



THE NECESSITY OF COOPERATION BETWEEN REGIONAL AND GLOBAL PORTS

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Maritime & Transport Business Solutions (MTBS)

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1. INTRODUCTION TO MTBS

Port sector specialists with three strong focus areas



Port Finance
International

The logo for Port Finance International is contained within a light blue circular frame. The text 'Port Finance International' is centered in a bold, black, sans-serif font, with horizontal lines above and below it. Below the main text, 'an MTBS company' is written in a smaller, black, sans-serif font.

an MTBS company

Training & Summits



mtbs

The logo for mtbs is contained within a medium blue circular frame. The text 'mtbs' is in a bold, dark blue, sans-serif font. To the right of the text is a semi-circular arrangement of ten orange dots.

Finance & Strategy



mtbs
m&a

The logo for mtbs m&a is contained within a dark blue circular frame. The text 'mtbs' is in a bold, dark blue, sans-serif font, and 'm&a' is in a smaller, teal, sans-serif font below it. To the right of the text is a semi-circular arrangement of ten teal dots.

Mergers & Acquisitions

1. INTRODUCTION TO MTBS

Our Mission: Unlocking Value in the Maritime & Transport Industry

On the interface of land and water, positioned between public and private interests, ports are the most strategic nodes in global transport network. Therefore, MTBS believes that ports offer a unique value proposition. It is the mission of MTBS to unlock and protect this value by offering its clients entrepreneurial business solutions and creating the quality profits they seek.

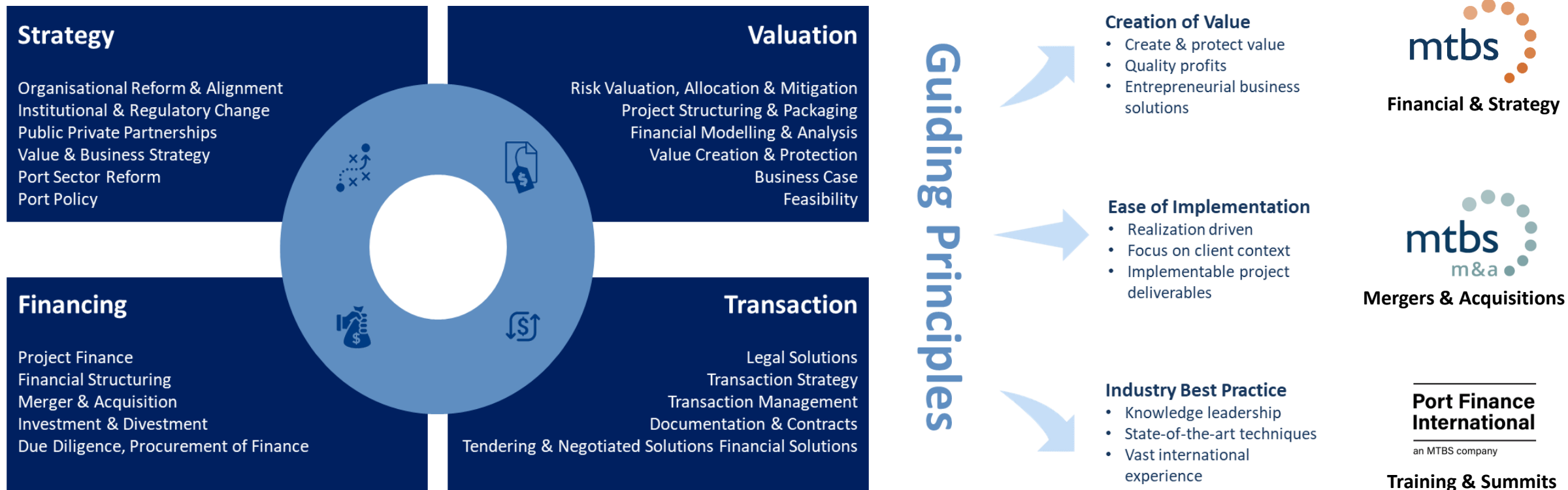


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2. THE INDIAN OCEAN REGION

In contrast to the smaller Indian Ocean Islands, the ports in South Africa and Mozambique serve large hinterlands and populations.

