

SESI PEMBENTANGAN DAN LIBAT URUS BERSAMA PIHAK BERKEPENTINGAN BERHUBUNG SEMAKAN SKALA KADAR 2021

TARIKH : 25 MAC 2025

MASA : 10.30 PAGI

TEMPAT : BILIK MESYUARAT SELAT SELATAN, TINGKAT 2, BANGUNAN SPCT



BACKGROUND PENANG PORT TARIFF

- ❑ **By-Laws 1981**
Valid Until 2007 (Tenure: 26 years)
- ❑ **By-Laws 2007**
Application for tariff increase approved in 2002, implementation in 2007
- ❑ **By-Laws 2015**
Application for tariff increase approved in 2012, implementation on 1st May 2015
- ❑ **By- Laws 2021**
Application for tariff increase approved in 2019, the implementation on 8th September 2021
During this exercise, only 65 out of 168-line items were revised.

Only Three (3) Tariff Revisions over 34 Years

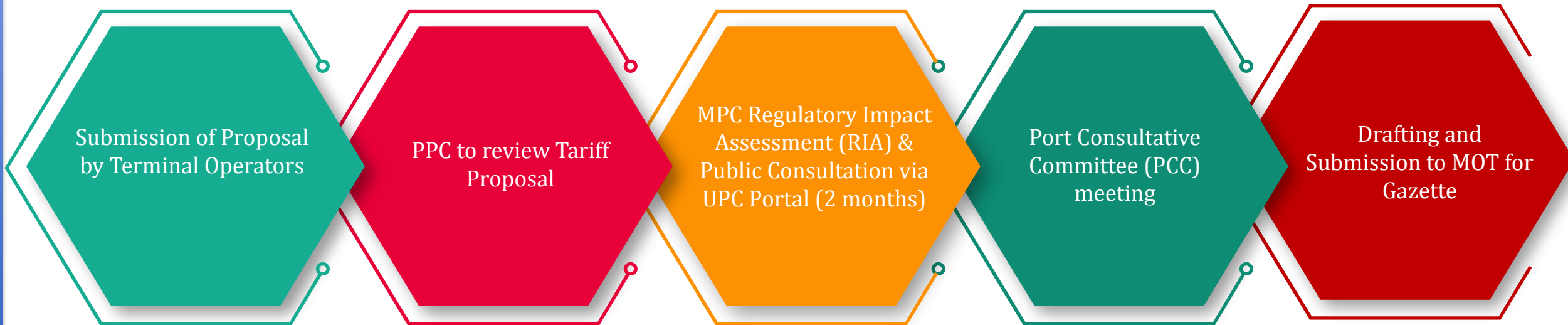
REVISED GAZETTED TARIFF AT A GLANCE

TYPE	MAIN ITEM	SUB ITEM (REVISED 2025)	CURRENT 2021	ADDITIONAL ITEMS
VESSEL ACCOUNT	15	59	47	12
CONSIGNEE/CONSIGNOR ACCOUNT	26	218	125	93
MISCELLANEOUS	10	56	0	56
TOTAL	51	333	172	161

