

# Statement of Corporate Intent

2020-21







# Contents

Acknowledgement of Country	04
1. Agency Information	07
2. Accountability	18
3. Finances	21
4. Payments made to & from Government	22

# Acknowledgement of Country

Mid West Ports Authority acknowledges and respects the Nhanagardi People of this land and waters we stand on. Elders past and present, the Youth and Yamaji People of the Mid West region who hold the stories and hopes for the future leaders.

*Leroy Shiosaki playing the didgeridoo at Mid West Ports Authority's welcome event for the Azamara Quest; our first overnight cruise ship visit.*



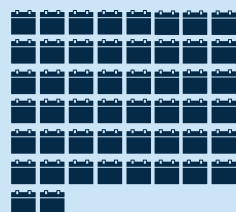






# Our 2019 Highlights

## History



**50**

**YEARS**  
of the GPA MWPA

## Safety



Lost Time  
Injury Free for

**319**  
Days



LTIFR

**4.4**  
down from  
13.5 in 2018

## Shipping



**407**  
ship visits



**896**  
of safe vessel  
movement



**82,416T**  
Largest Shipment for the year

## Tonnage by Product



**15,905**

TONNES '000

Total Trade Throughput



**2.712**

TONNES '000

Grain



**923**

TONNES '000

Mineral Sands



**6**

TONNES '000

Livestock



**10,949**

TONNES '000

Iron Ore



**457**

TONNES '000

Concentrates



**1**

TONNES '000

General Cargo



**115**

TONNES '000

Fertilisers



**532**

TONNES '000

Mineral Sands



**210**

TONNES '000

Petroleum  
Products

Total Trade  
Exports

**15,048**

TONNES '000

Total Trade  
Imports

**857**

TONNES '000

## Trade

**\$71.5m**

in revenue



Estimated  
**\$4.4Bn**

Total Value of  
Trade Facilitated



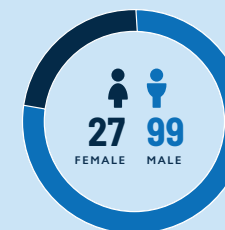
Positive trade  
results enabled  
**\$12.4M**  
of dividends to the  
State Government



**15.9Mt**

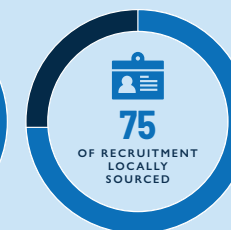
Total Trade  
Throughput

## Employees



**27**  
FEMALE

**99**  
MALE



**75**  
OF RECRUITMENT  
LOCALLY  
SOURCED

## Cruises

**8**  
Cruise Visits

**8939**

Cruise passengers and  
crew ashore



First  
overnight  
cruise visit  
- Azamara  
Quest



Shortlisting  
in **Cruise**  
destination  
of the Year



# 1. Agency Information

## 1.1 CONTEXT

This Statement of Corporate Intent (SCI) has been prepared by the Mid West Ports Authority (MWPA) and is submitted under the provisions of the Port Authorities Act 1999 (the Act).

MWPA is responsible for the efficient, safe, and effective operation of Western Australia's most diverse port, the Port of Geraldton, planning for its future, the maintenance of facilities, while operating in balance with the environment. In 2020 MWPA will have an expanded role, with the provision of Harbour Master and marine safety services at the privately-operated ports of Cape Cuvier and Useless Loop.

MWPA also supports the region's largest fishing industry, providing berthing facilities, maintenance, waste disposal and security to the commercial Fishing Boat Harbour (FBH). There is also the opportunity to develop the FBH to support local industries, tourism, diversifying revenue streams and to demonstrate MWPA leadership as a supply chain enabler across the Region.

This plan incorporates all the requirements necessary for the MWPA to fulfil its obligations under Part 5, Division 2, of the Port Authorities Act 1999.

## 1.2 PORT SERVICES

The Port of Geraldton is one of WA's most diverse operations, catering for the export of grain, minerals and livestock, and imports of fuel, fertiliser and general cargo, whilst also welcoming cruise ships, oil rig tenders and other exhibition craft. MWPA plays an essential service for Regional Australia and Australia's economy, through providing inter-modal facilities that connects the regions to national and international markets.