- The African Indian Ocean Islands include the Seychelles, the Comoros, La Réunion, and Mauritius.
- Trade in the IOIs is dependent on the Southern African mainland due to its larger markets and connectivity by land.
- The region is strategically located along major trade routes.
- The largest country in the region, by area and population, is South Africa.

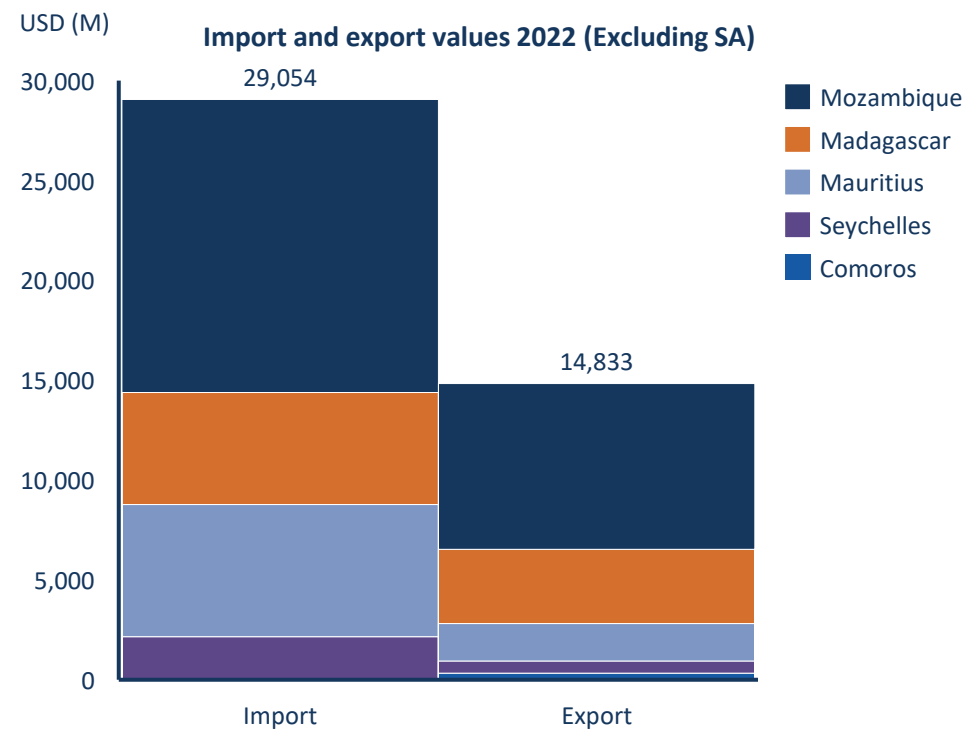
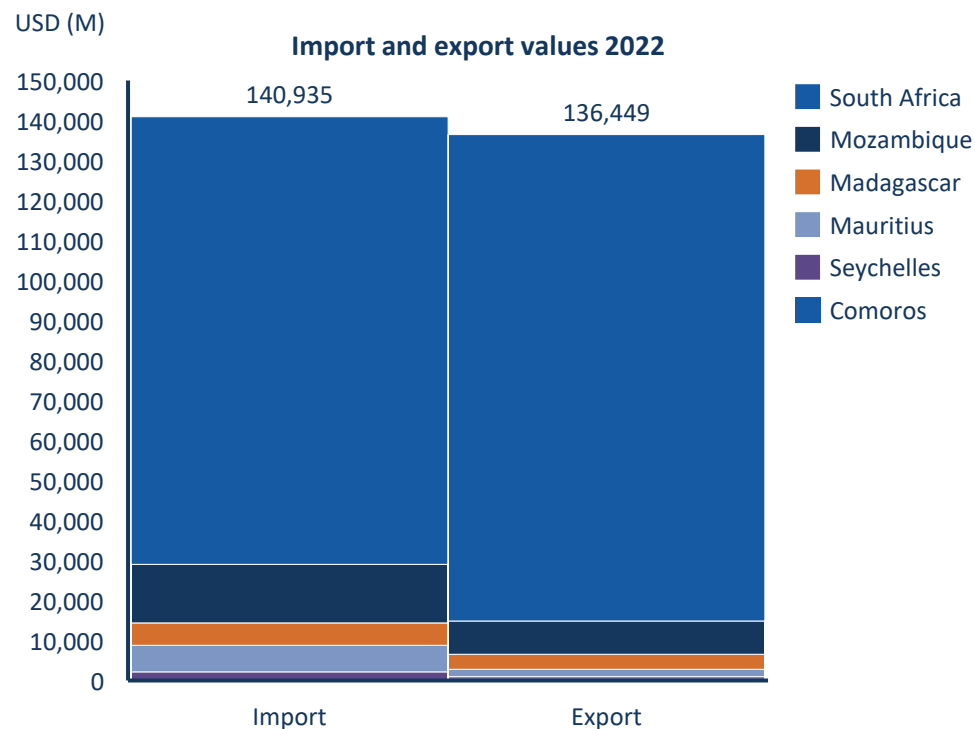
Country/Region	Population 2023 ('000)
South Africa	63,212
Mozambique	33,635
Madagascar	31,196
Mauritius	1,261
La Réunion	851
Comoros	850
Seychelles	119



