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**What is a Port Levy?**

**Background & MLC, 2006**

The principles of port welfare services and port levies are enshrined in ILO’s Maritime Labour Convention 2006 (MLC, 2006) Standard A4.4 - Access to shore-based welfare facilities, which states:

*‘Each Member shall require, where welfare facilities exist on its territory, that they are available for the use of all seafarers, irrespective of nationality, race, colour, sex, religion, political opinion or social origin and irrespective of the flag State of the ship on which they are employed or engaged or work.*’

MLC, 2006, Guideline B4.4.4 ‘Financing of welfare facilities’ also covers ‘levies or other special dues from shipping sources’. It stresses that port levies are to be used, in accordance with national conditions and practice, to financially support port welfare services and, ‘where levies are imposed, should be used only for the purposes for which they are raised’.

Port levies are an extremely important funding stream because port welfare services are delivered by non-governmental organisations, defined by MLC, 2006 as ‘voluntary organisations’. These organisations are more than often, dependent on fundraising and donations to deliver seafarers’ welfare services. Furthermore, the services provided by the voluntary organisations are not available from any other sources and benefit both port authorities and agents.

There are four ways in which ports can provide support:

* Lump sum contributions.
* Opt in levies – wherein the ship owner has to proactively agree to make a contribution.
* Opt out levies – where the ship owner has to actively refuse to contribute (this is the usual medium).
* Compulsory levies – added to port conservancy charges.

**Collection of Port Levies or Contributions**

***Examples of how they are charged/provided***

Levies are added to port charges. Within the costs of bringing a vessel into port - pilotage, port dues, tugs etc. a levy, usually set at $xx- $xx per visit, is literally a drop in the ocean. Some are based on tonnage. In any event these charges are normally capped at a maximum number of visits for regular users.

**Shipping Agents** - In most ports levies are voluntary and therefore collected by shipping agents. The most successful are those where the ship owner, or charterer, must actively "opt-out" rather than "opt-in". The system is, however, very dependent upon the agents actively engaging with a scheme. In one major port, for example, where the agents have adopted an “opt out” levy only one regular port user has refused to pay.

**Port Authorities** - In a few ports levies are set out as a compulsory addition to the port dues and this is the most successful scheme, because it is mandatory and collected by one authority.

**Lump Sum Donations from Ports** - Some port authorities will not agree to a levy but would rather make a regular lump sum donation. Subject to being adequate, this represents a very simple and acceptable alternative.

**How they are distributed**

Here again there is no common standard. In some cases the "donations" are awarded simply to the seafarers' centre to use on a discretionary basis. Commonly this is used to run the centre and therefore revenue costs associated with chaplains and ship visiting are not covered (although the centre may well provide an office f.o.c.). In other ports a committee decides how to apportion the distribution based on funds available against work undertaken and need.

Levies can only really be justified in places where there is active welfare support for seafarers, but this is all large and most medium size ports. There are different formulas in almost every port, some just applied per ship and some based on tonnage and at varying prices. The maximum is around $xx per visit and all are capped at a maximum number of calls (usually 10 or 12 per annum). To put matters in perspective, the cost of bringing a large ship into port can often exceed $100k and even a skip for the garbage will be around $100. This means that a levy is very modest, insignificant to the overall costs and great value for money.

The greatest challenge is to “sell” the concept of a levy to port authorities and port user associations. All too often, within the senior management of a port, only the harbour master and his or her assistant will have seagoing experience and not all are from an merchant mariner background. The port user associations – the ships’ agents are almost entirely people from a shore based commercial background. Both are very happy to call on port based practitioners when there is an emergency, or even a seafarer landed for any reason. Unfortunately, in some ports, they tend to take for granted that the NGOs/societies are there and never question how they are funded. They also are unaware of the number of issues that are quietly resolved by the chaplains and volunteers as part of their pastoral care. These are sometimes issues which, if they are allowed to escalate, might delay a vessel or even have an impact on safety.

The National Seafarers’ welfare Board, as part of its strategy, should recognise the increasing importance of finding support from port communities. Many argue that the port is a host to visiting seafarers and that the provision of levies should be part of a corporate responsibility.