The Board and management are focused on developing the port toward a long-term future (2050) which contemplates a region which may not be as dependent upon iron ore, however, it is also recognised that these products will still dominate the region over the next 10-20 years. The SCI considers the actions required for 2020-21 but does so as steps toward a much wider assessment of what will be required for the community and the region over a much longer timeframe.

## 1.3 PORT ASSETS

The Port of Geraldton has seven (7) commercial berths and associated marine assets including the harbour basin and channel.

The Berth 4 and 5 shiploaders are owned, operated and maintained by MWPA. The stevedoring service is currently provided by Qube Bulk for a period of three years from 1 January 2018. The Berth 4 shiploader has a design capacity of approximately 1,800 tonnes per hour and the Berth 5 shiploader a loading capacity of 5,000 tonnes per hour of iron ore.

MWPA also owns and manages the existing bottom dump iron ore train unloading infrastructure. This infrastructure was recently upgraded to create a faster more efficient linkage between the train unloader and Mount Gibson's Berth 5 storage facility. When delivering product to this facility the upgraded train unloader has a design receipt rate of 3,000 tonnes per hour. However, when delivering to the existing storage facilities at Berth 4 the discharge rate is 1,800 tonnes per hour.

MWPA manages Geraldton's Fishing Boat Harbour (FBH). This involves leasing pens to vessel owners, maintaining the pens and surrounding walkways, jetties and berths and provision of power and water to each pen. The FBH comprises approximately 160 boat pens and a significant landholding with sites leased principally to businesses that support the local fishing and mining industry. The harbour also supports several tourist-based operations.







Geraldton supports WA's cruise-ship tourism industry by acting as a transit port and aims to retain its Tier 2 status and grow its position to become a Tier 1 cruise destination port. The growth of the cruise-ship tourism industry in Geraldton is largely reliant on the general West Australian cruise ship market (which appears to be driven by demand for cruise visits to Exmouth and Broome) and the development and promotion of tourist activities in Geraldton by local operators.

#### 1.4 PORT LAND

There is 83 hectares of land within the Port of Geraldton boundary and an additional 6.05 hectares made up of leases external to this boundary. MWPA acts as a landlord by leasing or licencing land to private asset owners who operate and manage their assets on this land. There are currently 59 separate commercial leases and 21 commercial licenses.

MWPA owns and maintains the infrastructure used to supply utilities within the Port of Geraldton boundary. These utilities include power, water, sewerage and communications. In addition, it is responsible for all roads and walkways.

Included in the port owned land is the land reserved for the future development of a deep-water port at Oakajee. There are no fixed assets located within the Oakajee Port land. This landholding consists of approximately 180.1 hectares of undeveloped coastal landscapes.

#### 1.5 MARINE SAFETY

MWPA operates a Vessel Traffic Service for its gazetted Port of Geraldton waters and approaches. All shipping movements in port waters are controlled by and subject to the directions of the Harbour Master. MWPA's ship scheduling service communicates assigned anchorages and scheduled shipping movements.

MWPA provides pilotage which is compulsory for vessels over 35 meters LOA and those over 150 Gross Registered Tonnage.

The navigation aids required at the Geraldton Port are installed and fully operational for day and night time operations. Vessels with draft exceeding 10 metres are subject to assessment of draught through the Dynamic Under Keel Clearance (DUKC) program. The DUKC system is designed to provide certainty about sailing draughts.

#### 1.6 SHIP LOADING SERVICES (LANDSIDE OPERATIONS)

MWPA owns and manages the operation and reliability of a bulk materials handling facility consisting of three main circuits namely:

- BHF Berth 5 Ship loading Circuit, dedicated to iron ore exports;
- BHF Train Unloading Circuit, dedicated to receipt of iron ore; and
- BHF Berth 4 Circuit, a multi-user facility servicing MWPA's minerals sands, talc and heavy metal concentrates customers.

The port operated and maintained portion of the circuits encompasses:

- 18 Conveyors (~ 1.6km);
- 2 Ship loaders;
- 10 Transfer towers and 1 take up tower;
- 1 Train Unloader and 1 truck unloader;
- 18 Dust collectors; and
- Various mobile materials handling equipment, chutes and attachments.

A complex system of structural, mechanical, electrical and electronic sub assets fall under the equipment items listed above.

Ship loading infrastructure forming the Berth 3 Circuit is operated and maintained by Co-Operative Bulk Handling (CBH) and is dedicated to the loading of grain. In addition to the traditional trade in iron ore, grain, mineral sand, livestock, fertiliser and fuels, the port has welcomed and accommodated cruise ships, oil rig tenders and other support vessels.

