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Final Authorization on Fees and Charges

For

Vuda Marina Fiji (VMF)

Date Issue: 5 March 2015 © Fiji Commerce Commission

"To promote Competition in the Fijian Markets"

1.0 Introduction

- 1.1 The transportation sector is a strong factor in terms of economic and regional balanced development, as well as also having a great influence on national integration to the world economic market.
- 1.2 Marinas are an integral part of several transport systems. A marina is the geographic location where several production chains are converging. A "section" through these chains shows that these production chains are converging in various stages of completion- perception, allowing the port to play a major role in the integrated logistics chains.
- 1.3 Marina's enjoys a legislated or natural monopoly and therefore can charge a monopoly price for the relevant services. To minimize the potential misuse by Marinas of their market power, the capacity for airports to provide services below community expectations or to neglect the maintenance of essential national infrastructure, a degree of regulation is required.
- 1.4 Strong, robust and independent economic regulation is needed to protect ports and marina services and their passengers from monopoly abuse.
- 1.5 Marinas are, for the most part, natural monopolies. As such, they need to be subject to additional supervision to ensure that in the absence of sufficient competition, prices to port and marina user's and passengers are cost efficient and that service quality improves.
- 1.6 An appropriate economic regulatory framework is required for Marina's to prevent abuse of market power. A commitment to striking a balance between the needs for effective oversight, transparency for all airport users and incentives to invest is essential.
- 1.7 Due to the monopolist features of the Marina's industry, the role of a regulatory body in promoting competitive forces in the industry is of importance. The absence of sufficient competition in the market leads to inefficiency in resource allocation and utilization. It also goes against consumer interest.
- 1.8 The Fiji Commerce Commission ("Commission") is empowered under the Commerce (Control of Prices for Ports and Marina Management Services) Order 2010 ("Order 2010") to control and /or regulate the ports and marina management services charges in Fiji.
- 1.9 Under the Order 2010 it is essential for the Fiji Commerce Commission to examine the Port and Marina Management Services provider's role and pricing of the services given its strategic and monopoly position in the supply of ports and marina management services in the Fijian market.
- 1.10 On 1 December 2014, Vuda Marina Fiji ("VMF") in recognition of the Commission's role under the Commerce (Control of Prices for Ports and Marina Management Services) Order 2010 ("Order 2010") requested the Commission for an increase in the rates for foreign vessels. This rate increase would not apply to "Small Vessel Pontoon" rates as the vessels that use this pontoon are predominantly locally owned.
- 1.11 Following the submission, on 9 December 2014, the Commission requested for information from VMF to undertake a detailed analysis of the submission.

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- 1.12 On 11 December 2014, VMF informed the Commission that for the all fees and charges that is proposed to be increased; these rate increases will not have any impact on the local market. Vuda Marina stated that and it would be difficult to submit all the requested financial information by 18 December 2014 since their Finance Executive will be on leave.
- 1.13 The Commission made assessment into the request from Vuda Marina and noted that some of the proposed rates are increasing by more than 10% and sought for explanation and justification. VMF made a complete submission to the Commission on 03 February 2015.
- 1.14 Based on the submission made by Vuda Marina Fiji and the Commission's independent assessment, the Commission has made this authorisation.

2.0 Legal Framework

- 2.1 The Commission is empowered under the *Commerce (Control of Prices for Ports and Marina Management Services) Order 2010*to control and/or regulate the ports and marina management services in Fiji.
- 2.2 Paragraph 3 of the said Order specifically authorises the control and/or regulation of prices or rates for the supply of all ports and marina management services in Fiji.
 - "ports and marina management services" means all services and facilities provided by a port and its marina including but not limited to the following:
 - (a) Services including but not limited to berthing, barge and towing and sea transportation services; and
 - (b) Facilities including but not limited to shops, office facilities, car parks and terminals located at the marina premises.
- 2.3 The Commerce (Control of Prices for Ports and Marina Management Services) Order 2010 authorises the Commission to regulate and control prices for five (5) years which expires on 24 March 2015.

3.0 Commission's Authorization

3.1 Pursuant to Section 4 and 41 of CCD2010 and the *Commerce (Control of Prices for Ports and Marina Management Services) Order 2010*, the Commission makes the following authorization for the fees and charges for Vuda Marina Fiji.

