

TRANSNET



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**Saldanha B2B Engagement
MDS Execution Journey
11 February 2015**





- **MDS Strategy**

- Executing the Ports Act

- Tariff Methodology and Pricing Strategy

- Procurement Spend and CSI Initiatives

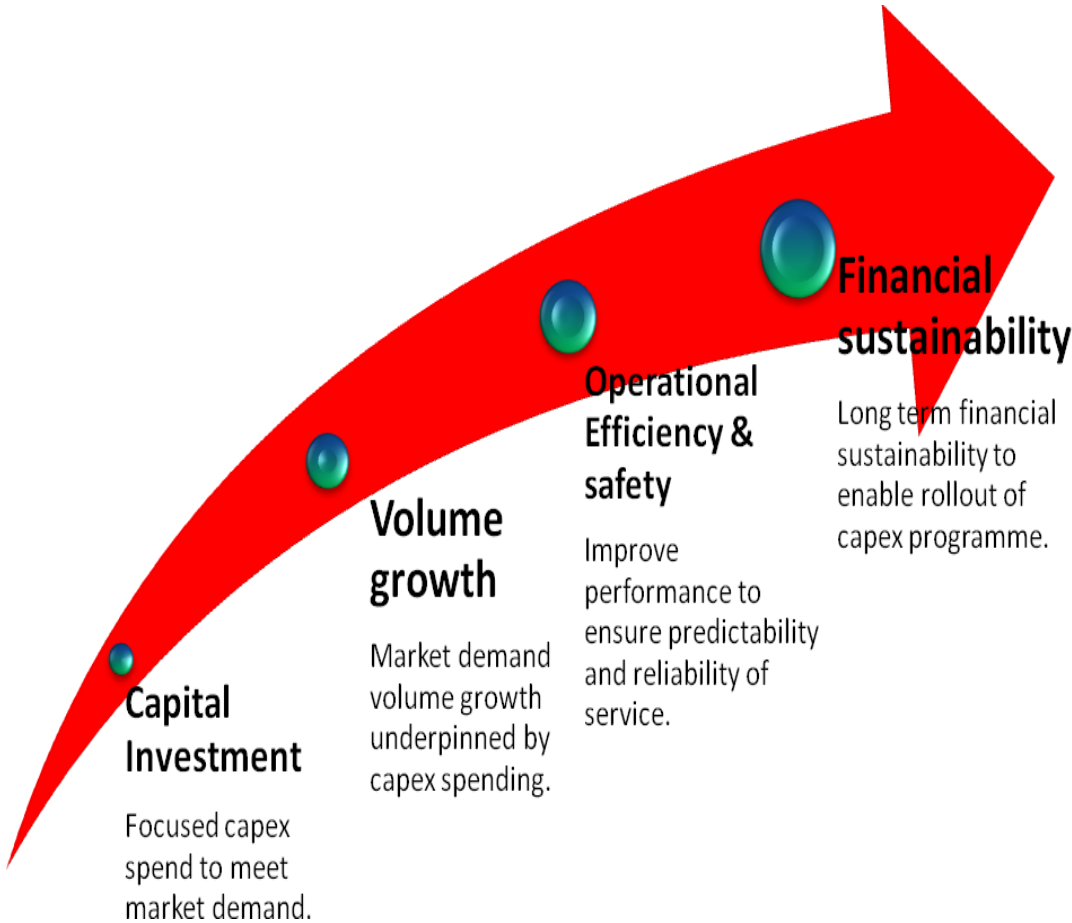
- Transformation

- TNPA Memberships





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

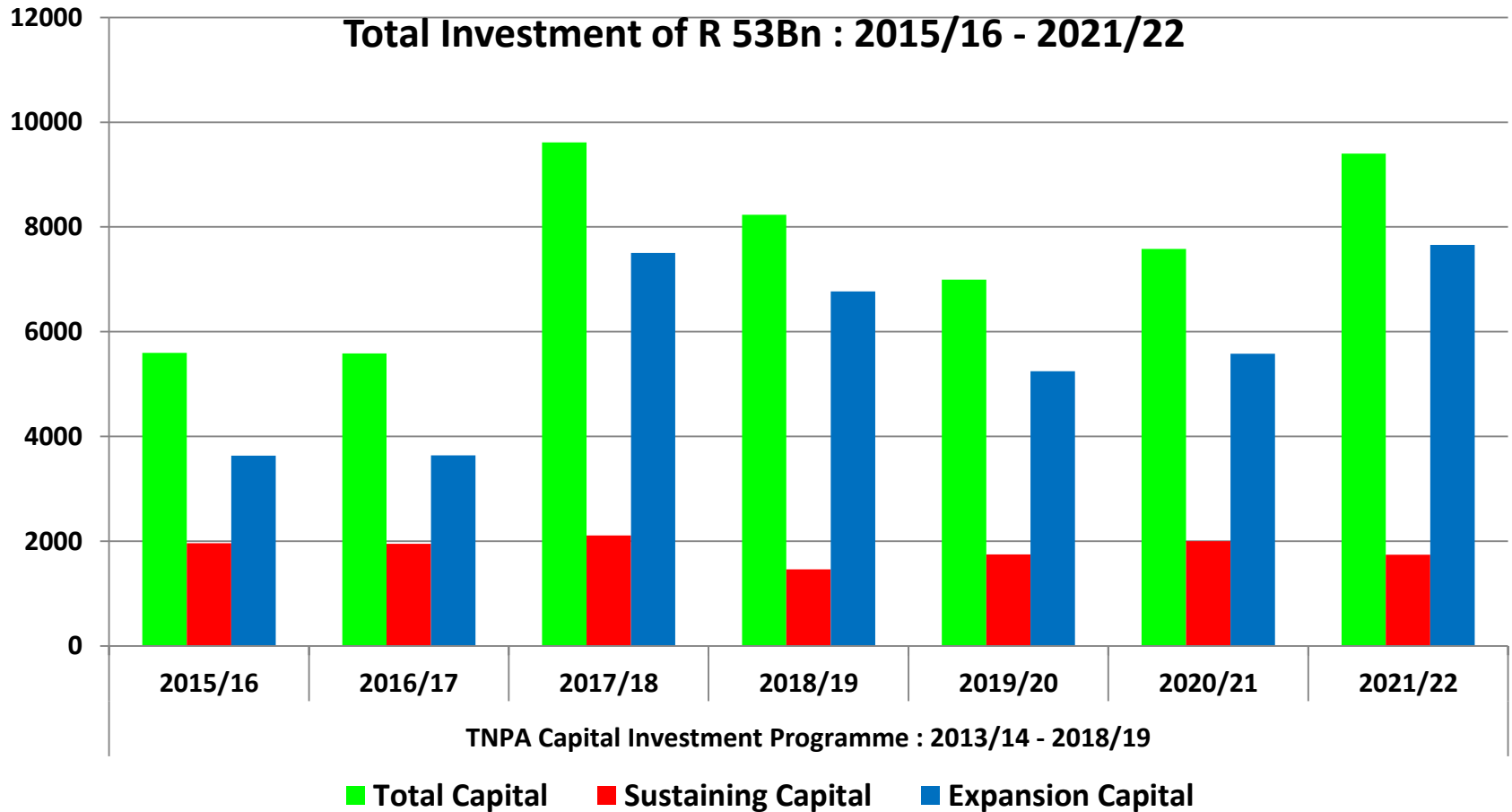
Self-sustainable port system

Economic growth and job creation



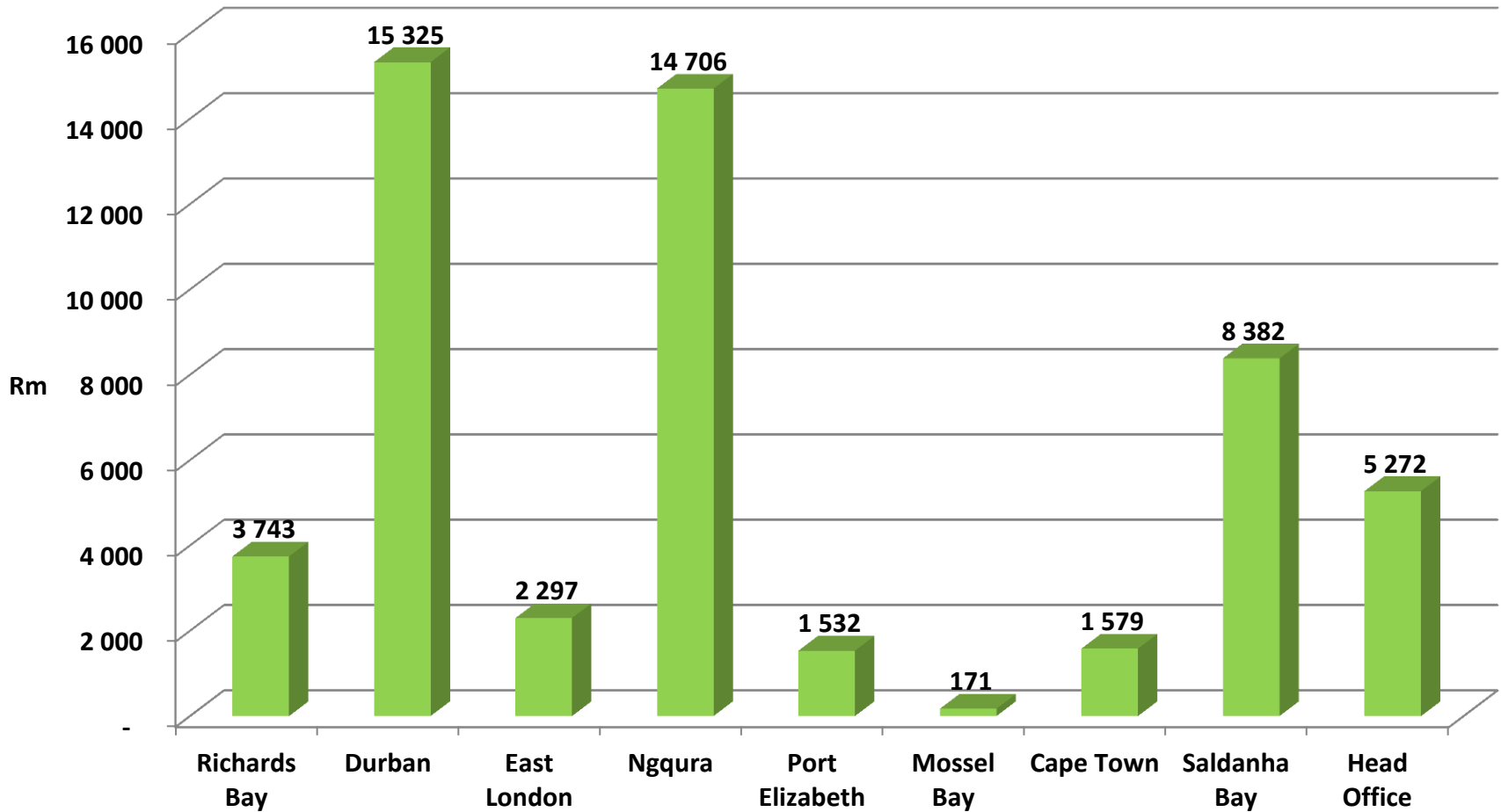


Capital Programme 2015/16 – 2021/21





