



Tariff Strategy
for the
South African Ports System
2015/16

Revised: March 2024 (Seven (7) Year review)

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1 Introduction

In 2007, the Ports Regulator of South Africa ('the Regulator') was established through the promulgation of the National Ports Act, Act 12 of 2005 ('the Act') as '*an independent ports regulatory body*¹', with a mandate to "*exercise economic regulation of the ports system in line with government's objective*²". The Act also sets out the functions of the National Ports Authority ('the NPA / the Authority') as the landlord of South Africa's (SA) ports and requires that "*the NPA must, with the approval of the Ports Regulator, determine tariffs for services and facilities offered by the Authority and annually publish a tariff book containing those tariffs*³".

Subsequently, the Directives to the Act (as approved on 13 July 2009, gazetted on 06 August 2009 and amended on 29 January 2010) require that when considering the proposed tariffs, the Regulator must ensure that it allows the NPA to:

- Recover its investment in owning, managing, controlling, and administering ports and its investment in port services and facilities;
- Recover its costs in maintaining, operating, managing, controlling, and administering ports and its costs in providing port services and facilities; and
- Make a profit commensurate with the risk of owning, managing, controlling, and administering ports and of providing port services and facilities⁴.

This mandate, coupled with the history of both SA and the NPA, required regulatory intervention as well as various tools and mechanisms to ensure the ports system of SA is fair, transparent, and competitive.

In line with the functions of NPA, as defined in Section 11 of the Act, the revenue generated from NPA's services is utilised *inter alia* to:

- Provide and arrange for road and rail access within ports;
- Regulate and control port access;
- Provide and arrange for tugs, pilot boats, and other services and facilities for the navigation and berthing of vessels in the ports; and
- Provide, control, and maintain vessel traffic services.

The Regulator uses a Tariff Methodology to determine the required revenues of the Authority which are premised on full cost recovery and a reasonable return. The purpose of the Tariff Strategy is to enable that revenues determined should be apportioned to the individual tariffs for specific services and facilities on user pay principle.

Comments on the Tariff Strategy are due on 31 May 2024. The Regulator will appoint an expert to assist in the review of the Tariff Strategy. With the inputs received, the Regulator will conduct

¹ Section 29 of the National Ports Act

² Section 30(1)(a) of the National Ports Act

³ Section 72(1)(a) of the National Ports Act

⁴ Directive 23(2)

public hearings to solicit views from the Ports Sector and approve the approach that will be applicable in the next phase of the Tariff Strategy commencing from 2026/27 tariff years.

2 Background

The South African maritime is premised on a landlord port model with the NPA designated as such an infrastructure owner and responsible for ensuring that port functions and development is adequately provided. The Ports system is comprised of eight commercial ports.

Historically, prior to regulation, the SA tariff structure was severely imbalanced in that cargo dues were extremely high (due to wharfage charges where cargo dues were calculated an ad-valorem basis depending on the value of the cargo), whilst marine charges to shipowners and rental of properties were relatively lower. The resultant tariff structure that was skewed, non-transparent, subsidised, and had no resemblance to the actual cost to serve in usage of port infrastructure.

The inception of regulation in and around 2007 indicated an extremely urgent need for a tariff reform. As a result, in 2012, the NPA submitted to the Regulator a Pricing Strategy aimed at addressing imbalances of the past. In 2015, the Regulator and the port sector opted for a tariff strategy premised on a user-pay-based cost structure to eliminate cross-subsidisation.

The Regulator publishes the Global Pricing Comparator Study (a study completed every year which benchmarks SA ports against global counterparts) to indicate the level of tariffs for the South African ports, compared to the global sample compiled by the Regulator with information available through public documents.

The Tariff Strategy attempts to reflect the tariff trajectory set for the ports system over the next ten years to provide a clear indication of where port tariffs will end up. The aim of the Tariff Strategy is to create a tariff structure that is reasonable, fair, transparent, efficient, and effective.

This Tariff Strategy is an update of the 2015 and 2020 versions which affirms the principles of cost-based user pay principles. The revision is in line with the initial plan of observing the first 10-year period and revise the trajectory based on the results of the period observed.

Notably the review will reflect on the assumption that were impacted on by both exogenous economic and endogenous (managerial) factors plaguing the port system and implementation of the Tariff Strategy. This version will also incorporate, and/or rather re-orientate in detail the Marine Charges (tariffs and fees applicable to vessels) and rental (lease) income strategy.

3 The legislative Framework

3.1 Legislation followed:

The Regulator is subject to the laws of the Republic of South Africa with particular attention drawn to the following:

- The Constitution of South Africa, 1996;
- The Public Finance Management Act;
- The National Ports Act, 12 of 2005;
- The Regulations to the National Ports Act, 12 of 2005 (as published on 23 November 2007);
- The Directives of the National Ports Act, 12 of 2005 (as published on 06 August 2009);
- Promotion of Access to Information Act, 2 of 2002; and
- Promotion of Administrative Justice Act, 3 of 2002.

3.2 Government's Objectives

The Tariff Strategy is aligned to government objectives regarding economic growth and employment creation and aims to create a fair, transparent, and cost-reflective port pricing structure. The National Development Plan (NDP) serves as the basis for consideration of the long-term aspirations on infrastructure investments. The NDP asserts a developmental state that intervenes to support and guide development to benefit the society, and build long term national interests, rather than short term narrow concerns. The developmental state will be the one transforming into an economic base by promoting productive, income generating activities and improving the living conditions of its population.

The National Commercial Ports Policy (NCPP) gazetted in 2002, with the purpose of 'ensuring affordable, internationally competitive, efficient, and safe port services. The Comprehensive Maritime Transport Policy (CMTP) launched by the Department of Transport in July 2022, aimed to set out Government's position on all aspects related to the maritime sphere. Some of the main principles of the CMTP covered the following:

- Promote and introduce financial and non-financial incentives to support the growth of ship ownership, shipping investments, operations, and employment by South Africans along the coast of SA and the Continent (Coastal Shipping). As well as in our international trade with key markets (International Shipping); and
- Create regulatory instruments and incentive schemes to ensure the growth of our marine manufacturing industries, encouraging the use of innovative green technologies.

On 08 December 2023, the South African Cabinet approved a National Freight Logistics Roadmap which will guide the reforms in the logistics system to enhance efficiency in freight transportation. The roadmap outlines a range of actions required to restore the efficiency and competitiveness of key industry supply chains, which include ports and rail. It is thus desired that in pursuing the envisaged future, both the rail network and national ports which are national assets will be managed to maximise social benefits.

4 Regulatory Framework

The Regulatory Framework consists of the instruments developed and implemented by the Regulator since the inception of regulation. The various tools include previous decisions, tariff and other methodologies, incentive programmes, and the Tariff Strategy.

4.1 Tariff Methodology

The Tariff Methodology sets out the manner in which the NPA's tariff will be calculated and is published by the Regulator at various intervals, usually three-year periods. The Methodology determines the total amount of revenue required by the NPA which will be raised through port tariffs.

4.2 Tariff Strategy

The Tariff Strategy defines a path for port tariffs over a ten-year period to provide a smooth trajectory of user-pay principle, underlying cost infrastructure and services provided. The Strategy apportions and allocates port infrastructure assets to various categories of port users accordingly, to determine charges and recovery approaches on the required revenue in the port system. The Tariff Strategy will not result in any significant reduction in total port costs, any future reduction may only come from the impact of the Tariff Methodology.

