

Port of Shanghai: New Shoes for a Growing Lad

The Port of Shanghai is not only China's busiest port—it's the busiest port in the world. It's been the world's busiest container port only since 2010, but it's been the world's biggest port in terms of cargo tonnage since 2005, and it is currently being expanded at its Yangshan Deepwater Terminal. This expansion involves land reclamation and the dredging of waters in areas that were previously shallow. This will allow the Port of Shanghai to continue to grow, as Chinese officials would likely want it to retain its position as world's busiest port.

In order to accommodate for the exports that have helped China pull itself out of economic mire, the nation has had to invest heavily in modern infrastructure, especially ports. To date, it has six of the world's ten largest ports, and ten of the top twenty. In 2011 alone, those top six ports combined handled 120.69 million twenty-foot container equivalent units (TEUs), dramatically outpacing any other economy.¹ Although China's GDP growth is predicted to slow to its lowest level since the 1990's—namely 7.5%—this is still a very large number and represents robust growth rather than contraction. China's new leaders have vowed to work hard to reach their GDP goal, and they have mentioned a potential for expansion in US-Chinese trade relations.²



¹ <http://www.worldshipping.org/about-the-industry/global-trade/top-50-world-container-ports>

² http://www.cbsnews.com/8301-202_162-57574750/chinas-new-leader-rejects-hedonism-and-extravagance/



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Although there are some who bemoan a slowdown in the Chinese economy, estimates for export growth—though somewhat spotty—in March of 2013 ranged from 5-18% year-on-year, which represents strong growth, and nothing near contraction. It's been easy to be desensitized by the frequent double-digit growth rates in most sectors of the Chinese economy, and to forget that even 5% growth is significant. After 2009's slowdown, China has regained its export strength and boosted it to 20% stronger than 2008 levels, at a whopping 139,736,156 TEUs in 2012.⁴

China has a lot of goods to ship, and many of them get shipped through Shanghai. Shanghai overtook Singapore as the world's busiest port and hasn't looked back; things don't look likely to be changing for it either. In 2012, the entire Port of Shanghai handled 32.5 million TEUs, up from 31.7 million in 2011.⁵ These figures only consider international containers, and considering that China's domestic demand and consumption is higher than ever, there are millions more containers that go uncounted because they're moving goods domestically.

The numbers will tell you that the Port of Shanghai currently handles nearly a quarter of China's container trade—a staggering figure. The problem with the Port of Shanghai is that it's gotten so big it's needed to expand to outlying areas. This is where the Yangshan Deepwater Terminal comes into play. Yangshan itself is an island, outside of the mouth of the Yangtze river, and although the waters there were previously shallow, they have been dredged and now the port can currently accommodate the world's largest container ships. The Yangshan Terminal has been being worked on for more than a decade, and once it's complete it will handle more than a third of the traffic that the Port of Shanghai receives. That means, roughly, eight percent of China's trade will go through one tiny little island. Impressive, no?

Starting in 2000, construction of the Yangshan Terminal has come in four phases. Currently, it's in the fourth and final phase, set to be finished in 2015. This addition will increase the capacity of the port by around a third, as much as 4 million TEUs annually. In 2011, it handled more than 12 million

³ <http://blogs.ft.com/beyond-brics/2013/01/18/china-gdp-in-two-charts/#axzz2Ny0aEVbd>

⁴ World Bank

⁵ <http://cargonewsasia.com/secured/article.aspx?article=30168>

TEUs and will only be handling more in the near future. When all is said and done, the Yangshan terminal will have more than ten kilometers of coastline and will have the capacity to handle up to 15 million TEUs. It has 34 massive container cranes that are larger than most buildings.

One of the fun little (well, not really little) things that comes along with the Yangshan Terminal is the Donghai Bridge, the bridge that connects the island to land. The Donghai Bridge is the world's longest sea bridge and is truly a remarkable feat of engineering: it's 32.5 kilometers long, and took six thousand workers two and a half years to complete. It's one of those things that you look at and think, "Holy hell, we *are* living in the future, aren't we?"

All this just follows the trend of China becoming the trade powerhouse it ought to be, and responsibly (at least economically) expanding its infrastructure to meet the needs of the future. Yangshan is truly a modern marvel, and will be a model for any other potential future competitors. If you want to be impressed, just google a picture of the Yangshan Terminal and see how truly massive it is.