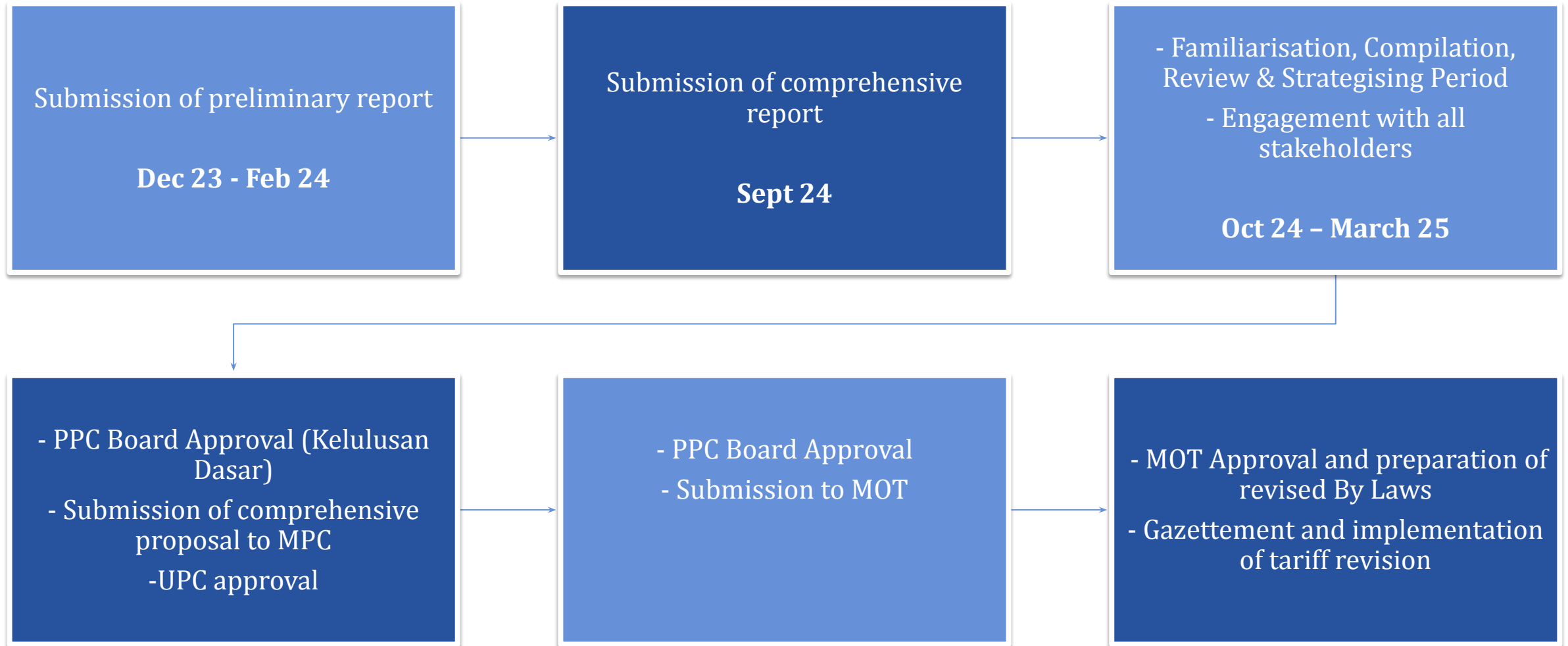
Link: List of Proposed Tariff Revision

TARIFF REVIEW & CONSULTATION PROCESS

MPC – National Policy on Good Regulatory Practice (NPGRP)

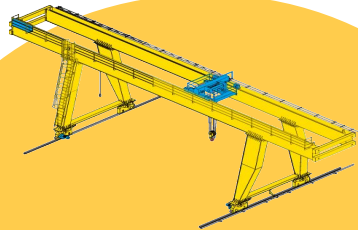


TARIFF REVISION PROCESS TIMELINE



CONSIDERATION FOR TARIFF REVISION

The variance in percentage (%) revision of operating cost is mainly due to investment in port equipment, digitalization and system between 2019-2025 . **Total approximately RM 0.5 Billion**



CONTAINER

Berth Rehabilitation Project (T1 NBCT Development): **RM154 mil (2020)**

7 Units RTG : **RM 51 mil (2019 & 2025)**

4 Units Empty Container Handling (ECH) : **RM 5.1 mil (2024)**

1 Unit Reach Stacker: **RM 2.1 mil (2024)**



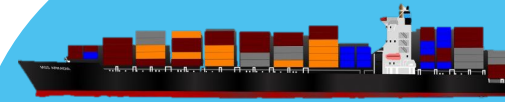
CONVENTIONAL CARGO

Install new Fenders : **RM27 mil**

6 units of new weighbridge 80 tonne: **RM1.2 mil (2022)**

4 units of new 5 tonne forklift : **RM 0.8 mil (2024)**

Electrification project at PBCT: **RM14mil (2024)**



MARINE

1 unit of Seabed Leveler - MV GOLF: **RM17 mil (2023)**

Upgraded Tugboat - 45 & 50 tonnes contracted : **RM 131 mil (2024)**

New Pilot Boats contracted : **RM13.5 mil (2023/2024)**

Maintenance Dredging (Wharf & Channel) : **RM22.5 mil (2021)**



OTHERS

IT System

Implementation of the Ramco Enterprise Resource Planning ("ERP") System: **RM9.8 mil**

New TOS: **RM36 mil**

(4) Unit Drone: **RM 0.4 mil (2024)**

254 unit of CCTV : **RM5.1 mil (2024)**

Digital Port Pass: **RM2.2 mil**

JUSTIFICATION



Rising Operational Costs

- Global fuel price fluctuations have significantly increased operating costs for port services, including tugboats, pilotage, and cargo handling.
- Rising electricity and water tariffs impact the operation of cranes, reefer facilities, lighting, and other critical port infrastructure.
- Rising of the maintenance, contract labor and employment costs.



