

**A CASE STUDY ON THE EFFECTS OF THE NEW *JOHOR PORT
AUTHORITY (SCALE OF CHARGES) BY-LAWS 2011* ON MARINE
CHARGES**

By

MUHAMMAD RAHIM BIN YUSOFF

**Department of Nautical Science and Maritime Transportation
Faculty of Maritime Studies and Marine Science
University of Malaysia, Terengganu**

2012

**A CASE STUDY ON THE EFFECTS OF THE NEW *JOHOR PORT
AUTHORITY (SCALE OF CHARGES) BY-LAWS 2011* ON MARINE
CHARGES**

By

MUHAMMAD RAHIM BIN YUSOFF

**Research Report submitted in partial fulfilment of the
requirement for the degree of
Bachelor of Science Nautical Science and Maritime Transportation**

**Department of Nautical Science and Maritime Transportation
Faculty of Maritime Studies and Marine Science
University of Malaysia, Terengganu**

2012



DEPARTMENT OF NAUTICAL SCIENCE AND MARITIME
TRANSPORTATION
FACULTY OF MARITIME STUDIES AND MARINE SCIENCE

DECLARATION AND VERIFICATION REPORT
FINAL YEAR RESEARCH PROJECT

It is hereby declared and verified that this research report entitled:

A Case Study on the Effects of the New Johor Port Authority (Scale of Charges) By-Laws 2011 on Marine Charges by Muhammad Rahim Bin Yusoff Matric No. UK 17976 have been examined and all errors identified have been corrected. This report is submitted to the Department of Nautical Science and Maritime Transportation as partial fulfillment towards obtaining the Degree Bachelor of Nautical Science and Maritime Transportation., Faculty of Maritime Studies and Marine Science, Universiti Malaysia Terengganu.

Verified by:

Principal Supervisor

Name:

Official stamp:

Date: 25/06/2012

HJ. ABDUL RAHIM BIN IBRAHIM
SENIOR LECTURER
DEPARTMENT OF NAUTICAL SCIENCE AND MARITIME TRANSPORTATION
FACULTY OF MARITIME STUDIES AND MARINE SCIENCE
UNIVERSITY MALAYSIA TERENGGANU (UMT)
21030 KUALA TERENGGANU

Second Supervisor (where applicable)

Name:

Official stamp:

Date:

A handwritten signature in black ink, appearing to read 'Rubin', is written over a horizontal dotted line.

Head of Department of Nautical Science and Maritime Transportation

Name:

Official stamp:

CAPT. MOHO NAIM BIN FAZIL. CMILT
Ketua
Jabatan Sains Nautika dan Pengangkutan Maritim
FAKULTI PENGAJIAN MARITIM DAN SAINS MARIN
UNIVERSITI MALAYSIA TERENGGANU (UMT)
21030 KUALA TERENGGANU

Date: 25/06/2012

ACKNOWLEDGEMENT

First of all, I would like to thank to The Almighty and The Most Merciful Allah for giving me chances to complete the thesis at the given time.

I would like to thank my supervisor, Tuan Haji Abdul Rahim bin Ibrahim for his guidance and encouragement during the completion of the project. Without his guidance and advices, it is very hard for me to complete the research. He gave me a lot of good advices and it encourages me to complete the research with the best possible efforts.

My deepest gratitude also goes to my parents for their support. They ease all my problems by giving inspirational advices that make me feel better whenever I was down. They both are my strength.

My special thanks also go to all my fellow friends for helping me with the advice and cooperation. My special gratitude to Mr Baddrul'shamAbdJalil of Johor Port Marine Department for giving advice sources to complete this study.

TABLE OF CONTENT

	Page
THESIS DECLARATION AND VERIFICATION FORM	v
ACKNOWLEDGEMENT	v
TABLE OF CONTENTS	v
LIST OF TABLES	ix
LIST OF FIGURES	v
ABBREVIATIONS AND TERMINOLOGY	xi
LIST OF APPENDICES	vi
ABSTRACT (IN ENGLISH)	vi
ABSTRACT (IN BAHASA MALAYSIA)	xiv
 CHAPTER	
1.0 INTRODUCTION	1
1.1 Background of study	1
1.2 Statement of the problem	5
1.3 Significance of study	6
1.4 Objectives	6
1.5 Scope of study	7
1.6 Limitation	7
2.0 LITERATURE REVIEW	8
2.1 The new Federal Government Gazette	8
2.1.1 Services in Johor Port Marine Department	9

