

Port for all

SOUTHERN AFRICAN PORTS are currently experiencing unprecedented growth, largely due to increasing demand for raw materials from China and India. That's resulted in port capacity becoming the main constraining factor for exporters. Hence they have commenced the routing of more cargo to Maputo via the recently upgraded CFM railway line and the N4 road network.

In turn, the increasing demand has necessitated the development of new terminals and the upgrading of some existing facilities to cater for the current and future demand, says Alison Briggs, group PR and marketing manager at Grindrod, a co-shareholder in Maputo port.

To date, Grindrod has developed a number of terminals, both on its own and as part of the Maputo Port Development Company (MPDC). The MPDC – which has the concession to rehabilitate and operate

the port of Maputo (partnership between the international terminal operator Dubai Ports World, Grindrod and the government of Mozambique, plus a local partner) – is currently in discussion with Mozambique to extend the current concession to 2033.

Says Briggs: "The lack of sufficient port capacity has limited exporters' ability to secure and maintain long-term supply contracts in competition with other suppliers, such as South America and Australia."

A port master plan setting out the strategy for its future development was completed last year. It provides a framework for berth and channel improvements, development of landside facilities and a review of service corridors and other associated infrastructure.

The port handled 8,03m t last year (2008: 7,6m t), driven primarily by demand for coal, sugar, rice and ferroalloys and ferrochrome. Vessel calls increased to 853 in 2009 compared with 779 in 2008 – an increase of 9,5% during times when other ports worldwide have recorded a substantial drop in shipping volumes.

Grindrod's current investment in the port consists of the Bulk Coal Handling Terminal facility, handling export magnetite and coal from mines in SA's Mpumalanga province.

At full expansion the terminal will handle up to 16m t of cargo. The shorter road and rail distance from the mines to the port provides it with a competitive advantage and allows some marginal mines access to export markets.

The proximity to Gauteng also allows the port the ability to offer original equipment manufacturers who import/export vehicles an alternative to SA's ports. Modern export facilities have also been developed for its chrome ore and ferro alloy customers located in Mpumalanga, thereby reducing the overall logistics cost to the port.

The growth in cargo volumes also demands larger parcel sizes and bigger vessels, which in turn necessitate a deeper channel. Channel dredging is scheduled for completion year-end 2010. The deepened channel will also lead to a higher frequency of shipping services and greater access to markets for importers and exporters. ■