Infrastructure Development

- Investment in new equipment is necessary.
- Expansion and digitalization will boost efficiency.
- Quit Rent & Assessment hike of 30% (2019 - 2025)
- Upkeep and maintenance of infrastructure



Regional Benchmarking

- Penang Port's tariffs are lower than regional ports.
- Adjustments align with industry standards.



Sustainability & Compliance

- Green initiatives and regulations require investment.
- Compliance ensures environmental and safety standards.

JUSTIFICATION (CONT.)



Service Quality Improvements

- Enhanced cargo handling reduces turnaround time.
- Better customer service and logistics are crucial.



Depreciation of Ringgit

- Increased in cost of procurement of material/component/equipment for port operations.
- Increase cost of new infrastructure.
- 2015: USD 1 = RM3.90
- 2024: USD 1 = RM4.40



Inflation & Currency Fluctuations

- Adjusting for inflationary pressures affecting operational expenses.
- Mitigating the impact of currency depreciation on imported equipment and services.

PROPOSAL FOR A 30% TARIFF REVISION

**PPSB PROPOSED OVERALL
REVISION OF 30% FROM CURRENT
RATES**

To ensure sustainability of port operations, enhance service quality, and support ongoing infrastructure development

To address inflationary pressures, and continued investment in port facilities and efficiency improvements.

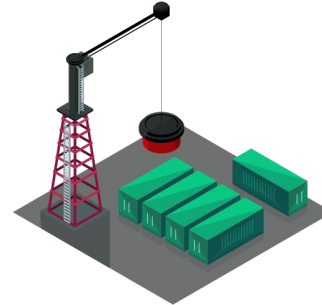
TARIFF REVISION IS NEEDED FOR FUTURE CAPEX FROM 2025

ONWARDS

Major Future CAPEX Investment

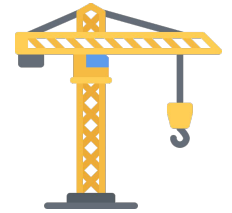
PORT EXPANSION (RM 730 mil)

- NBCT Expansion Phase 1A - Infrastructure (Container Yard, Bridge & Reclamation Works) **(RM500 mil)**
- Northern Petroleum Terminal (NPT) **(RM90 mil)**
- Upgrading of existing yard in NBCT **(RM140 mil)**



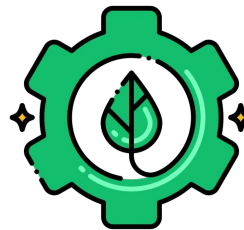
PORT EQUIPMENT (RM 101.7 mil)

- 2 Units QGC **(RM 90 mil)**
- 8 Unit To Upgrade Drive System Siemens -RTG UMW **(RM 8 mil)**
- 1 unit ECH & 1 unit RS **(RM 2.6 mil)**
- 2 units new 10 tonne forklift **(RM1.1mil)**



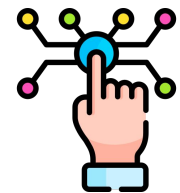
GREEN TECHNOLOGIES (RM 300 mil)

- Floating/On-shore Solar **(RM148 mil)**
- 2 Units Electrified Mobile Harbour Cranes **(RM45 mil)**
- 4 Units Hybrid RTG **(RM 35 mil)**
- Terminal tractors (energy efficient & green compliance) **(RM72 mil)**



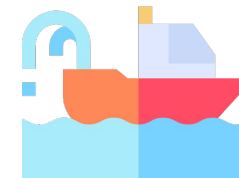
DIGITALISATION (RM 30 mil)

- Installation Of OCR System for Identification Of Container at QGC and Auto Tally at the Shore Of North Butterworth Container Terminal, NBCT **(RM 11 mil)**
- Dashboard and digital doing **(RM15 mil)**
- VTMS **(RM2 mil - RM4 mil)**



DREDGING (RM150 mil - RM300 mil)

Feasibility on Capital Dredging to cater for a bigger vessel calling Penang Port Terminal. The dredging will involve from the North Channel to major installation



Thank You

Principal Place of Business:

Operations, Performance & Engineering Building, Container Yard,
North Butterworth Container Terminal,
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