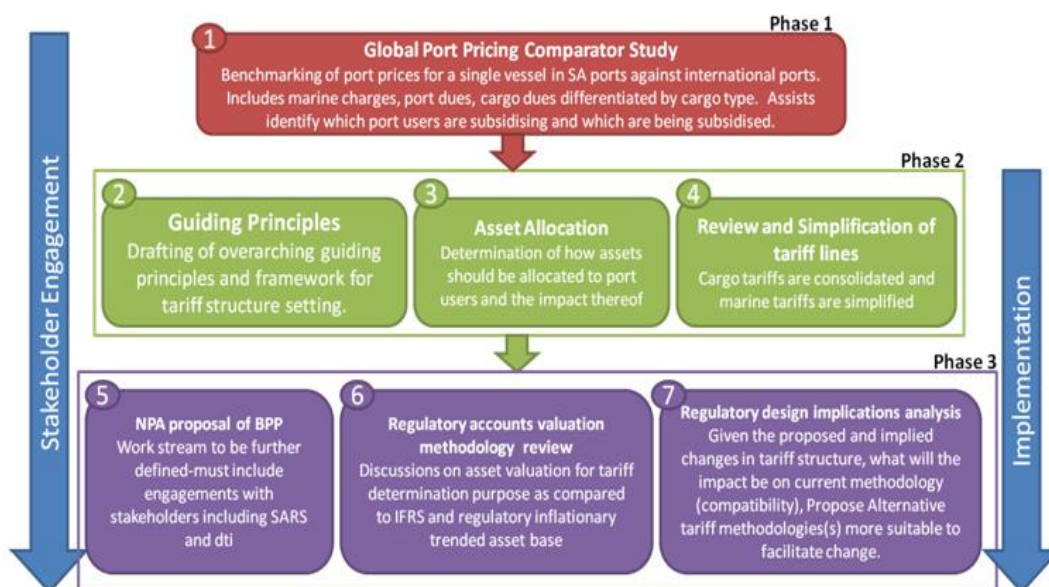
The Regulator adopted a phased approach in the development and implementation of the Tariff Strategy which is outlined as follows:

Phase 1: Determine a benchmark for marine charges and cargo dues, differentiated by cargo type, against a sample of international ports based on a fixed methodology.

Phase 2 (Projects 2-4): The development and publication of the principles and characteristics of the tariff book that sets out the policy foundation that any tariff change in future must adhere to including the asset allocation, tariff structure reviews, consolidation of tariff lines on tariff and port level, and a review of marine service pricing methodology.

Phase 3 (Projects 5-7): Regulatory accounts and valuation methodology, regulatory design implications, and the development of a beneficiation strategy.

Figure 1 Tariff Strategy Process



The Regulator has and continues to publish the Global Pricing Comparator Study (GPCS) since 2012/13. The benchmarking process will continue for a foreseeable period as the Regulator is establishing the competitiveness of the South African port system. The GPCS is *not* an input in the Strategy and the global sample average is *not* the end-state goal for SA port tariffs. However, it assists with the range as compared to other ports globally. The Tariff Strategy is driven by costs and not comparison.

The Guiding Principles and Asset Allocation process has been applicable since 2015 and the results thereof are incorporated into this Tariff Strategy. The Tariff Book is reviewed annually, and tariff lines are simplified.

The Tariff Strategy was envisaging a stage where a beneficiation programme would be considered. A similar and more appropriate incentive mechanism suiting the port system better has been developed. The development and publication of the PTIP in 2017 satisfies the beneficiation requirement of this phase.

In March 2018, the Regulator published the Valuation of Assets Methodology which contains rules and a method for valuing those assets included within the regulatory asset base (RAB) of the Authority. Public consultation has been and will be an integral part for all processes of the Regulator to ensure increased transparency in the port tariff system.

4.2.1 Guiding Principles

In developing the guiding principles for setting the base tariff, the Regulator took into consideration the following requirements:

- **Cost Causation**

The purpose of this factor would be to provide port users with the correct pricing signals when utilising port facilities. This ensures that port users will only demand services or utilisation of port facilities when the value placed on them is as large as the resources availing / providing them. On the other hand, the pricing signals must also reflect the correct capital structure and influence the correct behavioural changes, thus promoting both efficiency and productivity in the port system. A further complication is the introduction of system wide pricing, with the aim being to ensure financially viable Capital Expenditure (CAPEX) expansion according to SA's port system.

- **Cost Minimisation**

The use of a cost recovery revenue model, where operational costs have a direct impact on average tariff levels, requires strong incentives to minimise costs. As such, the monitoring of operational expenditure and maintenance will remain a priority of the tariff assessment process.

- **Distribution of Benefits**

Costs are recovered from the direct user since it is equitable and reasonable that costs be recovered from the beneficiary of that service. The complex nature of port activities requires some trade-offs in the way pricing is conducted. For example, using Gross Registered Tonnage (GRT) as a pricing variable sends a different signal to liners than using vessel calls would.

- **Practicality**

The Tariff Strategy should be practical and relatively easy to implement but this should not steer away from appropriate cost recovery.

Principles are aimed at enforcing transparency and certainty. Further, these principles are intended to deliver a real benefit to customers through charging cost reflective tariffs. On this basis, those customer categories which are being over-charged would see a reduction in their tariffs and those customers that are being subsidized (under charged) would see their tariffs being rebased to a fair level. These principles must be taken into consideration during the gradual adjustment of the tariff book over the period up to and beyond 2026/27.

4.2.2 Cost Orientation

The principle of cost orientation is a hybrid of price efficiency, cost recovery, equity, and user-pay principles. It refers to the fact that SA ports should be priced according to the underlying cost of the service provided and that this cost should be covered by those users that benefit most directly from using that service. The principle of cost orientation is important as it prevents unfair pricing and protects consumers' interests. Port prices should at all times seek to promote efficient outcomes in port, port-ancillary, and broader transport markets where a general and quite powerful presumption supports the proposition that efficient prices are those that are related to the underlying costs of providing and continuing to provide the relevant port functions/services.

4.2.3 Average Cost Pricing

If charges are well designed, users will be willing to pay for a service in line with the marginal cost of providing that service. However, determining the marginal cost is not a simple exercise in the port industry. The approach used by Regulators in a monopoly port system like South African, is average cost pricing which applies where cost recovery principles are enforced.

The disadvantage of using average cost pricing is that it does not consider efficiency, which is particularly important in the pricing of port infrastructure. The most common ways of combining efficiency and revenue requirements are using two-part tariffs, adjusting the fixed charge to meet the revenue requirement, or through second-best pricing like Ramsey Pricing.⁵

Though the Authority may not be participating in a competitive environment, it is still expected to render competitive services and prices. The inclusion of the Weighted Efficiency Gains from Operations (WEGO) and the Authority's own oversight applying Terminal Operator Performance Standards (TOPS) and MOPS Marine Operator Performance Standards (MOPS) will incentivise efficiency.

4.2.4 System-Wide Pricing

Whilst pricing should ideally be determined on a facility level, average costing will be applied across the ports system in order to reduce the burden placed on any single port user and to ensure equality in benefit, as well as to spread the funding risk. This will apply to the different user groups and result in system-wide pricing within the different cargo handling types. This type of system-wide pricing is common in the pricing environment where homogenous services are required (e.g. the provision of electricity and fixed-line telecommunications) and has been adopted here. The impact of this principle will result in, for example, equal cargo dues for a ton of dry bulk irrespective of the port being used. Similarly, each unique marine service will be priced equally, although differentiation due to variables such as time or distance might apply in the calculation of the final fee. System wide pricing in the context of a developing country is also useful in that it allows the sharing of the costs of development of a new port or terminal/facility between all users rather than only the users of that particular port or terminal/facility i.e. a single tariff book approach to system wide pricing. However, the existence of significantly different levels of service in a system might require differentiation between "project internalised user charges" and system wide user charges. As such, the Regulator reserves the right to apply direct user charges where it deems necessary, especially in instances where significantly different levels of service or cost base exist.

