Impact of Terminal Handling Charges on the Performance of Non-Vessel Operating Common Carriers with Special Reference to the 2013 Government Regulation

<u>Mithuni De Silva¹</u>, Sasinsdu Vilasa², Anuththara Bandara², Hashan Weerasekara², Navodika Karunarathne³, Kethaka Galappaththi⁴

Abstract: Before the imposition of the regulation, terminal handling charges for containerized cargo were included in the all-inclusive freight listed in the bill of lading and were recovered from consumers at discharging ports. Since the regulation's implementation in 2013, terminal handling charges for containerized cargo can only be recovered from the contractually obligated party to pay them, not from the consumers. In this study, the researchers argue that the former is easier to execute because even though the government has implemented these regulations to secure the consignees and shippers, there are many negative impacts of the regulations on the non-Vessel operating common carriers, as well as indirect impact on the whole shipping industry and the economy of the country. Thematic analysis was used to analyze the data gathered through semi-structured interviews, and thirteen initial codes were identified under three themes during the analysis. Through the findings, the researchers have examined the impact of terminal handling charges in the Colombo port on the non-Vessel operating common carriers after enforcing the 2013 government regulations, analyzed the functions of non-Vessel operating common carriers and their relationship with the major shipping lines, and last suggested the strategies to overcome the negative impact on non-Vessel operating common carriers after enforcing 2013 government regulations. This study can guide future researchers and business sectors to construct their plans and processes to ensure that organizations run smoothly and consistently.

Keywords: Non-Vessel operating common carriers, Seaport, Terminal handling charges, Government regulations

¹ SLIIT Business School, Sri Lanka Institute of Information Technology, Malabe, Sri Lanka. bm19536880@my.sliit.lk

²SLIIT Business School, Sri Lanka Institute of Information Technology, Malabe, Sri Lanka.

³ Lecturer, SLIIT Business School, Sri Lanka Institute of Information Technology, Malabe, Sri Lanka.

⁴ Lecturer, SLIIT Business School, Sri Lanka Institute of Information Technology, Malabe, Sri Lanka