Statement of Corporate Intent

2020-21
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Acknowledgement of Country

Mid West Ports Authority acknowledges and respects the Wilunyu, Nhanagardi and Naaguja peoples 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.
## 2019/20 Highlights

### Total Trade Throughput, Tonnes '000

<table>
<thead>
<tr>
<th>Category</th>
<th>Tonnage '000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>14,950</td>
</tr>
<tr>
<td>Exports</td>
<td>14,234</td>
</tr>
<tr>
<td>Imports</td>
<td>715</td>
</tr>
</tbody>
</table>

### Trade Details

<table>
<thead>
<tr>
<th>Category</th>
<th>Tonnage '000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Iron Ore</td>
<td>10,763</td>
</tr>
<tr>
<td>Grain</td>
<td>2,143</td>
</tr>
<tr>
<td>Bulk Imports</td>
<td>507</td>
</tr>
<tr>
<td>Livestock</td>
<td>6</td>
</tr>
<tr>
<td>Mineral Sands</td>
<td>764</td>
</tr>
<tr>
<td>Petroleum</td>
<td>205</td>
</tr>
<tr>
<td>Concentrates</td>
<td>558</td>
</tr>
<tr>
<td>General Cargo</td>
<td>3</td>
</tr>
</tbody>
</table>
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.

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 receiving 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 metres length overall 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 receival 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 is unique in that it also manages a Fishing Boat Harbour (FBH). The port has incorporated increased penalty rates into the strategic plan financially 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.

As of 01 July 2020, in alignment with the state government’s COVID-19 Relief Package, FBH proponents were offered rent relief.

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 Piloting 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 plan and Port Maximisation Plans identify and realise opportunities to improve performance across the three pillars of sustainability People, Planet and Profit.

1.14 ACCOUNTING POLICIES
MWPA is a not for profit entity that prepares general purpose financial statements in accordance with Australian Accounting Standards (AASB) (including Australian Interpretations) adopted by the AASB and the financial reporting provisions of the Port Authorities Act 1999. Exceptions are disclosed in our annual report note 1(b).

The basis of preparation of the SCI is consistent with the accounting policies as noted in the recent Annual Financial Statements included in the Annual Report (2020).

1.15 COVID-19 IMPACT
The Authority has been impacted by COVID-19 through the introduction of new and changes to, existing procedures. These procedures related to access to the Port of staff, vessels and crew sailing from international locations, contractors and customers. A 14 day quarantine timeframe was implemented early in March to manage the risk of the spread of the virus. MWPA has introduced mandatory working from home for those staff who could do so, critical roles were identified with rosters amended to ensure operations could continue, daily incident meetings held and provision of additional personal protective equipment and supplies as well as additional cleaning of all facilities and offices was implemented. MWPA is well along its Recovery Plan, however, remains vigilant to the introduction of the virus.
### 1.16 MWPA Strategic Alignment – Balance Scorecard