MWPA also owns and manages environmental licences for commodities exported through the Port of Geraldton.

### 1.7 RAIL SAFETY

MWPA manages its rail terminal and rail terminal operations in accordance with its accredited Rail Safety Management System. The port is an accredited Rail Infrastructure Manager and 'limited' Above Rail Operator. Members of the Office of the National Rail Safety Regulator (ONRSR) confirm the accreditation through formal annual audits and inspections.

In addition, the ONRSR requires MWPA to manage the rail terminal within the port in accordance with a comprehensive rail terminal safety management system that complies with the regulator's documented standards.

MWPA currently holds accreditation as a Rail Terminal Manager and Limited Rail Operator which facilitates maintenance activities within the rail terminal.

### 1.8 FISHING BOAT HARBOUR

MWPA operates the Fishing Boat Harbour on a zero-economic return basis. The port has incorporated increased pen rates into the strategic plan financials so that the future rate of return on port assets is not adversely affected by the financial performance of the Fishing Boat Harbour. The first increase under this revised charging regime took effect from 1 January 2018.

The primary users of boat pens in the Fishing Boat Harbour participate in the West Coast Rock Lobster (Managed) Fishery. It is the first fishery in the world to be certified as sustainable for a fourth time.

### 1.9 PORT SECURITY

MWPA manages the implementation of Geraldton Port's Port Security Plan and maintains its compliance with section 42 of the *Maritime Transport and Offshore Facilities Security Act (2003)*.

### 1.10 FEDERAL AGENCIES

The following federal agencies undertake operations at Geraldton Port:

- Australian Quarantine & Inspection Service Requirements (AQIS); and
- Australian Customs Service Requirements (ACS).

MWPA provides support to these agencies which includes CCTV installation & management and access facilitation.

### 1.11 OAKAJEE PORT

MWPA has been a strong supporter of the State Government's efforts to establish a viable port operation at Oakajee. MWPA continues to monitor developments and stands ready to support the project should interest be renewed. A comprehensive port master plan has been developed along with an operating model and draft agreements which collectively positions the State for effective future reengagement with proponents on this project.

### 1.12 USELESS LOOP AND CAPE CUVIER

There is considerable on-going work to transfer the marine services provided by the Department of Transport at the ports of Cape Cuvier and Useless Loop. These ports are both single user ports operating under the guidance of State Agreements. The marine safety function at these ports is planned to transfer from delivery by the Department of Transport, under the *Shipping and Pilotage*



Act 1967, to delivery by the Authority under the *Port Authorities Act 1999*.

MWPA continues to work closely with both the Departments of Transport, Jobs, Tourism, Science and Innovation (JTSI) to find solutions to these challenges and to address other outstanding actions and remains hopeful that the responsibilities will transfer in a timely way.

### **1.13 ENVIRONMENT & SUSTAINABILITY**

MWPA works to achieve growth and development whilst operating in balance with the environment and community expectations. Compliance assurance programs have been reviewed and improved, stakeholder engagement has been invigorated and a Sustainability Strategy will be implemented in 2020 to ensure the strategic and Port Maximisation Plans identify and realise opportunities to improve performance across the three pillars of sustainability People, Planet and Profit.





