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TNPA Port Consultative Committee (PCC)
Port of Mossel Bay
Quarter 3 Port Performance Report
January 2016



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 - CAPEX and Progress of Key Projects



PORT LAYOUT

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MARKET DEMAND STRATEGY OVERVIEW

PORT OF MOSSEL BAY

Capital Planning and Execution

- Increase capacity and capability to deliver on the Port of Port Elizabeth R 1.9 Bn 7 Year Capex plan:
 - ✓ Acquisition of two replacement tugs
 - ✓ Road / Rail Infrastructure Upgrade
 - ✓ Car Terminal at Southern Part of Port (Outside MDS)
 - ✓ Replacement of Lead-In Jetties Slipway
 - ✓ 40 ton Slipway Refurbishment
 - ✓ Deepening Container Berths and Basin (Deferred 2036)
 - ✓ Acquisition of Workboat
 - ✓ Acquisition of Land outside TNPA Boundary (Outside MDS)
 - ✓ Leisure and Marina Development
 - ✓ Fire Supply Services
- Research & Development
 - ✓ Deepening of Container Berths & Basin
 - ✓ Leisure and Marina Development

Operational effectiveness and productivity

- Joint Operation Centres
- Port Productivity
 - TOPS
 - MOPS
 - RODS
 - HOPS
- IPMS
- Ops Planning, Monitoring, C.I.
- Logistic Partner Engagement

Target volumes and customer satisfaction

- Automotive Transshipments
- Manganese Skips / Skip-tainers
- MPT Diversification
- Marina & Maritime Commercial Development
- Port Logistic Park
- Value Added Maritime Services
- S56 Berth 10 & 11
- Ship Repair
- S79 Yacht Building

Regulator and Key Stakeholder Engagement

- Implement Tariff Methodology and Pricing Strategy.

Financial Sustainability

- Cost Optimization
- Revenue Completeness
- NBD

Safety

- VFL / PSL
- Safety Competition

Organisation strategy / readiness

- Ensure availability of required skills sets to develop internal capability and capacity in order to address competency gaps;
- Retention of skilled workforce to deliver on prioritized areas and continue to strengthen the development initiatives for core, critical and scarce skills as anchors and growth-enablers.

HR strategy

- Optimal resourcing, Success Planning, Talent Management, T & D, Mentoring / Coaching, EAP



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Port Development Framework Plans



Port Development Framework Plans

- TNPA draws its mandatory functions from the National Ports Act 2005, one of which being to prepare and periodically update the port development framework plans for each port.
- The port plans have been fully revised over the past year to re-establish government and industry requirements; confirm and amend infrastructure use and capacity and identify capacity creation in the ports' system.
- The PDFPs form part of the TNPA National Ports Plan which co-ordinates the port system.
- The annual update of these plans are published every year on the following website:
<http://www.transnetnationalportsauthority.net>

