

Busan Port, the Global Hub Port beyond borders



Northeast Asia Container Trade & Busan Port

Busan Port Authority

Contents

-   **Northeast Asian Ports & Container Trade**
-  **Current Status of Busan Port**
-  **Busan Port Development Strategy**
-  **Busan Port in Northeast Asia**

Northeast Asia Economy

Northeast Asia

“ One of the most economically vibrant regions in the world ”

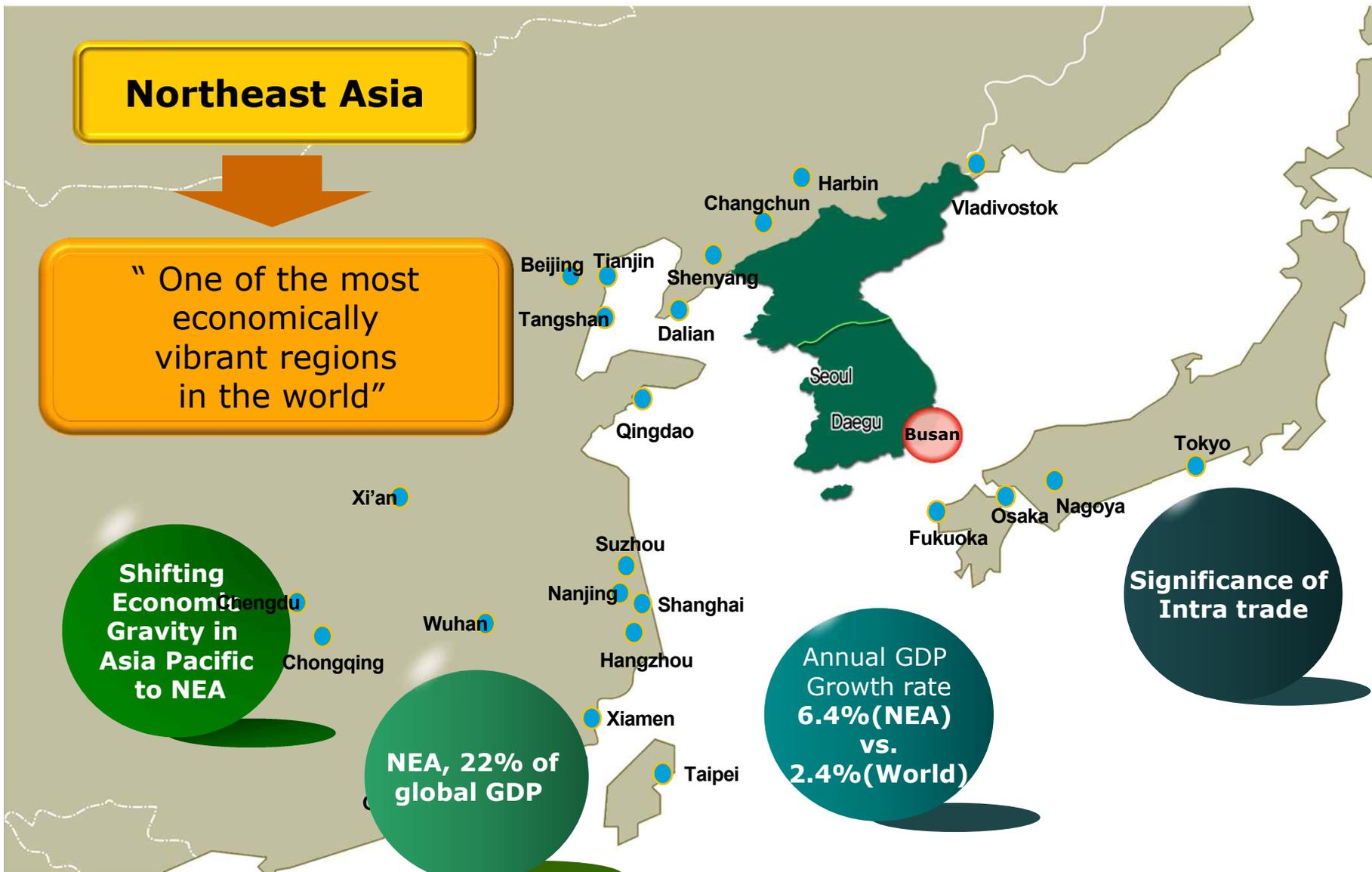
Shifting Economic Gravity in Asia Pacific to NEA

NEA, 22% of global GDP

Annual GDP Growth rate
6.4% (NEA)
vs.
2.4% (World)