## 1.14 MWPA STRATEGIC ALIGNMENT – BALANCE SCORECARD

STRATEGY OBJECTIVES	GOALS	METRIC	2020/21 TARGET	MWPA Context		State Govt.
				RISK	OPPORTUNITY	ALIGNMENT
<b>OBJECTIVE 1</b> Facilitate, Protect & Grow Efficient Trade & Tourism	Improve Revenue Diversification and Growth	Return of Assets	10%	Refer 1.16 on page 17	Refer 1.17 on page 18	Refer 1.18 on page 19
		No product >50% of throughput (Diversity)	<70%			
	Improve Underlying Profit	Profit Margin After Tax	18%	1, 2, 4, 5, 6, 7, 8, 9, 12, 13, 14, 19, 22, 23 & 24.	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 18, 19 & 20.	1, 2, 3, 4 & 5
	Improve Long Term Business Value	Cost Base Improvement Point	10%			
	Increase Regional Economic Contribution	Number Cruise Vessel Calls	14			
<b>OBJECTIVE 2</b> Enabling Supply Chain	Facilitate Strong Strategic Partnerships	Community Satisfaction Score	>85%	2, 3, 4, 5, 7, 8, 9, 11, 12, 13, 15, 19, 24 & 25.	2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 14, 15, 19, 20 & 21.	1, 2, 3 & 4
	Transparent Service Offering & Clear Role as Supply Chain Enablers	Deliver 2020/21 Projects (ref p18).	100%			
		Rollout of Continuous Improvement Training to all staff across organisation.	100%			
<b>OBJECTIVE 3</b> Realising Development Strategies	Plan for the future and provide a gateway for trade and tourism	Strategic Land Acquisition, Phase 1 Complete	100%	2, 3, 4, 5, 6, 7, 8, 9, 11, 12 & 13.	2, 3, 4, 7, 8, 9, 10, 11, 12, 13, 19 & 20.	1, 2 & 4
	Provide Quality Infrastructure	Projects & commitments are delivered to agreed scope, time & Budget expectations.	100%			
<b>OBJECTIVE 4</b> Engaged Customers, Community & Stakeholders	Run a Safe, Efficient and Cost Effective Service Offering	Availability of Berth 4 and 5 Ship-loading Infrastructure when required by customers.	>98%	7, 9, 10, 12, 14, 15, 16, 17, 18, 20, 21, 22, 23, 24, 25 & 26.	2, 3, 4, 5, 8, 9, 12, 14, 19 & 20.	1, 2, 3, 4 & 5
		Availability of MWPA Train Unloading Infrastructure when required by customers.	>98%			
	Engaged, Easy to do business with and deliver on our Promise	Improved Customer Satisfaction Score (including FBH).	95%			
		Community Projects completed.	100%			
	Shape Government Policy and Legislative Reform	Ready for implementation of the GTE Reform.	100%			
<b>OBJECTIVE 5</b> Operate in BALANCE with the Environment	Improve Whole of Port Environmental Outcomes	Compliance with Environmental License, Legislation and Best Practice.	100%	1, 3, 6 & 8.	1, 2, 3, 4, 7, 8, 12, 17 & 18.	2, 3, 4 & 5
	Increase Environmental Advocacy and Transparency	Number of Environmental Complaints.	-30%			







## 1.15 MWPA STRATEGIC ALIGNMENT – DELIVERABLES

STRATEGY OBJECTIVES	GOALS	METRIC	2020/21 TARGET	MWPA Context		State Govt.
				RISK	OPPORTUNITY	ALIGNMENT
<b>OBJECTIVE 1</b> Facilitate, Protect & Grow Efficient Trade & Tourism	Improve Revenue Diversification and Growth	Review Exmouth with a business plan to identify if it is a commercial opportunity.	Oct-20	Refer 1.16 on page 17	Refer 1.17 on page 18	Refer 1.18 on page 19
		Develop Continuous Improvement Program	Sep-20			
		Map End to End Processes to identify Opportunities for Improvement.	Dec-20			
	Improve Long Term Business Value	Proof of Concept - Multi User Port Facilities.	Dec-20	1, 2, 4, 5, 6, 7, 8, 9, 12, 13, 14, 19, 22, 23 & 24.	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 18, 19 & 20.	1, 2, 3, 4 & 5
	Increase Regional Economic Contribution	Develop a Cruise Geraldton Strategy	Jul-20			
<b>OBJECTIVE 2</b> Enabling Supply Chain	Facilitate Strong Strategic Partnerships	Develop Strategic Agreements between Suppliers, Local, State and Federal Government Agencies.	Jun-21			
		Maintenance Dredge Strategy.	Jul-20			
		Development Plan prepared for Fishing Boat Harbour.	Jul-20			
		Geraldton Narngulu Infrastructure Corridor (GNIC) Concept Design and Feasibility Study to supplement Geraldton Southern Transport Corridor.	Aug-20	2, 3, 4, 5, 7, 8, 9, 11, 12, 13, 15, 19, 24 & 25.	2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 14, 15, 19, 20 & 21.	1, 2, 3 & 4
		Port Development Strategy (4 locations + inland port).	Dec-20			
		Realignment of Ian Bogle Road.	Jun-21			
		GNIC Phase 1 - Strategic Land Acquisition.	Jun-21			
	Facilitate transfer of Useless Loop & Cape Cuvier (Tranche 2)	Implementation Plan developed and implemented, transfer subject to other government agency priorities.	Jun-21			
<b>OBJECTIVE 3</b> Realising Development Strategies	Plan for the future and provide a gateway for trade and tourism	Inundation Study to inform Future Port Development.	Oct-20			
		Asset Management Plan for all Asset Classes.	Dec-20			
		Capital Dredge Study.	Dec-20			
	Provide Quality Infrastructure	Upgrade Gate 1 Security Infrastructure.	Apr-21	2, 3, 4, 5, 6, 7, 8, 9, 11, 12 & 13.	2, 3, 4, 7, 8, 9, 10, 11, 12, 13, 19 & 20.	1, 2 & 4
		Phase 1 Integrated Operations Centre.	Jun-21			
		Replacement of Navigation Beacon Tops and Refurbish Pylons.	Jun-21			
		Original Wharf 4 Deck Slab Strengthening & Rail Replacement.	Jun-21			
		Mooring Optimisation, including Shore Tension Units & Bollard Upgrades.	Jun-22			