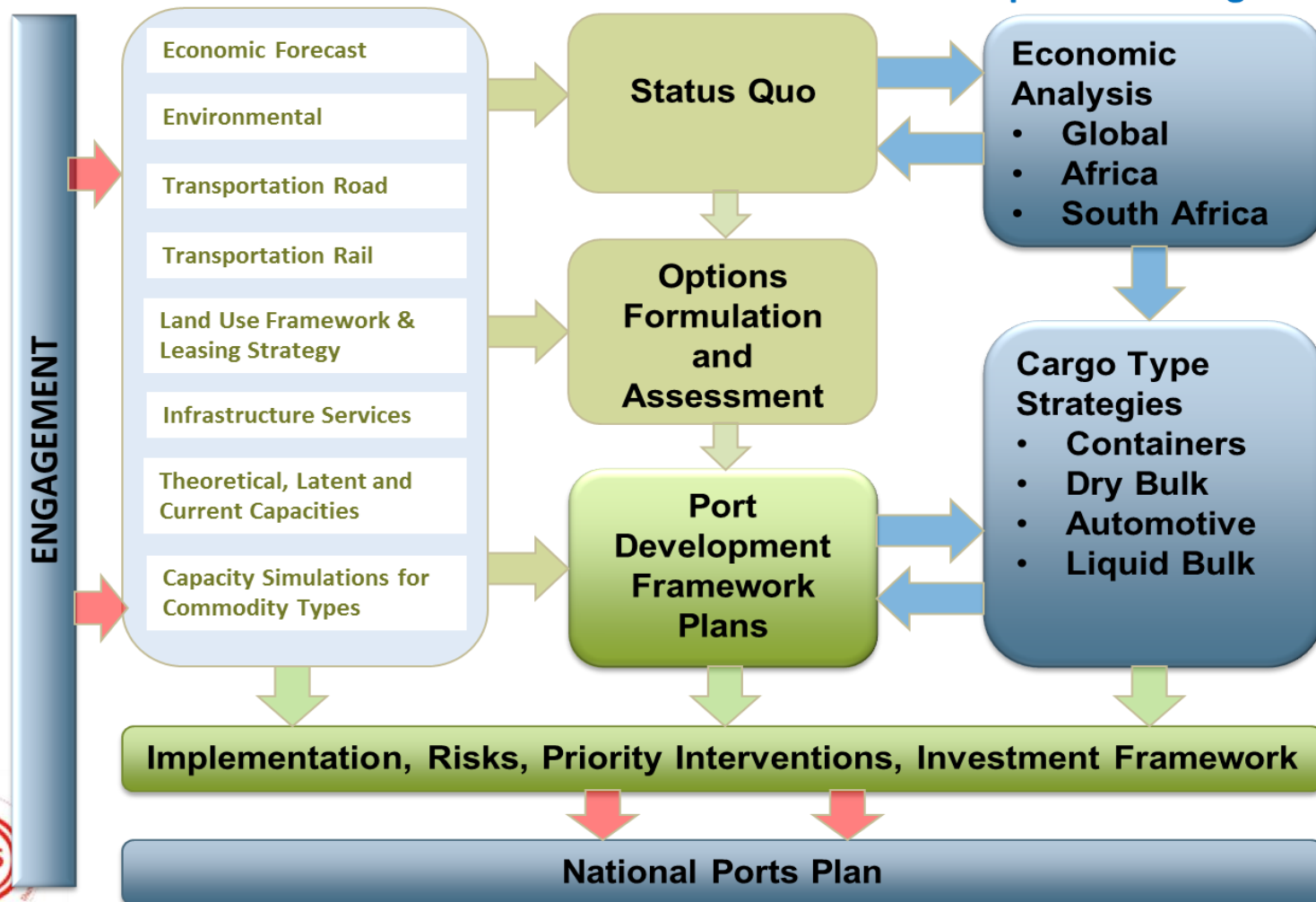


National Ports Plan Methodology



Port Development Framework Plans

National Infrastructure Development Strategies



Overarching Infrastructure Planning Principles

- ☐ The **Transnet Freight Demand Model** forecast is the basis of demand planning
- ☐ Fit with **global; regional and national policies**.
- ☐ Integrate and **align port, rail and road capacity planning**
- ☐ Optimise **capital investment** across all ports (ensuring ports are complementary) to ensure capacity meets demand
- ☐ **Port specialisation** through planned complementarity
- ☐ Ensure a **sustainable** response to environmental opportunities and constraints
- ☐ Utilize available port space to **maximise freight capacity**
- ☐ **Improve** infrastructural and operational **efficiencies** and **reduce transport and logistics costs**
- ☐ Ensure world class freight handling services in terms of **reliability, safety, cost-effectiveness**
- ☐ Maintain **flexibility** in order to respond to changing technological and economic conditions
- ☐ Minimize the disruption to existing port activities
- ☐ Ensure adequate provision for **non-freight services** and facilities
- ☐ **Align** with the requirements of stakeholders
- ☐ PDF Plans are **annually updated**



PDFP Process and Multi-Criteria Analysis

The primary driver of port development is **demand in the region or hinterland of that port**. If the volume forecast exceeds capacity in a certain port then the following **multi-criteria analysis** were used to determine how best to plan port development. The multi-criteria analysis is especially important for ‘**regional ports**’ such as Ngqura and PE, Richards Bay and Durban, and Cape Town and Saldanha Bay where ports share a similar hinterland/demand.

Criteria group	Details
Technical	Port Planning: Flexibility, Expansion potential, Back of quay Maritime Engineering: Navigation, Vessel size increase, Geotech, Ease of construction, Disruption Transportation: Port Access, Staging/parking, Road connectivity, Rail connectivity, Pipe connectivity.
Environmental	Biophysical Impacts: Terrestrial habitat destruction, Marine habitat destruction (port), Marine habitat destruction (offshore), Marine water and sediment quality, Shoreline stability, Surface and ground water. Social Impacts: Air quality, Visual, Recreational use access, Heritage Resources, Green Economy, Job creation.
Economic	Phasing: Option lends itself to phasing? Capital Costs: Land acquisition, Construction, Services infrastructure, Environmental offset. Operating Costs: Maintenance, Transportation, Congestion, and Environmental management. Socio-economic benefit
Legal/Statutory/Regulatory	Land acquisition Permit approvals
Land use	Metropolitan Issues: Meshes with Vision of the City, Extent of Port boundary extensions, In line with SDF and City urban regeneration. Back of port integration: Portside land uses are compatible with land uses in adjoining, Municipal precincts, Urban Renewal initiatives, Promotion of City and Port integration, interface, Heritage and cultural issues into account, 7 Year capital projects between Port and Municipality.

Port of Mossel Bay Port Strategy

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

Driven by a 3 tier strategy

Infrastructure
Create & Manage
Infrastructure
capacity ahead of
demand

Operations
Improving port
efficiency through
increased
productivity and
operations
oversight

Integrated Port
System
To facilitate and
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.

Port Strategic Focus Areas

- **Transformation** in all its facets
- **New Business Development**
- Stakeholder **Engagement**
- Port Authority **Oversight Role**
- Strategic Forward **Planning**
- Provision of **Port Infrastructure**
- Human **Capital Management** in all its facets



Strategic Intent

Driving **Economic Growth** and Long Term **Sustainability** of the Port through optimal use of strategic port infrastructure

Marketing Strategy

A Premier **Automotive** Port.
An **Automotive Transshipment Hub** for Sub Saharan Africa

Value Proposition

A geographically well position, customer centric, multi cargo port that prides itself on **flexibility and service excellence**. Your gateway to opportunities

Operations Strategy

- **Port Performance Management**
- **Optimal Use of Port Assets**
- **Integrated** Port Management Systems
- **Safety & Risk** Management