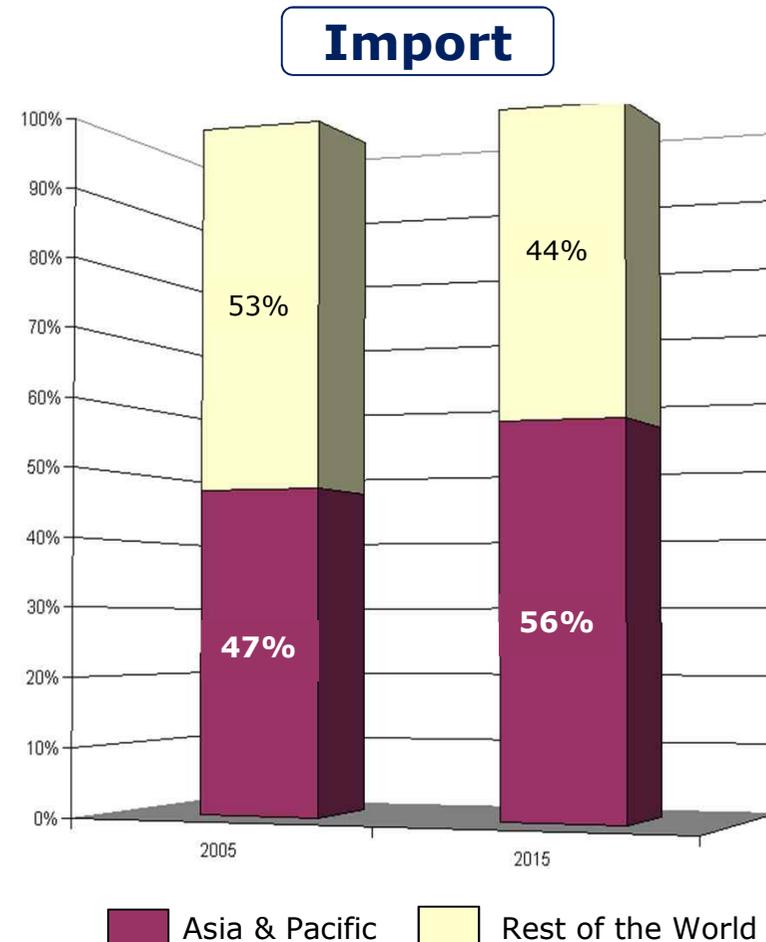
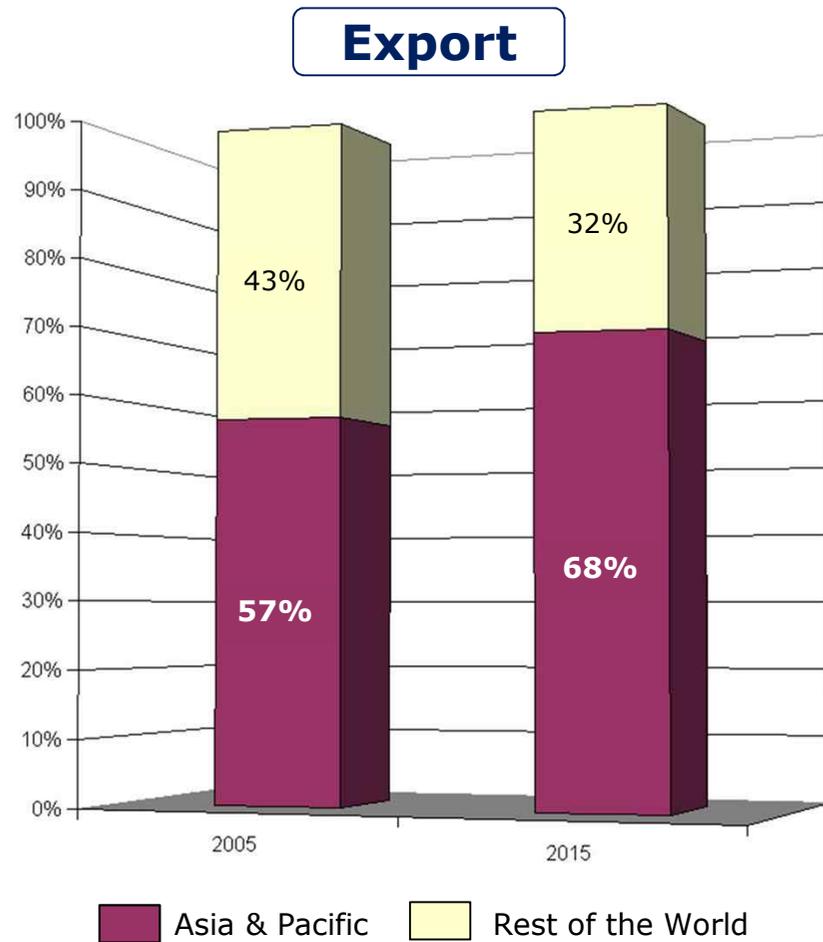
Significance of Intra trade

* IMF, World Economic Outlook



Northeast Asia Trade

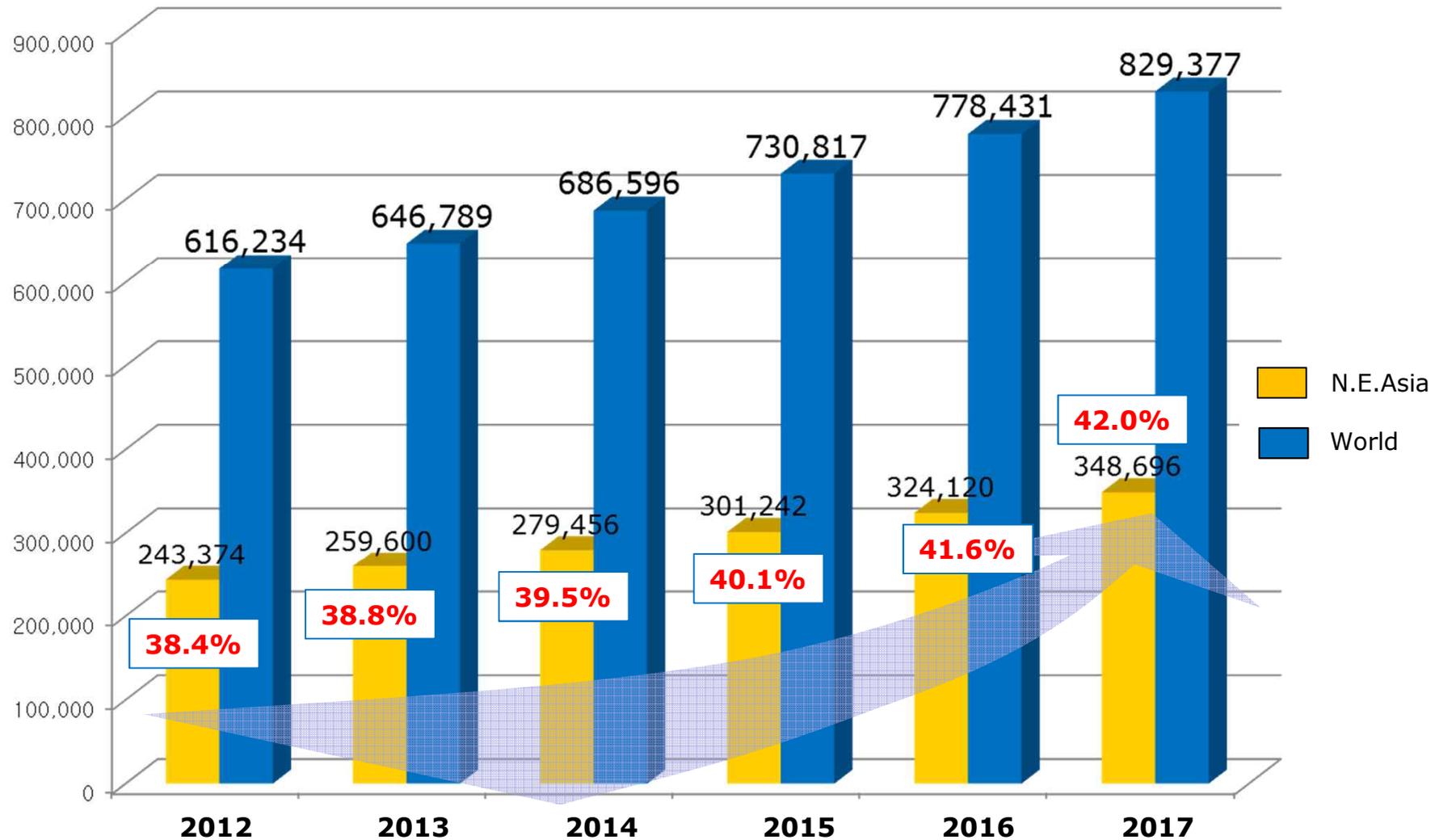
Share of World Import & Export Trade (2005 & 2015)



