



# NEW TARIFF STRUCTURE PILOTAGE DUES. LOGICAL AND TRANSPARENT

FROM THE 1<sup>ST</sup> OF JANUARY 2014



AS OF THE 1ST OF JANUARY 2014, A NEW, UNIFORM TARIFF STRUCTURE FOR PILOTAGE DUES WILL BE INTRODUCED IN THE NETHERLANDS. FOLLOWING TWO YEARS OF INTENSIVE CONSULTATION, DUTCH SHIP OWNERS, CARGO HANDLING AGENTS AND SEAPORT MANAGERS ISSUED A UNANIMOUS ADVICE TO THIS EXTENT IN THE SPRING OF 2012. THE MINISTRY OF INFRASTRUCTURE AND THE ENVIRONMENT HAS ADOPTED THESE PROPOSALS AND IS CURRENTLY AMENDING THE LAW.

‘IN THE FUTURE, A SHIP WILL PAY THE SAME TARIFF FOR THE SAME PERFORMANCE IN ALL DUTCH PORTS.’

## REASON

The new tariff structure is a longstanding wish of the port authorities, ship owners, Loodswezen and the Ministry of Infrastructure and the Environment. In the current structure, which dates from 1859, a different tariff is applicable in every port. Furthermore, there is cross-financing between large and small vessels and between large and small ports. In the new structure, a vessel of the same draught will pay the same tariff in all Dutch seaports for a pilotage trip of the same average duration.

## FROM DRAUGHT AND DISTANCE TO DRAUGHT AND AVERAGE PILOTAGE TIMED

The present structure is based on the actual draught of the vessel and the distance to be covered in nautical miles.

The current pilotage tariff consists of a Z-rate (Sea) and a B-rate (Inland waterways). In all seaport areas, the sea and ‘inland’ (on the river) routes however are incomparable.

For example, the pilot for Dutch ports on the Scheldt River boards the vessel 23 to 32 miles offshore from the Flushing roadstead. In Rotterdam-Rijnmond (Hook of Holland) this is 9 miles offshore.

In the new structure, the tariff areas are clustered (in columns) based on the average time the pilot spends aboard. A fair

tariff therefore for the duties performed by the pilot. At the request of the shipping lines, the current draught has been maintained in the new tariff structure as well. After all, fully laden ships generally represent a greater value and can bear a higher tariff than empty vessels.

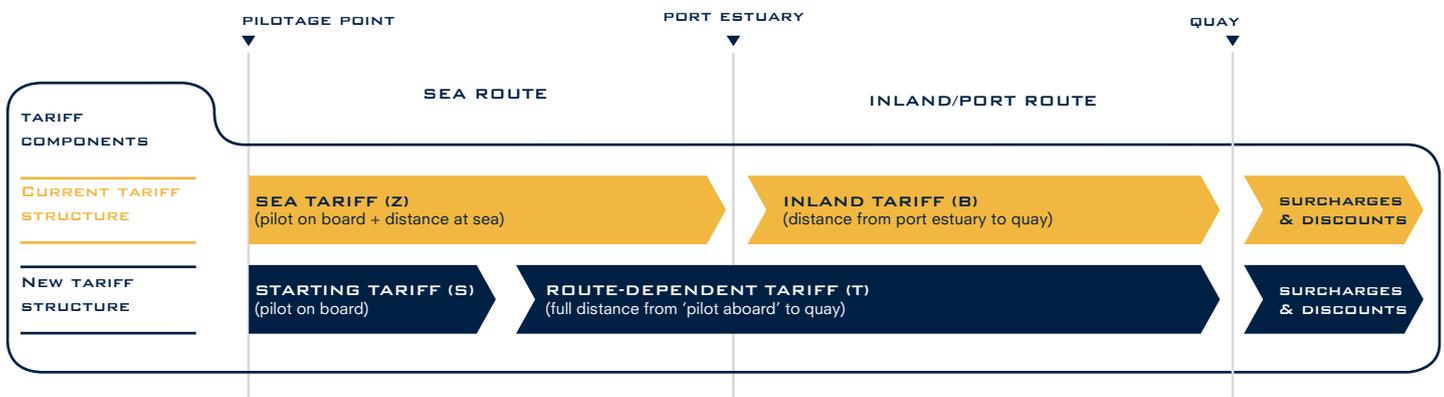
Not using the so-called block size (total volume of the vessel) was a conscientious decision here; it would mean that ships with a large block size but with a shallow draught (e.g. car carriers) would qualify for a high tariff.