TNPA Capital Investment per Port : 2015/16 - 2021/22





Some of the key capacity creation projects



Port Project	Estimated Capacity
1. Durban Container Terminal Berth Deepening	<ul style="list-style-type: none"> 0.3m TEU's 2019;
2. Durban Salisbury Island Infill	<ul style="list-style-type: none"> 1.8m TEU's 2024;
3. Port of Ngqura Manganese Terminal	<ul style="list-style-type: none"> 16mpta capacity 2019;
4. Port of Saldanha Iron Ore Expansion	<ul style="list-style-type: none"> 15mpta 2019;
5. Port of Saldanha LPG Import Terminal	<ul style="list-style-type: none"> 5 500t capacity 2016;
6. Port of Saldanha Oil and Gas supply base	<ul style="list-style-type: none"> Oil & Gas supply base, Berth 205 for rig repair, Extension at Mossgrass Quay for oil and gas fabrication;
7. Marine Fleet	<ul style="list-style-type: none"> Grab Hopper Dredger delivered in August 2014 (capacity of 750 cubic meters); 9 Tug Boats : First Tug delivery Feb '16, then one every 3 months; New TSHD will be delivered in 2016 (capacity of 5500 cubic meters);

Containers

Dry Bulk

Liquid Bulk

Marine Fleet



The Next 10 Years : New Port Terminals (Section 56)