* Source : UNESCAP

Northeast Asia Container T/put

Unit : ,000 TEU, Share : %



* Source : Drewry Maritime Research

World top 10 container ports

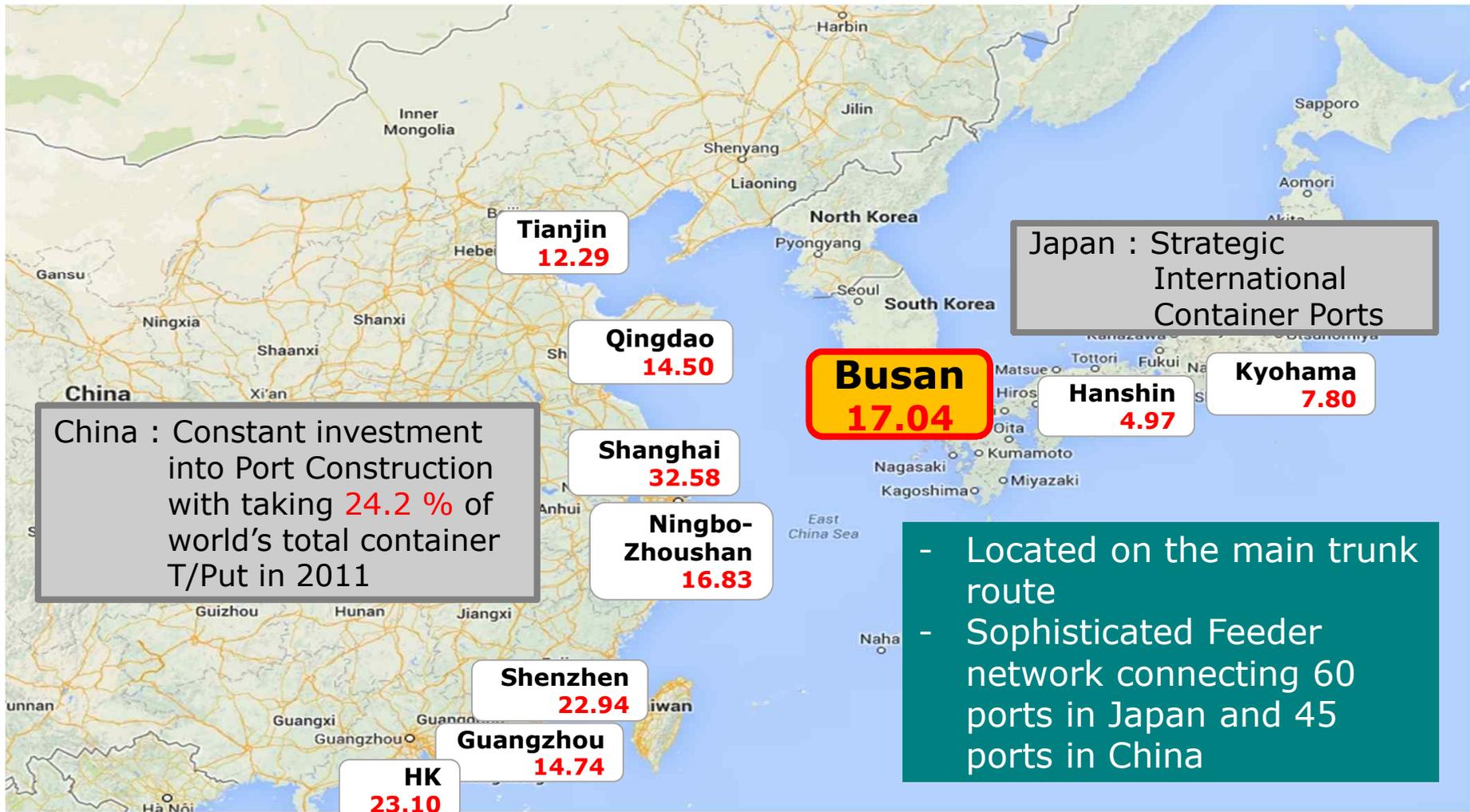
8 out of 10 World Largest Container Ports are in N.E

(Million TEUs)

No	Port, Country	2012	2011
1	Shanghai, China	32.58	31.74
2	Singapore, Singapore	31.65	29.94
3	Hong Kong, China	23.10	24.38
4	Shenzhen, China	22.94	22.57
5	Busan, South Korea	17.04	16.18
6	Ningbo-Zhoushan, China	16.38	14.72
7	Guangzhou Harbor, China	14.74	14.26
8	Qingdao, China	14.50	13.02
9	Jebel Ali, UAE	13.28	13.01
10	Tianjin, China	12.29	11.59

* Source : World Shipping Council

Northeast Asian Ports



* Source World's Shipping Council, UNCTAD

Contents

- 1 Northeast Asian Ports & Container Trade
- ➔ 2 Current Status of Busan Port
- 3 Busan Port Development Strategy
- 4 Busan Port in Northeast Asia

