

PORT EXPANSION: HOW TO SURVIVE IN A RAPID GROWING ENVIRONMENT

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AT MPDC – MAPUTO PORT**

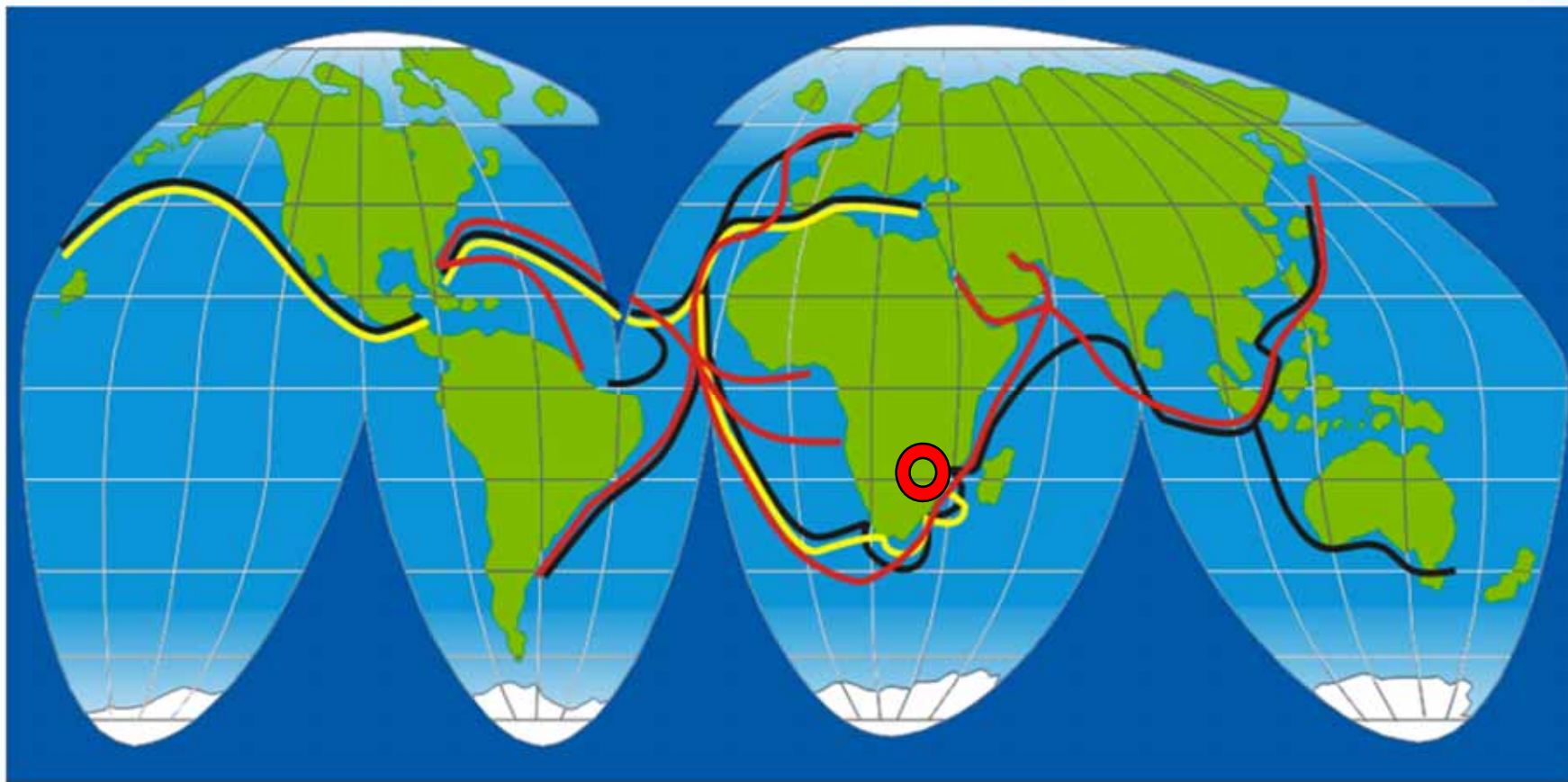
2014

Location & Overview



1.2

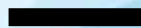
From a macro perspective, the port of Maputo is well placed along the major shipping routes



CRUDE OIL



RAW MATERIALS



CEREALS, FRUITS, FOOD PRODUCTS



1.3 Maputo serves a regional hinterland of other African countries



Ports in Mozambique



- The Port of Maputo is situated in the southern region of the country
- The Port is the biggest and busiest Port in Mozambique
- The Geographical location of the port makes it an attractive alternative option for export business from South African companies

Geographical advantage

	Maputo	Richards Bay	Durban
Comparative road distances			
Johannesburg (SA)	555	640	780
Witbank (SA)	395	622	533
Nelspruit (SA)	180	689	585
Comparative rail distances			
Witbank (SA)	437	819	627
Polokwane (SA)	550	935	802
Gweru (Zim)	967	1764	1684
Bulawayo (Zim)	1083	1880	1800
Matsapa (Swa)	228	544	371