Table 1: Marina Fees and Charges

ITEM	Local Vessels	Foreign Vessels	
	(VIP)(\$)	(VIP) (\$)	
INWATER BERTHING (Per LOA Foot)			
Daily	0.65	0.75	
Weekly	3.90	4.50	
Monthly	13.65	15.75	
6 Monthly	61.50	78.65	

Table	1.	Marina	Foos	and	Charges	(cont'd)
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ITEM	Local Vessels	Foreign Vessels	
	(VIP) (\$)	(VIP) (\$)	
TRAVEL LIFT			
RETURN HAULOUT (by weight)			
Less than 2 tonne	320.00	320.00	
2 - 20 tonne	430.00	430.00	
20 - less than 35 tonne	540.00	540.00	
35 - less than 50 tonne	850.00	850.00	
50 to max 65 tonne	1,400.00	1,400.00	
LIFT AND HOLD (PER HOUR)			
Less than 2 tonne	180.00	180.00	
2 - 20 tonne	250.00	250.00	
20 - less than 35 tonne	320.00	320.00	
35 - less than 50 tonne	510.00	510.00	
50 to max 60 tonne	800.00	800.00	
After hours/ Sunday surcharge	125.00	125.00	
Extra Move	280.00	280.00	
STORAGE			
HARDSTAND (per LOA foot)			
Daily	0.90	1.00	
Weekly	5.40	6.00	
Monthly	18.90	21.00	
6 Monthly	85.05	105.47	
PROPS (per piece)			
Daily	2.00	2.50	
Weekly	12.00	15.00	
Monthly	42.00	52.50	
6 Monthly	189.00	237.01	
YACHT CRADLE (per unit)			
Daily	16.00	16.00	
Weekly	96.00	96.00	
Monthly	336.00	336.00	
6 Monthly	1,512.00	1,512.00	
CYCLONE PITS (per LOA foot)		900 • 900 •	
Monthly	27.00	31.50	
6 Monthly	137.50	172.50	
BOAT & TRAILER – Max 33' LOA (per vessel)		2,2,00	
Monthly	100.00	100.00	
6 Monthly	500.00	500.00	

Table 1: Marina Fees and Ch	arges (cont'd)
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ITEM	Local Vessels	Foreign Vessels	
	(VIP)(\$)	(VIP) (\$)	
SMALL VESSEL PONTOON – max 33' LOA (per 6 mc	onths)		
Local Berthing (pleasure craft/ non- commercial operation)	1,200.00	2,100.00	
Commercial Berthing (unlimited pick up and drop off)	2,500.00	3,200.00	
Passenger Levy	NONE	NONE	
One-off Commercial load/ unload (non- registered vessel)	25.00	25.00	
ELECTRICITY			
Normal Usage (e.g. household / lighting)	4.00	4.40	
Heavy Usage (e.g. air con/ power tools)	12.00	13.20	
3 phase	40.00	50.00	
WATERBLASTING			
Less than 25'	\$3 per foot	\$3 per foot	
25' to 50'	\$3 per foot	\$3 per foot	
over 50'	\$3 per foot	\$3 per foot	
Ladders	5.00	5.00	
Scaffold (2 stands + 1 plank)	9.00	9.00	
Water for In-water berths	FREE	FREE	
Boat ramp - own trailer (per use)	10.00	10.00	
SEVERE WEATHER SURCHARGE (for one-off bookin Depression or Tropical Cyclone)	gs in the event of an e	xpected Tropical	
Pleasure Craft less than 40'	250.00	250.00	
Pleasure Craft 40' and above	400.00	400.00	
Commercial vessel less than 40'	1,000.00	1,000.00	
Commercial vessel 40' and above	1,750.00	1,750.00	

NOTE: Vessels with beam over 16' are charged 150% of the above rates and Vessels with a beam over 24' are charged 200% of the above rates.

A **local vessel** is "a ship or vessel registered, or required to be legally registered under a law of Fiji or an unregistered ship or vessel that has Fijian nationality as a majority owner."

The authorized fees and charges are effective from 15 March 2015.

The above or any other charges by Vuda Marina Fiji will remain the same and no new charges are to be introduced unless authorized by the Commission.

Commissioner(s):

Mr. Firoz Ghazali

Acting Chairman

5 March 2015

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