Busan Port



Busan North Port



North Port

**5 terminal Operators
(20 berths)**

Busan New Port



Opening : 2006

22 berths, under operation

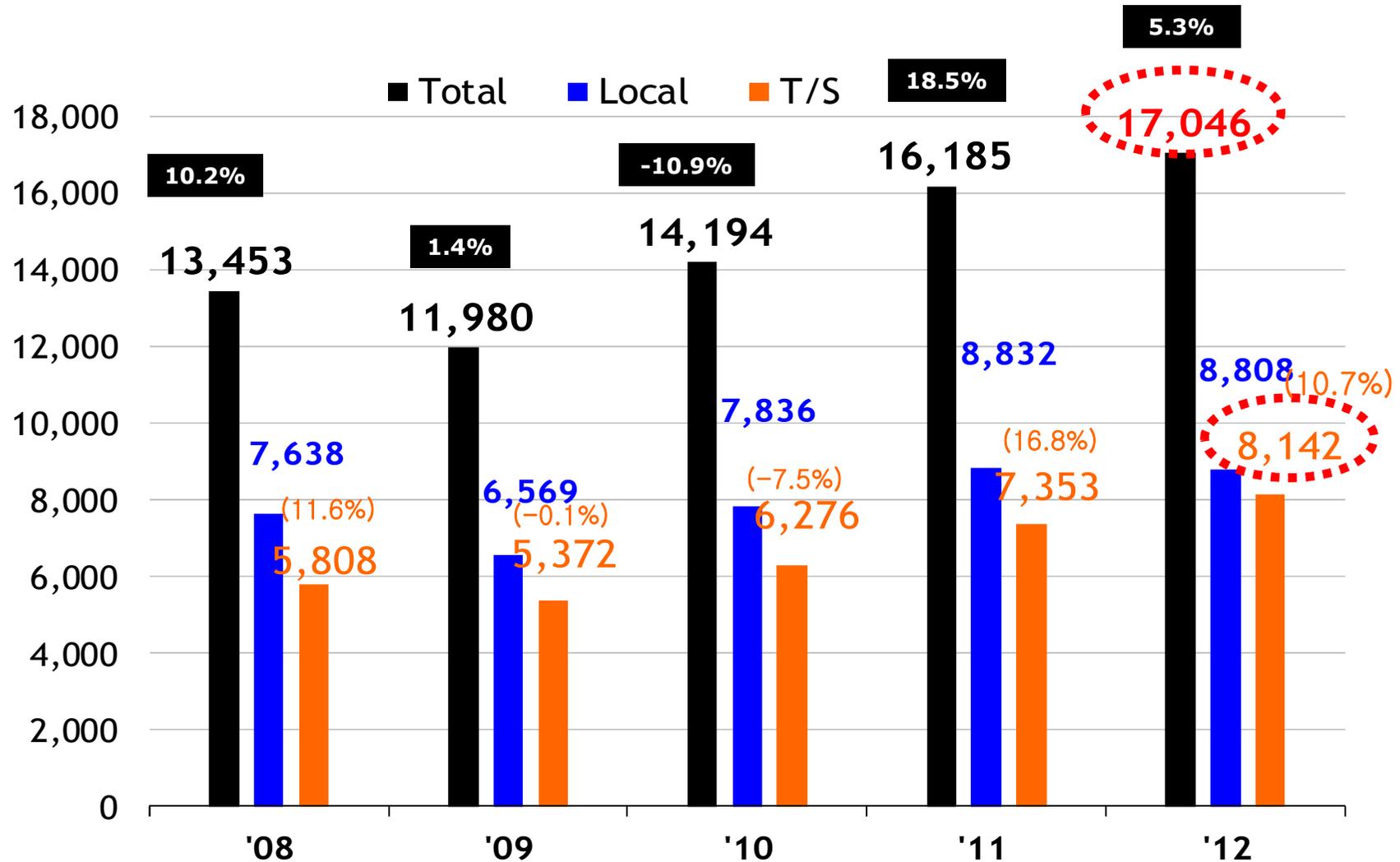
Complete construction by 2020

Handling capacity : 15M TEU

Water depth : 15 ~ 17m

Busan Port Container T/Put(2008~2012)

(Unit : '000TEU)



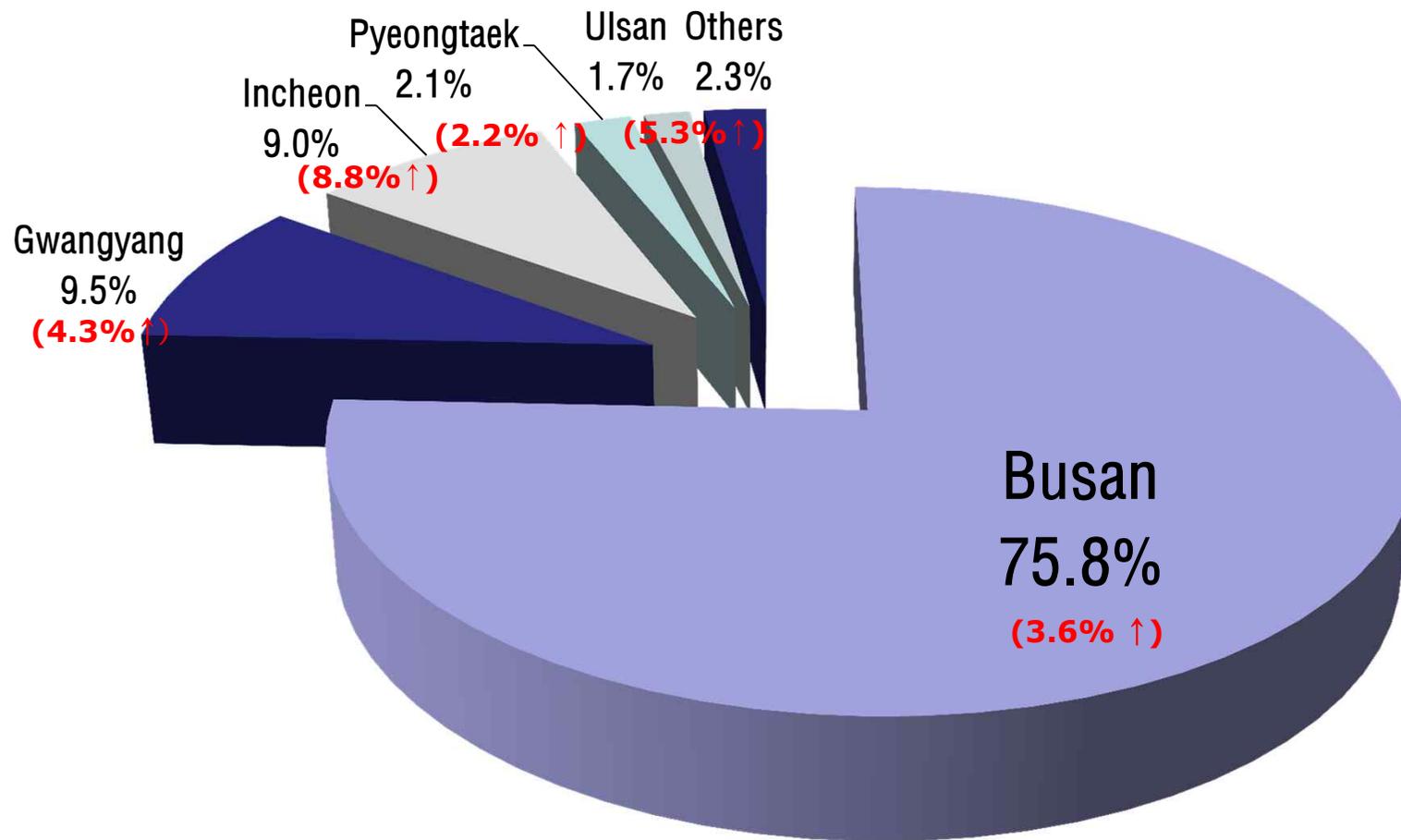
Busan Port T/Put(Jan~Aug, 2013)

- Total T/put : 11.7 million TEU (3.6% Increase)
 - Import/Export : 5.9million TEU (1.5% Increase)
 - T/S : 5.7 million TEU (7.2% Increase)

(Unit : ,000 TEU,%)

T/put	Jan ~ Aug, 2012	Jan ~ Aug, 2013	Growth Rate(%)	2013 (Revised forecast)	Growth rate
Total	11,350	11,761	3.6	17,710	3.9
L/C	5,873	5,963	1.5	9,011	2.3
Import	2,927	2,948	0.7	4,426	1.0
Export	2,946	3,015	2.4	4,585	3.6
T/S	5,406	5,794	7.2	8,694	6.7

Domestic market share(Jan~Aug, 2013)



※ Busan Port's Share 2010 (73%) -> 2013.1~8 (75.8%)

Main Strengths of Busan Port

Geographical Location

Located on the main-trunk route

Cost Competitiveness

Sophisticated Feeder Network

60 in Japan, 45 in China

Weather Condition

Less Typhoon & Sea fog

Excellent Connectivity

358 weekly services

Deep Water

Fully enough to accommodate
Triple-e

Busan Port,
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Weekly service at Busan Port