- Closest Port to Gauteng industrial hub, as well as Limpopo & Mpumalanga mining regions
- Excellent connectivity to Zimbabwe & Zambia
- New customs tariff regime reduces cost of transit export from neighbouring countries

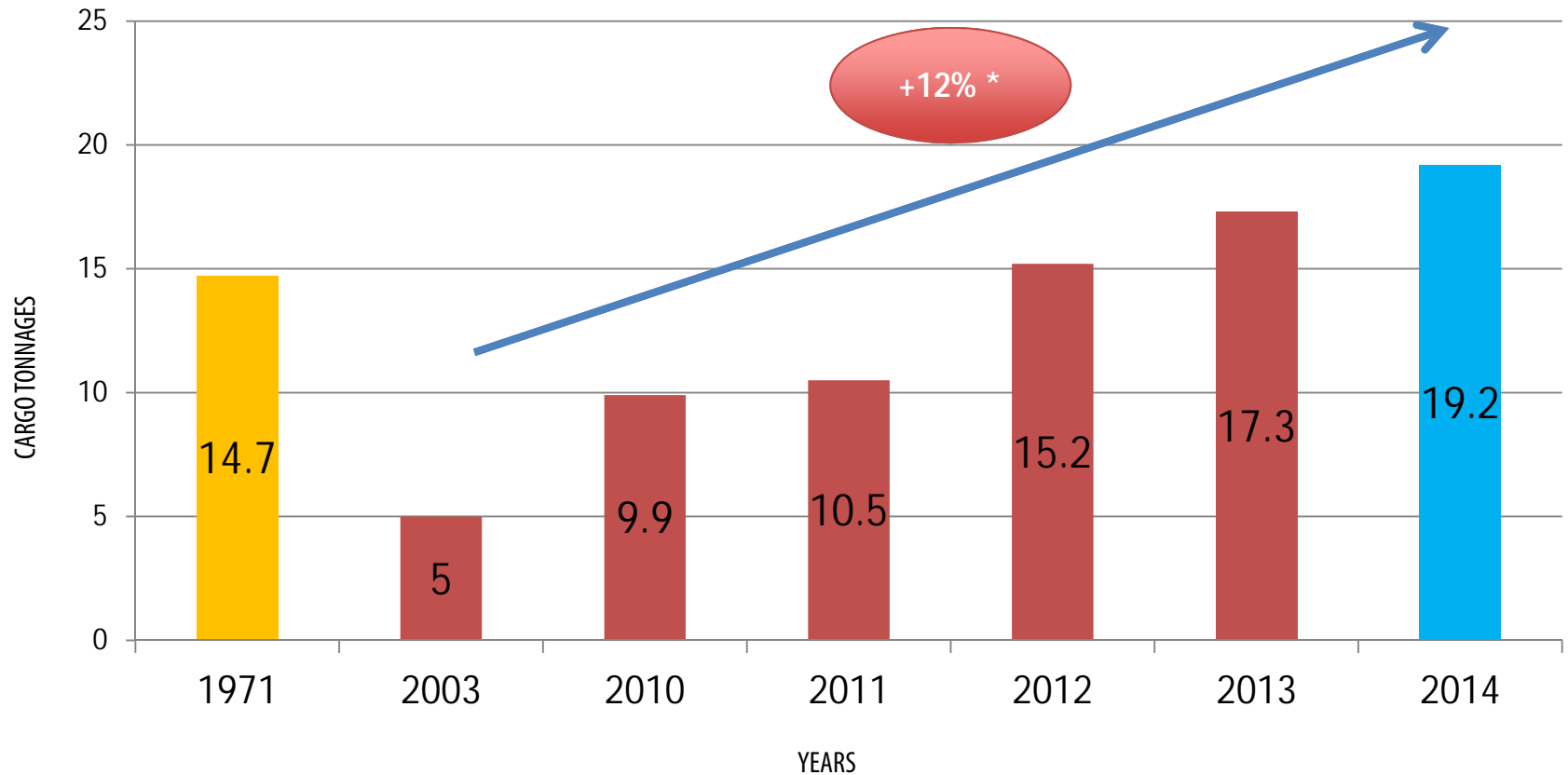
Rail Corridors



About MPDC Concession Information

- MPDC has the concession rights to operate the Port of Maputo and the approved ***concession period ends in 2033*** with an option to extend for a further 10 years
- The ***total concession area is 140.6 ha*** with an additional 5 500 ha being available for expansion
- An ***approved Port Master Plan is in place*** to ensures that growth initiatives are implemented in a planned and structured manner
- A ***Rail Master Plan have been developed*** to enable the growth initiatives contained in the Port Master Plan