4.2.5 Asset Allocation

The purpose of allocating different asset groups to the various user categories in the port system is to provide a set of investment signals based on the flow of revenue to both the Authority and to service providers. It is important that these signals reflect the underlying asset structure in order to facilitate the correct flow of investment allocation, which will be in the public interest. The allocation or attribution of the cost of port assets takes into consideration which user classes

⁵ It is not evident whether the best scheme is a two-part tariff or some other pricing mechanism. The role of block rate pricing, increasingly more frequent in actual pricing practices, is yet to be fully investigated.

depend more on a particular asset type and the extent to which they would be affected if the infrastructure did not exist. Therefore, in considering where the burden of this asset class allocation should be, the Regulator reviewed the activities of the different users and the benefit they derive therefrom. The lack of a methodology to allocate benefit or use in a more precise manner necessarily results in an approximation or general allocation. Any proposal or development of a more precise methodology will be taken into consideration going forward as cost reflectivity is the ultimate objective of the Tariff Strategy.

The facilities and services provided by the port may be broadly divided into the following categories:

- Seaward Side: Light house service infrastructure, port control and safety, entrance channel, breakwaters, turning basins, aids to navigation, vessel traffic services, maintenance dredging.
- Landward Side: Quay walls, roads, rail lines, buildings, fencing, port security, lighting, bulk services; and
- Sea-land Interface: The point where land and sea meet, quay and berth facilities are provided for both ships and cargo.

Port users are categorised as follows:

- Shipping Lines.
- Cargo Owners.
- Terminal Operators (and all cargo working lessees); and
- All other lessees in the port system.

The general underlying logic is that the seaward side benefits mostly shipping lines and cargo owners, the interface benefits mostly shipping lines and tenants, and the landward side benefits mostly tenants.

Table 1 identifies the key port assets and allocates these assets to user groups in order to determine a more equitable share of infrastructure and cost sharing between the broad groups.

Table 1: Asset Allocation

Asset Group	Lessees	Terminal Operator	Cargo Owner	Shipping Lines
Breakwaters	33% shared on a NBV basis		33%	33%
Channels, fairways, & basins			50%	50%
Quay walls, berths, & jetties		50%		50%
Ship-working vessels and navigational aids				100%
Vessel repair infrastructure	40%	15%	15%	30%
All movable NPA assets, buildings, & structures (not part of lease agreements)	50% shared on a NBV basis		25%	25%
Terminal land & staging areas		100%		
Non-terminal land including recreational & yachting	100%			
All common access infrastructure	66% shared on a NBV basis		33%	
Overheads	50% shared on a NBV basis		25%	25%

*NBV: Net Base Value

Breakwaters

Breakwaters are defined as structures that are built into the sea to protect the port by removing the effect of waves and bad weather. By definition, they are designed to protect the port system as a whole and make the establishment of a port facility feasible. It is however more difficult to determine relative use of the asset between port users than it is for channels (shipping line) or land (lessee). Therefore, the Regulator has determined that all cargo working users, i.e. liners, cargo owners, and cargo working lessees should carry the costs of building and maintaining the breakwaters in equal shares. It is important to note that the shared component for tenants is based on the NBV of the land.

For the purpose of recovering the cost of the breakwaters through marine services, GRT will be used. The use of vessel size as a pricing variable provides a more accurate approximation of asset use and the risk associated therewith.

Channels, Fairways, Basins

All navigable channels in the ports are used by liners to facilitate the transfer of cargo from the open seas to terminals. An equal distribution of the cost and maintenance of the assets must be shared by cargo owners and shipping lines as this represents an equitable attribution of costs in terms of benefit and use. For recovering the cost of the channels, fairways, and basins through marine services, GRT will be used as vessel size is a more efficient approximation of asset use than, say, an average cost based on vessel calls. Cargo will be levied on an average unit basis through cargo dues.

Quay Walls, Berths & Jetties

Quay walls, berths, and jetties are the connecting points between the land and watersides of the port. They make possible the transfer of cargo and facilitates the functions of both the terminal operator and the shipping lines. These assets are attributed on equal terms to shipping lines and terminal operators. The cost recovery that forms part of the shipping line costs will be levied through marine services and recovered on a GRT basis; the use of infrastructure is more efficiently priced based on the size of the vessel. Larger vessels make more use of available draft, weight of equipment on quays, and possible damage to infrastructure. Cost to terminal operators will be on an NBV basis.

All Ship Working Vessels & Aids to Navigation

All ship working vessels and aids to navigation (including light houses) are allocated to shipping lines who directly benefit from these services to safely navigate the port system. These tariffs are to be recovered through port dues, vessel traffic services (VTS) charges, and existing light dues; they will be recovered on a GRT basis.

Vessel Repair Infrastructure

According to benefit, the direct charge or cost of current infrastructure should be recovered on a from the users of the facility, i.e. tenants or users of the facilities in the instance where no lease to a third-party tenant is in place. However, the a cross-subsidy is allowed resulting in a spread of the cost between all users across the port system in line with Government initiatives, especially Operation Phakisa as the Regulator agrees that currently the provision of infrastructure of this

nature is rarely financially viable; it further represents a critical service required in a world class port system and, as such, should be carried across the port system by all users. Specifically, the lease (if leased to an operator) associated with the infrastructure or the tariffs levied by the Authority (where the NPA operates a facility) need to recover only 40% of the required revenue. The remaining 60% of the costs associated with the assets will be shared through port tariffs by all other port user categories as per Table 1. Lessees of existing infrastructure, combined with shipping lines, should contribute the bulk of the infrastructure, with other port users, namely non-cargo working lessees, terminal operators, and cargo owners contribute to a lesser extent. This will be reviewed in future funding models that may impact the financial viability of these projects and may see projects funded by the private sector, funded in total by the lessees.

All movable NPA Assets, Buildings and Structures (not part of lease agreements) & Unused Land

All movable assets and unused land costs are shared equally between user groups. The Regulator, as part of the Tariff Methodology and the tariff determination process, will determine the extent of inclusion of unused land in the regulatory asset base.

All Cargo Working Land and Related Assets (terminals) & their Staging Areas

All cargo working land (commercial leases) and related assets must be (at a minimum) recovered from the lease holders of these facilities.

All Non-Cargo Working Land & related Assets (non-terminals) including Recreational & Yachting

Similarly, all non-cargo working land and related assets must be recovered from the lease holders of these facilities.

All Common Access Infrastructure

As with wet common infrastructure, where the allocation is to the users of the infrastructure and cargo owners as the beneficiary thereof, similarly, dry common access infrastructure (including Port Engineering) is allocated to the users of these assets (lessees) as well as the beneficiaries thereof, namely cargo owners.

Overheads – Including OPEX & other costs in line with the Regulatory Framework

All overhead costs are shared equally between user groups.

The pie charts below reflect a summation of the proposed asset allocation to user groups.