Total 61 carriers

- Korean carriers : 15(150 weekly services)
- Foreign carriers : 46(208 weekly services)

358 weekly services

N.A :50

EUR :24

CHN :45

RUS :14

JPN :69

M.E :12

S.A :39

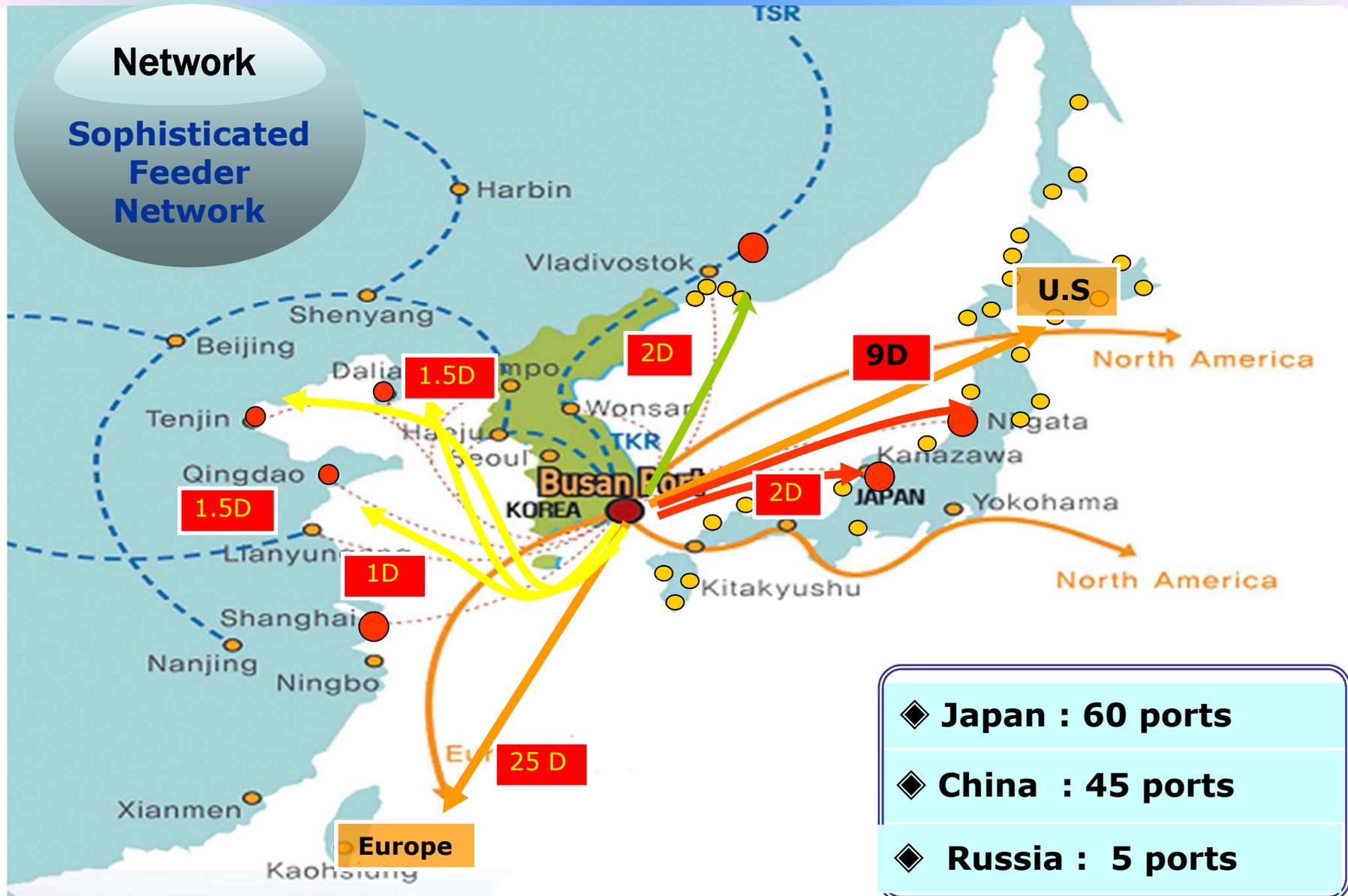
S.E.A :77

AFRICA :1

OCEANIA :27

** This study, conducted by BPA at the end of 2012*

Feeder Network with N.E.Asia

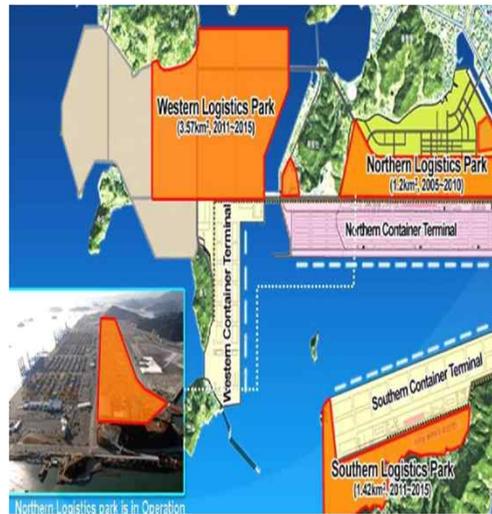


Main Projects at Busan Port

Busan New Port Construction



New Port Distripark Development



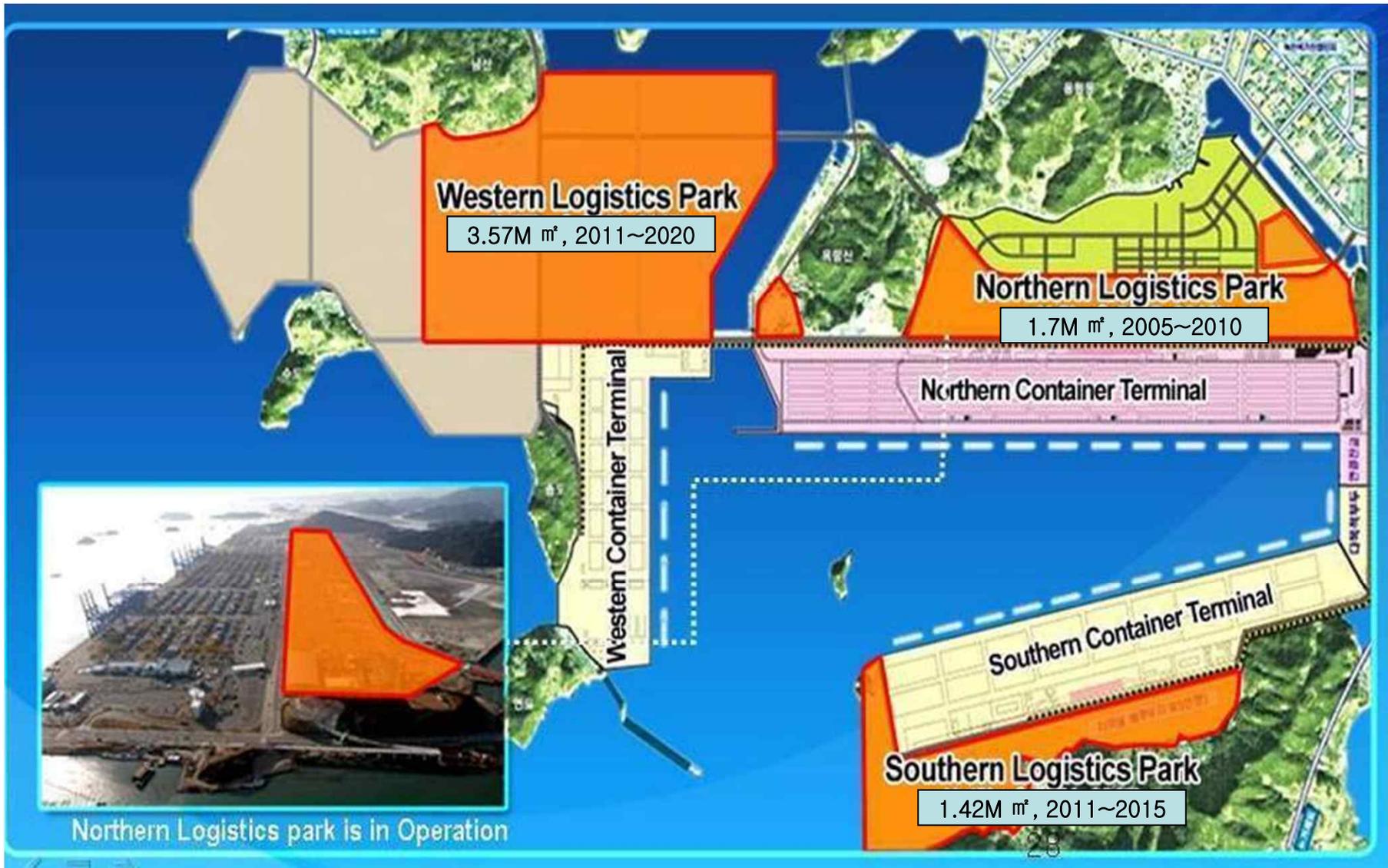
North Port Redevelopment



Busan New Port development



Distripark Development



