



Additional Information Requests from the Ports Regulator Tariff Application Road Shows

October 2013

Contents

1.	INTRODUCTION.....	3
2.	PORTS REGULATOR ROAD SHOWS: STAKEHOLDER INFORMATION REQUESTS.....	3
2.1	QUANTIFICATION OF REDUCTION OF TRANSPORT COSTS (PERCENTAGE OF TRANSPORTABLE GDP)	3
2.2	BREAKDOWN OF LABOUR COSTS FOR FY 2014/15	3
2.3	STRATEGY DOCUMENTS (Transshipment, Container & Liquid Bulk)	4
2.4	REALISED VOLUME FIGURES: 2011/12, 2012/13 AND APRIL 2013 TO SEPTEMBER 2013	5

1. INTRODUCTION

The Ports Regulator held road shows on the TNPA tariff application for FY 2014/15 from 30 September to 04 October 2013. The aim of the road shows was to solicit stakeholder views and to clarify issues regarding the tariff application and tariff determination process. Road shows were held in Cape Town, Port Elizabeth, Johannesburg and Durban. Emanating from the road shows were additional information requests from stakeholders. This additional information was requested in order to allow for appropriate and informed commenting on the TNPA tariff application for FY 2014/15 by stakeholders.

The additional information requests are detailed below.

2. PORTS REGULATOR ROAD SHOWS: STAKEHOLDER INFORMATION REQUESTS

2.1 QUANTIFICATION OF REDUCTION OF TRANSPORT COSTS (PERCENTAGE OF TRANSPORTABLE GDP)

Transnet plays an important part in the South African economy and while the direct impact of investments in infrastructure and the contribution to the economy can be measured relatively easily secondary impacts are not as easily measurable. Transnet has commissioned a study in order to develop a methodology for calculating Transnet's overall contribution to logistics costs in the South African economy. For the purpose of this study Transnet wishes to measure their contribution to reducing the total cost of logistics as a percentage of the transportable GDP of South Africa through increasing their overall market share in land freight transport and volume throughput in Port system through efficiencies and capacity planning.

2.2 BREAKDOWN OF LABOUR COSTS FOR FY 2014/15

Table 1: Head Count for Labour, salary adjustments, new employees & cost for operational centres

	FY 2012/13	FY 2013/14	FY 2014/15
	Actual	Budget	Forecast
Head Count	3 584	4 409	4 598
Management	980	1 353	1 407
Bargaining Unit	2 604	3 056	3 191
New Employees			
Management	37	373	54
Bargaining Unit	-5	452	135
Training Expenses	R102m	R157m	R166m
Operations Centres			
Head count	12	41	60
Rental (R'000)*	-	22	24

* Rental of IT equipment

The higher than inflation increase in rental can also be explained by the shift from acquiring computer equipment to the leasing thereof.

Table 2: Real Estate Information

	Actual FY 2011/12	Actual FY 2012/13	Budget FY 2013/14	Forecast FY 2014/15
Real Estate Income	1 629	1 771	1 974	2 113
% Increases		8.72%	11.46%	7.04%

2.3 STRATEGY DOCUMENTS (Transshipment, Container & Durban Liquid Bulk -Island View)

The aforementioned strategy documents have been developed by the Authority and are currently being consulted internally for alignment to the organisational strategy. Once this has been finalised these strategies will be approved in accordance with Transnet's governance processes.

2.4 REALISED VOLUME FIGURES: 2011/12, 2012/13 AND APRIL 2013 TO SEPTEMBER 2013

Table 3: Realised Volumes for Apr – Sept 2011, Apr – Sept 2012 & Apr to Sept 2013