Historical Volume Growth



2003-2013 → 246% GROWTH

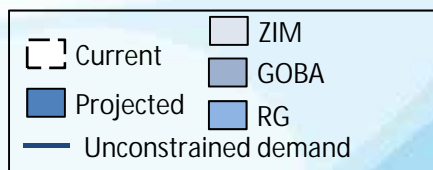
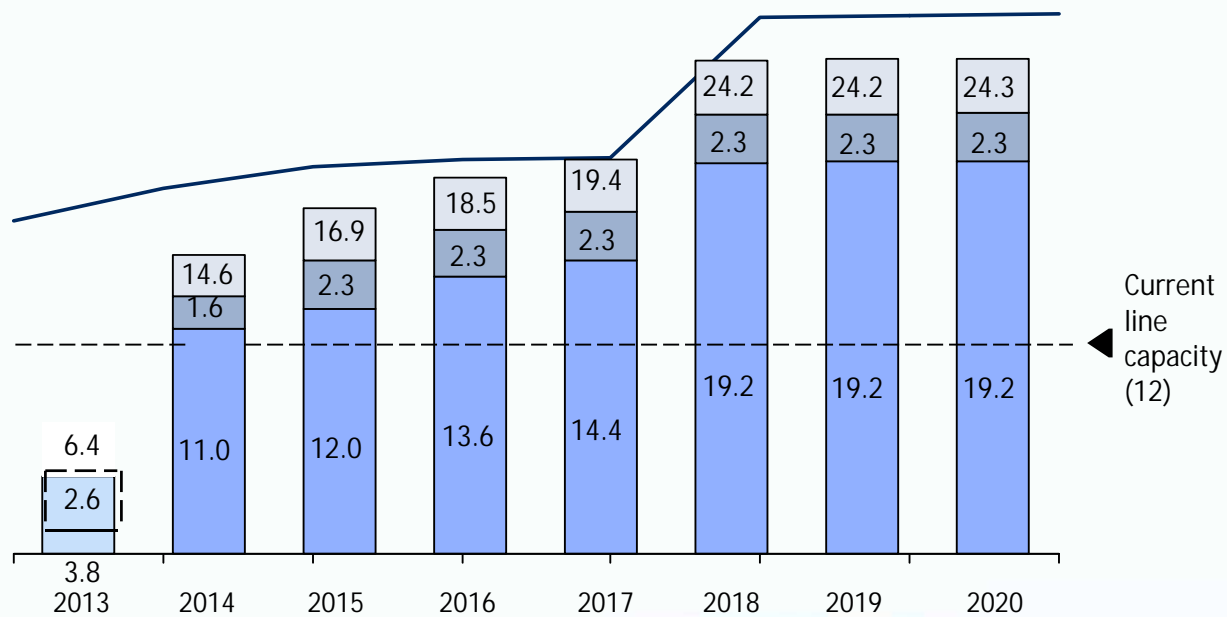
* CAG – Compounded Average Growth

The challenge and the Strategy



2.1

A look at the past – In 2012



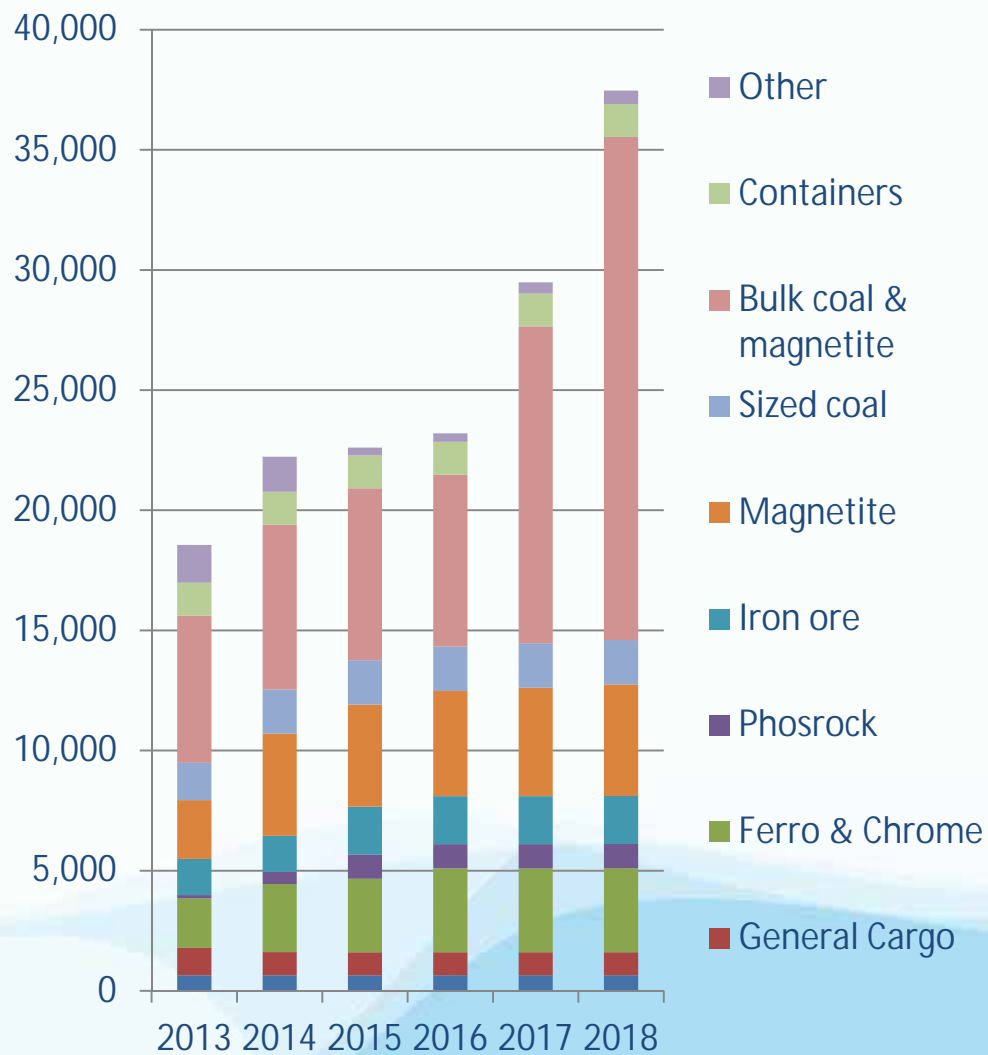
- A market opportunity for Coal, Magnetite, Ferrochrome, Chrome, Containers and Sized Coal was identified;
- It was defined an aggressive marketing strategy, within the 5-year strategy;