Northern Distripark

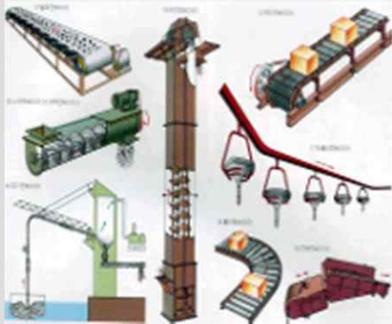
At present, 30 companies are under operation



Distripark Development plan

Applicable Business

Assembling



Packaging



Storage



Stevedoring



Tax incentives & benefits

* USD

❖ Lease Terms and Conditions

- Lease Period : Max. **50** Years
- Lease Fee : 4~26 cents/m²/month (Logistics Companies)

❖ National Tax

- 100 % Exemption for first 3 Years
- 50 % Exemption for next 2 years
- Zero VAT

❖ Local Tax

- 100% Exemption for first 15years

Contents

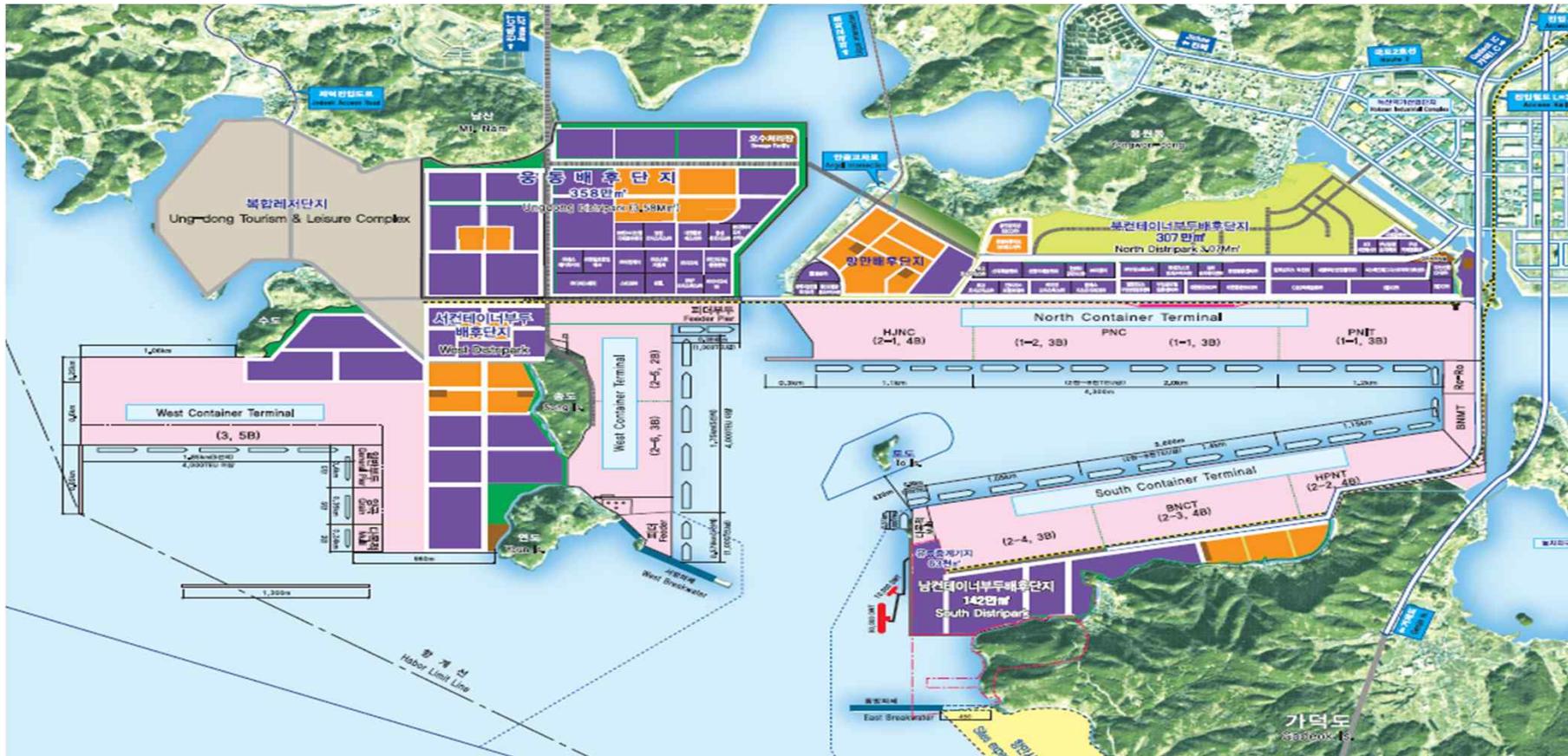
1 Northeast Asian Ports & Container Trade