Figure 2 Current Cost Allocation vs. Proposed Long Term Cost Allocation

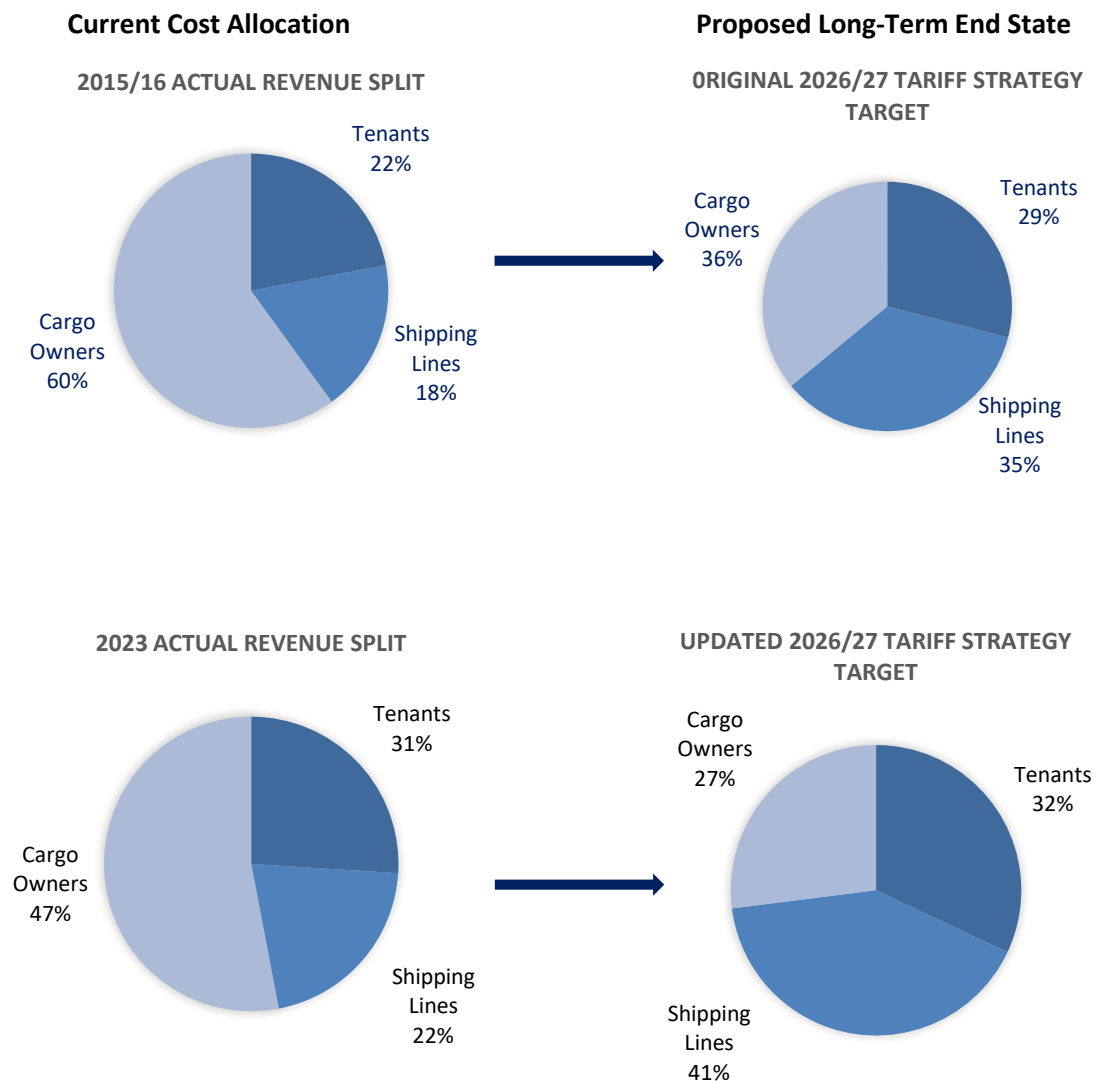


Figure 5 above indicates the interpretation of the last seven (7) years on the shifts experienced on the revenue contribution in the port system.

5 Emerging information and results

The Tariff Strategy was premised on a set of assumptions at the time of publishing in 2015/16 FY. Fundamentally, the starting point was required revenue to provide for infrastructure investments to facilitate volume growth on import and export commodities, and traffic into the ports. The real estate portfolio from which rental and lease incomes are calculated would be priced on a competitive basis based on what on the market prices corresponding to demand in various ports, and precincts that are close to terminals.

The Tariff Strategy was premised on the assumptions of port infrastructure that will expand as the economic activity correlates to imports and exports of commodities through the ports. The Authority estimated that the port system would benefit from a sustainable growth with growing volumes and port capacities including improvement in productive and operational efficiencies. This would be seen in growth in container traffic and bulk commodities but also basic infrastructure to service and support this growth. The Authority would also benefit from reduction in operational issues such as delays in vessel movement and availability of infrastructure such as pilot boats, helicopters, and tugs.

The Tariff Strategy did not clearly deal with the constraints and fundamentally, the levels of market and volume activity in the ports system. Whilst it focused on costs, monitoring of volume trends per market and cargo category is equivalent to having a high practical relevance, many such indicators are already used by the industry. The estimation of volume activity and market relates to economic and income growth which translates into maritime traffic with throughput levels per type of cargo served by the ports annually, the vessel traffic reflecting number of different types of seagoing vessels reaching the port in each time and lastly call size reflecting the average and maximum size of the seagoing vessel calling at the port. These indicators translate into base tariffs calculated as a function of asset allocations with vessel calls and volumes used as the subdividers.

Ideally a tariff is comprised of the initial base and therefore indexed by an incremental factor such as inflation or costs increase rate. Where there are no indexations, the base remains constant until the increase is factored in. The Tariff Strategy reflects a 10-year gravitation to desired tariff structure based on a cost approach. Fundamentally, tariffs are expected to decrease towards the set base rate. A good gauge of progress is a consistent trajectory of either increase or decrease towards the base rate. An inconsistent path is an indication of an unstable tariff trajectory.

Ideally, with a vintage (year) base rates that increase in accordance with tariff increase, the Tariff Strategy will be contrasted to this base rate. However, the reflection to date is not so clear as this approach is not strictly followed and allows base tariffs (reset) to fluctuate in accordance with either volume realised and or vessel calls allocation factors. In this situation the output is completely dependent on the recent sensitivities of the inputs which are split into various cargo categories. The one side tariff trajectory until base rates are achieved may not hold unless the volumes and vessels call pattern were constantly following a particular trajectory. The Tariff Strategy was developed with reference to the history of constant paths for volumes and vessel calls. However, the constraints experienced in the virtuous level of logistics at the port level in the last six to seven years include disruption on traffic flows and volume growth, erosion of scale and increase in cargo dues, bottlenecks, and shortages of infrastructure to prompt growth.

Both the economic cycles experienced in the shipping industry affecting port business activity which is mostly exogenous and endogenous factors because of the Authority and terminal operators have introduced the volatility in observed trajectories including the following implication on computed base rate tariffs for the last six to seven years:

- Containers: CAGR of approximately 1.25% decrease which attributed to a deliberate strategy to lower the container cargo dues tariffs but also a corresponding 1.20% decrease in volume trajectory of containers.
- Roro's: CAGR of approximately 10.00% increase behind the increase of 3.92% in volumes over a seven-year period. This illustrates the notion of consistency, lack thereof which is a factor not well dealt with in the Tariff Strategy in this first version of the exercise. The projection to reducing tariffs as desired by the Tariff Strategy would have been different if the vintage year informed the remaining 10 years gradual movement.
- Bulk: CAGR of approximately 6.00% increase which is deliberate as the Tariff Strategy aimed to reverse the subsidisation enjoyed by bulk exporters mostly. Although the volumes of exports mostly declined over the last seven years, except for the manganese category, the tariff increase is desired. However, to the extent of the limitations of the constraints not dealt with properly in this initial version, the tariff trajectory would have been somewhat different.

The resilience of a port is embedded within its infrastructure, design, and operations. One is disruptive, impairing operations and causing delays, but leaving the infrastructure and equipment intact since the disruption is within design parameters. The other type of impact is damaging, where infrastructure and equipment are damaged and even destroyed since the disruption is above design parameters. The ports system suffers from the former where the implications or rather contribution of the port operators impacting the flow of traffic is not considered to the extent it is supposed to be.

Port resilience is associated with the structure of maritime shipping networks. These networks are a circuitous nodal hierarchy of vessel traffic, implying that services are commonly an arranged sequence of port nodes along routes. Some hierarchies are simple, such as point-to-point services on bulk cargo categories. Container shipping is organized between deep-sea and feeder services, with transshipment hubs acting as the interface between network hierarchies. The ports system pricing doesn't reflect the vulnerability of maritime networks involved in different considerations depending on if the node is a hub or a gateway. Disruptions at a hub will mostly impact maritime shipping networks, while disruptions at a gateway will primarily affect the hinterland. This represents the primary consideration with looking at port resilience as to what extent it is related to its foreland or hinterland.

The marine tariff system was supposed to incentivise quicker turnaround and shorter stay at berth. Whilst the tariff system has been designed as such, it is increasingly becoming doubtful that the Authority as well as the terminal operators could implement such a tariff system in such a manner that vessels respond as they manage their costs.

