



CTQI: A Container Terminal Performance Indicator Established by GLC in Co-operation with Global Institute of Logistics (GIL)

Principal Author: Mr. Bernhard Ständer
Co-Author(s): Capt. Wilhelm Loskot
Affiliation: Germanischer Lloyd Certification GmbH

Abstract

Germanischer Lloyd Certification (GLC) is formalising a Container Terminal Quality Indicator (CTQI) standard to help shippers and ocean carriers better assess the performance of their gateway terminals. The certification body's work on the subject was started at the beginning of last year on the recommendation of the Global Institute of Logistics.

In November the 5th Hamburg Committee meeting will be taking place in Hamburg, hosted by Germanischer Lloyd Certification and the CEO of the Global Institute of Logistics. Members of the Hamburg Committee are managing representatives from major terminal operators around the globe and industry stakeholders, i.e. shippers represented through the World's Shippers Council and the European Shipper's Council.

It is the goal of the Hamburg Committee to create an uniform and globally accepted terminal operation terminology and statistical method to measure their performance, identifying and rewarding best practices. The idea is to annually audit container terminal performance and their interfaces to the overall supply chain process.

The concept of the standard is a risk-based structure. First of all, each certified container terminal will have to implement a Management System maintaining and controlling processes related to operational performance, e.g. appointment of a CTQI manager, identifying relevant personnel and defining their responsibilities and task including necessary training. Then the CTQI manager would be responsible for implementing all those tasks and performing the related training.

As far as evaluation is concerned, three categories are planned:

- A set of Key Performance Indicators (KPIs) is being defined. Each terminal will have to measure those KPIs which then will be evaluated by a scoring system through so called master tables.
- Internal Factors will be evaluated through another set of master tables, such as equipment and procedures used for gate handling, processes that are in place for ensuring interfaces with all supply chain stakeholders. Moreover, kind, age and density of equipment used on the terminal will be evaluated.
- External factors on which the terminal's productivity is depending on will be evaluated with help of the scoring system. It is recognized here that a terminal cannot directly influence those factors. Examples are intermodal connectivity, hinterland redundancy, road lane capacities leading to the terminal etc.

For ensuring objective measuring of the different criteria certain definitions are getting decided by the Hamburg Committee. One of which is that speed of container handling should only be measured from the time the first container is loaded or discharged, rather than from when the ship completed berthing. This has been decided for getting round the problem of ships arriving 'out of window', so preventing terminal operators from meeting their contractual requirements efficiently.



It is expected that within the first 6 months of 2008 the final first version of CTQI will be published and auditing will start by Germanischer Lloyd Certification (GLC). Once a terminal will have passed the audit successfully a CTQI certificate will be issued. A prerequisite will be that the terminal has implemented a management system successfully and reaches a minimum of scores in the categories KPI and Internal Factors. The actual scores reached will not be published but solely kept to an annex of the certificate. However it can be ensured that a terminal with a CTQI certificate has exceeded a certain minimum standard and therefore may be regarded as one of the best terminals.