2 Current Status of Busan Port

➔ 3 Busan Port Development Strategy

4 Busan Port in Northeast Asia

Busan New Port Construction

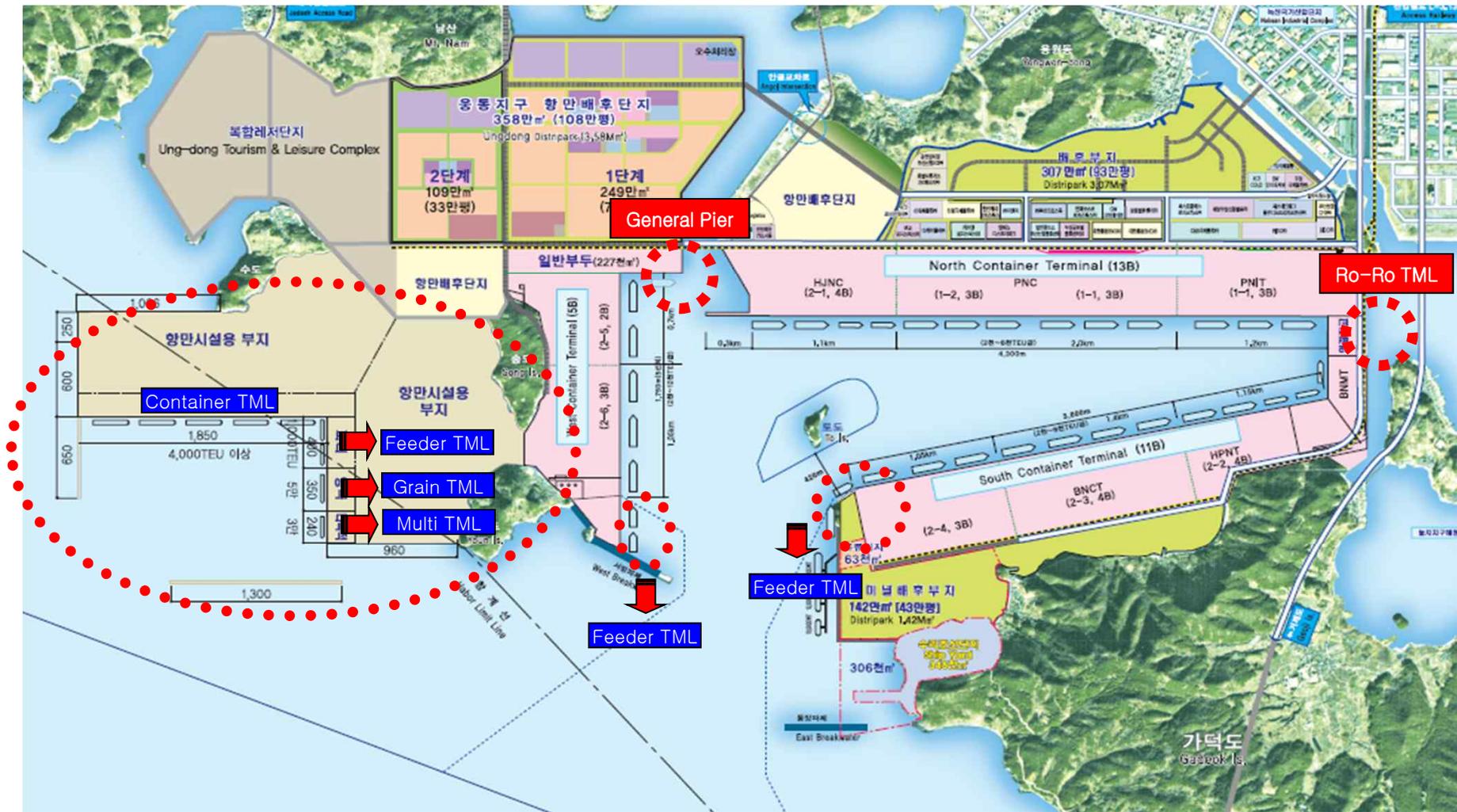


Total 45 berths at Busan New Port

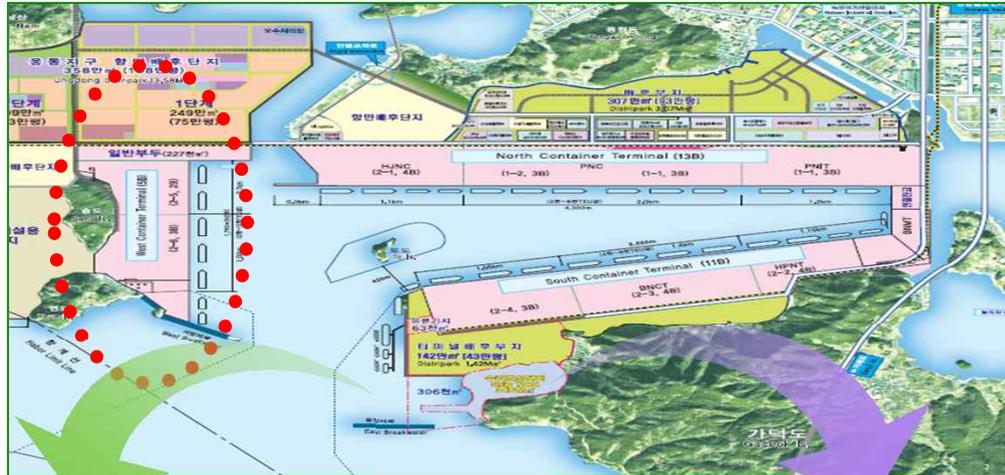
- As of now, 23 berths have been completed
(21 container terminals, 1 multi-purposed terminal, 1 ro-ro terminal)
- **Additional 22 berths to be completed** (13 container terminals, 4 feeder terminals, etc)

Busan Port New Port Expansion

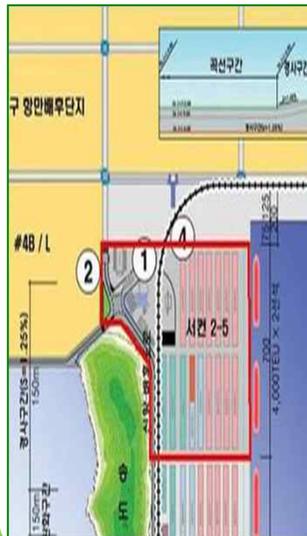
“ The Korean government released the 3rd National Port Development plan to construct additional 15berths at Busan New Port.”