<table>
<thead>
<tr>
<th>Strategy Objectives</th>
<th>Goals</th>
<th>Metric</th>
<th>2020/21 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Objective 1</strong></td>
<td>Improve Revenue Diversification and Growth</td>
<td>Return of Assets</td>
<td>10%</td>
</tr>
<tr>
<td>Facilitate, Protect &amp; Grow Efficient Trade &amp; Tourism</td>
<td>No product &gt;50% of throughput (Diversify).</td>
<td>&lt;70%</td>
<td></td>
</tr>
<tr>
<td>Improve Underlying Profit</td>
<td>Profit Margin After Tax.</td>
<td>18%</td>
<td></td>
</tr>
<tr>
<td>Improve Long Term Business Value</td>
<td>Cost Base Improvement Point.</td>
<td>10%</td>
<td></td>
</tr>
<tr>
<td>Increase Regional Economic Contribution</td>
<td>Number Cruise Vessel Calls</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td><strong>Objective 2</strong></td>
<td>Facilitate Strong Strategic Partnerships</td>
<td>Stakeholder &amp; Community Survey Action Plan Implemented.</td>
<td>100%</td>
</tr>
<tr>
<td>Enabling Supply Chain</td>
<td>Transparent Service Offering &amp; Clear Role as Supply Chain Enablers</td>
<td>Deliver 2020/21 Projects (ref p18).</td>
<td>100%</td>
</tr>
<tr>
<td><strong>Objective 3</strong></td>
<td>Plan for the future and provide a gateway for trade and tourism</td>
<td>Geraldton Nambgulu Infrastructure Corridor (GNIC) Concept Design &amp; Feasibility Study commenced.</td>
<td>100%</td>
</tr>
<tr>
<td>Keeping Development Strategies</td>
<td>Provide Quality Infrastructure</td>
<td>Projects &amp; commitments are delivered to agreed scope, time &amp; budget expectations.</td>
<td>100%</td>
</tr>
<tr>
<td><strong>Objective 4</strong></td>
<td>Run a Safe, Efficient and Cost Effective Service Offering</td>
<td>Availability of berth 4 and 5 Breakwater Infrastructure when required by customers.</td>
<td>&gt;98%</td>
</tr>
<tr>
<td>Engaged Customers, Community &amp; Stakeholders</td>
<td>Availability of MWPA Train Unloading Infrastructure when required by customers.</td>
<td>&gt;98%</td>
<td></td>
</tr>
<tr>
<td>Engaged, Easy to do business with and deliver on our promise</td>
<td>Stakeholder &amp; Community Survey Action Plan Implemented.</td>
<td>100%</td>
<td></td>
</tr>
<tr>
<td>Shape Government Policy and Legislative Reform</td>
<td>Community Projects completed.</td>
<td>100%</td>
<td></td>
</tr>
<tr>
<td><strong>Objective 5</strong></td>
<td>Improve Whole of Port Environmental Outcomes</td>
<td>Compliance with Environmental License, Legislation and Best Practice.</td>
<td>100%</td>
</tr>
<tr>
<td>Operate in BALANCE with the Environment</td>
<td>Increase Environmental Advocacy and Transparency</td>
<td>Number of Environmental Complaints</td>
<td>&lt;10</td>
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</table>

<table>
<thead>
<tr>
<th>MWPA Context</th>
<th>State Govt.</th>
<th>Alignment</th>
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<tbody>
<tr>
<td>RISK</td>
<td>OPPORTUNITY</td>
<td>ALIGNMENT</td>
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<td>1, 3 &amp; 8</td>
<td>1, 3, 2, 4, 7, 8, 12, 17 &amp; 18</td>
<td>2, 3, 4 &amp; 5</td>
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</tbody>
</table>
## 1.17 MWPA STRATEGIC ALIGNMENT – DELIVERABLES

