

# **NATIONAL PORTS AUTHORITY: MAKING SOUTH AFRICAN PORTS WORLD CLASS**

**PRESENTED TO  
THE 8<sup>TH</sup> NATIONAL MARITIME CONFERENCE  
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**S.I.GAMA**

# Some Facts on NPA

- **5<sup>th</sup> largest Port Authority in the world**
- **Assets of R13bn**
- **Turnover of R4,65bn**
- **Handled 212m tons in 2002**
- **R/bay, Saldanha, Dbn handle in excess of 30m tons per annum each**
- **11500 ship calls per annum**
- **Handles 97% of all S.A. trade**

# Changes in the mission and role of ports

- Modern ports are no longer passive interchanges but play a growth role in the logistic chain
- They can develop into logistic platforms for international commerce and distribution with the main emphasis on value-adding services
- A good geographical position and a favourable development of the country's foreign trade are not sufficient to guarantee sustained growth of a port's activities

# New logistics concepts

Globalisation  
Outsourcing  
JIT

•Complex  
International  
Distribution  
Chains

•Reliance on  
Logistic Providers  
•Intermodal  
Operators

•Shippers need to place  
•the right product anywhere  
• at the right time  
•and at the right place

# Characteristics of world class port system

- Quality of available infrastructure and superstructure
- Quality of feeder and inland transport connections
- Reliability
- Cost effectiveness
- Collaborative
- Enabling

# Challenges facing S.A. Ports

## ➔ Promotion of the Institutional Development for ports:

- ◆ Finalisation of a supportive national ports strategy
- ◆ Preparation of comprehensive performance indicators
- ◆ Increase private sector participation in cargo handling activity

## ➔ Development of Sub-regional and Regional Co-operation:

- ◆ Regional collaboration on port development

# Challenges facing S.A.Ports (Cont...)

- ➔ **Improvement of the efficiency of port management:**
  - ◆ Application of modern management practices
  - ◆ Establishment of an effective management info. system
  - ◆ Speeding up of the handling of documents
  - ◆ Promotion of human resources development
  - ◆ Harnessing & nurturing entrepreneurship
- ➔ **Strengthening of relations between ports and their hinterlands**

# Challenges : External

- ➔ Customers are demanding more for less, and they want a premium service
- ➔ Shippers & Ship owners expect the following from Port Operators:
  - ◆ Reliability
  - ◆ Value
  - ◆ Quality service
  - ◆ Adaptability
  - ◆ Better collaboration with users

# Transformation of Ports

- ➔ **Customer facing**
- ➔ **Infrastructure requirements**
- ➔ **Value enhancement**
- ➔ **Competitive pricing**
- ➔ **Sweating infrastructure investment**
- ➔ **Optimising property portfolio**
- ➔ **Process re-engineering**
- ➔ **Enhanced trade facilitation capability**

# Key Achievements

- ➔ **Portcon**
- ➔ **Port of Ngqura**
- ➔ **ISO 9002**
- ➔ **Strengthening governance**
- ➔ **Best practice leadership**
- ➔ **Tariff reform**
- ➔ **Strategic clarity**
- ➔ **Repositioning as an agile trade cog**

# Powering ahead in the 21<sup>st</sup> Century

- ➔ **New ports policy / bill**
- ➔ **New Vision**
- ➔ **National ports strategy**
- ➔ **Port Master plans**

# Turning the infrastructure tide

- R1.850 bn set aside for port infrastructure this year
- R5.8 bn required over next 3 years in all ports
- The need for world class container handling facilities as a first step
  - Durban Expansion
  - Ngqura development
  - Cape Town Expansion
- Sustained upgrade of bulk & break bulk facilities

# Key developments planned 2002 - 2005

- Richards Bay phase V Expansion ± R300 m
- Durban Container Expansion ± R900m
- Durban Car Terminal Expansion ± R95 m
- 5 new tugs of at least 50 ton ballard pull - various ports ± R270 m
- Security upgrade plans - all ports ± R150 m
- New scanners for major container ports ± R45 m

# Major developments planned

- Upgrade Island View berths ± R150 m
- 3 additional berths in Richards Bay
- Provide additional container berths in Cape Town
- Deepening car terminal berth at East London
- New ship repair facilities at Richards Bay & C.T.
- Deepening car terminal berths in East London
- Deepening break bulk berths “D to G” - Port of Durban

# **Key Projects and Initiatives**

- **Marine Services to sign SLA's with shipping lines**
- **Dredging Services to investigate dredging opportunities and training in Africa**
- **Salato Venture – Lighthouses**
- **Consolidate newly established national shiprepair business unit**
- **Implement facilities management and infrastructure maintenance programmes at all ports**
- **Construction of the Port of Ngqura**
- **Port Community System implementation**
- **Drydock facilities in Richards Bay**

# **Key Projects and Initiatives (Cont..)**

- **Implementation of CRM plan**
- **Future Positioning research, Port Benchmarking and re-engineering of port processes**
- **Establish Shiphandling simulator**
- **Implement NPA Portal system**
- **Implement SAP ERP Phase 2**
- **Conduct brand equity and image surveys**
- **IAPH 2003**
- **Richards Bay Coal Terminal**
- **Scenario planning**
- **Business continuity management**

# The Future:

- To be the best of the best
- Sharp focus on HRD
- Focus on values, value & governance
- R&D aimed at efficiency & effectiveness
- Port operators benchmarked & performance managed
- Continuous improvement
- Containerisation a key advantage
- Collaborative Africa strategy
- The world beckons



**THE END**