## PAY FOR USE

The new structure consists of a starting rate (S), the basic tariff (fixed) for taking the pilot to and from the ship and for covering the fixed expenses of Loodswezen. This tariff is based on the current draught and is differentiated based on the pilotage point (shifting, pilot station or rendezvous). Next, the variable route tariff (T) commences from the moment the pilot boards the vessel until the ship is moored alongside the quay: based on the 'average pilotage time aboard'. Consequently, more consideration is given to the route which is to be covered and the time a pilot spends aboard.

In conclusion, an additional tariff (A) is applicable for special trips. This for example includes special transports, navigation in ice or the use of multiple pilots.

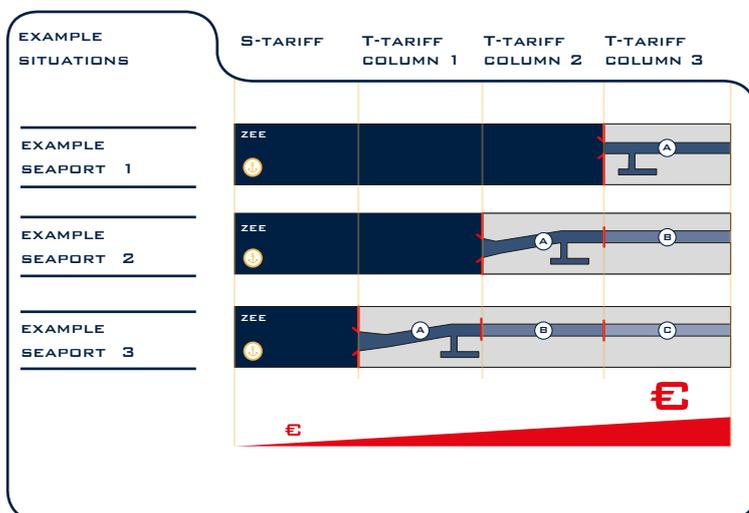
The new tariff structure does mean that some pilotage trips across longer distances will be subjected to a tariff increase. It has also been agreed that a 30-percent surcharge will be added to the S-tariff for pilotage in the northern seaports (Delfzijl/Eemshaven, Harlingen/Terschelling and Den Helder). This is to phase out cross-financing.



**START TARIFF**  
 1 Rendezvous (trench ships and LNG Rijnmond)  
 2 Pilot station (Inbound and outbound trips)  
 3 Trips for shifting vessels

Note: The above methodology for calculating the pilotage tariffs applies to both inbound and outbound trips and the shifting of vessels

**In order to establish a uniform national tariff structure, the current tariff areas have been divided into uniform national tariff columns.**



The clustering of current tariff areas in their current form into new, national uniform tariff columns is not possible due to such aspects as the geographic situation of the tariff areas.

To set uniform national tariff columns, the following approach has therefore been opted for.

- All tariff areas per seaport area were determined using the Cost Allocation System
- Determining the average time per pilot aboard for each tariff area per seaport area, in which a distinction is made between:
  - Rendezvous trips
  - Pilot stations
  - Shifting of ships
- Clustering of tariff areas per type of ship's voyage with equal average pilotage time on board into uniform, national tariff columns

## ANALYSIS OF 250,000 PILOT TRIPS

The new structure was made possible thanks to the empirical data captured from all pilot trips throughout the entire Netherlands. From 2008 to 2010, no less than 250,000 pilot trips were analysed (97% of the total number of ships). Points of consideration were the average time the pilot spent aboard the vessel, from the point of pilotage at sea to a certain point in the port. The information was entered into a calculation model developed in conjunction with KPMG. This made it possible to objectively determine the average times required and with that the tariff columns.

## OTHER EUROPEAN PORTS

Close attention was paid to the other ports in the Hamburg – Le Havre range in the realisation of the new structure. The German seaports base the structure on Gross Tonnage and the Belgian ports on Block Size (volume of the hull).

The Netherlands opted for the current model because ultimately the present draught continues to be the best standard. With the introduction of the S-tariff and T-tariff, in which present draught and time are the leading parameters, the Netherlands will from the 1st of January 2014 have a logical and transparent tariff structure. A ship will pay the same tariff in all Dutch seaports for a similar performance.

## IN SUMMATION

- One uniform tariff structure throughout the entire Netherlands.
- The structure was established following consultation between ministry, sector and Loodswezen.
- The total costs for the shipping sector will remain the same.
- The price is determined by the draught and the average pilotage time (instead of draught and distance).
- A ship of the same draught pays the same tariff in all Dutch seaports for a pilotage trip of the same average time.

## MORE INFORMATION

Information sessions will be staged in the autumn to inform you on the new scheme. Please visit [www.loodswezen.nl](http://www.loodswezen.nl) for more information on the new structure.

