



25 August 2005

Brian Lovell  
Chief Executive Officer  
Australian Federation of International Forwarders  
Suite 403, Level 4, Westfield Office Tower  
152 Bunnerong Road  
Pagewood, NSW 2035

Dear Brian

**Re: New charges to fund increased security at Sydney's ports**

We wish to advise you that Sydney Ports Corporation (SPC) will introduce new and anticipated maritime security charges to take effective from 1 October 2005 to recover costs associated with our compliance with the Federal *Maritime Transport and Offshore Facilities Security Act (MT&OSA) 2003*.

The new charges are applicable to wharfage and navigation services in Sydney's Ports and include:

- a \$1.50 per full teu Wharfage charge - for overseas import and export containers
- a \$0.05 per revenue tonne Wharfage charge - on non-containerised cargo, e.g. bulk liquids/gases and chemicals, vehicle imports and exports, timber, paper, machinery and other import and export general cargo
- a \$0.02 per revenue tonne Wharfage charge - on dry bulk cargo
- a \$0.05 per gross tonnage charge in Navigation Service Charge - for passenger and bulk liquid/gas vessels calling at SPC and private berths.

The new charges do not supersede any existing site-specific charges and we are pleased to confirm our commitment not to apply this or other charges on empty containers.

We have consulted extensively with users of the port and other stakeholders, and this method of charging was agreed as most appropriate for recovering the investment in security measures.

Sydney Ports has already invested over \$3 million to secure our ports with measures such as CCTV and thermal imaging surveillance, security barriers, maritime security patrols, security lighting and perimeter fencing signage, as well as increased security auditing, monitoring and mobile patrolling.

We are also working with the Federal Government and other relevant parties in preparation for the introduction of the new Maritime Security Identification Card (MSIC).



Full details of the new charges will be available at [www.sydneyports.com.au](http://www.sydneyports.com.au) in the Media and Publications, SPC Pricing Schedule page, by week ending 2 September 2005.

The charges will be reviewed every three years to ensure that the recovery of charges is revenue neutral.

Yours sincerely

Greg Martin  
Chief Executive Officer