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**MDS and Ports Act Journey
B2B Networking Forum
15 August 2016**





A Reminder of Ports Policy and TNPA's Role

Market Demand Strategy (MDS)

The MDS Key Pillars

- Infrastructure, Efficiency, Gateway for Trade**
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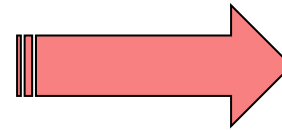
The Ports Act Journey

Closing Remarks



A new Vision for South African Ports

“A **system of ports**, seamlessly **integrated** in the **logistics network** that is jointly and individually **self-sustainable** through delivery of high levels of service and **increasing efficiency** for a **growing customer base**, **enhancing** South Africa's global **competitiveness** and facilitating the **expansion** of the South African **economy** through socially and environmentally **sustainable port development**”



Integrated Port System



Self-sustainable Port System



Efficient and Competitive Ports



Growing (expanding) Port System

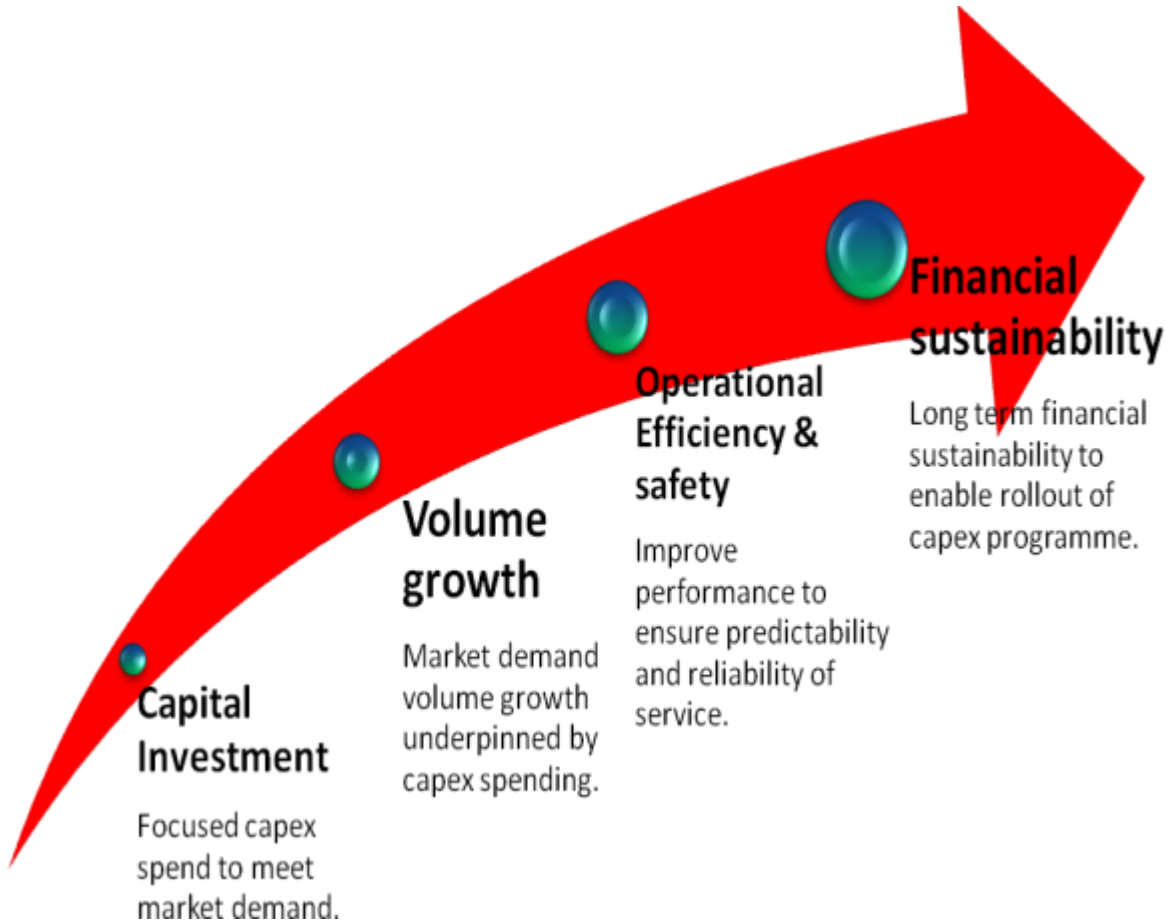


Economic Growth

Port Development : Infrastructure Provision



MDS was launched in 2012 :