PDFP Port of Mossel Bay Current Layout



PDFP Port of Mossel Bay Short Term Layout

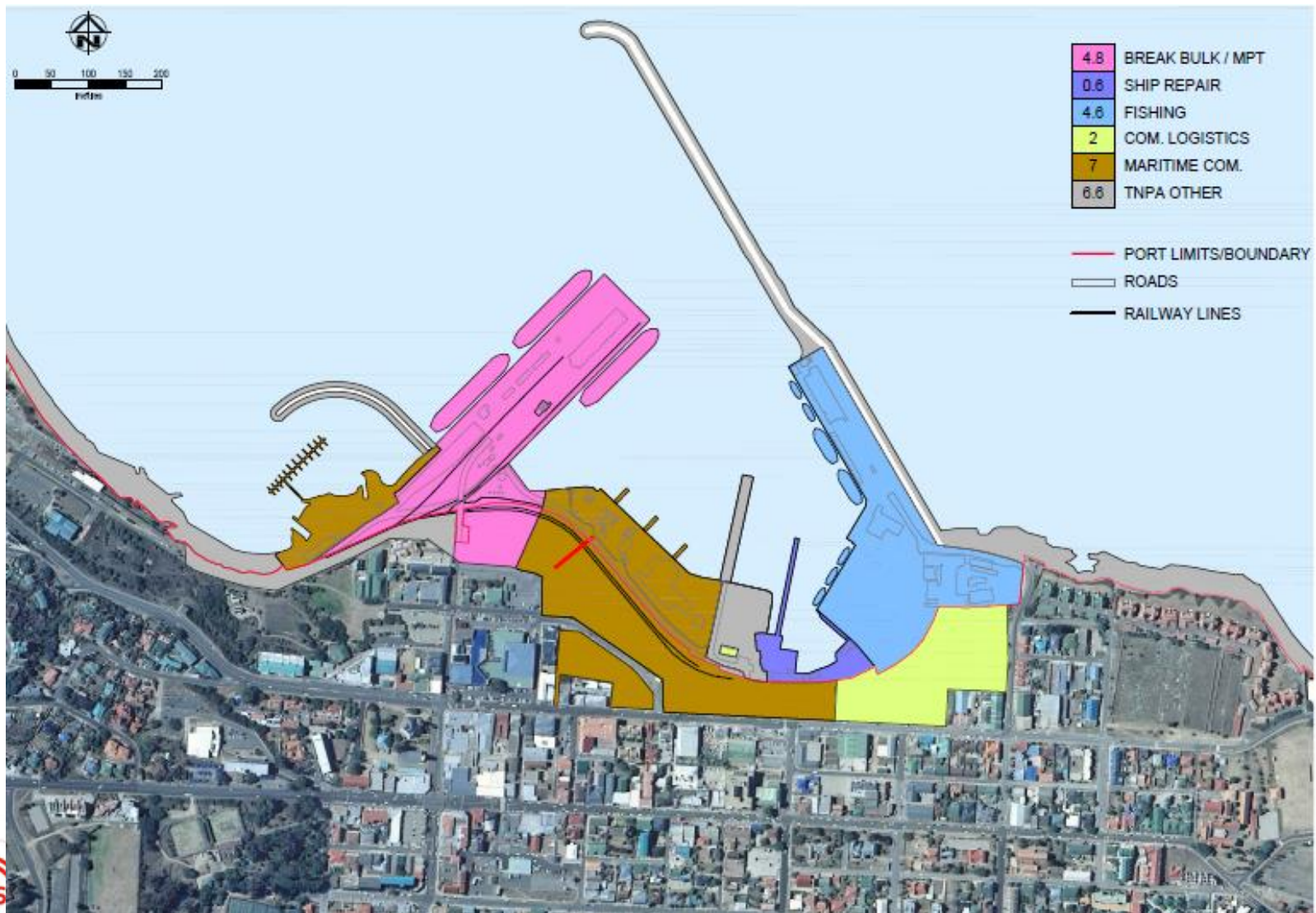


PDFP Port of Mossel Bay

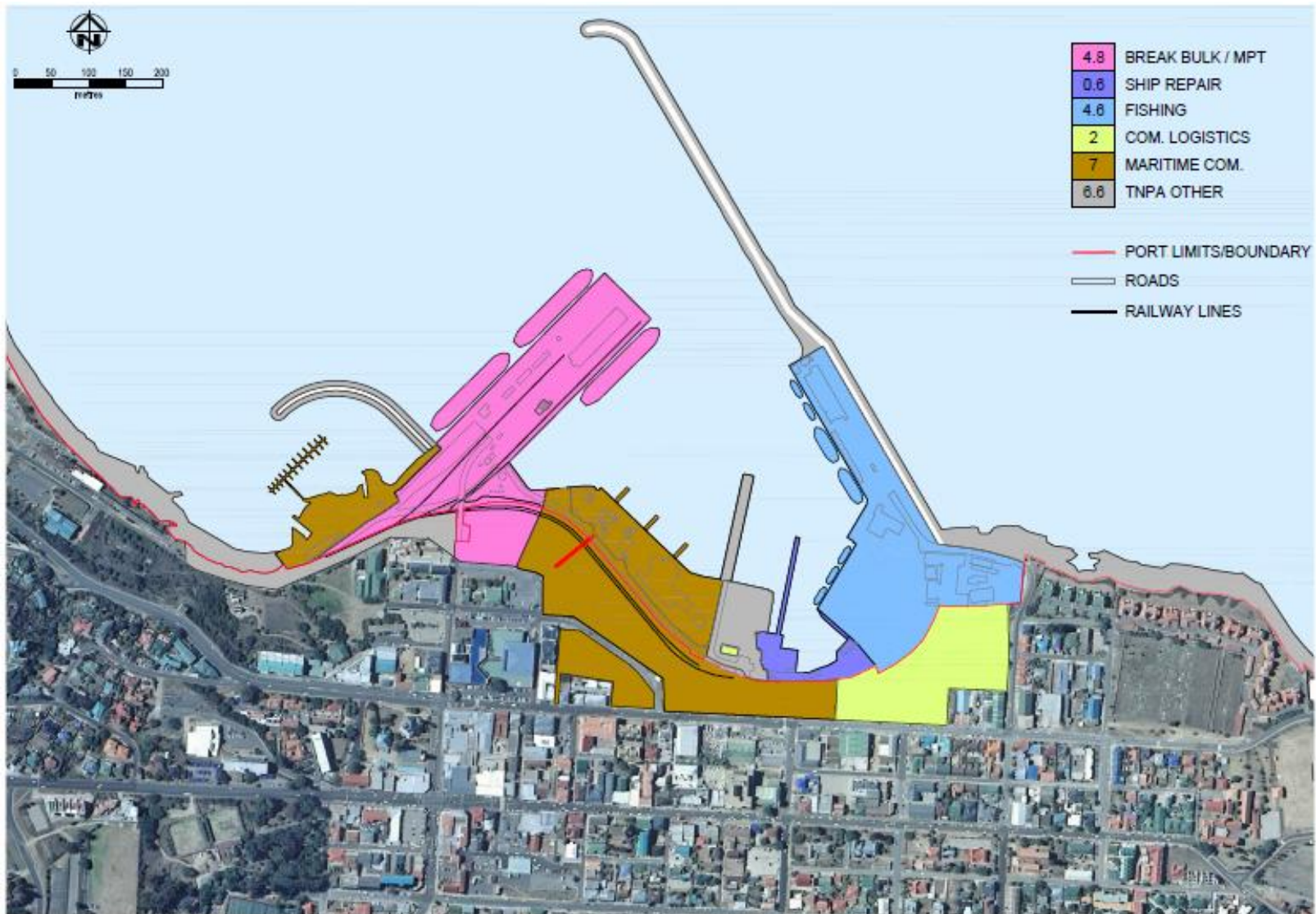
Port Development Initiatives – 7 Year

1. Extensions to the existing Port Administration Building to provide space for Port staff currently located in different areas of the Port.
2. Replacement of Asbestos Roof Sheets in the Port, starting with the Long Shed on Quay 4 and proceeding through all other structures.
3. Replacement of the Old Lean to Canopy on Quay 4 with a new steel structure
4. Resurfacing of the existing road serving the Recreational Area and Surfacing of the Parking Area.
5. Replacement and Upgrading of existing slipway as part of the Phakisa project for the fishing industry.
