

# BERRY & DONALDSON

## NEWS

4/4/2014

### *Port Charge Increase*

Sudden announcement angers users

4<sup>th</sup> April 2014

The sudden increases in port charges, just three days before being implemented on April 1, has raised the ire of port users, who feel sideswiped by the abrupt addition to their own costs.

Adding insult to injury, reason for the specific tariff

***South Africa is considered to have amongst the most expensive port charges in the world.***

determinations of a range of charges would be given “at a later stage”.

These increases will affect importers, but even more so, exporters who use containers, who are already facing stiff competition in global markets and whose contribution is vital to the balance of trade. South Africa is considered to have amongst the most

expensive port charges in the world, relative to global averages.

Transport National Ports Authority (TNPA) applied to regulators for an average increase of almost 15% pursuant to its investment strategy that requires nearly R15 billion to be spent on port developments in the

next six years.

However, the increase in port charges, including a 5.9% escalation in cargo dues is not only onerous on traders already under pressure, but the three day notice of such increases means they have not been able to plan and cost accordingly and will have to absorb such sudden outlays themselves.