Create/expanding port infrastructure to create capacity ahead of demand

Grow volume through capacity created and new business opportunities

Increase port efficiency

Self-sustainable port system

Economic growth and job creation

Core functions (National Ports Act Section 11)



Optimally serve the economy



Landlord	Promote the use, improvement and development of ports, and control land use within the ports, having the power to lease port land under conditions it determines
Master planner	Plan, improve, develop and maintain port infrastructure
Controller of ports navigation	Make and apply rules to control navigation within port limits and approaches, ensure protection of the environment and ensure safety and security within port limits
Controller of ports services & facilities	Ensure that port services and facilities are provided, and may enter into agreements or license other parties to provide these
Marketer & administrator	Ensure that adequate, affordable, equitable and efficient port services and facilities are provided for port users
Change agent	Ensure non-discriminatory, fair, transparent access to port services and facilities; advancement of previously disadvantaged people; promotion of representivity and participation in terminal operations; enhanced transparency in port management
Coordinator with other state agencies	Advise on all matters relating to the port sector, and liaise with all stakeholders





National Development Plan Themes

- ***Economic Growth and Job Creation***
 - ***Infrastructure***
 - ***Regional Integration***
- ***Country Competitiveness and Efficiency***
 - ***Training and Skills Development***
 - ***Procurement Prioritization***
 - ***ICT enabled economy***



“A Landlord Port Authority that manages, controls and administers the South African Port System on behalf of the State”

TNPA's 3-tier Strategy

Infrastructure

**Create and Manage
Infrastructure
capacity ahead of
demand**

Operations

**Improving port
efficiency through
increased
productivity and
operations oversight**

**Integrated Port
System**

**To facilitate an
integrated logistics
chain that will
establish the port
system as an
integrated gateway
for trade**

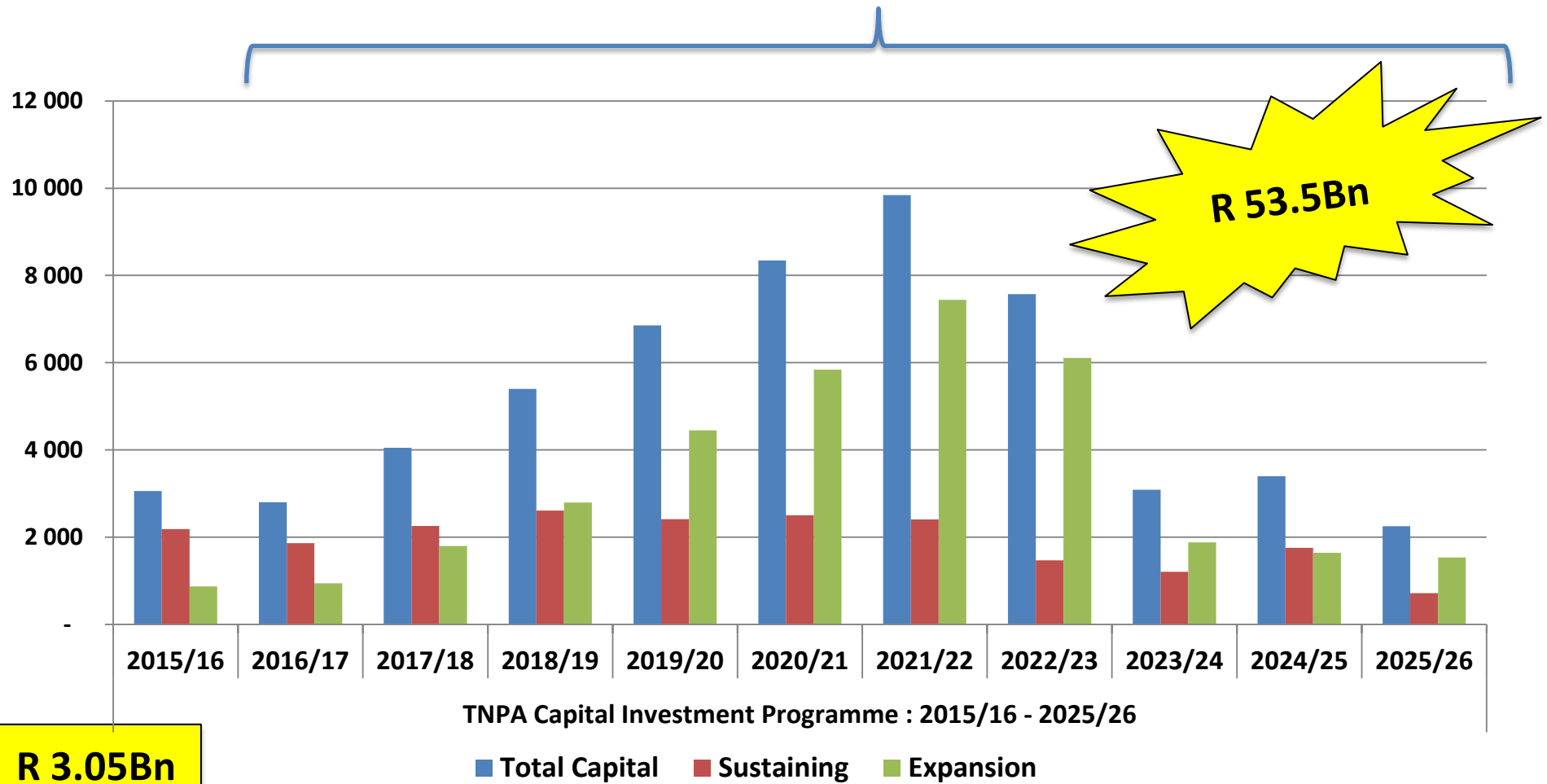
**In support of meeting Shareholder's objectives of improving operating efficiencies,
regional integration and optimising investment in the port system**