## 1.15 MWPA STRATEGIC ALIGNMENT – DELIVERABLES

STRATEGY OBJECTIVES	GOALS	METRIC	2020/21 TARGET
<b>OBJECTIVE 4</b> Engaged Customers, Community & Stakeholders	Run a Safe, Efficient and Cost Effective Service Offering	Fire Fighting Phase One	Dec-20
		Develop Marine Terrace Traffic Controls	Jun-21
	Engaged, Easy to do business with and deliver on our Promise	Develop Customer Survey Action Plan.	Sep-20
	Shape Government Policy and Legislative Reform	Prepare a Stakeholder Map that highlights Stakeholders of Influence	Dec-20
<b>OBJECTIVE 5</b> Operate in BALANCE with the Environment	Improve Whole of Port Environmental Outcomes	Obtain Works Approval for the increase Annual and Daily Throughput Licence Limits to facilitate Master Plan Growth Targets.	Dec-20
		Amend First Point of Entry Determination to facilitate Growth of Cruise and Import Trade.	Jan-21
		Develop temporary biosecurity Laydown Area.	Apr-21
	Increase Environmental Advocacy and Transparency	Finalise Sustainability Strategy and Implementation Plan.	Jun-20
		Develop Organisational Sustainability Reporting Metrics.	Dec-20

MWPA Context		State Govt.
RISK	OPPORTUNITY	ALIGNMENT
Refer 1.16 on page 17	Refer 1.17 on page 18	Refer 1.18 on page 19
7, 9, 10, 12, 14, 15, 16, 17, 18, 20, 21, 22, 23, 24, 25 & 26.	2, 3, 4, 5, 8, 9, 12, 14, 19 & 20.	1, 2, 3, 4 & 5
1, 3, 6 & 8.	1, 2, 3, 4, 7, 8, 12, 17 & 18.	2, 3, 4 & 5







### 1.16 RISKS/CHALLENGES

1. Environmental licences not meeting our current or future customers requirements.
2. Land constraints impacts on port trade facilitation and growth, including:
  - a. No buffer zones;
  - b. Legacy contractual commitments;
  - c. Land zoned for port purposes not owned by the port;
  - d. Proximity to residential;
  - e. Availability of adjacent crown land;
  - f. Coastal stability concerns and inundation risk; and
  - g. Availability of suitable container laydown area.
3. Infrastructure constraints impacts on port trade facilitation and growth, including:
  - a. Ageing assets;
  - b. Lack of common user facilities;
  - c. No longer fit for purpose;
  - d. Asset development too specific;
  - e. No dedicated cruise terminal impacting on trade and berths; and
  - f. Lack of services & utilities.
4. Industrial estates and corridors are outside of MWPA control and management.
5. Regional transport infrastructure requires development including Oakajee Narngulu Infrastructure Corridor (ONIC), Geraldton Narngulu Infrastructure Corridor (GNIC), Regional Grain Freight Network and RAVIO Capability between Carnarvon and Muchea.
6. Marine infrastructure; navigation channels depths and berth pockets too shallow and narrow for current shipping requirements.
7. Culture and productivity challenges due to staff dispersion across 6 Geraldton locations, impacting collaboration and integration of business functions. Significant capital required to resolve.
8. No biosecurity regulations impacting on service delivery and cost due to:
  - a. Lack of regional waste management biosecurity facilities which meet national standards restricting operations; and
  - b. Absence of biosecurity treatment facilities at port, impacting on the first point of entry.
9. Failure to adopt innovation and technology within the workforce.
10. Failure to manage organisational change appropriately.
11. Surge (and long period waves) and severe weather impacting port operations.
12. Historical agreements constraining the future.
13. High reliance on iron ore exports (in declining price environment).
14. Accommodating industry for regional economic benefit, rather than port financial gain.
15. Failure to proactively and positively manage contractors engaged by MWPA including the absence of a robust pre-qualification/screening process.
16. Current level of medicals/ functional capacity assessments completed by all staff, exposing MWPA to increased risk.
17. Noncompliance to Port traffic management procedures resulting in significant incident/ injury.
18. Failure to adapt and integrate predicted changes to WHS harmonised legislation.