BUT

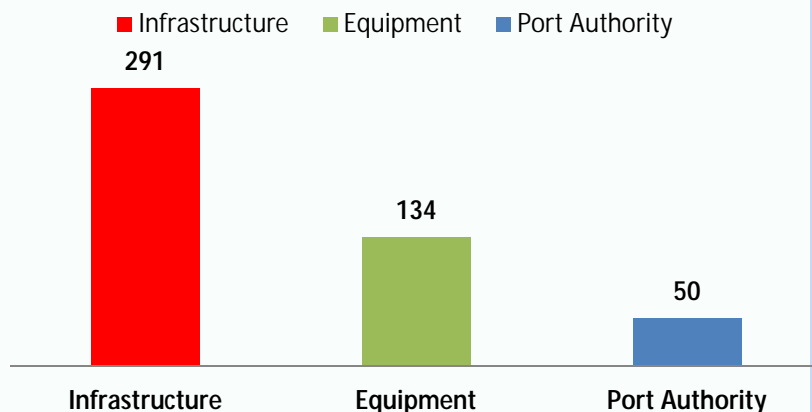
- Demand exceeded capacity, so providing additional capacity meant infrastructure works.

Forecasted Growth

Volume Total



Investments 2003 - 2013 (US \$ Millions)



- At the beginning of the concession period, MPDC forecasted an investment of **US\$ 56m**.
- After 11 years (2013), a **total of US\$ 475m** were invested in the port.
- The current Port Master Plan includes **additional investment plans of US\$ 2.0 billion** by MPDC and its sub-concessionnaires (until 2033).

A closer look at the investments



Car Terminal Expansion

- Previous capacity: 52.000 units
- Current capacity: 202.000 units
- Total Area at present: 48,143m²



Chrome Terminal Expansion – Ferrochrome and Chrome Ore

- Previous capacity: 1,1 m/tons
- Current capacity: 2.3 m/tons





New Chrome Terminal – Chrome Fines & Concentrate

Chrome Concentrate

- Additional capacity provided: 0,7 m/tons (16 000 m²)
- Future additional capacity : 1.5 m/tons (28 000 m²)





Magnetite Terminal

- Current capacity: 2.8 million tons
- Future capacity: 3.5 million tons





New Container Depot - MICD



- Warehouse 8 000 m²
- Empty container stack area: 2 000 TEU's
- Full containers stack area: 300 TEU's
- Bulk stack area : 9 000m²

