

APPLICATION OF INFORMATION TECHNOLOGY IN CONTAINER TERMINALS IN SRI LANKA

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ABSTRACT

Applications of Information Technology in the cargo handling business in general and the container shipping industry in particular are numerous and have grown rapidly in recent past. Software systems for cargo manifesting, operation planning, container tracking ,plant operation and billing for the services provided have been developed by reputed software companies and such systems are in place in many leading ports throughout the world.

The Port of Colombo started its container operation business as far back as 1979 and it is a pioneer in the Asian region. The Port of Colombo has two container terminal operators, namely Jaya Container Terminal, which is owned and operated by the Sri Lanka Ports Authority and the South Asia Gateway Terminal, which is owned by a consortium of P& O Shipping Line, John Keells Holdings and few other private organizations. Port of Colombo has maintained prominent rank (between 21st and 38th in the world) on the basis of container volume handled annually.

As a result of continuous development works carried out in the past with the assistance of the Japanese Government, total revenue of the Port of Colombo has increased from a mere Rs. **650 million in 1979** (about US\$ 26 million at 1979 rate) **to Rs. 16 billion at 2003** (about US \$ 160 million at today's rates) and this makes SLPA the **most profitable** institution in Sri Lanka. Almost all major container shipping lines use the Port of Colombo facilities; few examples, Mearsk Sealand Shipping Line (world largest container shipping line), P & O Shipping Line, Evergreen Shipping Line


Terminal Operators today face challenges in providing speedy services requested by shipping lines that operate very large ships with capacity more than 8,000 TEUs (twenty foot equivalent units). Few examples are, limitations of infrastructure (e.g. depth of the port), providing quay cranes, which can handle many rows of containers across the ship ,and providing high berth productivity levels (in moves per hour), so that ship will stay a short time in the port. To provide those service requirements container terminals have to invest on information technology systems such as automated container location and positioning, wireless LAN, efficient yard operation software etc.

The Port of Colombo depends on transshipment containers to maintain its current status as a recognized "Mega Container Port". But it has to face stiff competition from regional ports which are developing fast while Port of Colombo development work stagnating due to scarcity of capital. Also due to slow pace of development work, Port of Colombo finds that, it is very difficult to provide service levels requested by shipping lines.

One way to improve service levels is by using an efficient information system and it will help to increase current low level of yard utilization and vessel productivity levels to industry norm levels. This will help to increasing annual throughput capacity of the JCT from current 1.7 million TEUs to 2.8 million TEUs. In addition, such a system can support better flow of information with clients (e.g. using industry standard EDI messages), and online information to the shipping community. Also this will help to increase the satisfaction level of the shipping community, which is at a low ebb now.

DECLARATION

"I certify that this thesis does not incorporate without acknowledgement any material previously submitted for a degree or diploma in any University to the best of my knowledge and belief it does not contain any material previously published, written or orally communicated by another person or myself except where due reference is made in the text. I also hereby give consent for my dissertation, if accepted, to be made available for photocopying and for interlibrary loans, and for the title and summary to be made available to outside organisations"


