

PORT SELECTION CRITERIA AND ITS IMPACT ON PORT COMPETITIVENESS

ISLAM I. SALEM¹ & KHALED G. EL-SAKTY²

¹Lecturer, Arab Academy for Science and Technology, Cairo, Egypt

²Head of Transport Logistics Department, Arab Academy for Science and Technology, Cairo, Egypt

ABSTRACT

Container ports and terminals became essential components of the modern economy. Containerization plays an indispensable role in reducing transport cost of international trade. Hence, shipyards have started to produce new designs, which are technically better adapted to the new market conditions, more economical and above all extremely competitive compared to the existing ships. On the other hand, ports play important role in accommodating new designed ships with larger volumes of cargo. Ports competition takes different forms, including service quality and port elasticity. Quality of facilities can achieve faster ship turn-around time, less unit cost, and provide added value activities. This helps in enhancing port competitiveness. Ports have traditionally evaluated their performance by comparing their actual and optimum throughputs (measured in tonnage or number of containers handled). If a port's actual throughput approaches (departs from) its optimum throughput over time, the conclusion is that its performance has improved over time, and vice versa. Port competition can be viewed as inter-port competition (between ports) or intra-port competition (within a given port). Also, a number of measures and Key Performance Indicators (KPIs) have been developed for measuring ports performance and consequently for selecting a more competitive port. In this paper, the purpose is to investigate those elements that can be used by port clients in selecting a calling port. This paper is divided into five sections. In section two, a set of those elements that affects port selection from the available literature is discussed and grouped. In section three, a questionnaire is developed and the most important elements are identified. Competition between East Mediterranean ports is explained as a case study in the fourth section. Finally, a conclusion and further research is displayed in the fifth section.

KEYWORDS: Port Competition, Port Selection Elements, East Mediterranean Ports