Container Terminal



- Current capacity: 150 000Teu's
- Future capacity: 300 000Teu's





TCM – Matola Coal

- Current capacity: 7.5 million tons
- Future capacity: 20 million tons





Sugar Terminal



- Current capacity: 1.2 m/tons
- Future capacity: 1,7 m/tons



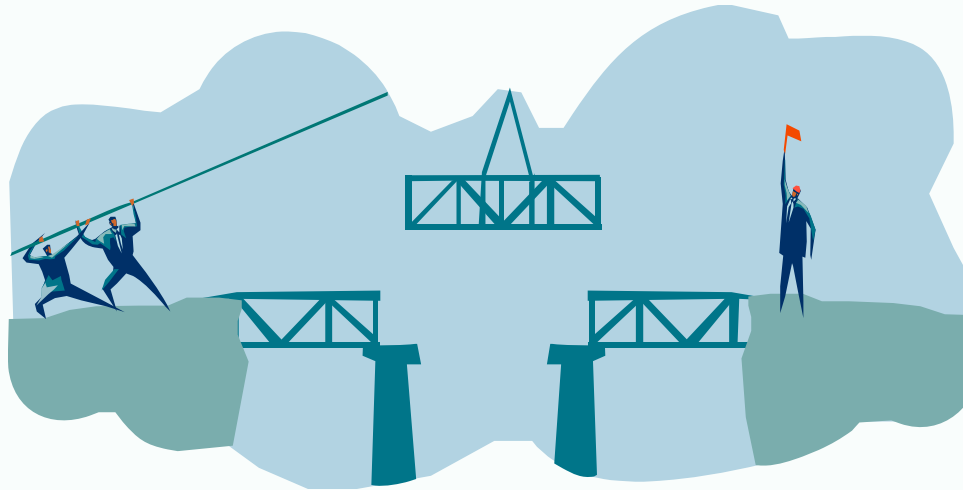
Strategies to cope with a rapid growing environment



OUR JOURNEY.....

2013

Historic Record –
17.2 million tons



2020

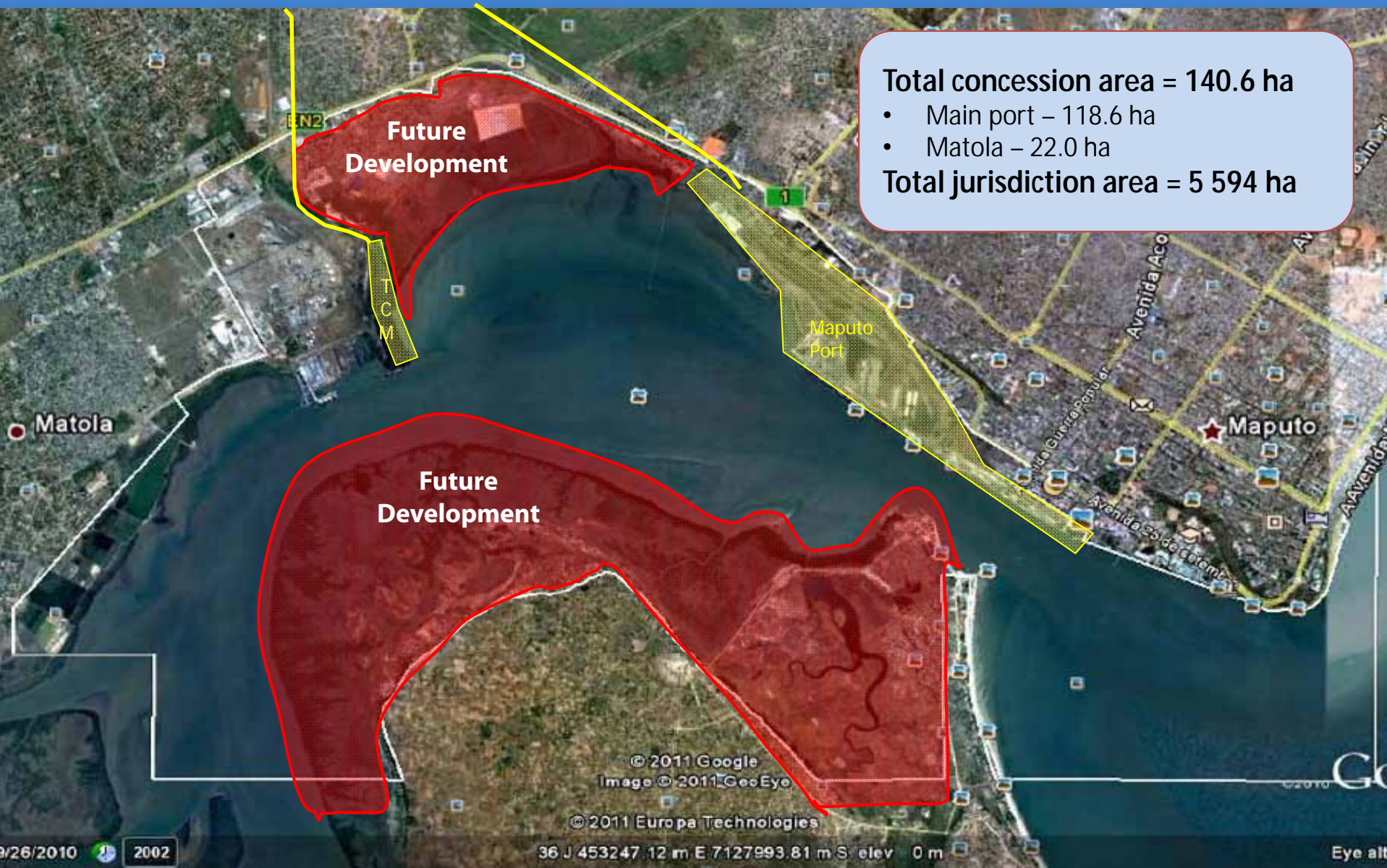
Future target –
40 million tons

2012 – 2013 – 2014 – 2015 – 2016 – 2017 – 2018 – 2019 – 2020.....