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TABLE OF CONTENTS

TABLE OF CONTENTS	1
LIST OF TABLES	3
TABLE OF FIGURES	4
TABLE OF EQUATIONS	5
ABBREVIATIONS	6
CHAPTER 1- INTRODUCTION	7
1.1 General.....	7
1.1.1 Changes in International Trade.....	7
1.1.2 Domination of Shipping Industry by Container Ships.....	8
1.1.3 Sizes of Container Ships at Present and Future	9
1.1.4 Competition and Regulation of Liner Shipping.....	10
1.1.5 Implications on Ports due to Increasing Size of Container Ships	12
1.1.6 World Port Container Traffic Volumes	14
1.1.7 Transshipment Industry of the Container Ports.....	15
1.1.8 The Major Transshipment Hubs.....	16
1.2 Port Of Colombo.....	16
1.2.1 Brief History of Sri Lanka Ports Authority	17
1.2.2 Comparison of Port of Colombo with Other Leading Container Ports in the World.....	17
1.2.3 South Asia Gateway Terminal.....	18
1.2.4 Present Port Development Activities.....	18
1.2.5 Future of Port of Colombo as Mega Hub Port.....	19
1.3 Problems Port of Colombo Facing Now.....	21
1.4 Research Objectives.....	22
1.5 International Productivity Indicators used in Container Terminals.....	23
1.6 Overview of Dissertation	23
CHAPTER 2 – LITERATURE REVIEW.....	24
2.1 General.....	24
2.1.1 Sea Transportation.....	24
2.1.2 Innovation of Container System.....	25
2.1.4 Description and Types of Container Ships	25
2.2 Container Handling Equipments and Other Related Systems Used in Container Terminals.....	26
2.2.1 Quay Side Cranes	26
2.2.2 Transfer Crane.....	28
2.2 Information Technology Used in Container Terminals World Wide.....	30
2.3 Port Information Systems.....	31
2.3.1 Satellite Positioning Systems.....	31
2.3.2 Gate Technologies	31
2.3.3 Automatic Guidance Vehicle.....	32
2.3.4 Wireless Local Area Network	32
2.4 Typical Structure of Container Terminal Information System.....	33
2.4.1 Database	33
2.4.2 The Planning System.....	34
2.4.3 The Control System.....	35
2.5 Input and Output to the Terminal Operating System	36
2.5.1 Graphical Displays	36
2.6 Electronic Data Interchange	36
2.7 Management of Dangerous Goods Containers.....	37
2.8 Management of Reefer Containers.....	37
2.9 Container Freight Stations	37
2.10 Billing System.....	37
2.11 Production of Statistics and Reports.....	37
2.12 Disaster Recovery and Backup system.....	38
CHAPTER 3 - RESEARCH APPROACH AND METHODOLOGY	39



3.1 Hub Port Concept	40
3.2 Critical Success Factors for a Hub Port.....	41
3.3 Productivity Model for Container Terminal.....	43
CHAPTER 4 - RESULTS AND DISCUSSION	44
4.1 Background.....	44
4.2 Present Computer Application System of the Jaya Container Terminal	44
4.2.1 Yard Planning Computer System (YPCS).....	44
4.2.2 Yard Operation Computer System (YOCS)	46
4.2.3 Vessel Planning Work Station (VPWS).....	48
4.2.4 Configuration and Fundamental Functions	50
4.3 Problems of the Present IT System	50
4.3.1 Inaccurate Position Detection of Transfer Cranes – YOCS.....	50
4.3.2 Insufficient Yard Planning Functions – YPCS	51
4.3.3 Relatively Low Accuracy Ratio of Container Position Detection – YPCS	51
4.3.4 Manual Yard Allocation of Containers at Gate – YPCS	52
4.3.5 Lack of EDI – YPCS	52
4.3.6 Stoppage of YPCS, YOCS & VPWS for Database Update.....	53
4.3.7 VPWS for Ship Load Planning.....	53
4.3.8 Problems with Hardware System and Database	53
4.4 Systems Used in SAGT.....	54
4.4.1 Real Time Container Location	54
4.4.2 Disaster Recovery Facility.....	55
4.4.3 Document Centre.....	55
4.4.4 Performance Monitoring and Continuous Improvement	55
4.4.5 Application of E- Commerce Activities	55
4.4.6 Data Security	56
4.5 Shipping Community	56
4.5.1 Important Technological Factors about Shipping Community	56
4.5.2 Satisfaction Level about the Port of Colombo Services	57
4.5.3 Data for Relationship between IT Capability and Satisfaction.....	58
CHAPTER 5- GENERAL DISCUSSION	59
5.1 Difficulty of Obtaining of Productivity Values of the Terminals	60
5.1.1 Productivity Measures of Port of Colombo and Regional Ports.....	60
5.2 Limitation of Achieving 2.8 m TEU per Annum Capacity at JCT.....	61
5.3 Analysis of IRR on the Investment on New Terminal Operating System.....	62
5.4 Analysed Results of the Questionnaire	64
5.4.1 Important Factors about Shipping Community	64
5.4.2 Satisfaction Levels of the Shipping Community	65
5.4.3 Checking Relationship between IT Capability and Satisfaction.....	69
5.5 Regaining the Confidence of the Shipping Community.....	75
CHAPTER 6 - CONCLUSIONS AND RECOMMENDATIONS	76
REFERENCES	78
APPENDIX I - RESEARCH QUESTIONNAIRE	80