6. Provision of an alternative radar site for the Vessel Tracking System of the Port
7. Upgrading and reconstruction of the existing services networks for the Port
8. Replacement of the ageing launch

Port of Mossel Bay Medium Term Layout



Port of Mossel Bay Long Term Layout



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Operations Performance

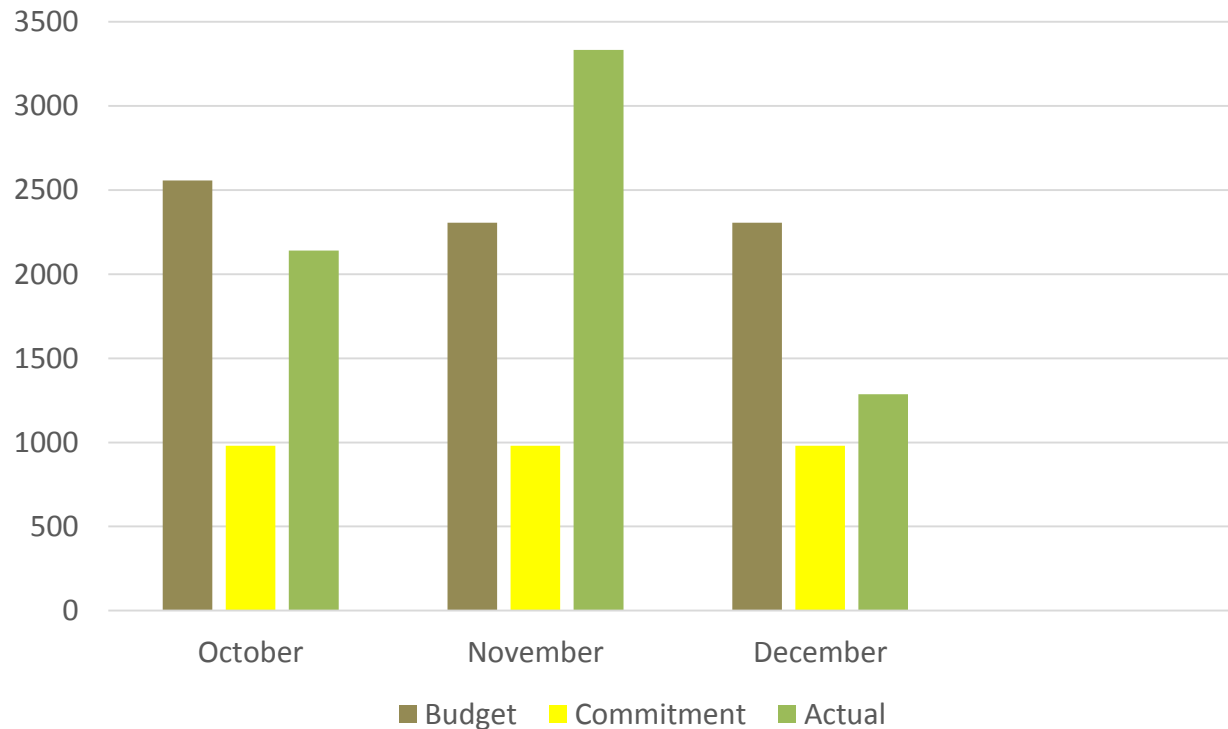


OPERATIONAL PERFORMANCE

VOLUMES

Comments

Break Bulk



Breakbulk:

Break Bulk performance for the 3rd Quarter is 6% below budget at 6761 tons against a budget of 7171 tons. For the current quarter volume has been steadily declining since the closure of Project Ikwezi. For YTD Break Bulk performance is above budget by 30% and its anticipated to close the year at 23%.