UNDERPINNED BY AN AGGRESSIVE STRATEGY & SOUND GROWTH INITIATIVES

Jurisdiction area earmarked for future development



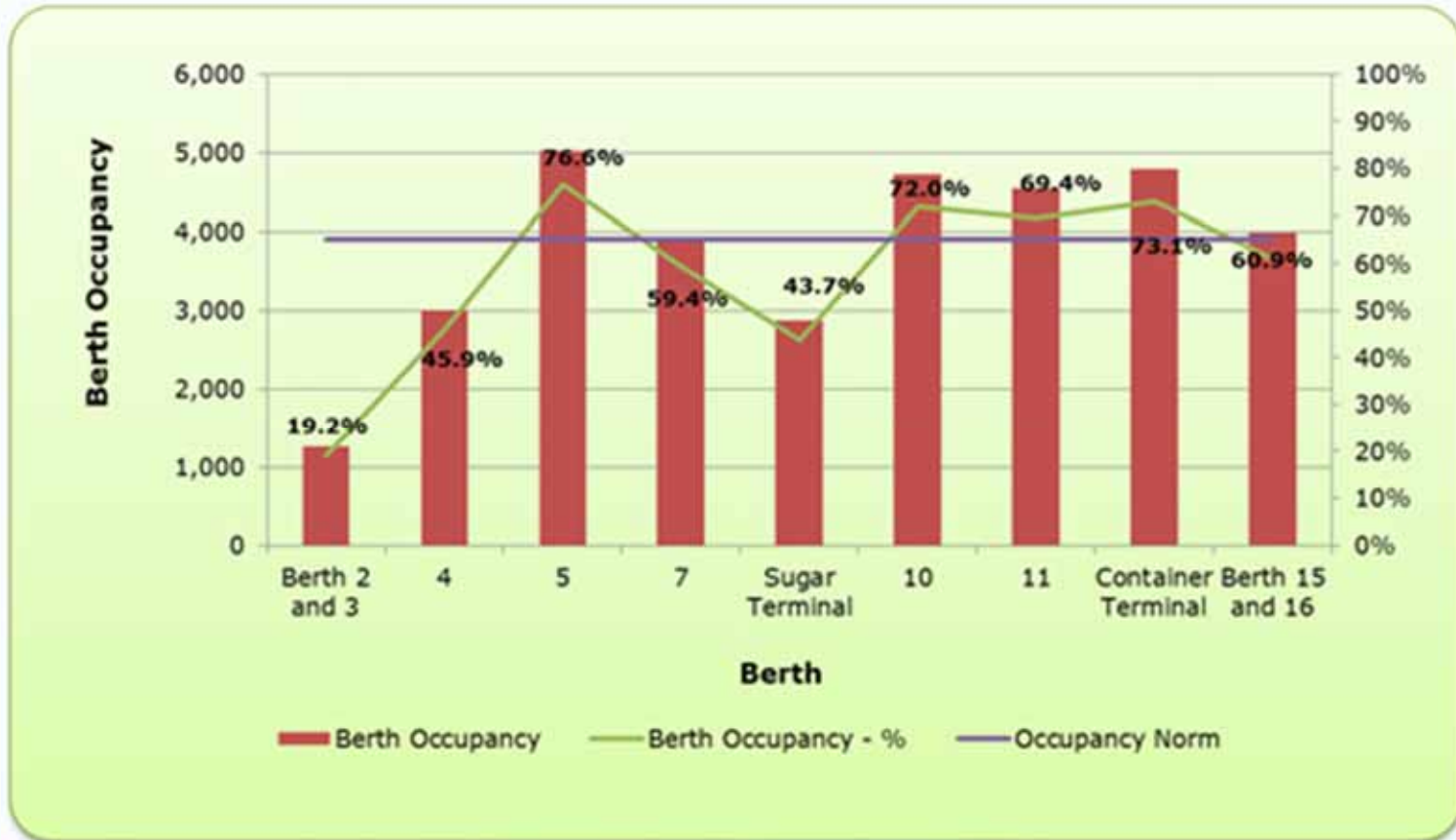
Total concession area = 140.6 ha

- Main port – 118.6 ha
- Matola – 22.0 ha

Total jurisdiction area = 5 594 ha

4.1

Berth occupancy



4.2

Ensuring cargo flow

- Other landside and waterside infrastructures:
 - ✓ Road rehabilitation
 - ✓ Berth rehabilitation
 - ✓ Gate expansion
 - ✓ Focus on efficiency
- Engaging with customers and understanding their own expansion plans
- No long term storage
- Working closely with rail, establish strong partnerships
 - ✓ Maputo Corridor JOC
 - ✓ Rail/Port Joint Committees
 - ✓ Government support
- Understanding the supply chain, partnering with other regional ports
 - ✓ MoU with TNPA
- Investment in equipment (waterside and landside) and extensive training program

Way forward – 2015/2016

• INFRASTRUCTURE:

