



MANILA INTERNATIONAL CONTAINER TERMINAL:

IMPLEMENTING THE TERMINAL APPOINTMENT BOOKING SYSTEM (TABS)

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The Manila International Container Terminal (MICT), the flagship operation of global port operator International Container Terminal Services (ICTSI), continues to perform optimally through the first half of 2017 as the terminal gears up for the peak season in the latter part of the year. The robust performance comes after MICT achieved record volume and productivity in December, 2016 with its first year-to-date 2 million TEU move.

Yard utilization at the terminal remains optimal. The mechanisms developed together with the Philippine government and other stakeholders in 2014 continue to work, resulting in the easing of road traffic in Metro Manila despite inadequate transport infrastructure.

TERMINAL APPOINTMENT BOOKING

A key mechanism implemented was the Terminal Appointment Booking System (TABS), a vehicle booking system developed

by Australia-based 1-Stop Connections. A similar booking system was implemented at ICTSI's Victoria International Container Terminal at the Port of Melbourne.

Launched in October, 2015, TABS, a web-based booking appointment system for container trucks coming in and going out of the port, was adopted to redress the pileup of container traffic in the terminals of Manila, the Philippines' capital city, including the rationalization of container truck flow in congested city roads.

A private sector initiative, TABS was first pitched to the government by ICTSI and MICT management, as it assisted Philippine government efforts to ease city traffic by managing and scheduling the trips of container trucks plying the city roads, and prevented supply chain backlogs at the port. It complements the computerized and international-standard operations systems already long in place inside the MICT.

Its main objective is to deliver the following

benefits to two large groups of stakeholders: the port/port user community, and the general public.

BENEFITS TO PORT USER COMMUNITY

1. CARGO OWNERS/BUSINESSES

- Continuous flow of land side movement of containers, with containers deemed urgent being allowed to travel even during the regular truck ban.
- Greater transparency and predictability regarding the time cargo can be expected, with the following container-specific data accessible on the MICT, for example date and time of container discharge from vessel to yard; date and time of when container is available for TABS booking, and when booking was actually made; time of truck arrivals and departures at the gates.
- Better forward planning for the



brokers, truckers, benefitting the cargo owner in the end.

2. TRUCKING COMPANIES

- Predictable and expectedly shorter queueing times, with every visit made through a pre-booked/pre-set TABS appointment.
- As a direct consequence of the first benefit, trucks spending shorter times at the port can increase the trips they do per a day and even ply the road during truck ban hours.
- Shorter truck dwell times mean faster movement of containers, especially reefer and other time-sensitive cargo, out of the port.
- Lower operating cost for truckers hopefully eventually equates to lower trucking fees.
- Fleet owners can plan the schedule of trips of their trucks and maximize driver and fuel resources.

3. THE PORT — OPERATOR/MANAGER AND OWNER/PORT AUTHORITY

- Easier allocation of resources, for example cranes and manpower, for upcoming shifts, with the advance information gathered from the bookings made.
- More efficient location planning, with the advance schedule of containers available.
- Better continuous traffic flow along roads in and around the terminals.
- By flattening the artificial peaks for truck arrival and spreading the slots across the week, a consistent manageable flow of trucks is achieved versus sudden unpredictable surges.
- Sped-up container traffic, from the yard to the trucks, enables the port to process more transactions in shorter periods; thus, the government

regulator, the Philippine Ports Authority earns more from port operations.

BENEFITS TO THE PUBLIC

- Commuting and Motoring Public — A more predictable and better-spread-out flow of container trucks to and from the port area translates to less congestion, at least from the trucking sector, and easier traffic flow.
- Consumers — Efficient movement of goods along the container transport system redounds to enhanced stability of supply, including supplies of raw materials, semi-finished and finished goods for basic commodities and other consumer goods.

CONGESTION-FREE, OPTIMAL PERFORMANCE AT THE MICT

As of May, yard utilization at the MICT remained at 61% or well below the 70% ideal percentage. During the same month, average crane productivity hovered at 32 moves per hour. These numbers underscore the terminal's strong performance despite the uptick in container volume as global trade continues to rebound.

Global container traffic has slowly recovered. Southeast Asia and North America have posted the highest average growth at 7% during the final quarter of last year. While ICTSI remains optimistic that the trend will continue, management is confident that the MICT will be able to keep up with the pace and accommodate the projected increase.