- **Passenger Terminals : Durban, Cape Town;**
- **Liquid Bulk : Richards Bay, East London, Durban (Lot 100);**
- **LNG : Richards Bay;**
- **Coal : Richards Bay;**
- **Manganese : Ngqura;**
- **General Cargo : Ngqura;**
- **Containers : DDOP, Salisbury Island;**
- **Oil & Gas : Saldanha Supply Base, Rig Repair Facility;**





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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

Regulator and Controller

Make and apply rules to control navigation within port limits and approaches, loading, unloading and storage of cargo, development of ports and off-shore cargo handling facilities, ensure protection of the environment within port limits, enhancement of 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 licence 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





Ports Act : Key Achievements



Optimally serve the economy



Landlord

Lease Manual approved;
Guidelines for Agreements, Permits and Licences approved;

Master planner

Annual Port Development Framework Plans for all ports;
Infrastructure and Fleet Maintenance Programmes in place;
Project Management Protocol developed for capital projects;
PMO and EPMO in place to monitor and execute capital projects;

Controller of ports navigation

Issued Port Rules and Regulations, Harbour Master Instructions;
ISPS certified ports;
OHSAS and ISO compliant ports;

Controller of ports services & facilities

Deemed licences issued;
Port Services licenced;
Port Service and Terminal Operator oversight audits being conducted;

Marketer & administrator

Agreed Tariff Methodology with Ports Regulator;
Performance norms set and included in Terminal Agreements;
Marketing Strategy developed;

Change agent

Open tender processes for vacant and and new Terminals (s56);
Lease transformation policy approved;

Coordinator with other state agencies

Established PCC and NPCC;
Established Port-City, Port-Community and Port-Government Agency platforms;
Established TNPA-DPE/DOT Bilateral;
Memberships – Various;





Implementing the Ports Act



2015 - 2019

MDS

- Marketing port capacities and attract new business opportunities;
- Efficient port operations and logistics chain visibility;
- Ports as gateways for trade;

Capital Commitments

- Deliver capacity creating and sustaining port infrastructure aligned with port development plans;
- 7-year investment of R 43Bn;

Implementing the Ports Act

- Embedding the 5-year Port Safety, security and environmental oversight strategy;
- Licencing new port service and facility providers;
- Transformation in port operations - precinct strategies and section 56 projects;
- Integrated planning : ports and cities;
- People-port concept;
- Embed Tariff Methodology and Implement Pricing Strategy;
- An enabling governance framework for TNPA;
 - Integrated national planning;
 - International obligations/Port Marketing;





- MDS Strategy

- Executing the Ports Act

- **Tariff Methodology and Pricing Strategy**

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- In September 2012, the Authority submitted its proposed Tariff Methodology for approval by the Ports Regulator;
- The aforementioned methodology was consulted with stakeholders in March 2013;
- On 31 July 2014, the Regulator approved a final Tariff Methodology for the governance of TNPA's tariff setting process and matters relating to compliance;
- The Tariff Methodology considers a multi-year approach, fixed for a three year period (FY 2015/16 to FY 2017/18);
- Port Regulator Road Shows : September 2014;



- During 2014 discussions have been held with Regulator to further refinement of the Pricing Strategy;
- The refinements are premised on cost reflectivity and the user pay principle;
- Discussions continue to finalise the Pricing Strategy;





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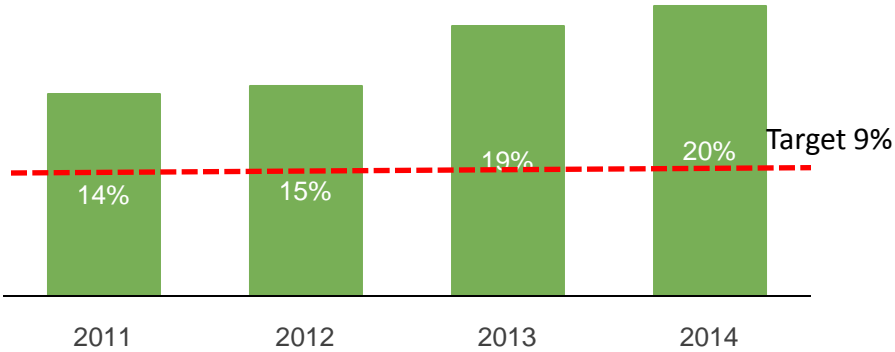
- TNPA Memberships