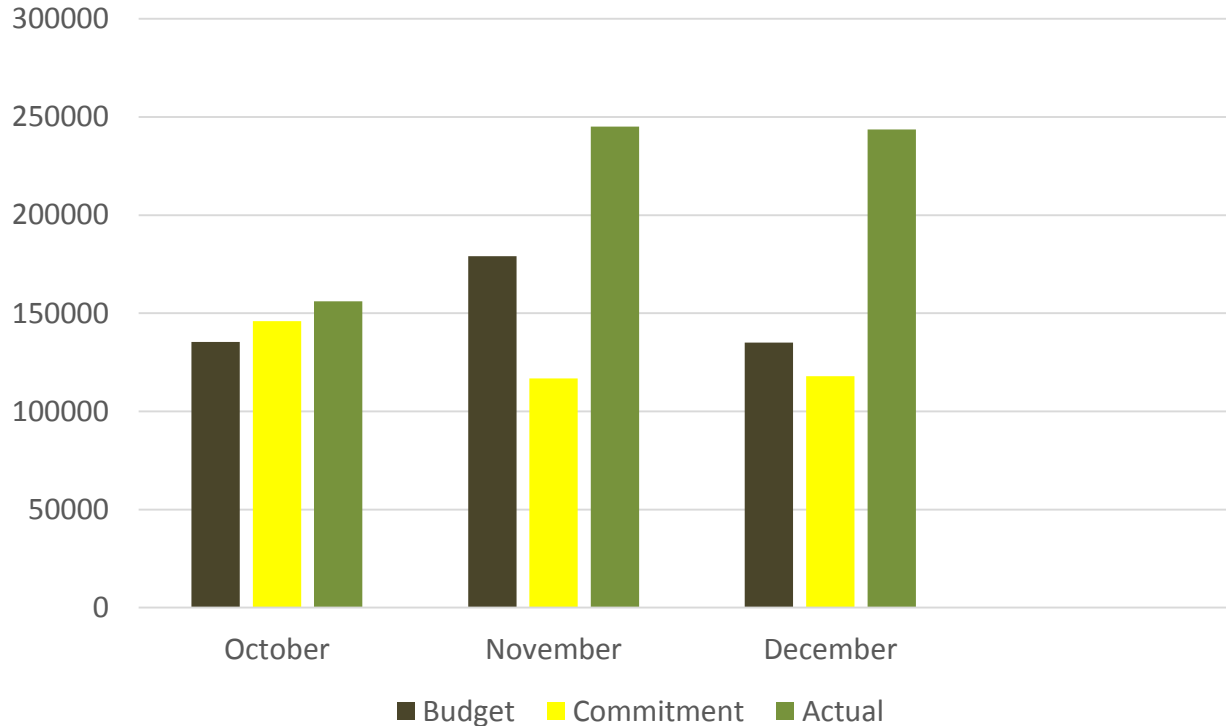
OPERATIONAL PERFORMANCE

VOLUMES



Comments

Liquid Bulk

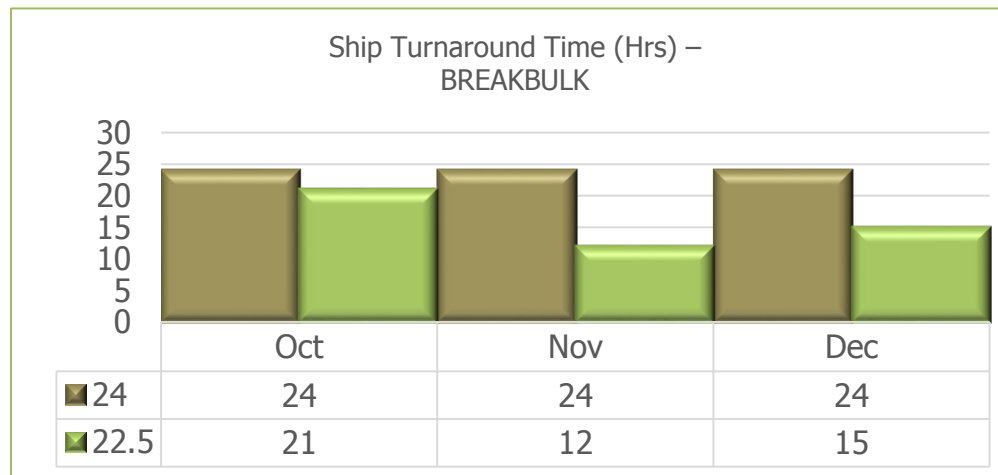
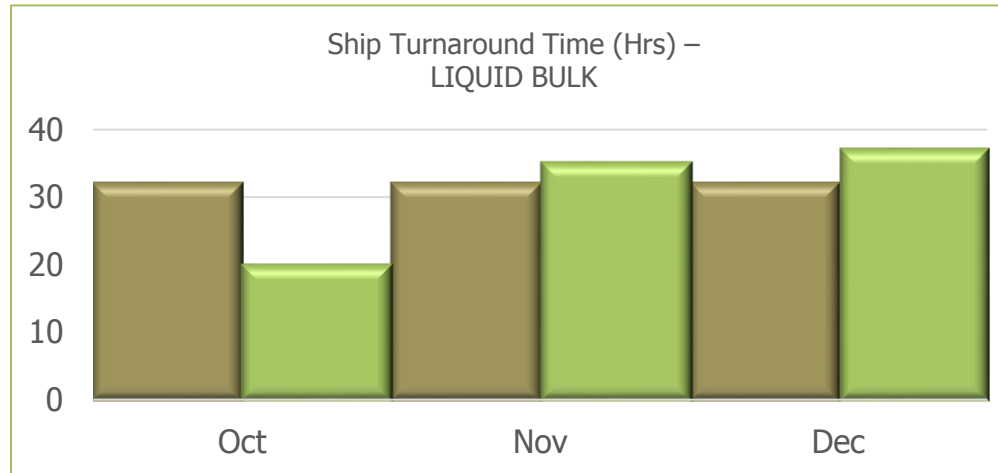
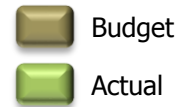