Authority's Realised Volumes	Actual	Actual	Actual
	April - Sept 2011	April - Sept 2012	April - Sept 2013
Containers (TEUs)			
Deepsea Full : Imports	683 857	583 940	742 367
Deepsea Full : Exports	504 600	439 896	587 414
Transhipments	556 705	392 616	535 908
Other	466 622	460 589	556 267
Total	2 211 784	1 877 041	2 421 956
Vehicles (Units)			
Vehicles : Imports	134 605	101 874	225 833
Vehicles : Exports	194 025	170 497	120 533
Other	10 598	3 217	7 051
Total	339 228	275 588	353 417
Breakbulk (Metric Tons)			
Breakbulk : Imports	661 126	782 950	1 569 864
Breakbulk : Exports	3 449 115	2 847 189	2 922 525
Breakbulk : Other	129 965	69 461	113 613
Total	4 240 206	3 699 601	4 606 002
Dry Bulk (Metric Tons)			
Coal Exports	30 789 194	29 798 409	34 785 087
Iron Ore Exports	24 961 020	22 776 128	27 403 949
Manganese Ore Exports	3 499 355	3 162 658	4 499 788
Other Dry Bulk	10 882 425	8 141 048	12 173 234
Total	70 131 993	63 878 243	78 862 058
Liquid Bulk (KI)			
Petroleum	16 896 681	12 920 229	15 561 131
Chemicals	603 207	463 339	1 012 730
Other Liquid Bulk	4 602 782	3 823 193	3 186 327
Total	22 102 670	17 206 761	19 760 188

Table 4: Realised Volumes per port April 2011 to September 2011

April 2011 to September 2011 Realised Volumes per Port	RCB	DBN	NGQ	ELS	PLZ	MSB	CPT	SLD	Total
Containers TEU's									
Imports	518	505 769	29 457	13 614	32 261	-	102 238	-	683 857
Exports	5 649	329 395	23 530	1 136	27 249	-	111 211	-	498 170
Transhipment	-	283 016	153 572	226	82 601	-	43 720	-	563 135
Other	4 107	264 231	43 241	12 723	38 791	-	103 529	-	466 622
Total	10 274	1 382 411	249 800	27 699	180 902	-	360 698	-	2 211 784
Vehicles (Units)									
Vehicles: Imports	71	68 564	-	18 280	47 676	-	14	-	134 605
Vehicles: Exports	-	136 931	-	13 890	43 183	-	21	-	194 025
Vehicles: Other	22	10 550	-	-	-	-	26	-	10 598
Total	0	216 045	-	32 170	90 859	-	61	-	339 135
Break Bulk (Metric Tons)									
Break Bulk: Imports	20 899	589 353	17	3	13 722	-	36 258	875	661 126
Break Bulk: Exports	2 209 495	737 654	9	1 445	77 425	-	140 765	282 322	3 449 115
Break Bulk: Other	8 666	22 907	-	-	35 147	20 248	42 997	-	129 965
Total	2 239 059	1 349 914	26	1 448	126 295	20 248	220 020	283 198	4 240 206
Dry Bulk (Metric Tons)									
Dry Bulk: Coal Exports	30 217 878	571 316	-	-	-	-	-	-	30 789 194
Iron Ore Exports	958 218	-	-	-	-	-	-	24 002 802	24 961 020
Manganese Ore Exports	168 596	941 704	-	-	2 389 055	-	-	-	3 499 355
Other Dry Bulk	5 700 418	3 897 170	-	260 143	108 975	-	378 579	537 140	10 882 425
Total	37 045 110	5 410 189	-	260 143	2 498 030	-	378 579	24 539 942	70 131 993
Liquid Bulk (KI)									
Petroleum	60 009	12 086 953	-	-	52 552	328 867	711 132	3 657 168	16 896 681
Chemicals	286 789	316 085	-	-	-	-	332	-	603 207
Other Liquid Bulk	519 875	1 787 675	-	451 765	407 525	512 479	756 314	167 150	4 602 782
Total	866 673	14 190 713	-	451 765	460 077	841 346	1 467 779	3 824 317	22 102 670