- ✓ Dredging of berths (maintenance)
- ✓ Channel Dredging -14m
- ✓ Car Terminal Phase 3
- ✓ New Northern Boundary Road
- ✓ New Wind & Dust barriers
- ✓ Phase 5 Chrome Slab
- ✓ Container terminal expansion
 - New Rail terminal

• EQUIPMENT:

- ✓ 2 X Mobile Harbour Cranes
- ✓ 2 x back-actors
- ✓ 2 x Excavators
- ✓ Forklift replacement
- ✓ Automated cargo systems



INVESTMENT = US\$ 355 MILLION

4.4 Initiatives planned for 2016 to 2020

- **INFRASTRUCTURE:**

- ✓ Matola Coal Terminal Expansion - Phase 4
- ✓ Container terminal expansion
 - Additional yard capacity
- ✓ Definitive bulk terminal
- ✓ Rehabilitation of arrival/departure rail yard
- ✓ Internal rail shunting model
- ✓ Sugar Terminal Expansion

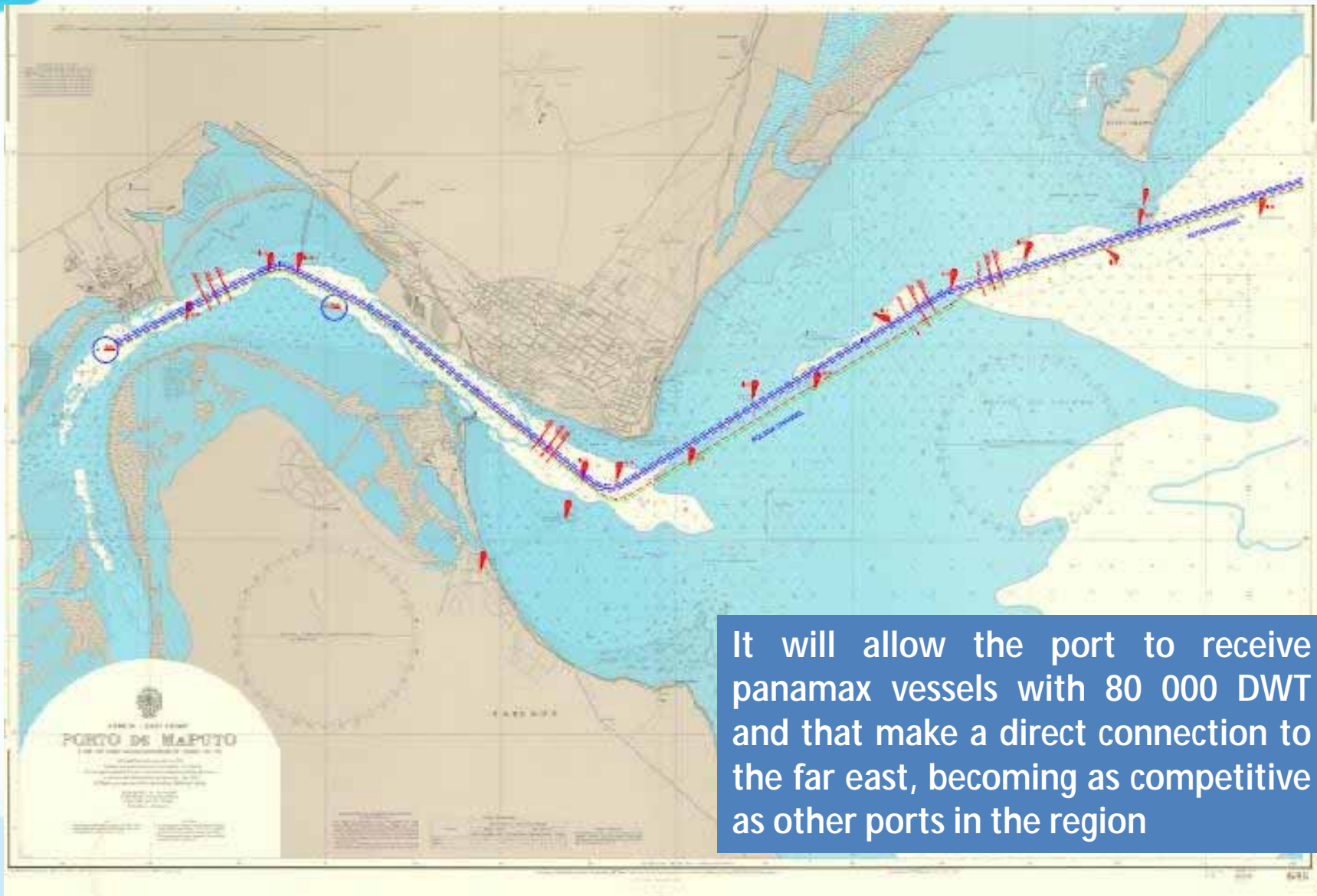
- **EQUIPMENT:**

- ✓ Mobile Ship Loaders
- ✓ Link belts for stockpile area
- ✓ 2 x Back-actors
- ✓ 12 x tractor trailers
- ✓ 24 x skips



