MEDIA RELEASE



Ports' Customer Forum seeks to align Eastern Cape planning

[Port Elizabeth, South Africa, 4 October 2018] Transnet National Ports Authority (TNPA) hosted port clients and representatives of government, business and industry at the Nelson Mandela Bay ports' Customer Forum on 28 September in the Port of Ngqura. The session aimed to align TNPA's plans to meet the business requirements of port users.

Chief Operating Officer of TNPA, Nozipho Mdawe, outlined various developments lined up for the two ports to enable them to contribute towards the well-functioning and efficient economy that South Africa wishes to create.

"We gained valuable feedback on industry's plans and expectations of us as a crucial partner to their business. TNPA is looking to meet gaps in the market, by providing facilities that will attract business to the Eastern Cape, and create opportunities for those who were previously excluded from the port system," said Mdawe.

EASTERN CAPE FOCUS

The Eastern Cape - as the fourth biggest provincial economy - after Gauteng, the Western Cape and KwaZulu-Natal – offers tremendous untapped potential for greater participation in the global economy. As Transnet, we have programmes in place to support this. The Ports of PE and Ngqura recently hosted a number of trade delegations, exploring business opportunities in South Africa.

CARGO SECTOR SUCCESSES

- **Manganese ore** The Port of PE exceeded manganese ore export volumes in 2017/18. The port ships an average of 7,2 million tons of this commodity annually into global markets. Manganese exports are a key catalyst for continued prosperity for this province. Preparations are underway for the PE Manganese Bulk Terminal to be relocated to the Port of Ngqura by 2023 to become the largest exporter of manganese globally.
- **Containers** Transnet is working on the establishment of Logistic Hubs offering value-added services and has implemented a weekly Rail Shuttle service between the Ngqura Container Terminal and the PE Container Terminal. TNPA has also installed an Automated Mooring System in the Port of Ngqura to improve efficiencies and turnaround and is investigating the Shore Tension as a possible solution to improve berth productivity.
- **Automotive** The automotive industry remains critical to the Nelson Mandela Bay. The world-class automotive terminal at the Port of PE supports this sector, with expansion on the cards to facilitate further growth. TNPA is exploring business opportunities in this sector, such as attracting transhipment cargo, the establishment of an automotive logistics park, coastal shipping and Gauteng based Original Equipment Manufacturers (OEMs) to use the empty rail automotive return leg to PE. The port is also engaging with local OEMs to unlock additional storage capacity.
- **Breakbulk** TNPA will shortly be announcing the appointment of the terminal operator for the design, development, financing, construction, operation, maintenance and transfer of a Multi-Purpose Terminal facility situated at Sheds 10 and 11 in the Port of PE.
- Liquid bulk The energy economy offers the possibility of enormous growth and Transnet is supporting the position of the Eastern Cape as one of the energy hubs for Sub-Saharan Africa. At the Port of Ngqura, TNPA is working with Oiltanking Grindrod Calulo Holdings (OTGC) which will plan, fund, construct, maintain and operate a new liquid bulk handling facility in the port. The port also attracts offshore operations through international companies AEGEAN and SA MARINE Fuel's bunker fuels supply that has created a number of direct and indirect jobs.
- **Infrastructure** The completion of the R360 million Admin Craft Basin (ACB) in the Port of Ngqura has opened up opportunities for revenue growth in this young developing port. The new structure provides a home to the port's three tugs and one pilot boat, freeing up Berth C100, which was designed to handle revenue generating vessels.

OPERATION PHAKISA

The government's Operation Phakisa is unlocking the economic potential of South Africa's oceans to create economic growth and job opportunities through fast-tracked development. In line with this initiative and TNPA's role as a lead implementer of Operation Phakisa, TNPA has identified ship building and ship repair as a strategic competence for a number of its ports.

The Port of PE is now home to a brand new vessel repair hub that is already showing return on investment. The new facility, which represents a TNPA investment of R200 million, was developed in response to the growing need among the fishing community.

The port also made history with the first plough tug of its kind being built in the port and in SA by Tide Marine Shipyard. It is expected to roll off the production line shortly to service TNPA's Dredging Services division.

NEW ENTRANTS

TNPA's real estate strategy and Section 56 processes seek private sector participation in the ports, aiming to introduce new, empowered entrants. There are exciting opportunities for those looking to do business from premises in close proximity to ports.

Long term development leases are available in Nelson Mandela Bay, attracting value-added services that can benefit port users and customers. TNPA has recently concluded an agreement with a new tenant, Finecorp Trading 113 CC, at the Yacht Club in the Port of PE, serving the yachting fraternity and the greater Nelson Mandela Bay community.

TOURISM

- **Cruise liners** The Port of PE is increasingly taking its place on the global map regarding tourism and was among three TNPA finalists competing against other African contenders in the World Travel Awards 2018 in the category of Leading Cruise Port, alongside Durban and Cape Town. More cruise line companies are showing confidence in the city with an increasing number of cruise liners visiting the port.
- **Waterfront** The Port of PE's future waterfront development will create an ideal attraction in line with TNPA's Smart People Port's concept of integrating port operations with leisure and recreation.

OTHER SPEAKERS

Speaking from a TNPA customer perspective, Steve Kapp (MD, Swartkops Terminal), shared the success story of the terminal established in 2009, offering a logistics solution to the increasing demand for manganese ore exports.

Jane Stevenson (Vice-President, Exporters Club) inspired the audience to be ambassadors for the Eastern Cape economy.

A panel discussion, represented by various Transnet division- and business representatives, discussed challenges and questions from the floor.

Ends



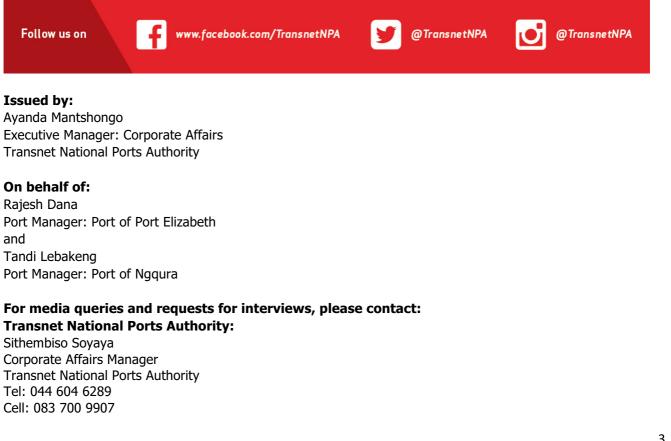
Nozipho Mdawe (TNPA Chief Operating Officer, right) addressing the audience during the panel discussion.



The panelists are from the left Sicelo Tiyo (TNPA Port Security Manager), Jacob Nare (TNPA New Business Executive), Luyo Mkhonto (Shell), Nozipho Mdawe (TNPA Chief Operating Officer), Velile Dube (Transnet Port Terminals GM: Cape Channel) and Paul Klackers (Hamburg Sud).



Speakers and panellists of the day are from the left Moshe Motlohi (TNPA GM: Corporate Affairs & External Relations), Velile Dube (Transnet Port Terminals GM: Cape Channel), Nozipho Mdawe (TNPA Chief Operating Officer), Tandi Lebakeng (Port Manager, Port of Nggura), Linda Seroka (TNPA Business Development Officer), Jane Stevenson (Exporters Club), Arthur Waters (MSC), Rajesh Dana (Port Manager, Port of PE) and Steve Kapp (Swartkops Terminal).



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