

From: Vinay Harilal [mailto:vinay.h@iafrica.com]
Sent: 12 December 2012 02:14 PM
To: tariffcomments@portsregulator.org
Cc: 'Christina Schaffner'; 'Chad Griffin'; 'CPSA Heather Roberts'
Subject: NPA Tariff Increase for 2013/2014 - Cargo Dues

Attention: Mr. Riad Khan and Mr. Ebie Fakie

Dear Sirs,

We have noted that majority of the dry bulk cargos handled by our port, a proposed increase of 5.4% has been submitted to the industry for comments. We note, with alarm, that the dry bulk coal export tariff increase is 104,08%. We fail to understand the rationale for such an enormous and unaffordable increase.

Over the past year coal exporters have experienced numerous challenges, the continuous shrinking of coal prices, striking miner's requesting salary increases of 22% across the board which resulted in production coming to a standstill and some exporters having to cancel contracted cargoes. This alone, has already given South Africa a reputation of being an unreliable supplier. NPA's mission is to increase and encourage exports, how are they going to achieve this? if they impose a tariff increase of 104.08% on one of the major commodities shipped through their ports. We cannot understand NPA's reasoning behind having a minimum of R6 PMT cargo dues fee on all dry bulk cargoes. Coal is low valued in comparison to other dry bulk commodities and therefore has to be treated differently.

It's our view that we the coal exporters should be treated the same as all other commodities and we should participate in commenting on whether the 5,4% increase is justifiable or not.

Thanks and regards

Vinay Harilal

Coal Procurement SA
50 Prince Alfred Street
Durban 4000
Tel: +27 31 3683342
Fax: +27 31 3682412
Email: vinay.h@iafrica.com