<table>
<thead>
<tr>
<th>STRATEGY OBJECTIVES</th>
<th>GOALS</th>
<th>METRIC</th>
<th>2020/21 TARGET</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OBJECTIVE 1</strong> Facilitate, Protect &amp; Grow Efficient Trade &amp; Tourism</td>
<td>Improve Revenue Diversification and Growth</td>
<td>Review Exmouth with a business plan to identify if it is a commercial opportunity.</td>
<td>Dec-20</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Develop Continuous Improvement Program.</td>
<td>Sep-20</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Map End to End Processes to Identify Opportunities for Improvement.</td>
<td>Dec-20</td>
</tr>
<tr>
<td></td>
<td>Improve Long Term Business Value</td>
<td>Proof of Concept – Multi User Port Facilities.</td>
<td>Dec-20</td>
</tr>
<tr>
<td></td>
<td>Increase Regional Economic Contribution</td>
<td>Develop a Cruise G erhalten Strategy.</td>
<td>Dec-20</td>
</tr>
<tr>
<td><strong>OBJECTIVE 2</strong> Enabling Supply Chain</td>
<td>Facilitate Strategic Partnerships</td>
<td>Develop Strategic Agreements between Suppliers, Local, State and Federal Government Agencies.</td>
<td>Jun-21</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Maintenance Dredge Strategy.</td>
<td>Jul-20</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Development Plan prepared for Railway Rail Carriage</td>
<td>Dec-20</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Port Development Strategy (4 locations + Inland port).</td>
<td>Dec-20</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Realignment of Tan Bight Road.</td>
<td>Jun-21</td>
</tr>
<tr>
<td></td>
<td>Facilitate transfer of Useless Loop &amp; Cape Cuvier (Franchise 2)</td>
<td>Implementation Plan developed and implemented, transfer subject to other government agency priorities.</td>
<td>Jun-21</td>
</tr>
<tr>
<td><strong>OBJECTIVE 3</strong> Realising Development Strategies</td>
<td>Plan for the future and provide a gateway for trade and tourism</td>
<td>Inundation Study to inform Future Port Development.</td>
<td>Oct-20</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Asset Management Plan for all Assets.</td>
<td>Dec-20</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Capital Dredge Study.</td>
<td>Dec-20</td>
</tr>
<tr>
<td></td>
<td>Provide Quality Infrastructure</td>
<td>Upgrade Gate 1 Security Infrastructure.</td>
<td>Apr-21</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Replacement of Navigation Beacon Tows and Refurbish Pylons.</td>
<td>Jun-21</td>
</tr>
<tr>
<td></td>
<td></td>
<td>What 4 Deck Refurbishment and Rail Replacement Project.</td>
<td>Jun-21</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Phase 1 Mooring Optimisation, including Shore Tension Units &amp; Baked Upgrades.</td>
<td>Jun-21</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>RISK</th>
<th>OPPORTUNITY</th>
<th>ALIGNMENT</th>
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<tbody>
<tr>
<td>MWPA Core</td>
<td>Refer 11 on page 17</td>
<td>1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25</td>
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<td>State Govt.</td>
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<td></td>
<td>Refer 1.18 on page 19</td>
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</tbody>
</table>
### 1.17 MWPA Strategic Alignment - Deliverables

<table>
<thead>
<tr>
<th><strong>Objective 4</strong> Engaged Customers, Community &amp; Stakeholders</th>
<th><strong>Goals</strong></th>
<th><strong>Metric</strong></th>
<th><strong>2020/21 Target</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Run a Safe, Efficient and Cost Effective Service Offering</td>
<td>Firefighting detailed design completed.</td>
<td>Dec-20</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Develop Marine Terrace Traffic Controls.</td>
<td>Jun-21</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Engaged, Easy to do business with and deliver on our Promise</td>
<td>Develop Customer Survey Action Plan.</td>
<td>Oct-20</td>
</tr>
<tr>
<td></td>
<td>Shape Government Policy and Legislative Reform</td>
<td>Prepare a Stakeholder Map that highlights Stakeholders of Influence.</td>
<td>Dec-20</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Objective 5</strong> Operate in Balance with the Environment</th>
<th><strong>Goals</strong></th>
<th><strong>Metric</strong></th>
<th><strong>2020/21 Target</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Improve Whole of Port Environmental Outcomes</td>
<td>Obtain Works Approval for the Increase Annual and Daily Throughput Licence Units to facilitate Master Plan Growth Targets.</td>
<td>Dec-20</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Amend Port Plan of Entry Determination to facilitate Growth of Cruise and Import Trade.</td>
<td>Jun-21</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Develop Biosecurity Laydown Area.</td>
<td>Jun-21</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Increase Environmental Advocacy and Transparency</td>
<td>Finalise Sustainability Strategy and Implementation Plan.</td>
<td>Jun-21</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Develop Organisational Sustainability Reporting Metrics.</td>
<td>Jun-21</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>MWPA Content</strong></th>
<th><strong>State Govt.</strong></th>
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<tbody>
<tr>
<td>Refer 1,16 on page 17</td>
<td>Refer 1,17 on page 18</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Risk</strong></th>
<th><strong>Opportunity</strong></th>
<th><strong>Alignment</strong></th>
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<tbody>
<tr>
<td>7, 9, 10, 12, 14, 15, 16, 17, 18, 20, 21, 22, 23, 24, 25 &amp; 26.</td>
<td>2, 3, 4, 5, 8, 9, 12, 14, 19 &amp; 20.</td>
<td>1, 2, 3, 4 &amp; 5</td>
</tr>
<tr>
<td>1, 3, 6 &amp; 8.</td>
<td>1, 2, 3, 4, 7, 8, 12, 17 &amp; 18.</td>
<td>2, 3, 4 &amp; 5</td>
</tr>
</tbody>
</table>
1.18 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 Nargulu Infrastructure Corridor (ONIC), Geraldton Nargulu 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).
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 medical/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 Culver 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).
26. Lack of local community support leading to reputational damage or social licence.
28. Increased threat of cyber-attacks.
1.19 OPPORTUNITIES
1. Develop better working relationships with environmental regulators to facilitate the expansion of environmental licence to expand trade.
2. Ability to diversity 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, infrastructure and utilising spare capacity.
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. Transhipment resulting increased throughput.
11. Improve understanding and management of weather, swell and surge conditions within the Port of Geraldton.
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 & wind) and rainwater harvesting.
19. Development of F&H 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.