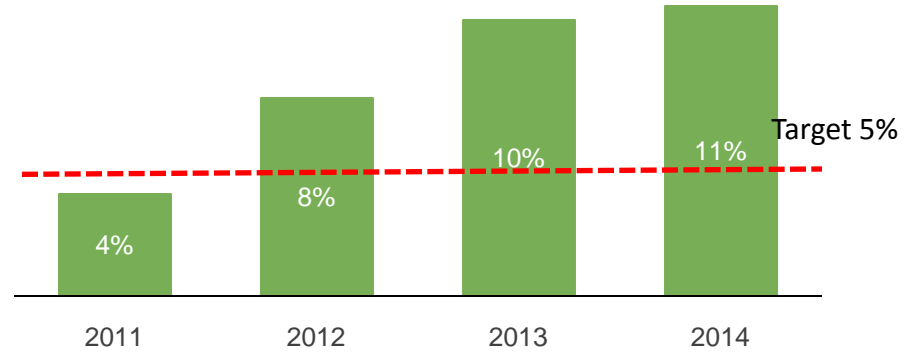
BBBEE Spend YTD



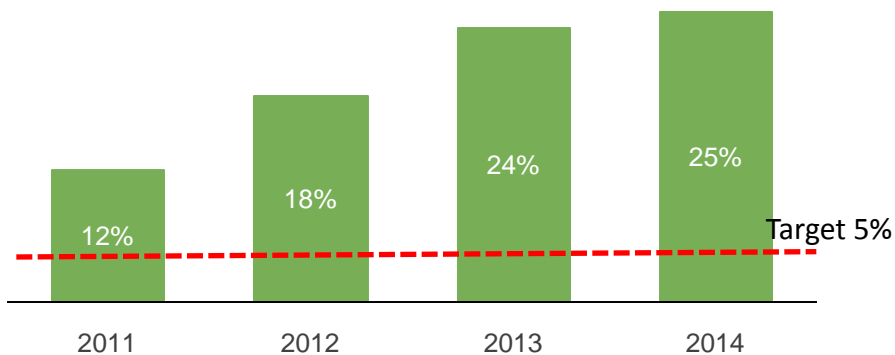
Black Owned
(50% Black Shareholders)



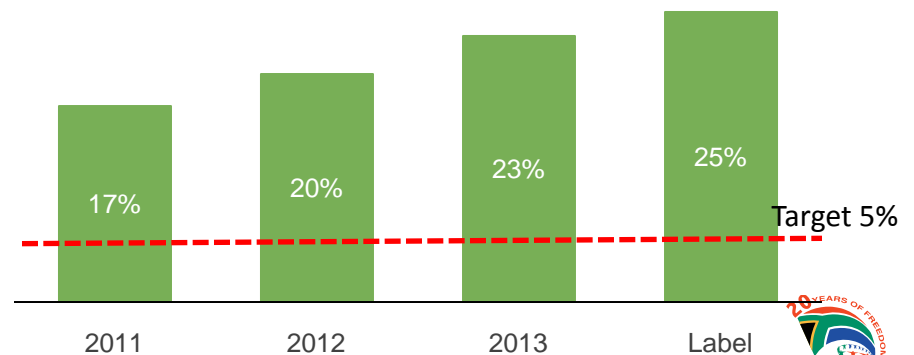
Women Owned
(30% Shareholding)



QSE BBBEE Spend



EME



REGION	PROJECTS
Gauteng and National Projects	<p>Dr Vilakazi and Forest High Schools are the adopted high schools in the Gauteng region</p> <ul style="list-style-type: none"> <input type="checkbox"/> Refurbished Maths Classroom in Dr Vilakazi HS and renovated the science laboratory at Forest Hill High; <input type="checkbox"/> An ongoing Saturday classes on pure Mathematics, Physical Science and English for grades 10, 11 and 12;
	<p>National Sea Rescue Institute (NSRI)</p> <ul style="list-style-type: none"> <input type="checkbox"/> Partnered with National Sea Rescue Institute (NSRI) for the Water wise campaign which has empowered over 100 000 young people nationally;
	<p>Techno girl job shadowing and Take a girl child to work campaign</p> <ul style="list-style-type: none"> <input type="checkbox"/> A total of 196 girls have been exposed to TNPA careers;
	<p>National Career Week Expo</p> <ul style="list-style-type: none"> <input type="checkbox"/> Information on maritime careers was shared with 9 883 learners from rural schools in Venda, Cape Town, Richards Bay and East London;



