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**A New Port Levy Scheme**

**Terms of Reference (Template)**

**Background – NGO Provision of Port Welfare Facilities**

In many ports around the world, shore based welfare facilities are delivered by long standing and well respected registered maritime charities whose work enhances the quality of the life for visiting seafarers. Defined in ILO MLC,2006 as ‘voluntary organizations’ these include societies such as Apostleship of the Sea, Mission to Seafarers and Sailors’ Society, to name but a few. Providing shore-based welfare facilities and services is a key role for these societies who offer seafarers both pastoral care and practical support. These voluntary organisations fund and manage trained personnel to deliver a plethora of welfare services that include; distribution of port welfare information, the operation of seafarer’s centres, welfare visits to seafarers’ onboard ship and they often provide free, much needed, port transportation. They also look after abandoned and hospitalized seafarers. Each of the charities in whole, or in part, supports visiting seafarers. The voluntary organisations work in close collaboration and, in countries/ports where local welfare boards also known as Port Welfare Committees (PWCs) have been established, their attendance at meetings to discuss welfare provision ensures there is neither duplication nor wastage of effort. The vast majority of seafarers’ charities are not-for-profit organisations that rely greatly on the success of their fund raising activities to support their important work. Irrespective of ILO MLC, 2006, voluntary organisations need financial help, particularly with revenue costs, from the maritime industry to continue to support and improve seafarers’ welfare.

**ILO MLC,2006**

The purpose of Regulation 4.4, Standard A4.4 and Guidelines B4.4.1, to B4.4.6 of the Maritime Labour Convention 2006 is to ensure that seafarers working on board a ship have access to shore based facilities and services to secure their health and well-being.

In particular Standard A4.4 (Access to shore-based welfare facilities) 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.*’

Guideline B4.4.4 (Financing of welfare facilities) suggests that financial support should be made available through a number of ways including ‘levies or other special dues from shipping sources’. It should be noted that Guidelines are non-mandatory and are for the consideration of Governments.

However, voluntary port levies are an extremely important funding stream because port welfare services are delivered by non-governmental organisations (NGOs) or ‘voluntary organisations’ that are dependent on fundraising and donations. Furthermore, the services provided by the voluntary organisations are not available from any other sources and benefit both port authorities and agents.

**New Port Levy Scheme Recommendation**

Wherever possible and appropriate, a new port levy scheme should be adopted to support the running costs of the bone fide maritime charities that provide port welfare services to seafarers. Ideally, this should be an ‘opt-out’ scheme determined and set by the Port Authority with a donation level based on services required or already rendered. The agreed levy should be included on the shipping agents final bill to the ship owner, or charterer. The shipping agents should forward this along with the port dues to the Port Authority. Thereafter the port should be responsible for forwarding all monies raised by the scheme to the maritime charities concerned biannually on 1st May and 1st November. The allocation of funds should commence at a mutually agreed date, normally 6 months after the port levy start date.

Monies raised by the port levy scheme should be used primarily to support revenue costs associated with personnel delivering welfare services. Funds should be allocated and distributed to welfare organisations retrospectively through the welfare board, based on a mutually agreed, simple ‘points for welfare workers’ formula. The formula is based on the number of paid and volunteer employees involved in the actual delivery of port welfare services. In ports where there are no welfare boards the Port Authority should pay directly to the maritime charities providing local services. In the case of international charities, the Port Authority should ensure that the port levy is ‘ring fenced’ for their port.

Wherever possible, the distribution of funds should be controlled by the local welfare board or Port Welfare Committee, which normally consists of port authority, ship owners, unions and voluntary organisations representatives. To ensure monies raised locally are expended locally, the welfare board should determine the sums to be allocated and distributed at their regular meetings. An Annual Income & Expenditure report should also be tabled at the welfare board AGM.

Breakdowns of income and expenditure shall be made available to both the Port Authority and welfare board on request.

The Port Authority reserves the right to veto port levy decisions made by the welfare board and has the right to withhold contributions to NGOs that may bring the port into disrepute.

**Port Levy Scheme Formula**

First, the welfare board should set aside a small emergency fund, which all welfare organisations will be able to access at short notice. Thereafter the total sum that has accrued over the first 6 months will be split: 20% for capital projects, aimed at improving existing seafarers’ welfare services, and 80% for service delivery support costs. Requests for capital grants should be submitted on the Port Levy Scheme Grant Application Form (see below) to the Port Welfare Committee Manager/Administrator or, if no there is no welfare board, to the Port Authority, in readiness for discussion at the first available welfare meeting. The remaining 80%, or 100% of the funds raised will be allocated via the formula detailed below. This formula rewards organisations that have delivered port welfare services over a period of 6 months or in between welfare board meetings.