Last year, the MICT achieved a milestone with its first year-to-date two millionth TEU move, triggering a multi-billion peso capacity improvement commitment with the PPA that requires ICTSI to commission five neo-Panamax quay cranes, 12 reach stackers, and build

two new berths by 2020. The expansion and capacity improvement will enable the MICT to service bigger ships, which is now becoming the trend in global container trade.

PEAK SEASON

At the onset of second half of the fiscal year, container volume in the Philippines is expected to surge, with imports starting to arrive ahead of the holiday season. Historical data from the PPA also show consistent MICT volume growth since 2015, with productivity and utilization staying proportionally healthy all throughout.

Port congestion is a challenge every major and busy port in the world has to contend with. The congestion problem in the Port of Manila in 2014 provided ICTSI the opportunity to further improve operations at the MICT.

The issue was resolved by putting in place new technologies that would not only upgrade the terminal, but would make MICT a sustainable business factoring in the quality of life of the terminal's hinterland communities and immediate environs. The company engaged all port stakeholders in resolving the issue.

In Shanghai, China, adverse weather conditions, shifts in shipping alliances, and higher-than-usual volumes have impacted operations at Yangshan Port.

Back in April, the queue outside the port reached up to 100 ships as the average waiting time at the berth reached 18.2 hours. Despite the difference in the nature of the cause, the recent port congestion in Yangshan was comparably similar to the Manila port congestion in 2014.

In 2014, the root cause of the port congestion was the truck ban that limited



truck movement in the city's major thoroughfares. Containers couldn't get out of the terminal. Unlike the situation in Yangshan, the problem could be controlled, thus TABS was developed.

BOOSTING MICT'S HINTERLAND

Under TABS, trucks arrive at the terminal according to the booked slot scheduled, which the system evenly distributes throughout the day.

This system helped reduce the number of trucks on the road without limiting the movement of cargo.

The adoption of the online booking system, combined with more productive city regulations, recent clearing of roads surrounding the port, and the opening of the service roads of a major thoroughfare, Roxas Boulevard, to truck traffic, has resulted in improved trade flow in and out of the port.

To further ease container movement and ensure seamless operations at the MICT, ICTSI implemented capacity and facility upgrades.

Terminal utilization improved since 2015 after the completion of Yard 7, which increased the terminal's capacity by 18% from 2.5 million to 2.75 million TEU.

To supplement MICT operations, a dry port in Laguna province, south of Manila, was opened to support import and export activities of locators in economic zones in southern Luzon. The dry port, the Laguna Gateway Inland Container Terminal,

serves as an extension of the MICT. In Cavite province, also south of Manila, the country's first container barge roll on-roll off terminal, the Cavite Gateway Terminal (CGT) in the coastal town of General Trias, will open in 2018.

The Cavite terminal will significantly reduce trucks on the region's highways through container barges connecting CGT and the MICT via the Manila Bay waterway.

RECOGNITION FOR TABS

In 2016, the Philippine Institute for Supply Management and the Society of

Fellows in Supply Management handed ICTSI the Gawad Sinop Corporate Award for Excellence in Supply Management Practices, primarily because of TABS.

This year, the Public Relations Society of the Philippines, considering TABS as a multi-stakeholder engagement program, gave ICTSI its highest award, the Grand Anvil. TABS was also a Finalist in the Navis Inspire Awards in last March.

This October, MICT is in the running for Terminal Operator of the Year in the Lloyd's List Southeast Asia Maritime Awards because of TABS.

ABOUT THE AUTHOR

Joining ICTSI in 2001, Jupiter Kalambakal is the Company's Public Relations Manager based in its corporate headquarters in Manila, Philippines. Holds a BA Journalism degree from the Royal and Pontifical University of Santo Tomas, Jupiter has over 20 years experience in media and corporate communication as a journalist, editor and public relations practitioner.

ABOUT THE ORGANISATION

Established in 1987 in the Philippines, port operator, manager and developer International Container Terminal Services, Inc. (ICTSI) has built a solid portfolio of successful public-private partnerships with governments in developed and

emerging markets in the Asia Pacific, the Americas, and Europe, Middle East and Africa. ICTSI offers clients the advantage of high standards of port services as an independent operator with no logistics/shipping interests.

ENQUIRIES

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