

Recommendation: Accept (minor edits)

Comments:

This is a very interesting paper that examined a mixed duopoly market with Cournot or Bertrand competition between a partial public port and a private port. Then, the authors derived the welfare effect of privatization of the partial public port in the presence of horizontal and vertical differentiation between the two ports.

The paper could be improved by replying the following questions:

1 The authors should detail the motivation of this paper.

2 It will be better to describe both horizontal and vertical differentiation between the two ports in more detail.

3 The authors should add the references "Dong G, Zheng S Y, Lee P T W, 2018. The effects of regional port integration: The case of Ningbo-Zhoushan Port. *Transportation Research Part E*, 120: 1-15." and "Yang Z Z, Guo L Q, Lian F, 2019. Port integration in a region with multiport gateways in the context of industrial transformation and upgrading of the port. *Transportation Research Part E*, 122: 231-246".

4 The objective function of the public port should be checked, since Eq. (10) is a weighted sum of the public port's profit and consumer surplus.