Port welfare services are delivered by people to support seafarers, therefore, it is people not facilities that lie at the heart of the distribution formula. Although all welfare workers have an important contribution to make to seafarers’ welfare, financially, full time (paid) employees such as Port Chaplains and Centre Managers are the costliest. These are followed by part time (paid) workers and last but not least are the many (non-paid) volunteers on whom many organisations depend. To that end, the formula will allocate points on a ‘per person per organisation’ basis as follows:

Full Time (Paid) Employees - 20 points per person

Part Time (Paid) Employees - 4 points per day per week (max 16 points) per person

\*Volunteers (Unpaid) - 1 point per person

\*In exceptional circumstances, where the contribution of an individual unpaid volunteer exceeds normal expectations over a prolonged period, then the Port Welfare Committee or Port Authority should allocate up to a maximum of 12 points.

To arrive at the amount each organisation is due to receive, the total sum of money to be distributed shall be divided by the overall total number of points. This will identify the amount of money available for distribution per point, which can then be multiplied by the number of points accumulated by each welfare organisation. The formula can easily be calculated on a simple spreadsheet for confirmation and approval at the appropriate welfare board meeting.

**Funding Conditions**

By definition port levies are ultimately raised from ship owners, or charterers, via agents whose vessels visit the port. For this reason, any funds raised by the scheme will be used solely in support of the welfare of seafarers serving on vessels visiting the port. To that end, all voluntary organisations seeking to receive funds from the scheme will be required to:

* Respect all seafarers irrespective of nationality, religion, culture, language, sex or race.
* Stand against intolerance and injustice of any kind.
* Co-operate fully and work in collaboration with others providing welfare for seafarers.
* Agree to abide strictly by the rules of access to port areas set down by the port authority or quay operator and will attend any additionally required local health and safety induction training.
* Only board vessels when authorised to do so by the ship’s master, or the duty officer.
* Ensure their ship visiting representatives have received proper training and, other than in exceptional circumstances, be holders of a ‘Ship Welfare Visitor Identity Card’, which is evidence of training.
* Agree that any press related matters to do with the port levy scheme must be approved and promulgated by the Port Authority.
* They must agree to submit all grant applications in time for distribution with agendas in readiness for discussion at welfare board meetings.
* They must agree to provide appropriate receipts as proof of purchase/expenditure.
* They must agree to provide the Port Authority with BACS details for money transfer.

**Distribution of Funds**

The welfare board, or a subcommittee thereof, will allocate monies raised by the port levy scheme, for distribution with responsibilities to:

* Mutually agree an appropriate sum to be retained and used as an emergency fund.
* Mutually agree and regularly review the distribution formula to ensure a fair and equitable apportionment of funds.
* Mutually agree the distribution and apportionment of all port levy funds at their meetings at which a member of the Port Authority should be present.
* Regularly review the levels of local welfare provision.
* Advise the Merchant Navy Welfare Board of all agreed payments.

**Conclusion**

The new Port Levy Scheme has been established to maintain and improve port welfare facilities for visiting seafarers. To that end, all welfare organisations are encouraged to proactively support the initiative and work even closer together to ensure seafarers gain maximum benefit from their visit to the port and access the best possible welfare services.

The Port Authority reserves the right to withdraw the port levy scheme at any time and, also veto levy allocations to any welfare individual or organisation that threatens to bring the reputation of the port or other seafarers’ welfare organisations, into disrepute.

**End**



**………………………. PORT LEVY SCHEME GRANT APPLICATION FORM**

|  |  |  |  |
| --- | --- | --- | --- |
| **Full Name:** | **Organisation:** | | |
| **Date the proposal was discussed and unanimously approved at the welfare board meeting:** | | | |
| **Steering Group Members (if applicable):** | | | |
| **Purpose of Grant:**  Continue overleaf if necessary…………………….. | | | |
| **Break Down of Costs:** | | | |
| **Grant Applied for from Port Levy Scheme** | | **£** |  |

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| --- |
| **Objectives:** |
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Capital grants from the ………………Port Levy Scheme are awarded to improve seafarers’ welfare facilities and services. Where appropriate, grant applications must be discussed at welfare board meetings and require the unanimous support of the Port Welfare Committee.

**PLEASE SEND THE COMPLETED APPLICATION FORM TO YOUR PWC MANAGER/ADMINISTRATOR**

Email address………

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| **INTERNAL USE ONLY** Date application received………………………………  **Outcome:** |