19. Loss of Business Continuity \_ ICT.
20. Ineffective transfer Cape Cuvier and Useless Loop Ports to MWPA leading to higher operating costs.
21. Failure to comply with Statutory Legislation.
22. Loss of management system certification.
23. Expose MWPA to insurance liability.
24. Ineffective operation of Fishing Boat Harbour (FBH).
25. Ineffective Emergency Response, Recovery and Business continuity processes in response to a critical event.
26. Lack of local community support leading to reputational damage or social licence.

### 1.17 OPPORTUNITIES

1. Develop better working relationships with environmental regulators to facilitate the expansion of environmental licence to expand trade.
2. Ability to diversify and increase trade to build resilience.
3. To facilitate education and employment opportunities through the provision of apprenticeships, tertiary work placements, graduate programs and career progression.
4. Explore green and clean energy industries particularly hydrogen (export), windfarm and solar (import infrastructure).
5. Strategic geographical location:
  - a. Outside of cyclone zone;
  - b. Break bulk potential;
  - c. Limited port competition;
  - d. Proximity to natural attractions allows cruise tourism;
  - e. Proximity to agricultural region, mining tenures and associated freight networks allows export viability; and
  - f. Ability to attract skilled labour with proximity to Perth and quality of life.
6. Good proximity and connectivity to available inland industrial land.
7. Ability to substantially increase port throughput within existing footprint.
8. Facilitation of growth in food industries (aquaculture and agriculture).
9. Improve opportunities for work efficiencies, workplace culture and financial standing of organisation through development of an Integrated Operations Centre.
10. Transshipment resulting increased throughput.
11. Increased cruise tourism through collaborative approach with cruise industry and local service providers.
12. Identification and implementation of technological advancements to streamline operations and promote innovation.
13. Improve asset management planning to meet required levels of service.
14. Enhance community engagement through education, school & tertiary programs, experiences (festivals, open days, port tours), information sessions, consultation committees and working groups.

15. Facilitating the transfer of Useless Loop and Cape Cuvier marine operations to MPWA existing governance model and operations.
16. Review Exmouth with a business plan to identify if it is a commercial opportunity to come under MWPA management.
17. Implementing sustainable design guidelines in infrastructure projects (new or upgrading).
18. Develop and use renewable energy (solar; wave &/or wind) and rainwater harvesting.
19. Development of FBH into tourism hub facilitating local community economic gain and social growth.
20. Thought leaders in the region and industry through local, regional and national networking.
21. Continue to develop and enhance WHS capabilities of all employees, including specific training tailored to front line supervisors, leadership team and Executive to enable to perform required function with confidence.

#### 1.18 STATE GOVERNMENT OBJECTIVES

1. Enhancing global competitiveness through continued economic diversification.
2. Building strong & resilient regions through economic expansion and inter-regional collaboration.
3. Enhancing sustainable communities by investment in infrastructure and social capital.
4. Achieving efficiencies and synergy through infrastructure planning & coordination in pursuit of economic growth.
5. Enhance conservation of the environment by sustainable development and efficient resource use.



## 2. Accountability

### 2.1 REPORTING

The *Port Authorities Act 1999* defines the reporting requirements for MWPA. These include a six-monthly report, and Annual Report to the Minister for Ports, and in addition to these requirements, MWPA is also regulated by the *Government Financial Responsibility Act 2000* which provides for mid-year review estimates, and provision of quarterly whole-of government data.