1.20 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 SCI.

2.1.c Quarterly Report
- Financial results submitted to the Department of Treasury.

2.1.d Strategic Development Plan (Statement of Expectations)
- MWPA’s medium to long term objectives (including economic and financial objectives) and operational targets and how those objectives and targets will be achieved; and
- An environmental management plan for MWPA.

2.1.e 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.f Strategic Asset Plan (SAP)
- Summarise and communicate MWPA’s asset related demand drivers, demand projections, service delivery objectives and service delivery model over the next 10 years;
- Underpins MWPA’s strategic asset planning, asset investment and whole of life asset management; and
- Identifies MWPA’s highest priority investment proposals for which applications for concept approval and business cases may be developed.
2.1.g 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. Strategic Land Acquisition - Port ‘Light Industry’ Zone, July 2020;
2. Improve Fishing Boat Harbour ablutions, July 2020;
3. Upgrade Gate 1 security infrastructure, April 2021;
4. Develop Marine Terrace traffic controls, June 2021; and

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 remaining asset classes - delivered by December 2020.

During 2020/21, the major capital works being undertaken are:

<table>
<thead>
<tr>
<th>CAPEX FUNDING (S'000)</th>
<th>2020/21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minor Capital Works</td>
<td>9,758</td>
</tr>
</tbody>
</table>

2019/20 Requests (Approved)

Port-wide Firefighting System - Phase 1* | 3,600 |

2020/21 Requested (Approved)

Wharf 4 Deck Strengthening & Rail Replacement | 10,000 |
State Recovery Projects                      | 1,080 |

* These projects will not commence until further funding has been approved
2.2.d 2019/20 Major Achievements

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

1. Lost Time Injuries (LTIs) for Financial Year (685 days injury free at 30/06/20).
2. PMaP (Port of Geraldton Maximisation Plan) - Confidential Document used to inform Asset Management Plan (AMP) - delivered July 2019.
6. Phase 1 Land Assembly Strategy (to include strategic land acquisition for the Geraldton Nangulu Infrastructure Corridor, Nangulu Inland Port and ‘Port Industry’ zone) - delivered December 2019.
18. Completion of 50% ERP implementation - June 2020.
Our Trade Destinations

TOTAL VOLUME OF TRADE (TONNES 1000)

2019 15,805
2020 14,949

TOTAL SHIPMENTS

2019 419
2020 370

EXPORT SHIPMENTS

2019 343
2020 314

IMPORT SHIPMENTS

2019 102
2020 46

OTHER SHIPMENTS

2019 10
2020 16

TOTAL VOLUME OF BATH PRODUCTS

2,143 TONNES 1000 Grain
10,763 TONNES 1000 Iron Ore
1,322 TONNES 1000 Bulk Cargo
205 TONNES 1000 Petroleum
6 TONNES 1000 Livestock
117 TONNES 1000 Fertilisers
3 TONNES 1000 General Cargo