INVESTMENT = US\$ 328 MILLION

4.5 Channel dredging to -14m CD



It will allow the port to receive panamax vessels with 80 000 DWT and that make a direct connection to the far east, becoming as competitive as other ports in the region

4.6 Future Port layout

Current layout



Layout in 2015





Expansion of Coal and Magnetite Terminal (TCM)

4.8

Northern Boundary Road



- Port traffic management
- Length: 2.5Km
- **Investment: US\$ 6m**

Efficiency Improvement Initiatives



The Mobile Cranes will deliver a loading rate of 1 000 tons per hour



4.10

A change you can see

JANUARY 2004

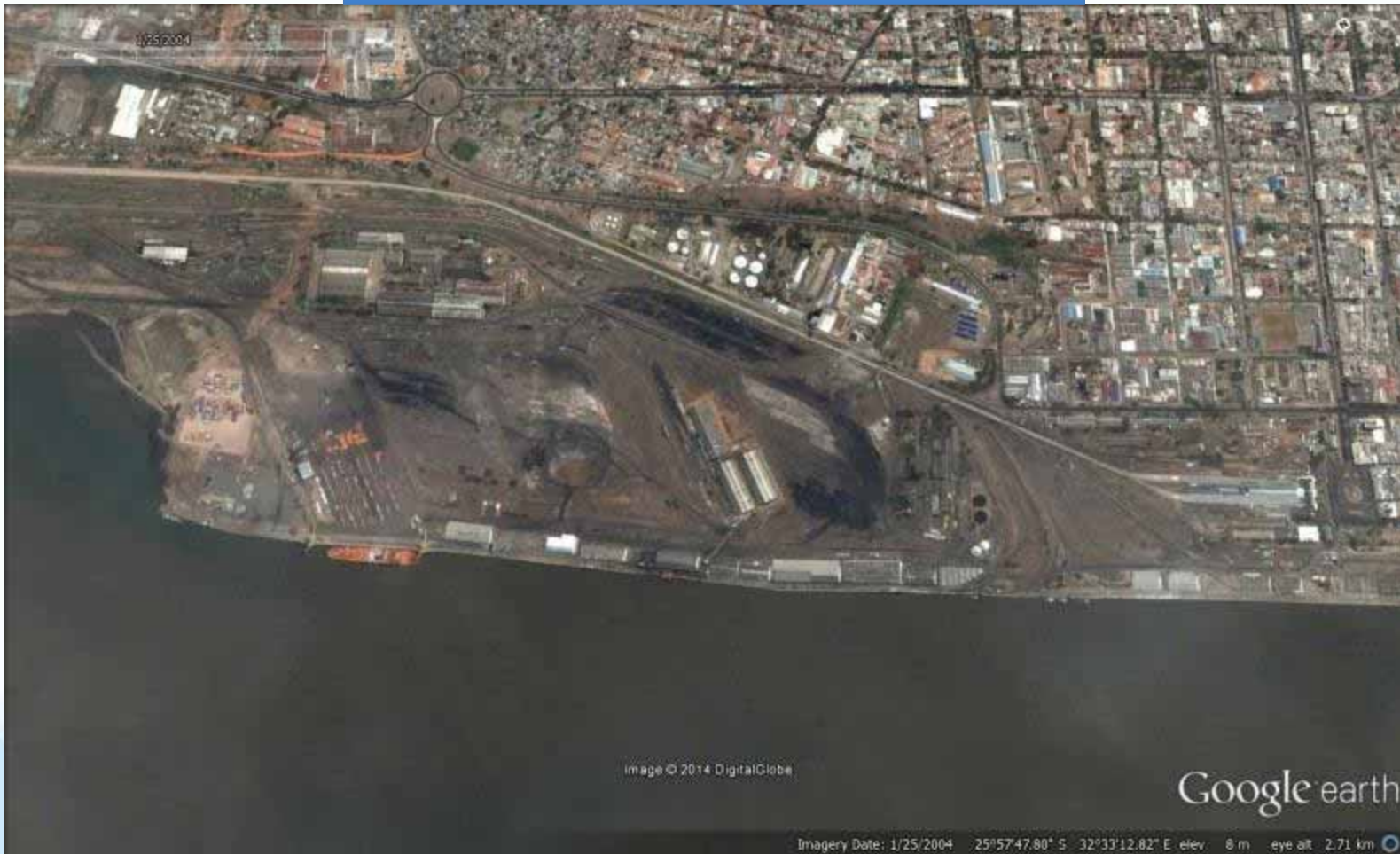


Image © 2014 DigitalGlobe

Google earth

Imagery Date: 1/25/2004 25°57'47.80" S 32°33'12.82" E elev. 8 m eye alt. 2.71 km



4.11

A change you can see

OCTOBER 2014





***Our journey
continues....***

Muito Obrigado!