The reports will provide the following information in enough detail to assess MWPA's performance:

#### 2.1.a Annual Report

- A report on the major operations and activities of MWPA during the year under review;
- A review and assessment of performance against targets;
- Financial statements; and
- Any other information required by Legislation to be included in the Annual Report.

#### 2.1.b Half Yearly Report

- A review of MWPA trade and financial performance for the Half Year;

- Financial Statements; and
- Progress against Goals as outlined in the SCL.

#### 2.1.c Quarterly Report

- Financial results submitted to the Department of Treasury.

#### 2.1.d Environmental Management Plan (EMP)

- The role and responsibility of the Port Authority;
- Identify the environmental risks associated with the Port activities;
- Provide how best these risks can be managed or mitigated by the Port Authority with minimal impact to the surrounding port environment;
- Underline the Port Authority's environment objectives and targets for the current financial year and subsequent years;
- Provide a framework for ensuring environmental performance is continuously and systematically monitored and where necessary changes are made to improve performance; and
- Provide an overview of how the EMP facilitates or ensures compliance and meets the requirement under the *Environment Protection Act 1986*.

#### 2.1.e Other information to be supplied

MWPA also supplies information to other agencies and will continue to provide what is required by statute or by policy direction. MWPA will also provide other information that might be requested that does not create additional costs to MWPA and is not commercially sensitive.

### 2.2 PERFORMANCE MEASUREMENTS

Major Planned achievements:

#### 2.2.a Business Development

MWPA has been actively increasing its business development activities and there are some projects (both iron ore and non-iron ore) which are in advanced stages of development and poses a real opportunity for MWPA.

#### 2.2.b Port Master Plan

MWPA's Port Master Plan will be delivered in early 2020 and 2020/21 will see the implementation of the following projects:

1. Upgrade Gate 1 security infrastructure, Apr 2021.
2. Develop Marine Terrace traffic controls, June 2021.



3. Improve Fishing Boat Harbour ablutions, July 2020.
4. Develop temporary bio-security laydown area, Apr 2021; and
5. Strategic Land Acquisition – Port ‘Light Industry’ Zone, July 2020.

### 2.2.c Asset Maintenance/Investments

MWPA asset investment proposals are prioritised through a process which takes into consideration the 15-year strategic outlook, financial implications, service delivery requirements and other asset management decision criteria.

MWPA’s service delivery objective is:

*To provide safe, efficient, reliable & sustainable gateways for trade and tourism, that contribute to the economic growth of Regional Australia and that optimise the service potential of our assets in a manner which is consistent with State Government strategic objectives.*

To ensure this service delivery objective can be achieved, MWPA has to ensure that its asset condition is monitored and appropriate risk assessments are conducted. This

will feed into future maintenance, renewal, upgrade or replacement programs as appropriate.

- Whole of life Asset Management Plans for all critical asset classes – delivered by June 2020.
- Whole of life Asset Management Plans for all remaining asset classes – delivered by December 2020.

### 2.2.d 2019/20 Major Achievements

The following are key deliverables for the Port during 2019/20:

1. PMaxP (Port of Geraldton Maximisation Plan) - Confidential Document used to inform Asset Management Plan (AMP) - delivered July 2019
2. Port Pricing Strategy - delivered October 2019.
3. Land Assembly Strategy (to include strategic land acquisition for the Geraldton Narngulu Infrastructure Corridor, Narngulu Inland Port and ‘Port Industry’ zone ) - delivered December 2019.
4. Port of Geraldton Quantitatively Risk Assessment associated with Berth 6 - delivered October 2019.
5. Port of Geraldton Quantitatively Risk Assessment associated with Leaseholders Risks at adjacent Fuel Storage and CBH Grain Facility - delivered March 2020.
6. Tranche 2 Implementation Plan Developed - delivered December 2019.
7. Port of Geraldton Master Plan - Stakeholder consultation complete December 2019. Public Document delivered February 2020.
8. Port Pricing Strategy - delivered February 2020.
9. Integrated Operations Centre Phase 1 - delivered June 2020.
10. Revenue Diversification Strategy Developed and Implemented - delivered June 2020.
11. Fire Fighting Phase 1 Project - delivered June 2020.
12. Port of Geraldton Supply Chain Mapped - delivered June 2020.