LIST OF TABLES

Table 1 - Physical Dimensions of Different Categories of Container Ships	10
Table 2 - TEU-Capacity of Top Ranking Containership Operators.....	11
Table 3 - Main Container Shipping Alliance/Operator on East-West Trade	12
Table 4 - Current Rank of Port of Colombo as Container Hub Port	18
Table 5 - Port of Colombo Container Throughput Forecast	19
Table 6 - Criteria Used to Evaluate the Response.....	40
Table 7 - Cost of Deviation from International Shipping Route	42
Table 8 - Tariff Structure for Regional Container Ports	42
Table 9 - Productivity Levels of Regional Ports.....	42
Table 10 - Important Technological Parameters of Shipping Lines	57
Table 11 - Shipping Community Satisfaction about JCT and SAGT	57
Table 12 - Relationship between IT Capability & Satisfaction	58
Table 13 - Port Productivity Measurements	60
Table 14 - Itemised Cost for the New Container Terminal Operating System.....	63
Table 15 – Additional Revenue due to the New Container Terminal Operating System	63
Table 16 - Statistical Analysis of Important Factors about Shipping Community...	64
Table 17 - Statistical Summary on Satisfaction Level of Services Provided	69



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TABLE OF FIGURES

Figure 1 - Container Fleet Development by TEU Size	9
Figure 2 - Forecast of Regional Transshipment Throughput via Port of Colombo ...	20
Figure 3 - Growth of Throughputs of the Container Terminal in Regional Ports ...	22
Figure 4 - Types of Sea Transport Systems	24
Figure 5 - Drawing of Quay Side Crane (Portainer)	26
Figure 6 - Anti-Sway Camera System	27
Figure 7 - Out line of Yard Gantry Crane (Transfer Crane)	28
Figure 8 - Typical Structure of Container Terminal Information System.....	33
Figure 9 - Critical Success factors for a Hub Port.....	41
Figure 10 - Productivity & Customer Satisfaction Model for Container Terminal.	43
Figure 11 - Jaya Container Terminal Computer System.....	50
Figure 12 - Boxplot Graph of Flexibility of IT and Management	65
Figure 13 - Shipping Community Satisfaction on Services	66
Figure 14 - Shipping Community Satisfaction on EDI Services.....	67
Figure 15 - Shipping Community Satisfaction on Online Information	68
Figure 16 - Residuals Versus Satisfaction on JCT	70
Figure 17 - Normal Probability Plot of Residuals - JCT	71
Figure 18 - Histogram of the Residuals.....	72
Figure 19 - Residuals Versus Satisfaction.....	73
Figure 20 - Normal Probability Plot of the Residuals.....	74
Figure 21- Histogram of the Residuals.....	74



TABLE OF EQUATIONS

Equation 1 - Formula to Calculate Berth Productivity	59
Equation 2 - Formula to Calculate Crane Productivity	59
Equation 3 - Formula to Calculate Annual Container Throughput	61
Equation 4 - Formula for Crane Productivity	62



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ABBREVIATIONS

EDI	Electronic Data interchange
JICA	Japan International Cooperation Agency
JCT	Jaya Container Terminal
JPC	Japan Port Consultant
DGPS	Differential Global Positioning System
Dwt	Dead weight ton
GPS	Global Positioning System
IRR	Internal Rate of Return
ISL	Institute of Shipping, Economics and Logistics
LAN	Local Area Network
OCR	Optical Character Recognition
PSA	Port of Singapore Authority
RHDT	Radio Handheld Data Terminal
RMG	Rail Mounted Gantry Crane
RTG	Rubber Tired Gantry Crane
SAGT	South Asia Gateway Terminal
SLPA	Sri Lanka Ports Authority
TEU	Twenty Foot Equivalent Units
VMT	Vehicle Mounted Data Terminal
VPWS	Vessel Planning Work Station
YPCS	Yard Planning Computer System
YOCS	Yard Operation Control System
YOR	Yard Occupancy Ratio