

**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE SECRETARIAT OF THE PACIFIC COMMUNITY (SPC)
(Economic Development Division, Transport Programme)
and the
PACIFIC ISLANDS SHIPOWNERS ASSOCIATION
(PISA)**

ARTICLE I

PURPOSE AND SCOPE

This Memorandum of Understanding sets out the roles and responsibilities and expresses the commitment of SPC and PISA to work together so as to promote the innovative self-help mechanism of Pacific Island shipping personnel skilled in shipping management, shipping operations and other associated shipping sectors such as freight forwarding who are willing to provide advice and assistance to the shipping sector throughout the region.

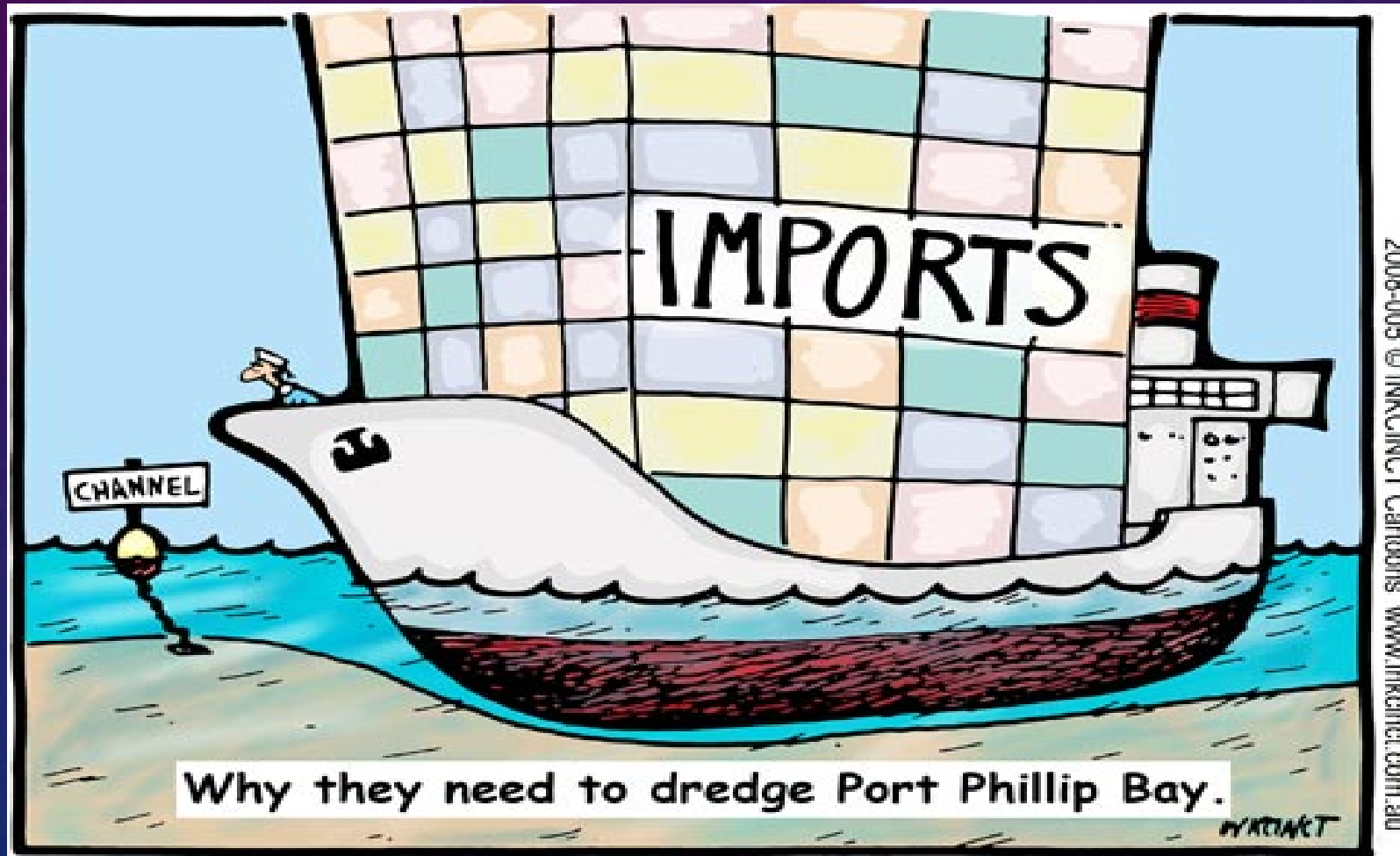
SPC and PISA envisage that the PISA network will grow, strengthening the expertise and capacity of Pacific Island shipping personnel to manage, administer, regulate, control and work in the shipping transshipping sector in a socially responsible manner.

The association will be the principal interactive forum and key advisory body for national government agencies responsible for shipping affairs and the shipping sector within the region.

