RENEWAL OF INLAND PORT DUES SYSTEM

Background information

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CURRENT INLAND PORT DUES SYSTEM

RATE STRUCTURE SYSTEM

- **Type of vessel** is the basis for the calculation: 19 types of vessels, divided into **three rate categories:**
  - 1) cargo shipping, 2) passenger vessels and tug boats and 3) other types of vessels
- **Two calculation standards:** cargo vessels: DWT (deadweight tonnage), non-cargo vessels: m^2
- **Additional rate structures**
  - Green award: discount category depending on the ship's emissions: from 10% surcharge to 100% discount
  - Administrative discount 2% of invoice for direct debit

Period	Cargoships (b)	Passengerships and Tugs (a)	Other vessels (a)
7 days	0,098	0,098	0,098
14 days	0,180	0,180	0,180
1 month	-	-	0,269
1 calendar quarter	1,000	1,000	1,000
1 calendar year	3,436	3,436	2,377

(a) Rate per m2 of deck area

(b) Rate per cargo capacity

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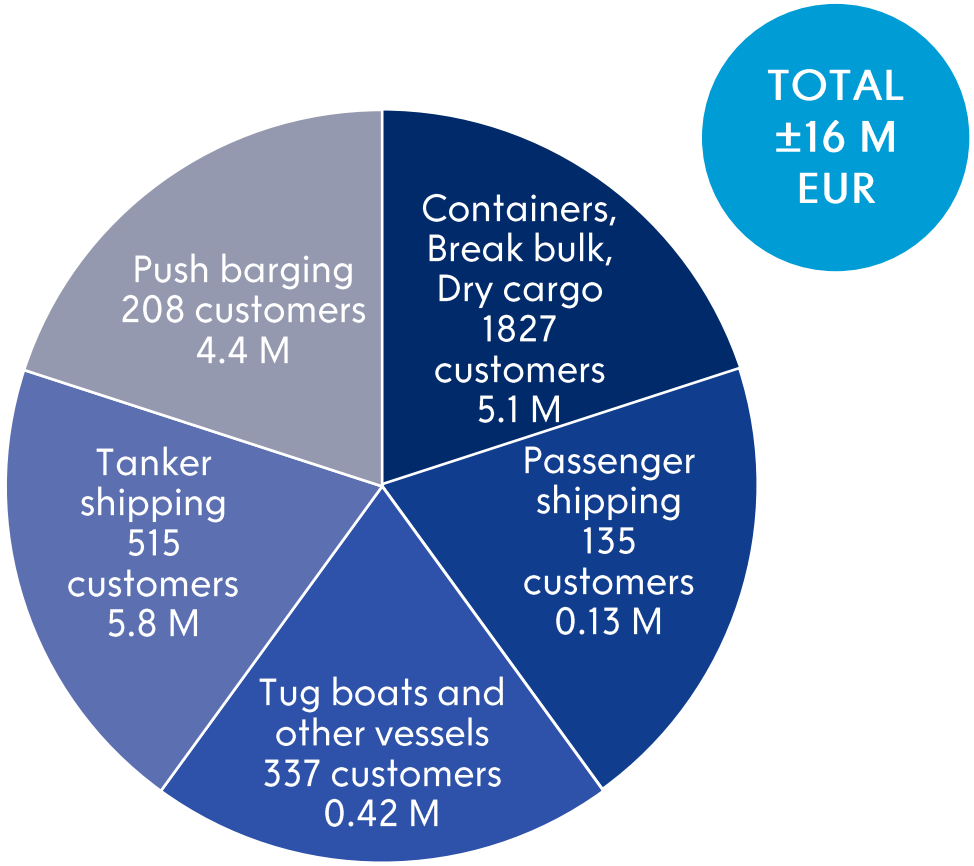
COMPOSITION OF INLAND SHIPPING MARKET

LARGE AND VERY DIVERSE MARKET = VERY DIVERSE VISITOR BEHAVIOUR



Port of Rotterdam Authority income from inland port revenue

- Approx. 100,000 visits annually, 5,200 vessels of which 800 push barges and 2,500 debtors
- Large and very diverse market; very diverse behaviour in terms of:
  - Duration of a visit
  - Frequency of a visit
  - Regularity of a visit
  - Type of subscription taken
  - Etc.

