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# Accord boosts Hongkong role

An agreement to tranship China's containers through Hongkong to other parts of the world has been signed by the Multinational Maritime Co Ltd of Hongkong.

This will make Hongkong an important transhipment port for Chinese containerised cargo in addition to the traditional bulk cargo business.

The agreement signed between the company and the China Ocean Shipping Agency (Penavico) of Peking also covers the leasing of containers and the extension of China's network of container depots to the ports of Tientsin, Tsingtao, Whampoa and Canton.

"In the past, it was difficult for

direct container shipment from China to other parts of the world because of the lack of direct service and containers, and other economic reasons," said the executive director of International Maritime, Mr Anthony Chan, yesterday.

Traditionally Chinese cargo is shipped to Hongkong in bulk and transhipped as big bulk or in containers at the carrier's convenience to other countries.

But now, with improved container depot facilities and the leasing of containers to Chinese shipping companies, Chinese goods and raw materials can be loaded in containers

and shipped in and out of China. One significant "breakthrough" under the arrangement, said Mr Chan, was that Hongkong's position as a container transhipment centre would be enhanced.

At present a considerable amount of containerised cargo is transhipped through Japan.

But due to the lower transhipment costs in Hongkong compared to Japan (about 20 to 30 per cent less) and the new service that Hongkong now provides to China, Mr Chan believes trade between China and Hongkong will increase.

Container cargo from China will

include textiles, handicrafts, furniture, Tsingtao beer, electronics components, television sets, air-conditioners, restaurant equipment and all raw materials.

According to Mr Chan, the Nautical Leasing Service, Inc of San Francisco Eurotainer of France are two major container lessors to China.

Several other container lessors are also in the final stage of co-ordinating with Multinational Maritime Co.

Mr Chan said China's network of container depots have now been extended to the ports of Tientsin, Tsingtao, Whampoa and Canton.

Nanking, Wuxi and Soochow will soon follow suit.