The Association will become a united voice for the shipping sector in the Pacific and will:

1. Serve as a focal point for the discussion of partnerships that promote a safe, secure, clean and sustainable shipping sector;
2. Establish a network of skilled resource people willing to provide advice and support to the shipping sector;
3. Provide a forum for the better integration of policies affecting the shipping sector;
4. Review issues related to financial assistance and the transfer of technology for sustainable development, capacity building and the full use of existing resources;
5. Continue to promote co-operation between shipping training institutions, shipping authorities and the shipping sector in the implementation of international uniform standards throughout the region; and
6. Provide quality advice, in consultation with the Transshipping Programme, to the national government agencies responsible for shipping affairs within the region on all matters that concern the shipping sector.

DEVELOPING AND FINANCING OF PORT INFRASTRUCTURE



2008-005 © INKCICT Cartoons www.inkinct.com.au

THE NEED FOR PORT REFORMS

Driving forces for Port Reforms

1. **EXTERNAL FORCES OF COMPETITION AND TECHNOLOGY FROM SHIPPING COMPANY**
 - The latest generation of container ships make considerable demands on terminals and ports in the form of additional infrastructure, cranes, depth in ports, productivity, etc
2. **FINANCIAL AND OPERATIONAL BENEFITS OF PRIVATE PARTICIPATION IN INFRASTRUCTURE DEVELOPMENT AND SERVICE DELIVERY**
 - National and regional seaports are realizing that they cannot compete effectively without the efficiencies offered by private operators and equally important, without access to capital provided by private investors;
3. **DIVERSIFICATION AND GLOBALIZATION OF INVESTORS AND OPERATORS IN THE PORT INDUSTRY**
 - Consist of four group of operators
 - a. Global stevedores (expanding their operations internationally from a strong home base)
 - b. Regional operators entering the international market
 - c. Shipping lines investing in terminals
 - d. Niche investors looking at small to medium scale facilities

REASONS FOR PORT REFORMS

1. General Reasons	2. Admin/Managerial Reasons
- Improve port efficiency	- Diminish the political influence on public port administration
- Decrease costs and prices	- Reduce bureaucracy
- Improve service quality	- Introduce performance based management
- Increase competitive power	- Avoid government monopolies
- Change the attitude with respect to port clients	
2. Financial Reasons	3. Employment reasons for change
- Reduce public expenditure	- Reduce the size of public administration
- Attract foreign investment	- Restructure and retain the port labour force (skilled labours)
- Reduce commercial risks (investments) for the public sector	- Eliminate restrictive labour practices
- Increase the private sector participation in the regional and national economy	- Increase private sector employment

BENEFITS OF PORT REFORMS

1. GOVERNMENTS

- Improvement of external trade competitiveness
- Reducing transport costs particularly port services costs
- Improving port efficiency
- Easing financial burden on national budget thus transfer investment and operating costs to the private sector;

2. TRANSPORT AND TERMINAL OPERATORS

- More cost effective port operations and services;
- Efficient use of transport assets & better competitive positions in transport markets

3. SHIPPERS, EXPORTERS AND IMPORTERS

- Reduced port costs which will lower freight rates;
- Low cost of imported goods/intermediate products – enhance competitiveness for exports

4. CONSUMER

- Lower prices for consumer goods;
- Better access to wider range of products
- Improve competition between suppliers

PRIVATE SECTOR PARTICIPATION (PSP)

1. MODERNIZATION OF PORT ADMINISTRATION AND MANAGEMENT PORT

➤ enhancement of port performance with the introduction of more efficient working practices and tools (this can be made without the requirement to change laws or national policy e.g. adoption of corporate planning)

2. LIBERALISATION (DE-REGULATION) OF PORT SERVICES

➤ allows private companies to operate in areas previously reserved to the public sector by the reduction and loosening of government rules and regulations.

3. COMMERCIALIZTION

➤ ports being made more autonomous and accountable for its decisions and performance and be financially independent (own their assets, establish their own budgets, and make their own investment decisions).

4. CORPORATIZATION

➤ ports being given the legal status of a private company even of the public sector still remains the sole/majority owner – a complete separation of the public management and regulatory functions from the commercial activities that are being corporatized.

5. PRIVATIZATION

➤ expansion of the private sector role towards ownership and operations of port facilities and services as well as the development of new facilities/assets – e.g. removal of trade barriers

https://www.yunbaogao.cn/report/index/report?reportId=5_6904

预览已结束，完整报告链接和二维码如下：



ERNMENT INTERVENTION

port services entails large fixed costs and low marginal costs. The total benefits associated with using port services exceed the costs of providing these services.

Therefore, minimum initial capacity of basic infrastructure is required for such projects.

Port infrastructure is frequently indivisible and, as a result, increases in capacity can only be realized in “quantum chunks.”

Port construction and port expansion require large amounts of capital. The need to develop basic port infrastructure (eg, sea locks, quay walls, and main roads) all at one time creates large capital requirements and foregone investment opportunities as a result of high costs during the earlier phases of a project’s life cycle.

Port infrastructure projects often exceeds the time horizon of private investors and commercial banks.

Port infrastructure is immobile and has few alternative uses.