# Our Trade Destinations



Australia (Other)	Indonesia	Netherlands	Saudi Arabia	United Arab Emirates
Australia (WA)	Iraq	New Zealand	Singapore	USA
Bahrain	Italy	Northern Africa	South Korea	Vietnam
Belgium	Japan	Papua New Guinea	Spain	Yemen
China	Kuwait	Philippines	Sri Lanka	
France	Malaysia	Qatar	Taiwan	
Germany	Mexico		Thailand	



## 3. Finances

### 3.1 ACCOUNTING

MWPA aims to minimise the financial impact on port customers, while at the same time ensuring it can properly meet its statutory responsibilities and act in accordance with prudent commercial principles. The table below presents Financial Performance for MWPA for 2019/20 and 2020/21:

INCOME STATEMENT	2019/20	2020/21
\$'000	FORECAST	BUDGET
Total Income	70.5	72.8
Total Expenditure	51.6	51.7
Operating Profit before Income Tax	18.9	21.1
Income Tax Expense	5.7	6.3
Operating Profit after Income Tax	13.3	14.8
<b>Dividend Expense</b>	14.1	14.4

MWPA's forecasted rate of return on deprival value can be seen in the table below;

RATE OF RETURN - DEPRIVABLE VALUE	2019/20	2020/21
\$'000	FORECAST	BUDGET
Net Profit After Tax	13.3	14.8
Opening DV	146.0	146.5
Additional Capex	6.9	39.5
Less Depreciation	6.4	6.8
Closing WDDV	146.5	179.1
<b>Deprivable Return on Assets</b>	9%	8%

### 3.2 BORROWINGS

MWPA makes use of borrowings from time to time as required for the purchase or construction of major assets. Funds are borrowed from the Western Australian Treasury Corporation (WATC).

MWPA's current and future borrowings are outlined below:

BORROWINGS	2019/20	2020/21
\$'000	FORECAST	BUDGET
Current Balances	1.6	1.7
Non-Current Balances	8.3	6.5
<b>Total Borrowings</b>	9.8	8.3

### 3.3 PRICING

Effective from 1 July 2020, MWPA has applied a general 1.5% rate increase across its fees and charges.

STANDARD TARIFFS (EXCLUDING GST)	2019/20	2020/21
Standard Ship Charge	\$3.1364	\$3.1834
Standard Wharfage	\$1.9769	\$2.0066
Standard Ship Loading - B4	\$4.5632	\$4.6316
Standard Ship Loading - B5	\$5.1302	\$5.2072
Standard Train Unloading	\$1.7328	\$1.7588
Standard Rail Terminal Access Charge	\$695	\$705

# 4. Payments to & from Government

## 4.1 DIVIDEND POLICY

Dividends are paid to Government at the level of 100% percent of after tax profits, reducing to 75% of after tax profits during 2021/22. The Board will recommend a level of dividend to the Minister annually, or the Minister may determine in consultation with the Board (under Section 84 of the Act) a different dividend payment.

Special dividends may also be requested by government from time to time and these will be assessed by the Board as they arise.

## 4.2 COMMUNITY SERVICE OBLIGATIONS

MWPA have committed to the following community service initiatives:

1. Sand by-passing program, MWPA has a Memorandum of Understanding with the City of Greater Geraldton, which outlines the commitment to supply sand to the northern beaches. This commitment is ongoing and has an estimated annual cost of \$180,000.
2. To assist with the establishment of a marine servicing precinct at Geraldton's Fishing Boat Harbour, a discounted lease was offered to a consortium proposing a 200 tonne boat lifting operation. This lease arrangement continues until the lifting service achieves a profit, after which a commercial rental will be payable. Estimated value of this concession is \$106,203.
3. We continue to engage with our stakeholders through the MWPA Stakeholder Engagement Committee in Geraldton, which will ensure improved communication between the community and MWPA. Meetings are held quarterly.
4. A formal Community Sponsorship & Grants Program has been developed with \$130,000 being allocated for distribution in 2020/21.
5. Community events & initiatives will continue to be held to increase community engagement and build recognition of our contribution to Geraldton's economy. The following events have been proposed for 2020/21; Open Day, recognition of 180 Years as a maritime trading port and participation and sponsorship in relevant community events; and
6. Cruise Program, MWPA has committed to funding of the Cruise Officer (currently 50% funded by the City of Greater Geraldton) and its associated costs including events.







## CONTACT US

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