

# The Case of Regional Port Integration: the Beibu Gulf Port

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**ABSTRACT.** *Regional port integration is now a very popular port development model, such as the New York-New Jersey Port and Tokyo Bay Ports. In China, there are many cases of regional port integration in recent years, for example, Ningbo-Zhoushan Port, and the Beibu Gulf Port in Guangxi Province is also a famous case of regional port integration in China. This paper qualitatively analyzes development opportunities and problems of the Beibu Gulf Port, and presents some recommendations.*

**KEYWORDS:** *opportunities, problem, regional port integration, recommendations, the Beibu Gulf Port.*

## 1. Introduction

In China, Fangcheng Port, Qinzhou Port and Beihai Port are the three important ports in Guangxi Province. The three ports are located in the same province, and they are also located in the South Economic Circle and the Southwest Economic Circle of China. At the beginning of the port construction, their port conditions are very similar, that is say, they have the similar conditions for developing deep-water ports, and the same hinterland. Despite this, each port has independent policies and directions in the aspects of port planning, construction, operation and management [1], resulting in intense price competition, huge waste of port resources, idleness of port assets and oversupply of port capacity [2]. Based on above problems, Guangxi Province decided to integrated the three ports.

## 2. Related Information Of The Beibu Gulf Port

### 2.1 Development Process

In December, 2009, the Ministry of Transport of the Guangxi Province approved the regional port integration of the three ports, and the integrated port name is called “the Beibu Gulf Port”. Local government issued a general planning of the integrated

port in 2010, aimed at forming a port layout, which is one port and eight port areas. The Ministry of Transport of the Guangxi Province officially signed an agreement on the reform of the coastal port management system in 2016, which marked the completion of resources integration in the North Bay Port.

## ***2.2 Development Status***

In China, Fangcheng Port is located in the southwestern of coastline, and it is one of the 12 major logistics ports and a hub port in China's southwest coastal port group. The channel conditions are excellent and the land transportation system around the port area is also perfect. At present, the number of berths has reached more than 110, and the warehouse area of the entire port area has reached 3 million square meters, in addition, the container terminal of Fangcheng Port is the only container terminal with specialization level in the entire western region of China. In 2014, it was approved by the General Administration of Quality Supervision, Inspection and Quarantine of the People's Republic of China as the designated port for China's grain entry, In recent years, the port has actively participated in the Silk Road Economic Belt and the 21st Century Maritime Silk Road, and has made great efforts to become an important port node of Guangxi Province in China.

Qinzhou Port has the capability to build deep water quays and berths. In 2011, it officially became the fifth port in China's coastal areas to permit import vehicles. In October 2012, it began to invest in the construction of coal terminals and most of the terminals in the port are oil terminals, and it is also the largest port for China's maritime transport of crude oil.

Beihai Port also has the conditions to build a deep-water port. The annual throughput capacity of berths is 3 million tons, and the collection and distribution system in the port is perfect. At the beginning of 2016, Beihai Port was officially approved by the General Administration of Quality Supervision, Inspection and Quarantine of the People's Republic of China as the second batch of ports in China that allowed grain to enter the country.

## ***2.3 Geographical Advantages***

At present, the North Bay Port has become an important port in China's coastal ports. The north of the port is Yunnan, Guizhou, Sichuan, and the east is close to Guangdong, Hainan, Hong Kong, and Macau. Vietnam is in the southwest and the south is Hainan Island, it connects China's two economic circles: the South Economic Circle and the Southwest Economic Circle, at the same time, it is located in the ASEAN (Association of Southeast Asian Nations) Economic Circles, in addition, it is also the most convenient gateway to the ASEAN countries in the inland areas in China. So the integrated port has a unique geographical advantage, compared with other ports of China. The port is rich in coastal resources, with a coast line of 1,595 kilometers and sea area of 129,300 square kilometers.

### **3. Development Opportunities**

#### ***3.1 Asean***

In 2002, China and ASEAN began to jointly establish the China-ASEAN Free Trade Area. China and the ASEAN region have lowered tariffs for products from the other country in accordance with agreements since 2002. In 2003, the first null tariff agreement between China and Thailand came into effect, most of which were agricultural products such as vegetables and fruits. With the implementation of a series of tariff reduction policies, the trade activities of the two sides will be more convenient. For the whole country, the tariff reduction will promote the prosperity and development of bilateral market. Furthermore, the Beibu Gulf Port is close to ASEAN, and it is foreseeable that it will have great development space in the future.

#### ***3.2 One Belt And Road***

The “Belt and Road” project is divided into two major parts, land area and sea area. The land part is the Silk Road Economic Belt, and the sea area is the 21st Century Maritime Silk Road. First, because the Hepu County of Beihai City in the Guangxi Province was one of the earliest set sail ports of the ancient Chinese “Maritime Silk Road”, the Beibu Gulf Port has a geographical advantage if it participates in the Belt and Road. Second, one of the purposes of construction of the Maritime Silk Road is to be able to connect with the ports of the countries in the southwest of China, besides, the North Bay Port is the closest port to the Strait of Malacca among all Chinese coastal ports, so it is no doubt that the Port plays an important role in the trade between China and ASEAN region.

### **4. Problems**

#### ***4.1 Unreasonable Use Of Resources***

The layout of the entire port area is not perfect, and there are some problems in shoreline resources and water area. According to the current shipping development trend, the size of container ship will become larger and larger, which puts forward the requirements for the width and depth of the channels. With the rapid development of containerization, the level of containerization suffers the challenge. Obviously, the current the Beibu Gulf Port has not been able to meet the future demand.

#### ***4.2 Lack Of Professional Talent***

The number of shipping-related professionals is not enough, the quality is not high, and the policies of port is difficult to attract outstanding professionals. As we

all known, professional talents are essential for the high-quality development of the port, and the lack of such talents will further lead to backward management concepts in shipping, which ultimately results in failure of port development.

#### ***4.3 Information***

Nowadays, information is a vital element for the development of all industries. Although some information systems have been built in the Beibu Gulf Port, due to the lack of overall planning for information systems, the systems are independent, which affects entire efficiency and are not able to meet customer needs.

#### ***4.4 Incomplete Of Collecting And Distribution System***

At present, the collection and distribution system in the Beibu Gulf Port includes two modes of transportation: rail and road, and there are some problems in railway net

### **5 Recommendation**

#### ***5.1 The Beibu Gulf Port Group And Local Government***

First, the Beibu Gulf Port Group and the local government must jointly formulate the strategies aim of the entire port, clearly define the development direction and development goals of every port; second, the Beibu Gulf Port must speed up the construction on containerization; third, the port should attach importance to the construction of water and electricity supply and communication facilities, and improve the level of port supporting services.

#### ***5.2 Information Sharing***

The port should establish a port logistics service sharing platform to share information and resources and deepen cooperation between ports. Now, because the Beibu Gulf Economic Zone is in the emerging stage of development, a unified standard logistics service sharing platform will not only help improve the coordination and cooperation of the Beibu Gulf ports, but also improve the efficiency of logistics services.

#### ***5.3 Development Professionals***

The port should cultivate and introduce modern port logistics professionals. In view of the problems of weak teacher resources in the traditional training system and the constraints of traditional education, Guangxi Beibu Gulf Port should learn from the experience and ideas of domestic and foreign advanced ports to cultivate

innovative professionals. At the same time, the port should strengthen cooperation with universities and other institutions.

### **References**

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