2.2	Johor Port Authority (Scale of rates, dues and charges)	9
	by-Laws 1988	
	2.2.1 Pilotage Dues	9
	2.2.2 Professional Fees	10
	2.2.3 Port Dues	11
	2.2.4 Lay-up Dues	13
	2.2.5 Tug Services	14
	2.2.6 Mooring Service	15
2.3	Johor Port Authority (Scale of rates, dues and charges)	
	by-Laws 2011	16
	2.3.1 Consolidated Marine Charge	16
	2.3.2 Pilot Detention Charge	17
	2.3.3 Tugboat Detention Charge	17
	2.3.4 Late Request, Changes and Cancellation	17
	Charge of Pilotage and Tugboat Service	
	2.3.5. Tugboat Service Charge	18
	2.3.6. Mooring Service Charge	18
	2.3.7. Pilotage Service Charge	19
	2.3.8. Port Dues for Vessel Loading or Discharging	19
	Cargo or Embarking or Disembarking the Passengers.	
	2.3.9. Port Dues for Vessel Occupying an	20
	Authority Approved Anchorage	

2.3.10. Rebate of Port Dues for Monthly Schedule	20
Vessels	
2.3.11. Lay-Up Dues	21
2.4 Johor Port Authority (TanjungPelepas) (Scale of Rates, Dues AND Chargers) By Laws 2000	21
2.4.1. Consolidated Marine Charges.	21
2.4.2. Other marine charges.	22
3.0 METHODOLOGY	24
3.1 Data collection	24
3.2 Data analysis	25
4.0 RESULT	26
4.1 The comparison of the marine tariffs between Johor Port Authority (Scale of rates, dues and charges) by-Laws 1988 and Johor Port Authority (Scale of rates, dues and charges) by-Laws 2011	26
4.2 The comparison for the consolidation marine charges between Johor Port Authority (Scale of rates, dues and charges) by-Laws 2011 and Johor Port Authority (TanjungPelepas) (Scale of Rates, Dues and Chargers) By Laws 2000.	27

4.3 The revenue of Johor Port Marine between year 2010 and 2011	28
5.0 DISCUSSION	32
5.1 The analysis on the tariffs of both scale of rates, dues and charges on marine services 1988 to the current updated 2011.	32
5.2 The implication of the implementation of the new tariff on the revenue of Johor Port.	33
5.3 The competitiveness of the new tariff for the future.	34
42	
6.0 CONCLUSION AND RECOMENDATION	35
REFERENCES	37
APPENDICES	38
CURRICULUM VITAE	

LIST OF TABLES

TABLES	PAGE
2.1: Pilotage Dues, LOA and Per Metre Charges	10
2.2: Goods or Passenger Vessel LOA and Per Metre Charges	12
2.3: Port Dues for Anchorage, Berth, Supply, Repair, Crew Change or Lay-Up LOA and Per Metre Charges	12
2.4: Scheduled Vessel Rebates and Percentage of Port Dues	13
2.5: Additional Dues on Lay-Up Vessel and Days	14
2.6: Tug Service Charges Per Hour or Quarter of An Hour Per Metre Thereof	14
2.7: Mooring Service Per Metre	15
2.8: Consolidated Marine Charge	16
2.9: Pilotage service charge Per Metre	19
2.10: Cargo or Passenger Vessel LOA Per Metre	20
2.11: Vessel LOA at Authority Approved Anchorage per Metre	20
2.12: Scheduled Vessel Rebates and Percentage of Port Dues	20
2.13: Additional Dues on Lay Up Vessel Rebates and Days	21
2.14: Consolidated Marine Charge	22
2.15: Vessel length per Metre	22
2.16: Additional Dues on Lay Up Vessel and Days	23
2.17: Per amendment or cancellation	23

LIST OF FIGURES

FIGURES	PAGE
1.1 Maps of major port in Malaysia	2
4.2 The scale of Consolidation Marine Charge of Johor Port (JP) and Port of TanjungPelepas (PTP)	22
4.3.1 The proportion of the revenue year 2010	23
4.3.2 The proportion of revenue year 2011	23
4.3.3: The comparison of the revenue between year 2010 and 2011.	24
4.3.4 Percentage of Revenue JP Marine 2010	24
4.3.5 Percentage of Revenue JP Marine 2011	25

ABBREVIATION AND TERMINOLOGY

Port charges	General term covering both port dues and specific port tariffs.
Port authority	A port entity which, under various names, is responsible for the administration of the port.
Port dues	Charge applied either on ship or on cargo for the general use of port, without any service being specified.
Berthing/un-berthing	Service given to ship when it approaches or leaves the berth, for example the mooring lines.
LOA	Length overall, the maximum length of a vessel from the two points on the hull measured perpendicular to the waterline.
GRT	Gross register tonnage, a ship's total internal volume calculated from the total permanently enclosed capacity of the vessel.