Liquid Bulk:

Liquid Bulk performance is above budget by 38% for the 3rd Quarter at 620434 against the budget of 449 344 . This was contributed by petroleum demand from Eskom and PetroSA . YTD is above budget by 30% and the latest estimates is focused to close the year at 22%.



OPERATIONAL PERFORMANCE

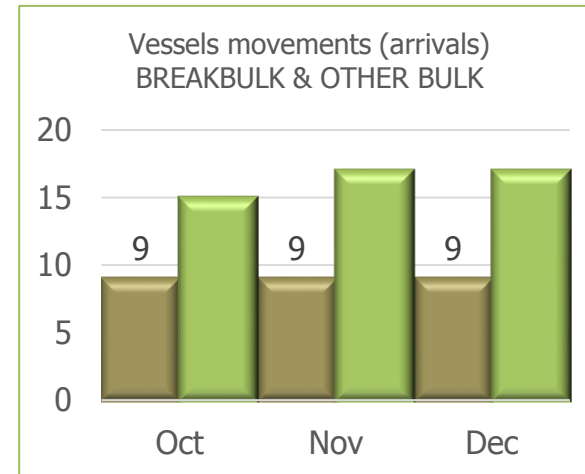
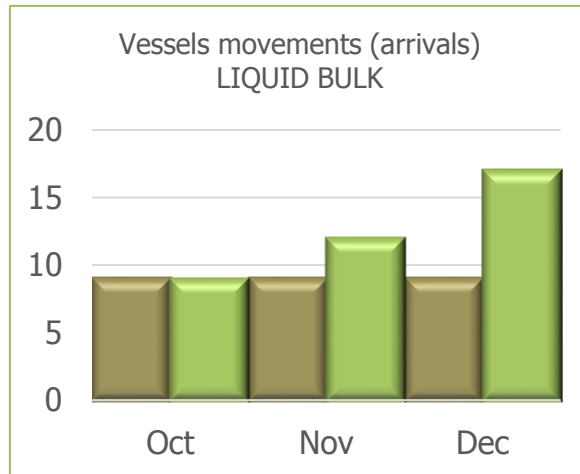
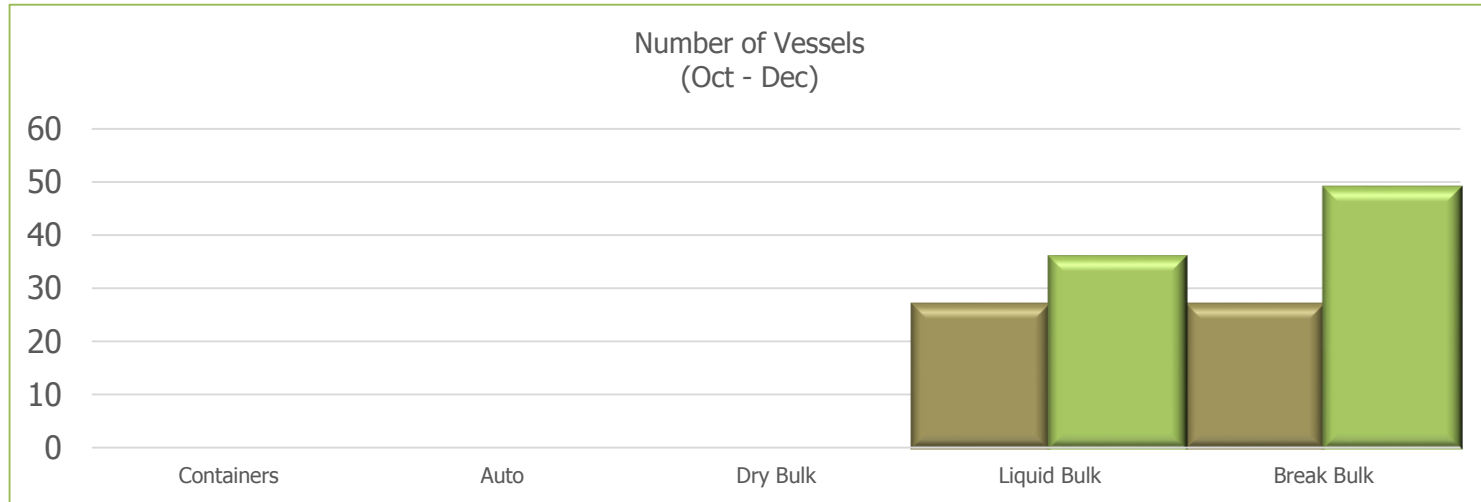
SHIP TURNAROUND TIME



