

# Cruise liner terminal plans for Cape Town and Durban

State logistics group Transnet's master plan for the development of SA's ports includes proposed terminals for cruise liners in Cape Town and Durban, the doubling of exports of motor vehicles from Port Elizabeth, and a berth for oil rigs in Saldanha Bay.



Cape Town is likely to get a new passenger terminal soon as the calls for work to be done have already gone out from Transnet. Image: [Cruise Timetables](#)

The Transnet National Ports Authority (TNPA) unveiled a multi-decade plan to develop SA's eight commercial ports to reduce the cost of doing business and improve the flow of goods, it said at the Johannesburg leg of a national road show.

Transnet, which owns SA's ports, rail and pipeline infrastructure, plays a central role in the logistics supply chain in southern Africa. TNPA owns all SA's ports, although they are operated by Transnet Port Terminals.

Transnet is one of SA's biggest investors in infrastructure.

Its seven-year market demand strategy includes investment of more than R300bn, primarily to increase the capacity of SA's rail network. In the next seven years, TNPA will invest R57.6bn to improve the ports' capacity.

However, there is no indication of the cost of investment plans beyond 2019, or how Transnet will fund the ports.

## Major developments planned

TNPA Chief Planner Nimi Ramchand said its 30-year plan and port growth plans beyond 2044 were not yet sanctioned, and cost estimates had therefore not been calculated.

The road show did not shed light on TNPA's plans to open up the market by getting the private sector to operate terminals, which is required under the National Ports Act.

Although land ownership is set to remain with TNPA, the act calls for port operations to be put out to tender. Ramchand said TNPA would assess port demand by looking at volumes of cargo, shipping technology, sustainability and the cost of capital.

Scenario planning and the formulation of national development strategies would be driven by Transnet's intention to align demand with capacity.

However, further expansion of SA's ports could cause port tariffs to spike.

Newly appointed Ports Regulator of SA Chief Executive Mahesh Fakir will have to balance potentially high port tariff applications from Transnet with the government's intentions to reduce port charges, which are already among the highest in the world.

## Port development

The port development plans include recreational facilities at ports such as East London and Port Elizabeth. "In Cape Town, a request for proposals for a cruise liner terminal had already gone out," said TNPA's Senior Manager for Capacity Planning, Desmond Simpson.



Durban is also set to have a new passenger terminal integrated with its Waterfront development in terms of Transnet's plans. Image: [Durban](#)

Transnet would consider linking it with the V&A Waterfront. Plans for a cruise liner terminal in Durban would connect with the Point Waterfront development.

TNPA also wants to rehabilitate berths along Maydon Wharf, and to create berths for deeper and longer vessels.

Ramchand said Transnet was investigating how best to fund and operate the Durban dig-out port. Pre-feasibility studies were being conducted in the lead-up to its construction.

Simpson said pre-planning of seven to 10 years was usually required before a new project was developed.

Transnet's commercial ports are in Richards Bay, Durban, East London, Ngqura, Port Elizabeth, Mossel Bay, Cape Town and Saldanha Bay. Port Nolloth, in the Northern Cape, is the only non-commercial port.

Durban's new dig-out port will be SA's 10th port, and is aimed at reducing congestion at the Durban port, which is SA's largest.

Source: Business Day via I-Net Bridge

For more, visit: <https://www.bizcommunity.com>