Furthermore, there are unexpected disruptions, such that the port system has on some occasions declared force majeure, meaning release from contractual performance expectations, and resulting

liabilities because of circumstances beyond control. These are events or occurrences that deviates beyond what is normally expected of a situation and are extremely difficult to predict. The Covid-19 pandemic is the foremost example of such an occurrence where supply chains were disrupted in the logistics chains worldwide.

The tariff structure needs to clearly indicate the level of confidence of port user’s ability to respond to the incentives inherent. These should cover disruptions and accidents at terminal facilities, disruptions from lengthy Infrastructure and equipment failures, some of which are a result of delayed predictive maintenance and operational safety, labour disputes, economic and political shocks indirectly disrupting port activities by impacting cargo demand, disruptions has emerged in from information technologies for operations, communication, and management of ports as we have seen with the Ransomware cyber-attack incidence in the recent past.

The Tariff Strategy is an exercise of cost allocation. However, going forward to enhance its effectiveness, there need to be increased focus on resistance to shocks and stability near equilibrium. This mean that the pricing system should build-in adaptive resilience to minimise shocks and reversal in the tariff trajectories which are not desired.

The resultative Table 2 displays the progression of base tariffs from 2016/17 to date.

Table 2 Base Tariff Progression

	2016/17	2017/18	2018/19	2019/20	2020/21	*2021/22	2022/23
Dry Bulk	7,49	5,54	5,73	6,01	6,39	7,30	7,45
Break Bulk	36,22	21,88	28,08	31,50	36,07	81,00	29,37
Liquid Bulk	16,59	12,27	15,83	18,95	23,54	18,63	23,66
RoRo	50,34	30,23	58,40	75,39	65,93	65,93	55,52
Containers	322,66	210,03	184,97	175,57	204,60	193,31	156,32

*Bulk is measured in tonnage, except liquid bulk on kilolitres, Containers on TEU’s and RoRo’s on metres.

*2021/22FY is unreliable as it reflects the effects of Covid 19 disruptions.

5.1 Tariff Rationalisation

The section that reviews possible effects of the proposed asset allocation on the tariff lines for cargo and marine services has not been pursued as aggressively as it was prescribed. This is an area which should be expedited in the review of the Tariff Strategy.

5.2 Marine Services Review

Vessel owners are required to contribute to breakwaters, channels, fairways, basins, quay walls, berths, jetties, all ship working vessels, aids to navigation, vessel repair infrastructure, and NPA assets not earning lease revenue and overheads. The calculated share of the revenue requirement is therefore 41% (an increase from 2015/16 FY determination of 35%) and will be adjusted on an annual basis. This translates into approximately 6.5% gradual annual tariff increase in Marine Services over the next 10 years. If this shift is considered for the remaining 6 years to the next iteration as opposed to 10 years this increases sharply to approximately 11%.

The initial Marine services with an allocation of 35% assumed that tariffs were going to increase by approximately 7% over the next 10 years. At the point of tariff review where 41% was determined, the tariffs had increased by approximately 6% over the 4-year period of implementation. As a result, the increase in allocation is not a result of tariffs that are not increasing but a combination of vessel calls, GRT and stay in the port.

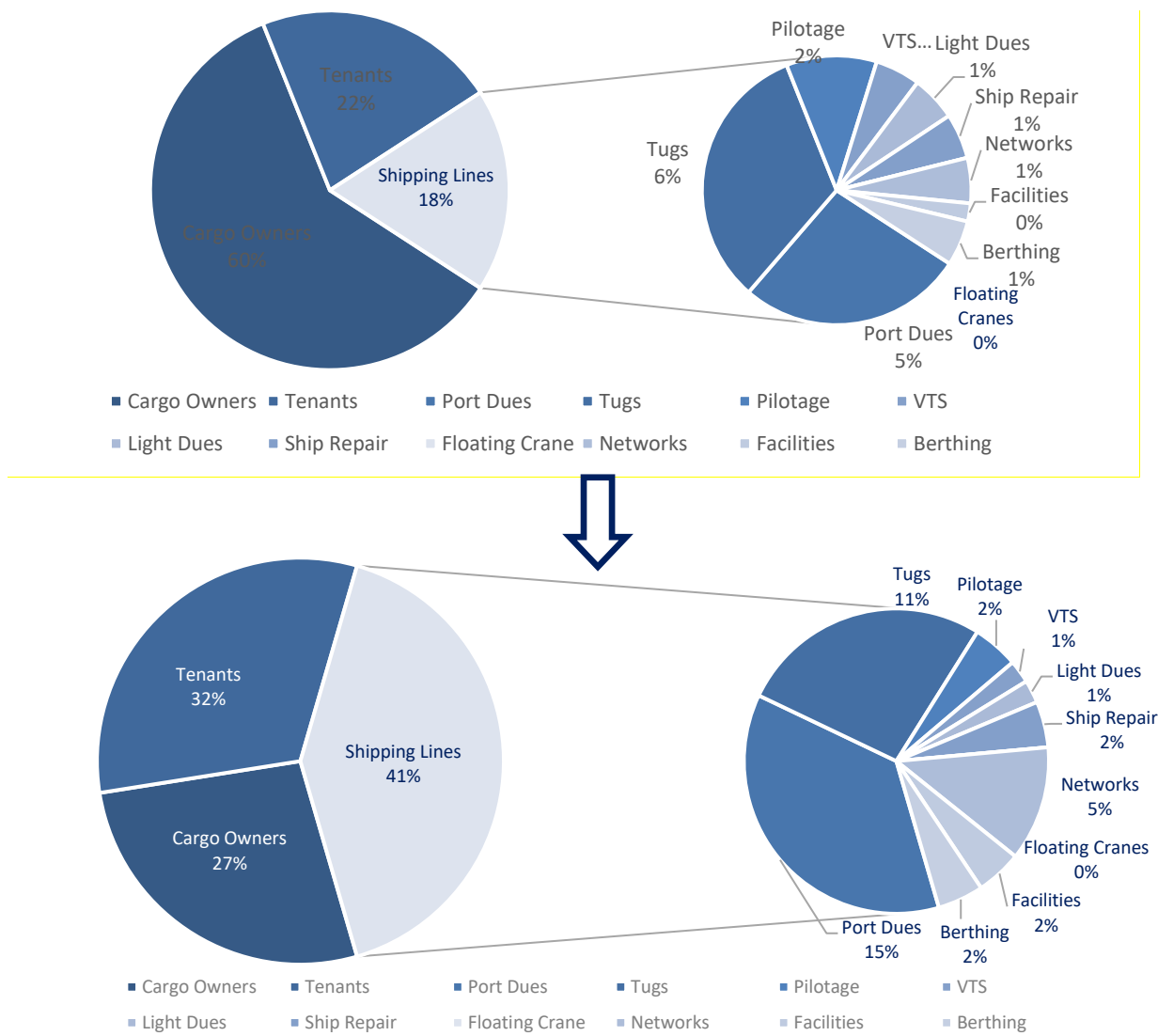
Marine services are currently not reflective of the end-state required contribution into the Required Revenue covering operating costs, depreciation/capital and other allocated costs. The Maritime services must be able to mimic an operation independent of subsidisation from cargo dues.

The maritime services tariff structure works on the basis that the Required Revenue should be calculated individually for each service, applying the cost recovery and user pay principles. It proposes discontinuation of berth dues – mainly due to three reasons: First, the initial purpose of berth dues when they were introduced was to impose a financial penalty to ensure vessels continuously work cargo while berthed. However, the tariff levels seem too low to support this objective effectively. Second, typically berth dues are charged for the provision of quay wall. Since in the proposed tariff structure quay walls are allocated to tenants, there is no longer a basis to charge berth dues to shipping lines altogether. Lastly, berth dues are a minor revenue contributor. Taking all this into account and in the spirit of simplifying the tariff book, this charge is no longer foreseen.

