

Busan Port Incentive Scheme 2021

☐ Incentive (Cash Pay-out)

- Qualification : Limited to carriers in cooperation with BPA's Chainportal system buildup

Incentive	Terms and conditions
Performance Incentive (Modified)	<ul style="list-style-type: none"> ○ Carriers handling more than 50,000 TEU of T/S cargo per year ○ Calculation : $\{(Annual\ T/S\ Cargo) - (50,000\ TEU)\} \times (KRW\ 1,000)$ * Cap : KRW 0.4 Billion per a carrier
Subsidy for T/S Trucking Shuttle (Modified)	<ul style="list-style-type: none"> ○ Carriers handling ITT cargos on land ○ Calculation : $KRW\ 3\ Billion \times \frac{ITT\ shuttle\ cost\ of\ each\ carrier}{Total\ ITT\ shuttle\ cost\ of\ all\ the\ carriers}$ * ITT shuttle cost is calculated by BPA based on Blockchain technology and Korean Safe Rates System
Export CNTR Bounded for North America	<ul style="list-style-type: none"> ○ Carriers recording more than a 10% monthly increase year-on-year in their loaded container export volume to North America among the carriers that handled over 20,000 TEU of loaded containers for exports regardless of region in 2020 * North America(2 countries): US, Canada ○ Applicable Period / Budget : '20.12. ~ '21.2. / Within 1.5billion * If the budget is depleted before the end date, the incentive program will end automatically. ○ Calculation : 「Loaded container export volume exceeding a 10% monthly year-on-year increase (TEU)」 × 「20,000 KRW」 * For the month when the remaining budget is lower than it is required, following calculation formula shall be applied. $\text{Remaining budget} \times \frac{\text{Each carrier's volume applicable for the incentive for the month}}{\text{Total volume applicable for the incentive for the month}}$

Incentive	Terms and conditions
Export CNTR Bounded for Southeast Asia	<ul style="list-style-type: none"> ○ Carriers recording more than a 5% monthly increase year-on-year in their loaded container export volume to Southeast Asia among the carriers that handled over 20,000 TEU of loaded containers for exports regardless of region in 2020 * Southeast Asia(12 countries): Bangladesh, Brunei, Indonesia, Cambodia, Laos, Myanmar, Malaysia, Philippines, Singapore, Thailand, East Timor, Vietnam ○ Applicable Period / Budget : '20.12. ~ '21.2. / Within 0.5billion * If the budget is depleted before the end date, the incentive program will end automatically. ○ Calculation : 「Monthly loaded container export volume increase as compared with the same period last year (TEU)」 × 「20,000 KRW」 * For the month when the remaining budget is lower than it is required, following calculation formula shall be applied. $\text{Remaining budget} \times \frac{\text{Each carrier's volume applicable for the incentive for the month}}{\text{Total volume applicable for the incentive for the month}}$

Incentive (Port due exemption or discount)

Incentive	Terms and conditions
Double calling (Both Old port & New Port)	<ul style="list-style-type: none"> ○ Container vessels, calling at both Old Port and New Port on the same loop - 100% exemption on the port dues * Dockage fee at PNC & BNCT, NOT applicable
Double calling (Terminals at Busan New Port)	<ul style="list-style-type: none"> ○ Container vessels calling at the several terminals in Busan New Port on the same loop within the service network of Korea-China-Russia-Japan - 100% exemption on the port dues * Dockage fee at PNC & BNCT, NOT applicable
Arctic sea route	<ul style="list-style-type: none"> ○ Ocean going vessels, calling at Busan Port via Arctic sea route - 50% discount on the port dues

* As of 31st Dec, 2021, merged shipping companies will be regarded as one shipping company and incentives calculated according to total sum of individually handled cargo.

** Carriers in arrear of port dues will not be subject to receive the incentive from the BPA.

*** In the case that any discrepancies arise relating to terminology or explanations outlined in the incentive system description, decisions regarding interpretation of content are made by the Busan Port Authority.