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DEMAND FOR REVISION OF INLAND PORT DUES SYSTEM

MARKET WANTS TRANSPARENCY AND PAY-FOR-USE

The current inland port dues system needs to be revised

- Insufficient motivation for:
  - Rate structure based on type of ship
  - Two different calculation standards
- Subscriptions structure is not appropriate
  - Minimum 7 days' voucher, yet stay in port is often shorter
  - Subscription is inflexible whereas sailing schedules sometimes change
  - Based on DWT, but sometimes vessels are sailing empty/half full; draught is not relevant

Market demand for transparent system based on actual use

'An assessment based on actual time spent in the port is the fairest ground for calculation of inland port dues.'

Koen de Korte (2021)
Research into principles for inland port revenue supervised by Dr Bart Kuipers – Senior Researcher Port Economy – Erasmus University Rotterdam

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INLAND PORT DUES SYSTEM IS OUT OF DATE

OPPORTUNITY FOR BETTER INSIGHTS AND SUPPORT FOR CUSTOMERS AND PORT AUTHORITY

Current inland port dues system is out of date

- **Portal:** doesn't offer much support for users
- **Technology** is end-of-life: maintenance and support has stopped
- **System** gives a limited overview
  - Manual (and therefore time-consuming) submissions when registering multiple vessels: sometimes double submissions
  - No insight into which vessels where and when are docking, lots of manual corrections
  - Sometimes no inland port dues are paid: less chance of 'a free ride' is fairer

Demand for user-friendly, future-proof system

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PRINCIPLES FOR REVISION

CLEAR FRAMEWORK FOR DEVELOPMENT OF THE NEW INLAND PORT DUES SYSTEM

- Customer-oriented rate policy with **payment based on actual use** of the port and related facilities/services
- Settlement based on **duration of visit** to the port area*, as soon as the vessel is moored and **surface** of the vessel in m^2
- **Equal turnover** for the Port of Rotterdam Authority at an equal coverage ratio
- System is **user friendly, flexible** and **future proof**
- **Automatic creation of visits via AIS/GPS** (with prior permission), manual is still possible

* This includes the ports of the municipalities of Rotterdam, Vlaardingen, Schiedam, Dordrecht, Zwijndrecht, Papendrecht and Vopak Vlaardingen.

