

## **More ships choose SA as port of call**

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Parliament - The National Ports Authority (NPA), the division of Transnet responsible for managing South Africa's eight major harbours, reports a strong increase in volume growth and a 12 percent increase in revenue for the past financial year.

According to the Transnet 2007 Annual Report, tabled on Wednesday, the NPA's revenue increased to R6.1 billion, from R5.4 billion the previous year.

"Operating profit increased by 10 percent, to R4484 million from R4075 million," it says.

The NPA manages the ports of Saldanha Bay, Cape Town, Mossel Bay, East London, Port Elizabeth, Durban and Richard's Bay, as well as the Port of Ngqura, which is still under construction.

Transnet chief executive Maria Ramos says in the report the NPA had another good year.

The revenue increase of R669 million had included an average tariff increase of 1.3 percent and a volume increase of 15.5 percent.

"This division has another good year, benefiting from strong volume growth and economic expansion," she said.

This was despite the increase in capital investment - from the previous period's R783 million, to R1.1 billion - falling short of what was planned.

This had been due "in part to difficulties with obtaining environmental impact assessment approvals (affecting the expansion of the Cape Town Container Terminal) and delays in completing the first phase of the port of Ngqura," Ramos said.

According to the report, a total of R3.9 billion is to be spent on capital projects in the current financial year.

Of this amount, R545 million is earmarked for the Durban entrance channel, and R466 million for the Cape Town Container Terminal.

More than R18.5 billion is allocated for major capital spending at the ports over the next five years.

Ramos noted the NPA's ports optimisation programme had consistently achieved new monthly handling records.

"[A total of] 186,000 TEUs [20-foot equivalent units, a measure of container capacity] for November 2006, significantly above the November 2005 record of 158,000 TEUs."

Improved alignment between the Ports Terminals division and the NPA had played a significant role in this achievement, and "is central to making our ports internationally competitive", she said.

- Sapa