

COCHIN PORT TRUST

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TRADE CIRCULAR

The Tariff Authority for Major Ports (TAMP) vide G. No. 189 dated 05.05.2017 notified the 'Performance Norms based Incentive and Penalty Scheme' for cargo operations at Cochin Port for POL Products except Furnace Oil, handled at COT, NTB & STB, and Cement handled through Pipelines, in accordance with the Berthing Policy issued by the Ministry of Shipping, Government of India in June, 2016. The Scheme was implemented with effect from 04.06.2017, as under.

Performance Norms based Incentive and Penalty Scheme

	Po	erformance N	Norms	
1	POL Products except Furnace Oil, handled at COT, NTB & STB		650 Tonnes/Hour	
2	Cement handled through Pipelines		190 Tonnes/Hour/Point	
	Ir	centive & Pe	enalty	
	Incentive (for Berth Hours saved)		Penalty (for Berth Hours exceeding Normative Hours)	
	Actual Berth Hours	Incentive	Actual Berth Hours	Penalty
1	Within 5% of the stipulated time	Nil	Within 5% of the stipulated time	Nil
2	Lower beyond 5% to 15%	0.5 x	More than 5% to 15%	1.0 x
	of the stipulated time	Berth Hire	of the stipulated time	Berth Hire
3	Lower Beyond 15% of the stipulated time	1.0 x Berth Hire	More than 15% of the stipulated time	2.0 x Berth Hire

- 2. A time of 6 hours is allowed for pre-commencement and post completion formalities; for vessels carrying multiple POL products, additional 2 hours for each grade of cargo are allowed.
- 3. Any stoppage of operation on account of the following is excluded from the computation of performance of the ships for calculating penalty/ incentive.
 - a. Any stay of ships waiting for tide, draft, etc. for safe sailing as certified by the Deputy Conservator.
 - b. Any delay in sailing of the ship due to the Port including late supply of pilot and unavailability of tug.

- c. Weather related stoppages and delays.
- d. Stoppages and delays due to shifting of vessels.
- e. Any extended stay of the ship for bunkers, repair, etc. authorized by the Port.
- f. Time consumed for draft surveys up to a maximum period of 30 minutes.
- g. Break-down/ non-availability of port provided equipment at berth.
- 4. As per Clause 7.2 of 7. 'Guidelines for Rolling out Performance Norms' of the Berthing Policy, "It is expected that in the case of ideal norms, most of ships will be able to achieve the norms with some ships performing better than norms. As a guideline, if more than 60%-70% of ships are achieving the set-norms then the port should increase the norms".
- 5. In the period of 2 Quarters; Jun-Nov, 2017, 51 ships of POL Products except Furnace Oil were handled at COT, NTB and STB of which 39 ships (76.5%) achieved the norm of 650 Tonnes Per Hour (TPH). The average productivity of the 51 ships in the period was 837 TPH, which was achieved by 25 ships (49.0%). Therefore, the norm for POL Products except Furnace Oil handled at COT, NTB and STB is revised to 800 TPH, which was achieved by 28 (54.9%) of the 51 ships.
- 6. Similarly, in the period of 2 Quarters; Jun-Nov, 2017, 33 Cement vessels were handled through Pipelines of which 26 ships (78.8%) achieved the norm of 190 TPH. However, one of the Cement Terminal operators uses a Shore Based Un-loader as against Self Unloading Ships in the case of other terminals, with a distinctly lower productivity, much below the norm. The operator using the Shore Based Un-loader has intimated plans for switching over to Self Unloading Ships within a short period, by early 2018. If the 4 ships of the operator using Shore Based Un-loader are excluded, the percentage of ships that have achieved the norms is 89.6%. The average productivity of the 33 ships in the period was 202 TPH; however if the 4 ships of the operator using Shore Based Un-loader are excluded, the average productivity is 219 TPH, which was achieved by 11 (37.9%) of the 29 Self Unloading Ships. Therefore, the norm for Cement handled through Pipelines is revised to 210 TPH, which was achieved by 15 (51.7%) of the 29 Self Unloading Ships.
- 7. In the light of the above, the revised norms of 800 TPH for POL Products except Furnace Oil, handled at COT, NTB & STB, and 210 TPH for Cement handled through Pipelines is instituted with effect from 12.02.2018.

TRAFFICMANAGER

Copy to : Oil Companies/Cement Firms
The Dy. Conservator/The FA & CAO