

## Abstract

The objective of this research is to identify the factors affecting shipping companies' terminal selection in Port of Colombo based on a survey to a sample of shipping companies. To meet this purpose a methodology has been developed which is based on factor analysis; first detailed review of relevant literature reveals a considerable range of factors affecting the decision of container terminal selection. The theoretical step is complemented by a survey method applied to the container terminals in port of Colombo and compared the differentiation between selection criteria of Jaya Container Terminal and South Asia Gateway Terminal. Four factors were considered relatively important i.e. *gross crane productivity, allocation of gantries per berth, Terminal tariff charges, Ability to handle special cargo*. Explanatory factor analysis identified five terminal choice categories i.e. *Advancement / Convenient of terminal, Response toward the Shipping lines requirements, Operational consideration of shipping lines and terminal efficiency in terms of ship turnaround time*. A comparison between the selection criteria between SAGT and JCT indicates that there is significance different between the selections criteria since both terminals have different characteristics in terms of facilities, efficiency and tariff etc. It has been revealed that there exist significant perspective differences between two groups in the 3 variables which are On arrival berthing, Accessibility of information, Reliability of service and Terminal Tariff charges.