Table 3 highlights the marine service component of each asset type and the methodology used to calculate the applicable tariff. The Strategy differentiates between the use of either GRT as an approximation for vessel size as a measure of volume, and efficient use of infrastructure where a direct cost allocation is not feasible.

The revised required revenue allocation results in a significant increase in marine services' contribution over the period. This correction not only reflects a better cost allocation, but also addresses the concern regarding the global average tariffs vessel owners face. The Regulator is mindful of the impact that delays stemming from port inefficiency can have on vessel owners with regard to cost and has embarked on a process by which these inefficiencies should be addressed in the WEGO outcome.

Figure 3: Cost Allocation: Marine Service



The inclusion of Authority’s overheads and associated assets and costs results in significant increases in network (electricity and water) related costs, as well as facilities (water supplied to ships, fire services, galley waste, small craft, and port licences, permits and registrations) costs. The increases and decreases reflect a more accurate cost allocation in the pricing of marine services.

Table 3 Tariff Rationale: Marine Services

Tariff	Tariff Base / Design Methodology	Charge Frequency	Rationale
Port Dues	GRT per port/ per hour periods/linear fee per GRT	Per visit	Incentive for quicker turnaround times
Berthing and running of lines	Consolidated tariff/Linear fee per GRT	Per visit	Simplification
Tugs	Flat fee per Tug, irrespective of Tug size/number of tugs determined by Harbour master	Per visit as determined by Harbour master	Incentive for latest technology vessels by moving away from fixed vessel size/tug ratio
Pilotage	Flat fee per service differentiated by port	Compulsory at every port/per visit	Simplification
VTS	GRT per port/linear fee differentiated by port	Every port where available	As per current tariff book
Light Dues	GRT per port/linear fee differentiated by port	First port of call	As per current tariff book

The tariff structure consolidates berth dues into the current port dues tariff. The consolidation of the tariffs will therefore simplify the tariff structure to the benefit of users. Port dues are charged on a linear GRT basis per port per six-hour periods. GRT, as the measure of the total enclosed volume of the ship, is the best approximation of draught, length and width and a best reflection of use of assets such as channels and berths.

The running of vessel lines is an infrequent activity during the berthing process; therefore, the berthing tariff consolidates berthing and the running of vessel lines as a single tariff for simplification of the tariff book. The consolidated tariff will apply the same tariff design as the current berthing tariff.

The charge calculation for the tariff design for pilotage is a linear tariff that is dependent on a vessel's gross registered tonnage (GRT), rather than a tariff that incorporates a base rate in addition to a linear rate per a vessel's GRT.

The challenging aspects of pilotage charges remain and will need to be closed. The Authority applies the principle of cost recovery in accordance with the Tariff Strategy. In those ports where pilot helicopters are in use, there is an expectation by vessels calling in that the pilotage service will be conducted by use of helicopters as tariffs are reflective of costs respectively. Where the Authority renders a pilotage service with tugs and/or pilot boats there arises differences with expectations of vessels calling in or vessel owner port users. The current tariff design does not account for resources actually used. The Authority will have to meet the expectations of use of helicopters where tariffs are designed as such.

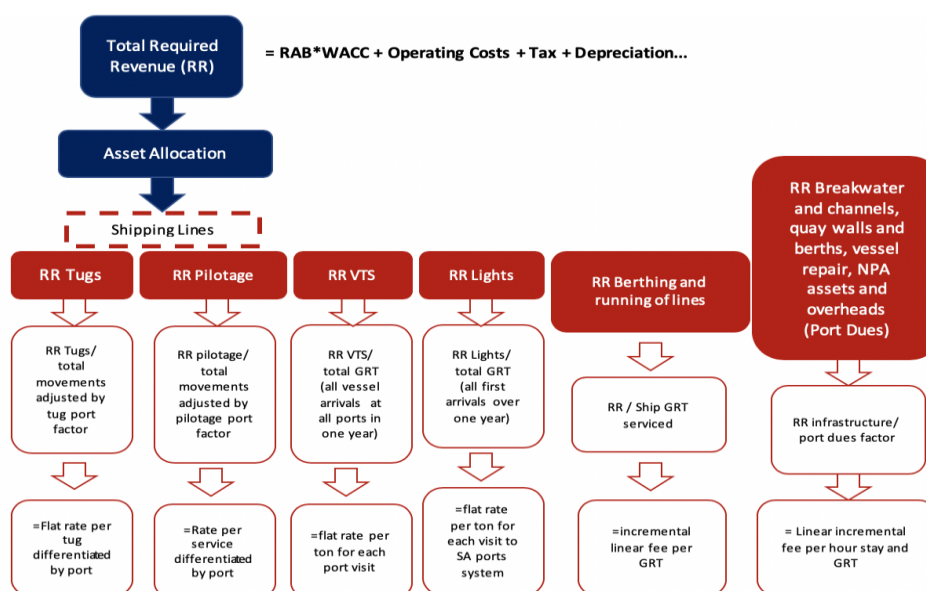
The charge calculation for the proposed tariff design for pilotage will be a linear tariff that is dependent on a vessel's gross registered tonnage (GRT), rather than the current tariff that

incorporates a base rate in addition to a linear rate per a vessel's GRT. This will simplify the tariff to the benefit of port users.

The NPA will still apply a system-based recovery of costs for tugs and pilotage and not port specific. To achieve this, all required revenues for tugs (or pilotage) from all ports will be pooled for all ports on a system level to determine a system-wide average rate per hour for one hour of tug-operation (or pilotage). This average hourly rate will be differentiated between ports in its application due to the difference in time it takes to perform the service. In other words, the applied costing factor per tug per operating hour will be the same across ports; however, since tugs will be charged per service and the time needed to provide the service differs across ports, the actual tariff will vary by port.

The current tariff design for VTS is fair and in line with international norms and will therefore remain the same as it adequately reflects the relative risk posed to the port system. The figure below captures the methodology used for each marine services tariff line.

Figure 4: Marine Charges Methodology



5.3 Property and Real Estate

Tenants are separated into cargo working tenants (including terminal operators) and non-cargo working tenants. Cargo working tenants are responsible for contributing partially towards the required revenue from breakwaters, quay walls, berths, jetties, vessel repair infrastructure, movable NPA assets and buildings (not leased), terminal land, staging areas, all common access infrastructure, and overheads. Non-cargo working tenants are responsible for contributing partially towards the required revenue from the same assets excluding those dedicated to working cargo - quay walls, berths, jetties, terminal land, and staging areas. This asset allocation results in the increase of required revenue for rentals from 22% to 32%.

The current approximation of the contribution as desired by the Tariff Strategy indicates that Real Estate has reached its contribution target of 32%. This looks easy but it is achieved in the period of declining volume growth and therefore not truly a reflection of progress for the capacities provided by the ports system. This is a compounded 5.3% growth over the six (6) year period of which the base was 22% contribution in revenue in 2015/16. The Regulatory process has placed focus on the rental and lease space since the inception of the Tariff Strategy. This ensures that the lease register for the various ports aim to ensure compliance, fairness, and market related rates irrespective of who the occupant of a particular property is.

There are approximately 650 leases across the port system, which contribute 30% of the total revenue of the Required Revenue of the NPA. The Regulator understands that many leases were entered into during previous administrations with conditions more favourable to the lessee than the Authority. Strides have been taken to maintain a lease register that more favourably reflects the strategy of the Authority. Further, attention is drawn to Section 67(1)(b) of the National Ports Act, 12 of 2005 which deals with the “Restructuring and reform of ports” as it states the following:

- a) The terms of a long-term lease which existed immediately before this section took effect are substantially prejudicial to the operation of a port, including terms providing for unreasonable low rentals or containing no restrictions on sub-letting or no provision confining the use of the property to a use relating to the relevant port, the Authority may in writing addressed to the lessee direct that the applicable terms be renegotiated in order to remove the prejudice; or
- b) Persons from historically disadvantaged groups are excluded from taking part in the economic activities of the port in terms of long-term leases which existed immediately before this section took effect, the Authority may in writing addressed to the lessee, direct that any such lease be renegotiated to ensure equitable access to the economic activities in the area in question.