OPERATIONAL PERFORMANCE

MARINE

 Budget
 Actual

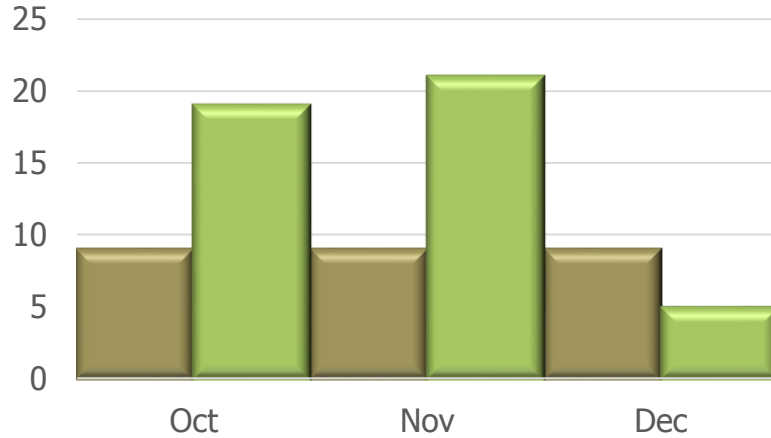


OPERATIONAL PERFORMANCE

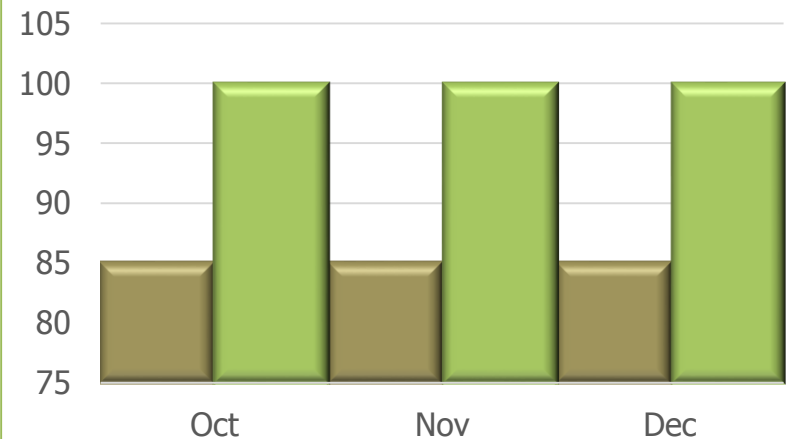
MARINE

Budget
Actual

Tug Utilization
%



Tug Availability
%



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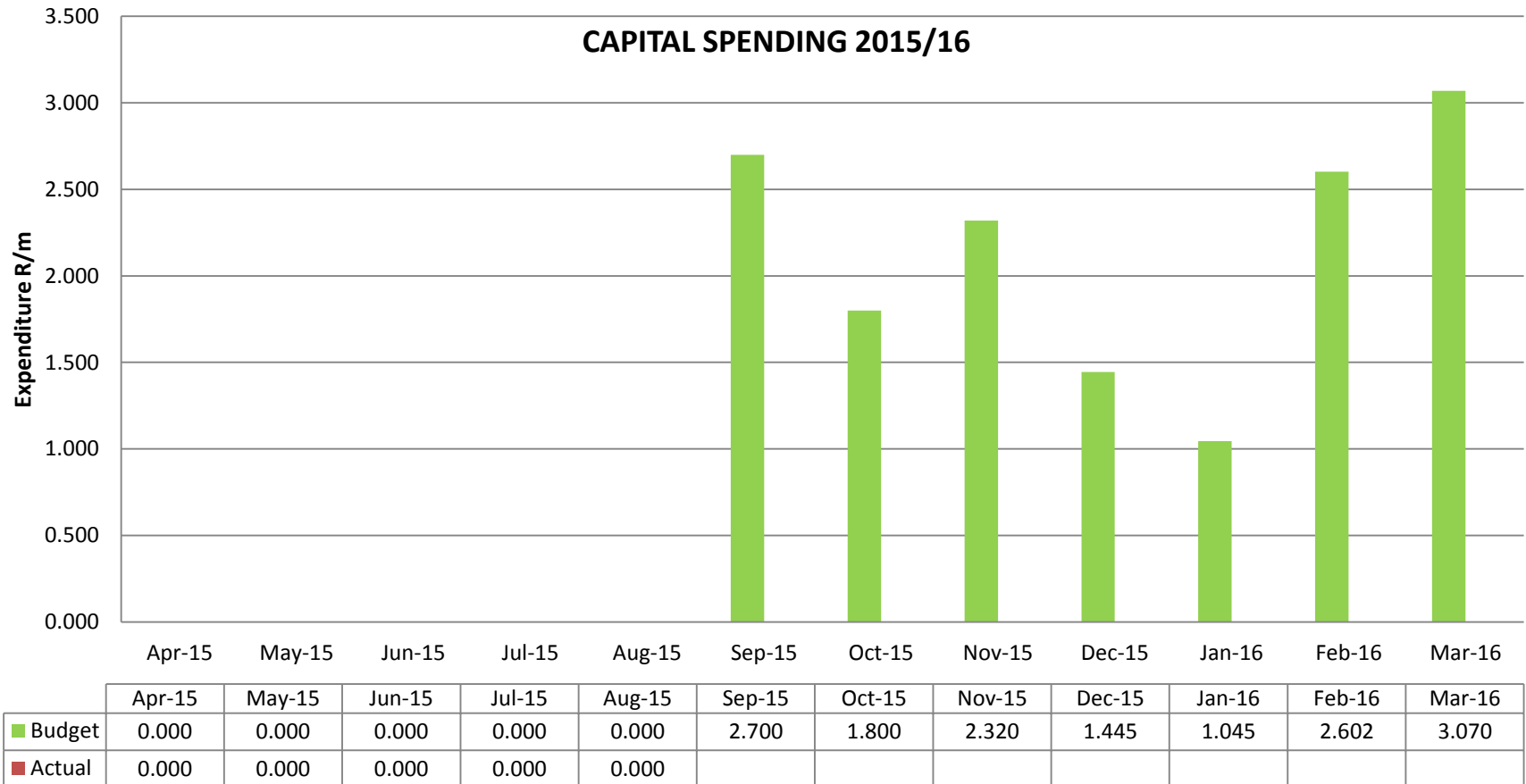
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Approved Capital Program 2015/16