Phase 2-5 & 2-6 Construction



Phase 2-5



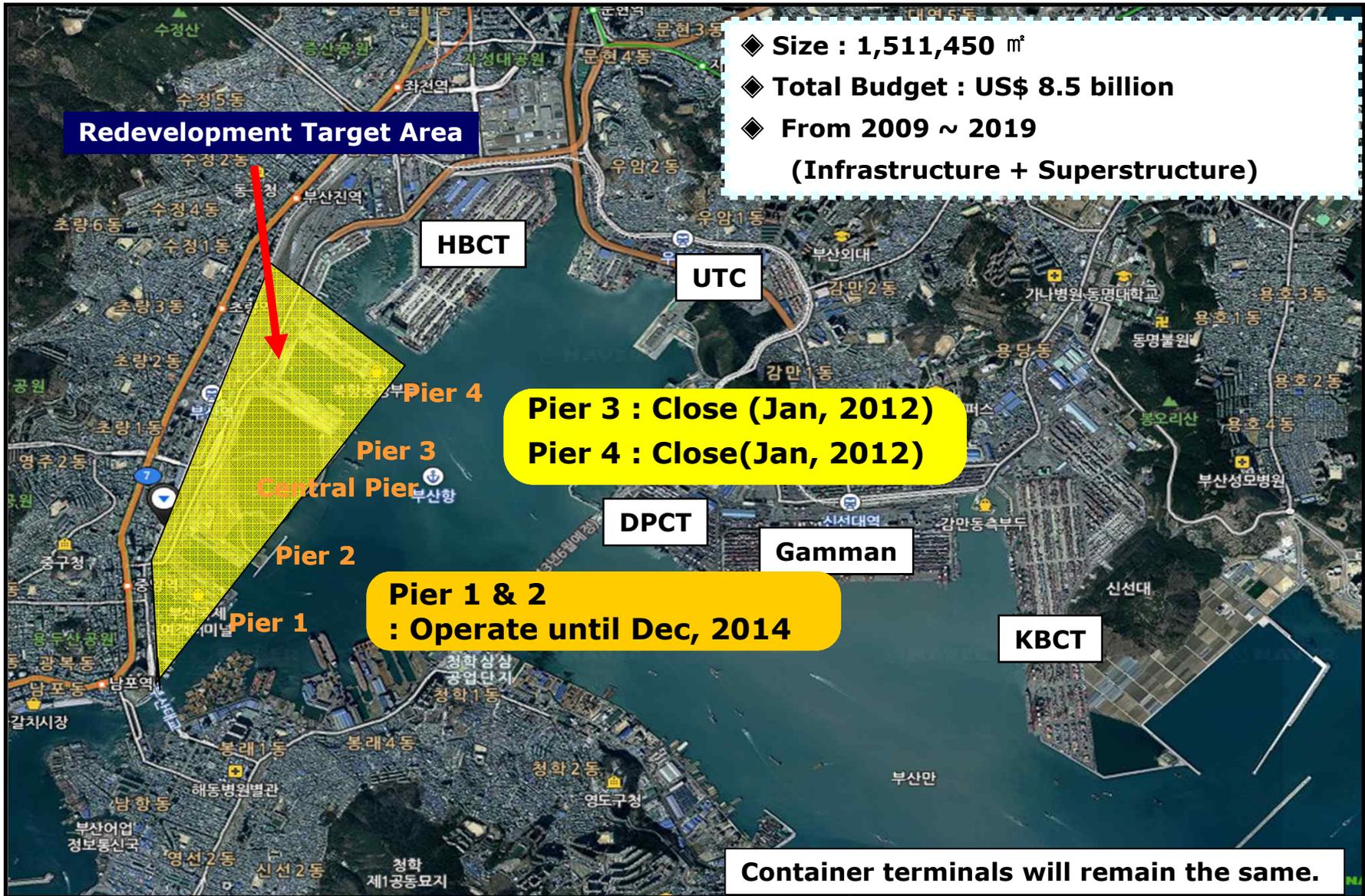
- 2 Berths
- Construction period : 2008. ~ 2018.
- Budget : KRW 307.6 Billion
- Handling Capacity : 800,000 TEU/ Year

Phase 2-6



- 3 Berths
- Construction period : 2008. ~ 2019.
- Budget : KRW 475.7 Billion
- Handling Capacity : 1,200,000 TEU/ Year

Busan Redevelopment Project



Master plan of the Redevelopment



Contents

1 Northeast Asian Ports & Container Trade

2 Current Status of Busan Port

3 Busan Port Development Strategy

➔ 4 Busan Port in Northeast Asia

Busan Port in Northeast Asia



Busan Port t/put by region

(unit : teu)

No	Region	Jan ~ Aug, 2012			Jan~Aug, 2013			Growth rate(%)		
		TTL	L/C	T/S	TTL	L/C	T/S	TTL	L/C	T/S
1	Northeast Asia	3,557,650	1,489,495	2,068,155	3,818,652	1,597,567	2,221,085	7.34	7.26	7.39
2	North America	1,906,767	926,579	980,187	1,933,437	912,273	1,021,164	1.4	-1.54	4.18
3	Japan	1,716,411	898,974	817,438	1,829,689	925,386	904,303	6.6	2.94	10.63
4	Southeast Asia	1,120,267	692,406	427,861	1,232,613	726,083	506,531	10.03	4.86	18.39
5	Europe	843,910	592,890	251,020	828,101	587,326	240,775	-1.87	-0.94	-4.08
6	Middle East	525,994	395,561	130,433	509,345	347,842	161,503	-3.17	-12.06	23.82
7	South America	487,098	257,741	229,357	477,031	236,269	240,762	-2.07	-8.33	4.97
8	Central America	411,906	208,751	203,155	406,463	237,316	169,147	-1.32	13.68	-16.74
9	Oceania	321,025	176,914	144,111	345,135	181,876	163,259	7.51	2.8	13.29
10	Southwest Asia	214,422	128,975	85,448	237,576	140,256	97,320	10.8	8.75	13.89
11	Africa	172,629	104,382	68,247	136,967	70,569	66,398	-20.66	-32.39	-2.71
12	Others	988	308	680	2,237	190	2,047	126.42	-38.31	201.03

Cooperation between Northeast Asian Port

Country	City	Port	Signed Contracts
China	Shanghai	Shanghai Port	Sister Port Agreement
China	Shanghai	SIPG	Cooperation Exchange MOU
China	Tianjin	Tianjin Port Group	Friendship Agreement
China	Dafeng	Dafeng Port Group	Friendship Agreement
China	Dalian	Dalian Port Authority	Friendship Agreement
China	Suifenhe	Suifenhe municipal government	Logistics Cooperation MOU
China	Qingdao	Qingdao Port Group	Logistics Cooperation MOU
China	Huizhou	Huizhou Port Group	Logistics Cooperation MOU
Japan	Niigata	Niigata Prefecture	Logistics Cooperation MOU
Japan	Osaka	Osaka Port	Sister Port Agreement

Busan Port in Northeast Asia

Cooperation among the N.E.Asia ports for
co-prosperity and sustainable development



Busan Port in Northeast Asia

**“Busan Port is not the port of Korea
but the port of Northeast Asia”**



**Global Hub Port beyond borders in
Northeast Asia**

Thank YOU!