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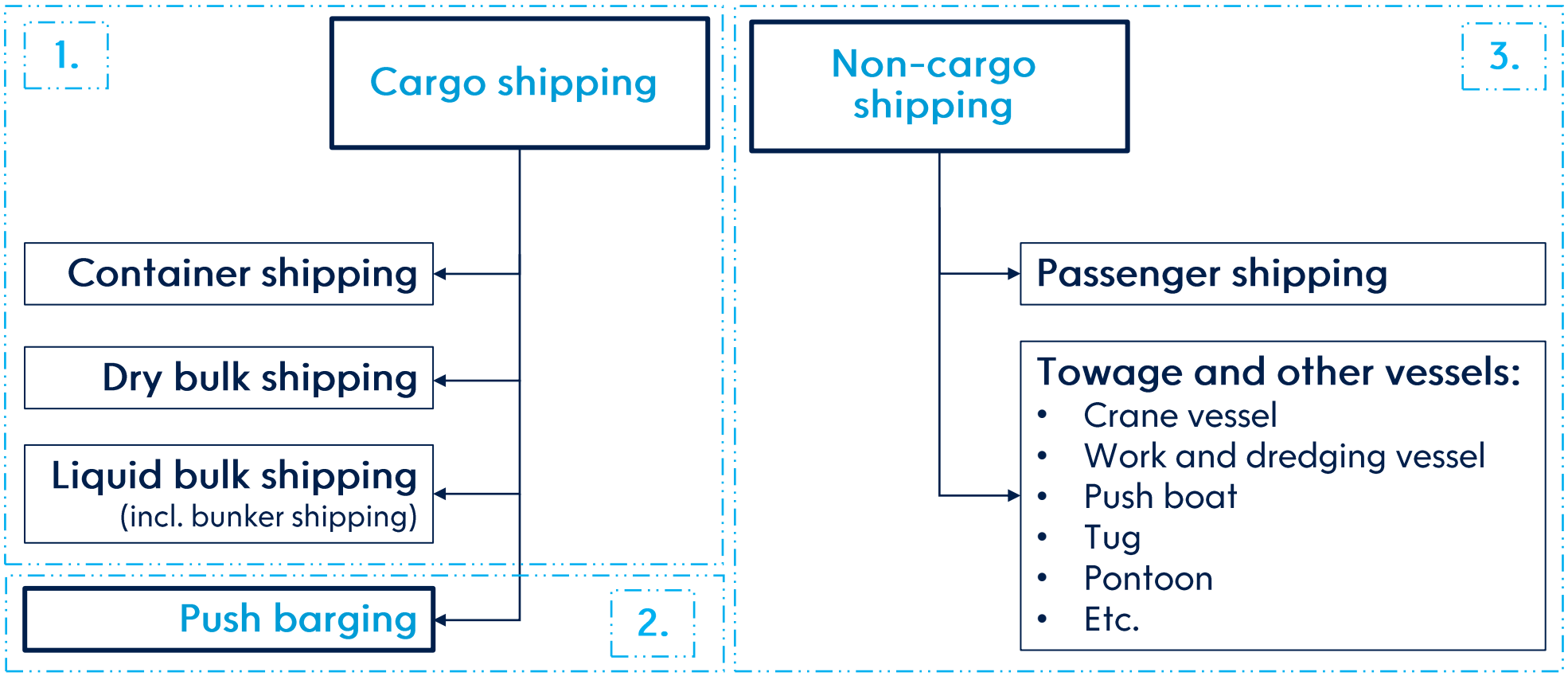
NEW SYSTEM BY TYPE OF PORT USER

THREE RATE CATEGORIES FOR THREE PORT USER TYPES



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CONCLUSIONS REGARDING THE RATE STRUCTURE

THE PILOT PROJECT WILL SHOW THE IMPACT

- The new rate structure is more transparent and better motivated, subscriptions will be cancelled
- Implementation of rate structure based on 'pay-per-use' system will result in a shift of contributions to be paid
- The impact will differ greatly depending on the type of vessel and the type of behaviour; so that no uniform statements can be made at the moment ('comparing apples and oranges').
- The pilot project will show what the actual impact will be!

- By the way: small-scale test phase in the summer of 2021 with 12 ships has resulted in tightening of the rate structure
  - Visit threshold for basic rate shortened from 72 to 24 hours; more in line with visitor behaviour
  - Docking fee for cargo vessels and push towing pro rata instead of per day/month/quarter

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PRACTICAL INFORMATION PILOT

ALL SEGMENTS REPRESENTED

Goal:

- Testing of (new) developed functionalities
- Testing the user-friendliness of the design etc.
- Testing AIS and GPS signalling for mooring detection
- Determine the impact of the new structure and related rates

Duration: From Monday 11th of April from 8 AM to Friday 6th of May 5 PM (4 weeks)

Participants: >150 vessels and pushbarges are participating in this pilot. All segments are represented, both from the Netherlands and abroad.

Privacy: in advance permission has been asked for the use of AIS/GPS for the duration of the pilot. If permission has not been given, the manual process is tested.

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FOLLOW UP

WHAT HAPPENS AFTER THE PILOT

Findings:

- Results and feedback from the pilot will be collected, via four evaluation sessions and a survey, together with feedback from the market sessions and from individual organizations
- Findings and conclusions will then be summarised and given back to the market (June 2022)

Next steps:

- Improvement of possible issues that require 'fine tuning'
- Final proposal to Deltalinqs in Q3
- Implementation of the new system as of 01/01/2023

In the meanwhile we stay in touch with the market: coordination with sector organisations, regular information flyers to customers, webpage etc.

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CONTACT INFORMATION

Do you have questions, remarks or would you like additional information?
Please let us know!

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We can be reached by phone from Monday to Thursday, between 9:00 and 17:00h (excluding national holidays)

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