APPROVED CAPITAL FUNDING

2015/16



CAPITAL PROGRAMME 2015/16 – YEAR 1

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Name of project	Description	Category
1. Extend and Construct Port Administration Building	Extensions to the existing Port Administration Building to provide space for Port staff currently located in different areas of the Port	Capacity
2. Surfacing of Recreational Road and Parking Area	Resurfacing of the existing road serving the Recreational Area and Surfacing of the Parking Area	Bulk Services
3. Remove and Replace Asbestos roofing	Replacement of Asbestos Roof Sheets in the Port, starting with the Long Shed on Quay 4	Safety
4. Construct New Lean to Roof at Quay 4	Replacement of the Old Lean to Canopy on Quay 4 with a new steel structure	Safety
5. Minor Works	Minor works for the Port of Mossel Bay	Sustainability



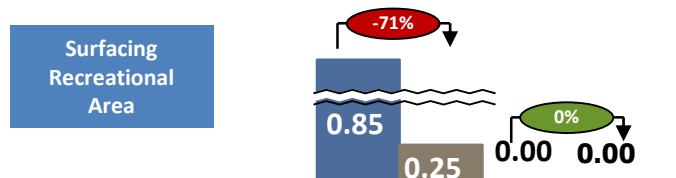
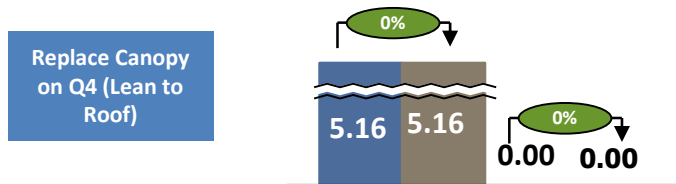
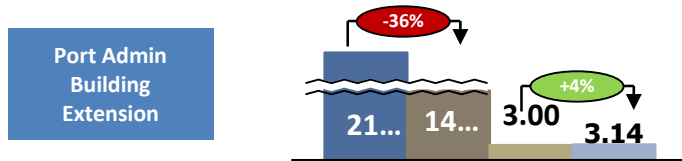
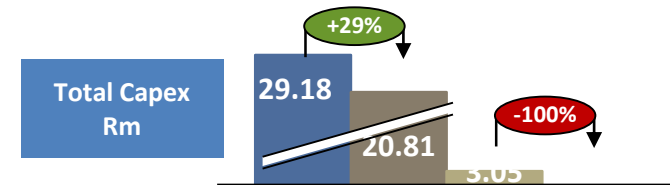


CAPITAL PROJECT

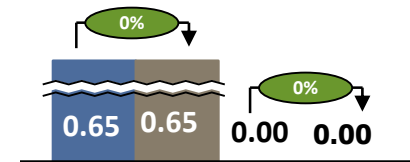
No	Project	Progress	Risk and Constraints
1	Extend and construct Port Admin Building	Contractor appointed, part site hand over early September 2015 until staff relocation. Progressing with piling, started parking civil works Temporary office space: Completion by 12 Dec 15 according to latest planning	Smooth relocation of staff and equipment Contract completion within budget
2	Resurface parking area at recreational area	FEL 2 completed TNPA CAPIC for FEL 3 funding approved Appointment of MC for FEL 3 in progress	Appointment of FEL 3 Service Provider Completion of FEL 3
3	Remove and replace asbestos roof sheeting in Port: Long Shed Q4	RME appointed with signed IDA Kick-off meeting 3 December 2015	RME project completion on budget and time
4	Replacement of Locomotive Canopy	TNPA CAPIC approved funding Contractor is appointed, construction to start.	Procurement process Appointment of contractor Successful completion of project
5	Port Operations Centre Project	Additional funds approved Bosch to be appointed for finalization of additional civil and electrical works, early 2016 by latest estimate	Approval of Bosch appointment
6	Phakisa Projects: Slipway, cradle and lead-in jetties upgrade	TNPA Design Team proceeding with FEL 2 study	Completion of FEL 2 report end November 2015. Business case documents for FEL 3 funding
7			



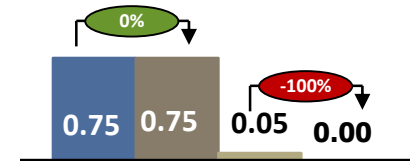
CAPITAL SPENDING



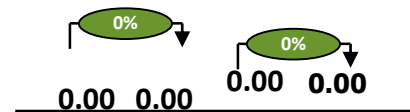
Remove and Replace Asbestos Roofing in Port



Minor Works



Phakisa Projects



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Discussion

DISCUSSION

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Thank You