Infrastructure

Create and Manage Infrastructure capacity ahead of demand

- **Transnet in the 3rd year of MDS implementation**
 - **Port investments over this period has been R 5.78Bn;**
 - **TNPA's estimated investment over the next 10 years of R 53.5Bn;**
 - **Continued focus on infrastructure creation and maintenance;**
- **Oceans Economy will be a major driver to invest in the port system**
 - **Investment of R 272m in 2015/16 and R 276m in 2016/17 (estimated investment of R 2.1Bn up to 2021) to refurbish existing ship repair facilities across all ports;**
 - **Investment of estimated R 13-15Bn in creating new repair facilities at the SA ports – Saldanha, Richards Bay, East London;**
- **Fleet Replacement Programme**
 - **Tug Build : 9 tugs - first three tugs delivered;**
 - **Dredgers : TSHD Ilembe operational, Plough Tug and Cutter Suction replacement in process;**





Operations

Improving port efficiency through increased productivity and operations oversight

- **Terminal Operator Standards (TOPS) for year 3 issued;**
- **Marine Operations Standards (MOPS) issued at all ports;**
- **Next focus on roll-out of Rail Operator (ROPS) and Hauler (HOPS) efficiency standards;**
 - **ROPS pilot on Durban;**
 - **HOPS engagement of stakeholders on model and process;**
- **Integrated Port Management System (IPMS) : Implemented at all ports;**
- **Fully operationalize Joint Operations Centre (JOC) at Ports and HQ;**
- **Commission automated mooring system at Port of Ngqura;**
- **Execute Port Dredging Programme and monitor port depths;**
- **Embed Operations Oversight management (ISPS and SHE audits);**
- **Continuous Improvement training and business process modeling;**



Integrated Port System

To facilitate an integrated logistics chain that will establish the port system as an integrated gateway for trade

- **Implement Customer Interaction Platforms for key market segments;**
- **Market port system and capacity at various exhibitions, conferences, seminars, customer functions;**
- **Transformation of the Port System**
 - **Section 56 projects and new business opportunities;**
 - **Roll-out of precinct strategies, e.g. Island View;**



- **Pricing Strategy**
 - **Submission to the Ports Regulator;**
- **Regulatory and compliance oversight audits done annually;**
- **People**
 - **Transformation within Maritime;**
 - **First ever African and Female Marine pilots;**
 - **First ever African Female Dredge Master;**
 - **First ever African Harbour Master;**





Infrastructure

Port Infrastructure capacity ahead of demand to grow the economy

Operations

Efficient and Technologically advanced ports and visibility across the supply chain

Transformed Port System

Transformation of port operations, a sustainable port system and supplier development

Integrated Port System

Integrated supply chains with ports as the gateway for trade

Embracing our People and Port Communities

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The End



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