LIST OF APPENDICES

APPENDIX	PAGE
Appendix A: Total Revenue JP Marine 2011	31
Appendix B: Total Revenue JP Marine 2010	32
Appendix C: Total Revenue JP Marine 2009	33
Appendix D: Total number of vessel entering ports in Malaysia	34

ABSTRACT

The marine charges can be defined as the price of the marine services such as pilotage, towage, mooring, berthing and un-berthing. The *Johor Port Authority (Scale of Rates, Dues and Charges) By-Laws 1988* under *Port Authority Act 1963* is not competitive enough for the current economic condition. The objective of this study is to identify and compare the effect scale of rates, dues and charges on marine services 1988 to the current updated 2011 which includes the collection data from Johor Port Authority and Johor Port Berhad with the main focus on the economic sector. The total revenue of Johor Port Marine is about RM 56,056,100.00 (2009), RM 57,630,492.00 (2010) and RM 58,294,023.00 (2011). Based on the data collected, there are some changes have been made to improve the old version of tariff, such as the introduction of the consolidation marine charge. According to the result analysis, the pilotage dues and tugboat service charge have increased double. On the other hand, the port dues remain unchanged. Comparing the consolidation marine charges between Johor Port Authority (Scale of rates, dues and charges) by-Laws 2011 and Johor Port Authority (TanjungPelepas) (Scale of Rates, Dues and Chargers) By Laws 2000, there are no much different. According to the data collection, the rate of charges increase proportionally to the length overall of the vessel apply to both ports. However, this new tariff is still unable to increase the profit of Johor Port Marine. According to the data in the appendix the profit of Johor Port Marine in the year 2010 is increase with RM 34 million compare to 2009 with about RM 32 million. But in the year of 2011 the profit is decrease to about RM 31 million. In this study, it can be said that the scale of dues, charges and tariffs have been updated from the former scale of price, to synchronize with the current expenditure faced by the port operator and It is found that the new tariff is quite relevant and competitive.

ABSTRAK

Caj service
marin boleh ditakrifkan sebagai harga perkhidmatan marin seperti pemanduan, penundaan, tambatan, berlabuh dan tidak berlabuh. Lembaga Pelabuhan Johor (Skala Kadar Bayaran dan Caj) Undang-Undang 1988 di bawah Akta Lembaga Pelabuhan 1963 tidak cukup kompetitif dalam keadaan ekonomis masa.
Objektif kajian ini adalah untuk mengenalpasti dan membandingkan keskalakad ar dan caj terhadap perkhidmatan marin 1988 semasa di kemaskinian 2011 yang termasuk pengumpulan data dari Lembaga Pelabuhan Johor dan Johor Port Berhad dengan tumpuan utama kepada sektor ekonomi yang .
Jumlah hasil Pelabuhan Johor Marine ialah kira-kira RM 56,056,100 (2009), RM 57,630,492.(2010) dan RM 58,294,023.(2011). Berdasarkan data yang dikumpul, terdapat beberapa perubahan yang telah dibuat untuk meningkatkan versi lama seperti pengenalan caj marin penyatuan. Menurut analisis keputusan, caj pemalimandan caj perkhidmatan kapal undat telah meningkat dua kali ganda. Sebaliknya, caj pelabuhan kekal tidak berubah.
Membandingkan caj marin penyatuan antara Lembaga Pelabuhan Johor (Skalakar, kadar bayaran dan caj) Undang-Undang Kecil 2011 dan Lembaga Pelabuhan Johor (Tanjung Pelepas) (Skala Kadar, di undan Pengecas) Melalui Undang-Undang 2000, terdapat tidak jauh berbeza. Menurut pengumpulan data, kadar caj yang meningkat secara berkadar dengan panjang keseluruhan kapal terpakaibagikedu a-dua pelabuhan. Walaubagaimanapun, tarif baru ini masih dapat meningkatkan keuntungan Pelabuhan Johor Marine. Menurut data dalam lampiran keuntungan Pelabuhan Johor Marine dalam tahun 2010 ialah peningkatan dengan RM 34 juta berbanding 2009 dengan kira-kira 32 juta. Tetapi dalam tahun 2011, keuntungan menurun kepada sekitar RM 31 juta. Dalam kajian ini, ia boleh dikatakan bahawa skalacaj, cukai dan tarif telah dikemaskini untuk menyeregamkan dengan perbelanjaan semasa yang dihadapi oleh pengendali pelabuhan dan di dapat bahawa tarif yang baru adalah agak relevan dan berdayasaing.