed Saudi investment in oil refining, petrochemicals, energy and other sectors.

Saudi power producing company also showed interest in investing in Pakistan's renewable energy sector.

Pakistan and China sign ML-1 Railways Agreement at Beijing

Pakistan and China have agreed to upgrade ML-1 railway track from Peshawar to Karachi (April, 2019). Karachi ML-1 project will be completed in next five years under which an 1,872 kilometer long track will be upgraded, along with fencing of rail trail, construction of bridges and crossings.

Singaporean Firm invests in Pakistan's Shipping Industry

As of March 2019, Singaporean-based business group has expressed interest to invest $2 billion in the Pakistani Shipping sector. The company is interested in building and managing 50 new ships for Pakistan.

This investment, would save Pakistan $4 billion freight charges, while generating revenues. The company would project the CPEC's import and export potential to establish what size & types of ships would be required for building to maximize utilization of each vessel.

As of February 2019, Dutch Ambassador visited Pakistan and expressed interest to invest in Karachi Port Trust Project and discussed investment opportunities for Dutch companies to invest in maritime & KPT projects, including freight corridor, multi-purpose bulk terminal LNG complex, maritime business district, special economic zone etc.

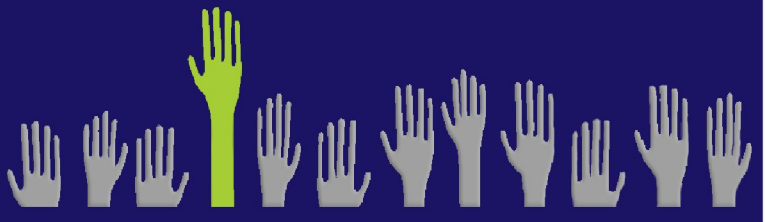
British Airways resumes operations in Pakistan w.e.f. June 2nd 2019. The airline had suspended operations on September 2008

'Port Link International Services (Pvt) Ltd, a part of Marine Group of Companies was established in 1997 with a vision to become a leading full-service logistics provider. Over the last two decades, Portlink has stretched out significantly and successfully developed dedicated and expert divisions of NVOCC, Logistics and Supply Chain

Our Services:

Ocean Freight
Air Freight
Rail Freight
Supply Chain Solutions
Project & Heavy Cargo
Dry Bulk & Break Bulk
Chartering
LCL Consolidation
Warehousing & Distribution
Afghan Transit Trade

WHY CHOOSE US?



Your goods are in safe hands

Keeping control of your freight and logistics

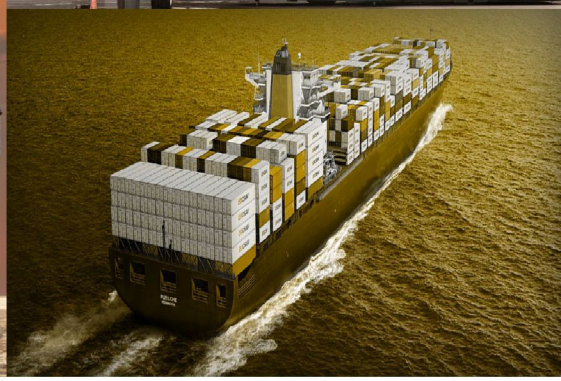
Take advantage of our worldwide network

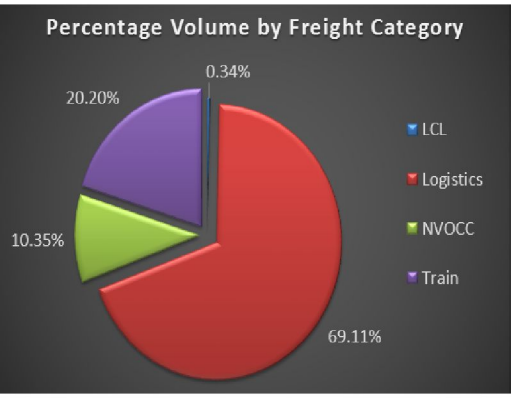
Widely accredited for modernization of the shipping industry in Pakistan

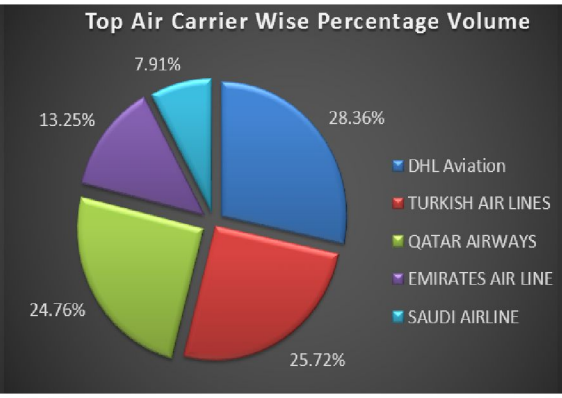
Our Values

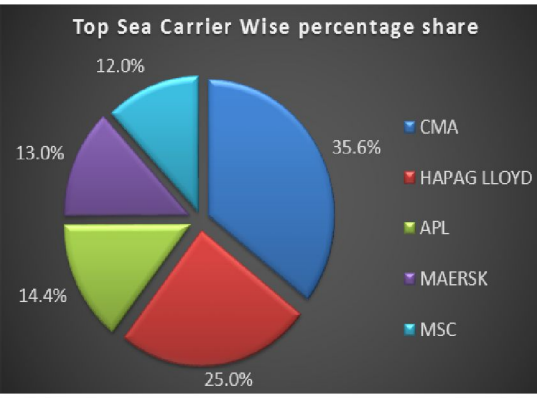
Determination and Commitment
Integrity
Responsive
Safety-Focused
Leadership
Innovation
Quality

PORT LINK's PERFORMANCE Jan-June 2019









ONGOING PROJECT

MILT - Liquid Terminal; State-of-the-art terminal project designed to meet highest safety requirements for ethanol transportation. Launch of liquid terminal project will not only strengthen our competence but provide added benefits to our customers and create positive economic benefits

Contact Us

Karachi | Lahore | Faisalabad | Sialkot | Islamabad | Multan

portlink-mng@mrgc.com.pk

www.mrgc.com.pk/portlinks

Karachi +92-21-32401206-7, 32430910
Lahore +92-42-36676144, 36670018
Faisalabad +92-41-8503368, 5803468, 8503598
Sialkot +92-52-3553818-19, 3553318-19
Islamabad +92-51-2362959-61
Multan +92-61-4518290, 4783588