

Ngqura port capacity to double in ten years

State-owned freight and logistics company Transnet will invest between R8bn and R10bn over the next 10 years in the Ngqura port to boost its capacity from 500 000 7m equivalent container units (TEUs) a year to 2-million TEUs, Public Enterprises Minister Malusi Gigaba said on Friday.



(Image: GCIS)

The government has struggled to secure investment in the deep-water port despite Transnet spending about R10bn on constructing the container terminal over the past decade.

Gigaba said the government would still relocate Port Elizabeth's manganese terminal and direct all future manganese exports through Ngqura, despite manganese exporters' contention that the Saldanha port would offer a more cost-effective route to market.

Investments would include the erection of new cranes for the port's container business and the acquisition of tippers and stackers, as well as engineering and construction work required to build a new manganese terminal at the port.

Manganese exports

SA exports about 4,6-million tons of manganese a year from the Port Elizabeth harbour manganese terminal, while total exports of the metal, used in steel manufacturing, is about 7,2-million tons a year, according to the Chamber of Mines.

With investments in a railway line and a dedicated terminal for manganese, Ngqura's exports of manganese could triple in the next 10 years, according to the chamber.

President Jacob Zuma, who, with Gigaba, spoke at the port's official opening, said a R1bn rebate from Transnet on port charges for exporters of manufactured goods would be implemented on April 1.

The offer to cut charges was prompted by complaints by car manufacturers to Zuma that the cost of using the ports was "prohibitive".

"The DPE (Department of Public Enterprise) and Transnet are going to work with automotive sector to provide infrastructure support to the sector," Zuma said.

Much work has been done

Details of how the rebate will be managed would be made public in the first week of next month, Transnet group CEO Brian Molefe said.

"A lot of the work has been done. We will make announcements later," he said.

The opening of the port demonstrated the government's commitment to infrastructure development, Zuma said.

Ngqura, combined with the investment in the R18bn manganese terminal, would draw the Eastern Cape closer to the benefits of SA's mineral wealth, Zuma said.

Eastern Cape Premier Noxolo Kiviet said the investment in the new port was a concrete indicator that the province's status of being peripheral to the country's economy was being banished to history.

Source: *Business Day* via I-Net Bridge

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