The Regulator supports efficient and optimal use of the land assets of the Authority, to realise fair market prices through open and transparent process. Where lease revenue progresses much quicker to the desired end state of Tariff Strategy as already experienced, the marked based value rentals would be encouraged. However, the Authority would have to consider the required long-term investments in land and rental properties also considering the life of the port system.

The Authority has requested for ring fencing of the Real Estate portfolio to limit or at most eradicate revenue cross-over to the benefit of other categories (i.e. Marine Charges levied on ships). The

principle of revenue contribution as desired by the Tariff Strategy is the method adopted by the industry to prevent over reliance of revenue contribution by some categories. This approach is realised over time (i.e., 10 years as established in 2015/16 Tariff Strategy). The Ports Regulator is supportive of the current approach and not open to separation of asset bases and possible creation of Real Estate portfolio outside of the regulated Required Revenue, Rate of Return/Revenue Cap Tariff Methodology.

Ports are lumpy integrated infrastructure investments that enable movement of goods between the country and its trading partners and therefore as already elucidated Real Estate portfolio is one and the same with the port and other infrastructure aspects.

The Regulator intends on placing increased focus on the Real Estate and rental aspects from both a regulatory perspective, as well as a legal compliance perspective, to achieve the desired end-state of the Tariff Strategy. Also, there will be increased scrutiny to monitor the compliance space regarding the targets on Broad Based Black Economic Empowerment (BBBEE) and transformation within the port space, a key mandate of the Regulator for the 2023/24 financial year.

5.3.1 Long Term Port Development Framework

A port has life. Thus, requiring a reflection of the long-term growth trajectory of each port to avert limitations resulting from property or city development on land earmarked for growth. The most competitive ports of the future will be those that most effectively accommodate developments in maritime shipping whilst successfully adapting to developments in the hinterland to service their respective markets. Most major ports are in cities with limitations on the available land for port development. The South African port system like other ports globally experiences the same land challenges for future development in relation to expansion of its commercial ports.

Ports that are developing long-term planning frameworks include scenarios in which cargo volumes decline, step-change increase in the volume of trade, size of vessels (mostly container ships), the equipment and labour required. In essence the long-term planning will reflect on access channels, longer and stronger quay walls and bigger cranes.

5.3.2 Real Estate Property Valuation

Ports Real Estate property valuations are required both for establishing a fair price for the land and for establishing distinguishing factors that differentiates the various properties. This includes differentiation between current and potential leases and occupiers in the form of Terminal Operators. The lack of a central trading market in port properties and opaqueness of the market results in a port system which is reliant on the Authorities' determination of market value without independent secondary view or value.

The purpose of the valuation and the type of property that is to be valued will determine the basis of the valuation and the techniques that should be employed. The basis of valuation, for example 'Market Value' or 'Market Rent', should be discussed openly.

The Regulator will take guidance from the international standards as follows:

International Valuation Standards (IVSC, 2017) identify the following bases of valuation.

- a) Market Value is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.
- b) Market Rent is the estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.
- c) Equitable Value is the estimated price for the transfer of an asset or liability between identified knowledgeable and willing parties that reflects the respective interests of those parties. Equitable Value requires the assessment of the price that is fair between two specifics, identified parties considering the respective advantages or disadvantages that each will gain from the transaction. In contrast, Market Value requires any advantages or disadvantages that would not be available to, or incurred by, market participants generally to be disregarded.
- d) Investment Value/worth is the value of an asset to the owner or a prospective owner for individual investment or operational objectives.
- e) Synergistic Value is the result of a combination of two or more assets or interests where the combined value is more than the sum of the separate values. If the synergies are only available to one specific buyer, then Synergistic Value will differ from Market Value, as the Synergistic Value will reflect attributes of an asset that are only of value to a specific purchaser.
- f) Liquidation Value is the amount that would be realised when an asset or group of assets are sold on a piecemeal basis. Liquidation Value should consider the costs of getting the assets into saleable condition as well as those of the disposal activity. Liquidation Value can be determined under two different premises of value: (a) an orderly transaction with a typical marketing period, or a forced transaction with a shortened marketing period.

The Regulator is cognisant of the valuation standards and would encourage the most fair and pragmatic application of these commercial aspects. However, the Regulator will have to be convinced of arm's length transaction between the NPA and its sister companies in Transnet to ensure that port users are not charged that which they have already settled previously in the Regulatory Asset Base. In summary the Ports Regulator will consider the following aspects in its review of the Tariff Strategy:

- a) Actively monitor the Authority's Real Estate portfolio on activities and rental prices to ensure that two pieces of land with similar characteristics are charged the same except where there are reasons for the differences.
- b) Actively engage with the Authority on the aspects of equity of access and achievements of targets set for notional imperatives as required by the Competition Act.
- c) Encourage, the integrated long-term planning and presentation of long-term planning frameworks which includes scenarios of different economic cycles such as cargo volumes decline, step-change increase in the volume of trade, size of vessels (mostly container ships), and the equipment and labour required.

- d) Encourage the Real Estate aspects to reflect on the complimentary land and related capacity required to deal with traffic and capacity as well as connection with other transport modes. This requires vast amounts of land capacity and space and prudent planning. Port infrastructure and the complimentary property portfolio are highly interconnected and therefore should be planned together as opposed to a separated basis. The management of these aspects can be separated for attention and focus but, that should not give an indication that these are two separate activities.
- e) Engage the Authority on the forms and substance of property valuation to determine market rental.
- f) Assess the underlying cost associated with all S79 applications and advise the Minister as such.
- g) Take keen interest on Transnet occupied leases to understand information on bills for operating expenses, utility expenses and real estate taxes to determine the responsibility thereof. This will include reviews on service and maintenance agreements being followed up.
- h) Revise the net operating income (“NOI”) and implicit growth capitalization rates, or (“Cap rate”) for the overall (real estate) portfolio.
- i) Accept all lease revenue agreements concluded as per S56 of the Act as reflective of an equitable “price” of land. Through the monitoring process the Regulator will seek increased transparency in this area from the NPA regarding fairness, transparency, equity, transformation, and compliance within and of the Lease Register with the view to ensuring all tenants are paying equitably for the benefit they receive, as are cargo owners and vessel owners.

The Ports Regulator will endeavour for a process that is consistent and ensures that fair market values are expected from all tenants. This will be furnished through information that communicates the replacement cost of the properties occupied by all tenants and comparative rental fetched on properties of same size in similar locations occupied by the private sector.

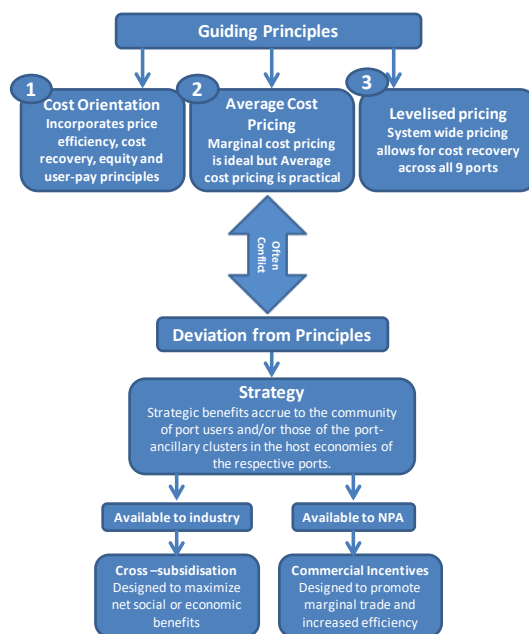
6 Cost Deviation

It is necessary to consider the cases where tariffs might deviate from those identified above for reasons of strategy. Overarching considerations of strategy, which may at times conflict with cost orientation concerns, are equally as important as cost orientation considerations. The Directives, in terms of section 30(3) of the National Ports Act requires *‘The avoidance of cross subsidisation save where cross subsidisation is in the public interest’*⁶. A port or port system’s pricing policies should be in line with its overall strategic goals, which would include the strategic benefits that would accrue to the community of port users and/or those of the port-ancillary clusters in the host economies of the respective ports. Ports are not just a conduit for trade between sea and land; they

⁶ Directive 23(1)(f).

are a vital part of a country’s logistics supply chain and are, therefore, catalytic pieces of infrastructure about employment creation and investment attraction⁷.