Table 5: Realised volumes per port April – September 2012

April 2012 to September 2012 Realised Volumes per Port	RCB	DBN	NGQ	ELS	PLZ	MSB	CPT	SLD	Total
Containers TEU's)									
Imports	1 534	429 065	38 866	12 140	16 458	-	85 869	8	583 940
Exports	4 296	280 110	33 927	646	17 230	-	103 558	129	439 896
Transshipment	-	171 986	87 430	-	59 789	-	73 411	-	392 616
Other	2 353	257 023	54 173	10 548	24 995	-	111 497	-	460 589
Total	8 183	1 138 184	214 396	23 334	118 472	-	374 335	137	1 877 041
Vehicles (Units)									
Vehicles: Imports	3	68 245	-	11 398	22 219	-	9	-	101 874
Vehicles: Exports	-	118 732	-	20 299	31 456	-	10	-	170 497
Vehicles: Other	-	3 168	-	-	36	-	13	-	3 217
Total	3	190 145	-	31 697	53 711	-	32	-	275 588
Break Bulk (Metric Tons)									
Break Bulk: Imports	34 466	667 180	-	9	53 725	-	27 457	112	782 950
Break Bulk: Exports	1 835 776	576 826	1	-4	51 073	-	67 420	316 097	2 847 189
Break Bulk: Other	464	24 432	-	-	-	10 363	34 203	0	69 461
Total	1 870 707	1 268 439	1	5	104 798	10 363	129 080	316 209	3 699 601
Dry Bulk (Metric Tons)									
Dry Bulk: Coal Exports	29 174 933	623 475	-	-	-	-	-	-	29 798 409
Iron Ore Exports	106 634	-	-	-	-	-	-	22 669 494	22 776 128
Manganese Ore Exports	72 230	839 990	-	-	2 250 438	-	-	-	3 162 658
Other Dry Bulk	4 896 273	2 197 203	-	38 724	130 995	-	301 300	576 553	8 141 048
Total	34 250 071	3 660 668	-	38 724	2 381 433	-	301 300	23 246 047	63 878 243
Liquid Bulk (KI)									
Petroleum	63 835	10 207 231	-	-	80 854	361 771	500 687	1 705 852	12 920 229
Chemicals	215 625	245 738	-	-	-	-	1 976	-	463 339
Other Liquid Bulk	380 985	1 480 746	-	345 432	345 857	639 180	630 994	-	3 823 193
Total	660 445	11 933 714	-	345 432	426 711	1 000 950	1 133 658	1 705 852	17 206 761

Table 6: Realised Volumes per port April – September 2013

April to September 2013 Realised Volumes	RBC	DBN	NGQ	ELS	PLZ	MSB	CPT	SLD	Total
Containers TEU's)									
Imports	1 528	529 853	54 908	13 750	20 885	-	121 393	50	742 367
Exports	7 550	370 894	50 177	645	26 293	-	131 855	-	587 414
Transhipment	-	168 241	192 979	-	84 262	-	90 348	78	535 908
Other	5 396	299 540	77 968	11 869	37 815	-	123 679	-	556 267
Total	14 474	1 368 528	376 032	26 264	169 255	-	467 275	128	2 421 956
Vehicles (Units)									
Vehicles: Imports	3	171 963	-	13 563	40 298	-	7	-	225 833
Vehicles: Exports	30	79 528	-	20 911	20 055	-	10	-	120 533
Vehicles: Other	-	6 758	-	-	292	-	1	-	7 051
Total	33	258 249	-	34 474	60 645	-	17	-	353 417
Break Bulk (Metric Tons)									
Break Bulk: Imports	34 266	1 180 725	39 743	8 914	101 081	-	81 725	123 412	1 569 864
Break Bulk: Exports	1 938 721	572 079	897	20 643	55 478	-	64 978	269 728	2 922 525
Break Bulk: Other	783	45 742	-	-	2 544	32 426	32 118	0	113 613
Total	1 973 770	1 798 545	40 640	29 557	159 103	32 426	178 822	393 140	4 606 002
Dry Bulk (Metric Tons)									
Dry Bulk: Coal Exports	34 173 382	611 705	-	-	-	-	-	-	34 785 087
Iron Ore Exports	29 744	-	-	-	-	-	-	27 374 205	27 403 949
Manganese Ore Exports	24 300	1 347 911	-	-	3 127 577	-	-	-	4 499 788
Other Dry Bulk	7 233 080	3 725 766	-	57 141	96 334	-	282 716	778 198	12 173 234
Total	41 460 506	5 685 382	-	57 141	3 223 911	-	282 716	28 152 403	78 862 058
Liquid Bulk (Kl)									
Petroleum	115 102	11 708 423	-	58 254	99 038	691 410	529 641	2 359 265	15 561 131
Chemicals	459 600	551 064	-	-	-	-	2 066	-	1 012 730
Other Liquid Bulk	270 138	1 155 664	-	355 548	352 088	408 499	644 390	-	3 186 327
Total	844 840	13 415 151	-	413 802	451 126	1 099 909	1 176 096	2 359 265	19 760 188

End.