*Other Shipment* includes cruise, roll cargo vessels and/or other large, heavy vessels.
A single shipment may contain multiple cargoes delivered to multiple destinations.
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:

<table>
<thead>
<tr>
<th>Income Statement</th>
<th>2019/20</th>
<th>2020/21</th>
</tr>
</thead>
<tbody>
<tr>
<td>$M</td>
<td>Actual</td>
<td>Budget</td>
</tr>
<tr>
<td>Total Income</td>
<td>67.8</td>
<td>70.2</td>
</tr>
<tr>
<td>Total Expenditure</td>
<td>50.9</td>
<td>53.2</td>
</tr>
<tr>
<td>Operating Profit before Income Tax</td>
<td>16.9</td>
<td>17.0</td>
</tr>
<tr>
<td>Income Tax Expense</td>
<td>5.3</td>
<td>5.1</td>
</tr>
<tr>
<td>Operating Profit after Income Tax</td>
<td>11.6</td>
<td>11.9</td>
</tr>
<tr>
<td>Dividend Expense</td>
<td>4.1</td>
<td>22.1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Rate of Return - Deprivable Value</th>
<th>2019/20</th>
<th>2020/21</th>
</tr>
</thead>
<tbody>
<tr>
<td>$M</td>
<td>Actual</td>
<td>Budget</td>
</tr>
<tr>
<td>Net Profit After Tax</td>
<td>11.6</td>
<td>11.9</td>
</tr>
<tr>
<td>Opening DV</td>
<td>156.0</td>
<td>154.6</td>
</tr>
<tr>
<td>Additional Capex</td>
<td>4.6</td>
<td>24.4</td>
</tr>
<tr>
<td>Less Depreciation</td>
<td>6.1</td>
<td>6.8</td>
</tr>
<tr>
<td>Closing WDDV</td>
<td>154.6</td>
<td>172.2</td>
</tr>
<tr>
<td>Deprivable Return on Assets</td>
<td>8%</td>
<td>7%</td>
</tr>
</tbody>
</table>

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:

<table>
<thead>
<tr>
<th>Borrowings</th>
<th>2019/20</th>
<th>2020/21</th>
</tr>
</thead>
<tbody>
<tr>
<td>$M</td>
<td>Actual</td>
<td>Budget</td>
</tr>
<tr>
<td>Current Balances</td>
<td>1.4</td>
<td>1.6</td>
</tr>
<tr>
<td>Non-Current Balances</td>
<td>8.1</td>
<td>6.5</td>
</tr>
<tr>
<td>Total Borrowings</td>
<td>9.5</td>
<td>8.1</td>
</tr>
</tbody>
</table>

3.3 PRICING
Effective from 1 July 2020, MWPA has applied no increase across its fees and charges.

<table>
<thead>
<tr>
<th>Standard Tariffs (Excluding GST)</th>
<th>2019/20</th>
<th>2020/21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard Ship Charge</td>
<td>$3,1364</td>
<td>$3,1364</td>
</tr>
<tr>
<td>Standard Wharfage</td>
<td>$1,9769</td>
<td>$1,9769</td>
</tr>
<tr>
<td>Standard Ship Loading - B4</td>
<td>$4,5632</td>
<td>$4,5632</td>
</tr>
<tr>
<td>Standard Ship Loading - B5</td>
<td>$5,1302</td>
<td>$5,1302</td>
</tr>
<tr>
<td>Standard Train Unloading</td>
<td>$1,7328</td>
<td>$1,7328</td>
</tr>
<tr>
<td>Standard Rail Terminal Access Charge</td>
<td>$695</td>
<td>$695</td>
</tr>
</tbody>
</table>
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.
CONTACT US

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