Techno girl campaign



Take a girl child to work campaign



Learn to swim campaign with Swimming SA



Handover of Science kits in Saldanha



Ablution facility at Mtshezi HS





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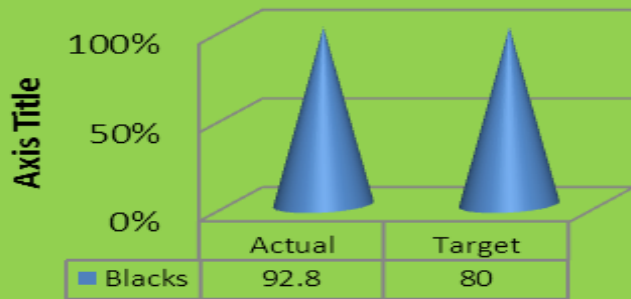
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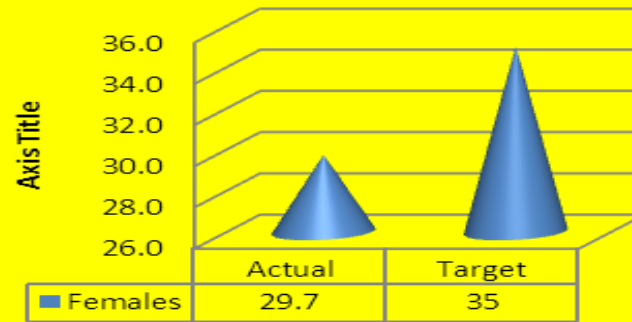