Figure 5: Reasons for Deviation



Under-recovery of cost is sometimes necessary for strategic considerations but has consequences for the port system especially when operating within a zero-sum context. This means that if an investment or facility under-recovers, it requires subsidisation by a different, more financially successful investment or facility, thus deviating from the main pricing principle of a cost reflective tariff. Another way of deviating from cost-oriented tariffs is through discounting, which may not lead to under-recovery or cross-subsidisation but is none-the-less a deviation from the tariff line. Discounts and cross-subsidies are described in more detail below. Rules are given for when discounts and cross-subsidies may apply.

6.1 Cross-Subsidisation

Pricing should preferably avoid cross-subsidisation between commodities or types of cargo and ports; ultimately the tariff structure should reflect the cost structure of the port system. However, the regulatory Tariff Methodology utilises the Required Revenue methodology that utilises a system wide pricing model. Therefore, equalisation of tariffs and a certain level of cross-subsidisation does exist and will continue to form part of the tariff structure. The use of specific cross-subsidies may also pose a net benefit on the port system, and the economy as a whole and must therefore be considered by the Regulator.

A cross-subsidy is a regulatory scheme designed to maximize net social or economic benefits. Though its practical applicability and effectiveness have demonstrated a potential for being a useful policy as well as regulatory instrument, its theoretical underpinning has remained somewhat

⁷ Section 11(1)(f) and Section 12 (i) of the Act.

controversial. Various kinds of definitions and concepts have been put forward as attempts to make it theoretically consistent and practically effective.

6.1.1 Cross-Subsidisation Criteria

Section 30 of the Act sets out the functions of the Regulator which include to ‘*exercise economic regulation of the ports system in line with government’s strategic objectives*. Cross-subsidies will first and foremost be considered when implementing a strategic objective or national policy.

Any other proposal or approval of a cross-subsidy or allowance of existing cross-subsidisation must satisfy one or several of the following criteria. The onus will be on the Authority or user group applying for the subsidy to prove that the subsidy will fall under one or more of the criteria.

Table 4 Cross-Subsidisation Criteria

Criteria	Description
The cross-subsidy will meet economic growth and developmental objectives	This applies to the funding of new infrastructure and the discounting of current infrastructure/services to achieve economic growth. Economic benefit needs to be weighed against expected future financial benefit. Applicable to infrastructure capacity expansion that is not “bankable” but does provide economic benefit.
The cross-subsidy aligns national policy objectives with port pricing	The need for cross-subsidisation may arise from aligning to national policy objectives.
The cross-subsidy is necessary for equality in benefit	System wide pricing is an example whereby tariff levelising provides equality of benefit. Cargo dues, for example, are similar in all ports, providing an equal benefit of port assets to all users of port infrastructure, irrespective of their geographic location; This supports a complimentary ports system.
The cross-subsidy will minimise finance and volume risk	The risks associated with the dependency on a specific user of cargo type with associated volumes advocates for a levelising of prices on at least a system wide level to minimise risk to the landlord and project.
The cross-subsidy will promote efficient use of port facilities	The promotion of efficient use of port facilities may in some cases be influenced through strategic pricing signals such as a subsidy of marine services or even cargo dues in some ports to support the use of excess capacity. This will also assist with marginal costing as the marginal cost of one unit in a port at full capacity is higher than at a port with excess capacity.
The cross-subsidy will reduce congestion	Reducing congestion is a crucial part of running a successful port system and reducing logistics costs for port users. A reduction in port congestion could be considered worthy of subsidisation.
The cross-subsidy will promote the inclusion of previously disadvantaged persons	Promoting equitable access to infrastructure may require subsidisation. Marginalized groups may under recover on the cost of infrastructure or services initially but ultimately should be viable.
The cross-subsidy is aimed at reducing carbon emissions	Several global ports have started to introduce incentives or ‘rewards’ for vessels that are low sulphur and efficient. SA ports are more of a ‘receiver’ of vessel classes than a ‘definer’ of them but nonetheless sound environmental practices in all aspects of the port could warrant subsidisation.
The cost to the economy if the cross-subsidy is not granted will be drastic	Special consideration will be given where the economic risk associated with not providing the subsidy is high. This could also be called the opportunity cost. For example, if the subsidy is not allowed then: <ul style="list-style-type: none"> necessary capacity investment in the port will not take place resulting in an inability to meet demand; a niche industry will fail resulting in trade and job loss; a commodity will be priced out of the international market; and port users will no longer use a SA port.

6.2 Commercial Incentives (discounts)

Incentives in its simplest form can be seen as a special case of discounts that serves some commercial purpose. These discounts are therefore available to the Authority to gain some commercial goal, without requiring any cross-subsidy from other users i.e. the discount is self-funded from retained earnings and is tariff burden neutral. In the broadest sense, port tariffs must be trade facilitating rather than trade neutral or trade destroying. This applies to the utilisation of tariff incentives to increase cargo volumes and the number of vessel calls.

An example of the risk of discounting being carried by the Authority and not cross-subsidised is:

- Any discount that embodies a pro-efficiency dimension, like the current 15% discount on port dues that is attracted by callers with a port turnaround time of 12 hours or less. In this example the benefit of the discount is felt internally within the port system (increased calls) and is therefore recovered automatically. If it isn't recovered, then it possibly should not be administered as it is not achieving its aim.

Examples of cross-subsidies:

- Passenger vessels and *bona fide* coasters where currently a 25% discount on port dues applies – here the objective is to boost the tourism industry and encourage cargo owners to choose coastwise transport over road transport – these are clear economic benefit arguments where the benefit falls outside of the port system and therefore needs to be recovered within the system through a cross-subsidy.
- Provided their port turnaround time is 48 hours or less, bunker callers currently attract a 50% discount on port dues⁸. Bunker/transit callers constitute substantial business for the ports, most particularly the ports of Durban and Cape Town that possess refinery capacity, and for their port-ancillary business clusters. This again presents an economic benefit argument for a cross-subsidy.
- A discount on marine charges to all SA flagged vessels actively supports SA shipping, as well as the development of South African crews and other maritime skills.

⁸ Plus, the additional 15% discount if they are in and out in less than 12 hours.

7 Conclusion

The approach adopted in developing this Strategy was to determine a cost-reflective asset allocation and rationalise tariff lines in accordance with the asset allocation.

The Regulator and NPA took into consideration principles of cost-causation, cost-minimisation, distribution of benefits, and practicality when developing this Strategy. Average cost pricing and system-wide pricing was seen as most practical, and assets were allocated according to which port users benefit most from the use of port infrastructure. The general underlying logic was that the seaward side benefits mostly shipping lines and cargo owners, while the connecting point benefits mostly shipping lines and tenants, and the landward side benefits mostly tenants. The Regulator's review will be enhanced by a consultation process and expertise sought from both the industry and subject experts to enhance the second iteration that will be applicable from 2026/7 FY into the future.

Disclaimer:

To the best of our knowledge, the information contained herein is accurate and reliable as of the date of publication. The Regulator welcomes any input to assist in updating or correcting the information contained herein. Comments are due on 31 May 2024 and may be forwarded to comments@portsregulator.org