EMPLOYMENT EQUITY

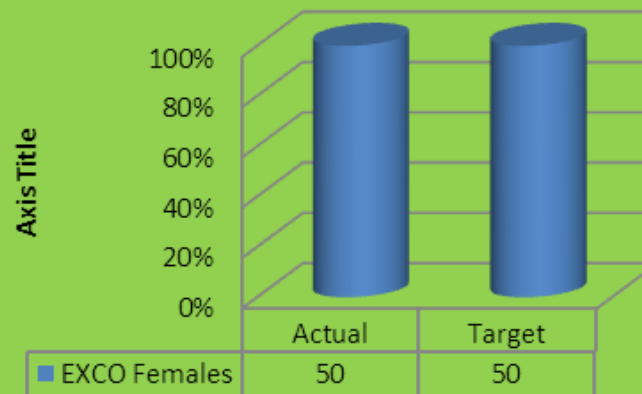
Blacks



Females

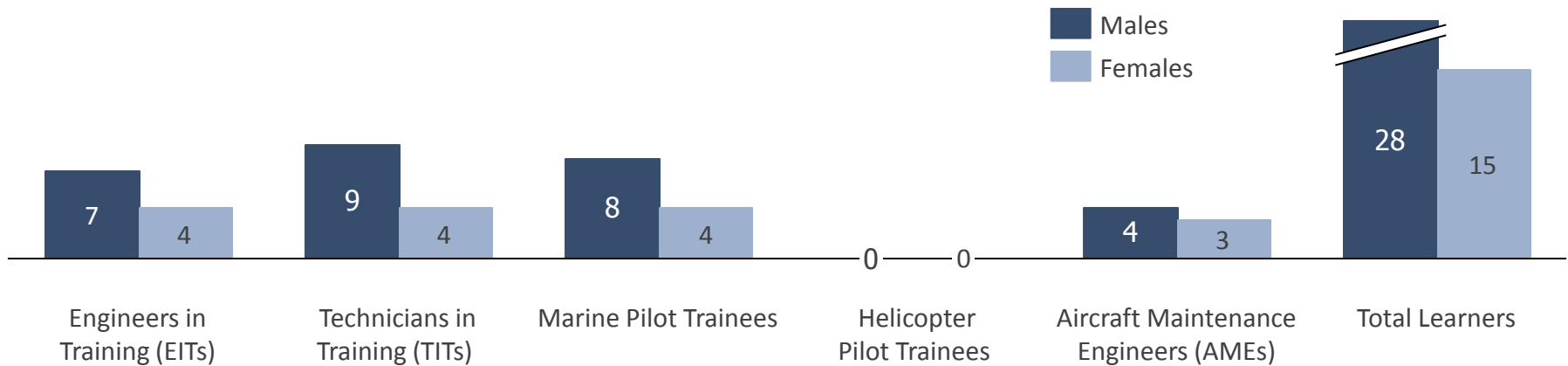
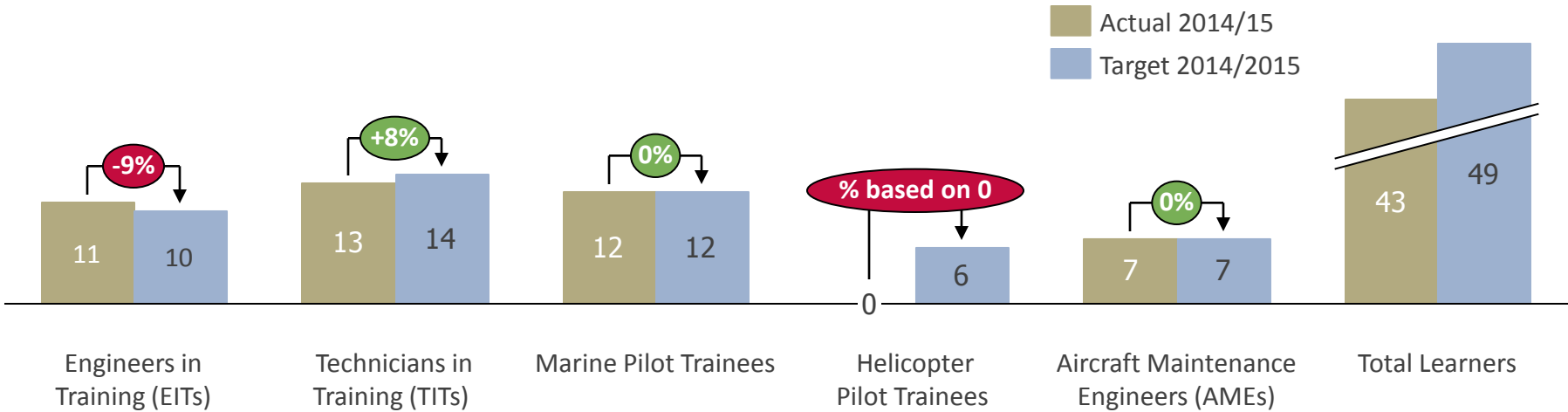


EXCO Females





TNPA Learner Pipeline 2014/2015



Helicopter Trainees expected appointment date is 1 March 2015





- Transformation has resulted in :
 - The first ever African and Female Marine pilots;
 - Currently 26 pilots (18 male, 8 female);
 - Currently 16/26 are open licence pilots (12 male, 4 female);
 - The first ever African Female Dredge Master;
 - The first ever African Harbour Masters;
 - Our current Chief Harbour Master, Capt Rufus Lekala, is a product of this training programme, as is several of the existing Port Harbour Masters, Deputy Harbour Masters and Marine Operations Managers;



- From a female perspective, TNPA has the highest number of female marine employees in the world at the levels of Deputy Harbour Master, Marine Operations Manager, Tug Master and Pilot;
- The first ever intake of helicopter pilot trainees (22) and aircraft maintenance engineers (6) in 2013 to enable in-house helicopter pilot services;
 - Currently 17 Helicopter pilots;
 - Currently 13 Helicopter Technician Trainees;
- TNPA provides training for African countries (Mauritius, Ghana, Cameroon, Namibia);



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- **International Association of Ports and Harbours;**
- **PMAESA;**
- **International Harbour Masters Association;**
- **International Association of Lighthouses and Aids to Navigation;**
- **International Maritime Organisation;**
- **Intermodal Africa;**
- **Cruise Indian Ocean Association;**
- **International Maritime Pilot Organisation;**



TNPA strategic memberships



Business Chambers



DURBAN CHAMBER OF COMMERCE AND INDUSTRY
EST. 1856

Port Associations



TRANSNET



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Thank you