2. THE INDIAN OCEAN REGION

South Africa is the largest country by import as well as export. It is the only country in the region with a positive trade balance.

- The export value in the region was **\$140B in 2022**.
- South Africa was responsible for more than 75% of exports.
- Of these countries, only South Africa has a positive trade balance.
- This is mainly due to its large number of natural resources.



2. THE INDIAN OCEAN REGION

Mauritius is a net importing country. The largest export products by value are clothing, fish, and sugar. In addition, Port Louis serves as a major transshipment hub in the region.

GDP

- Mauritius has the largest GDP per capita in the region.
- GDP grew with a CAGR of 4.0% in the period 2014-2024.

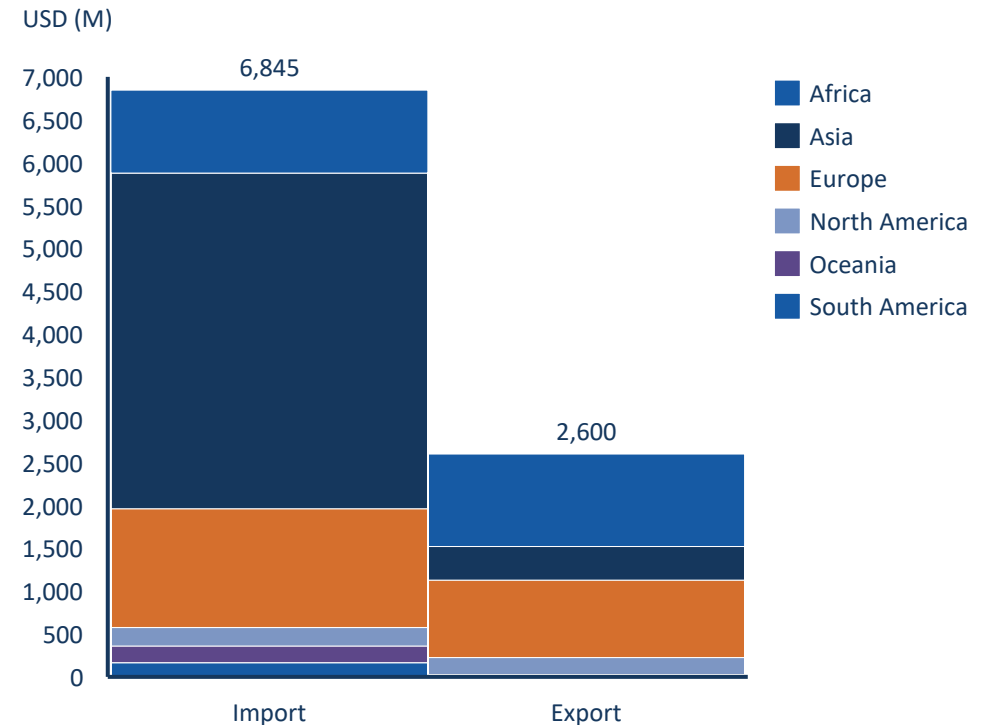
Exports

- In 2022, Mauritius exported \$2.6B of products. 20% of this is related to the clothing industry, while about 10% share is held by fishing products and sugar each.
- The largest importers of products from Mauritius were Zimbabwe, South Africa, France, the UK, Madagascar, Mozambique, and Spain.

Imports

- Import in 2022 were valued at \$6.9B. The largest contributors were fuels (oil, coal). Of the imports, more than half originated from Asia.
- Of the South African imports, more than 46% consists of coal.

Import and export values by continent to and from Mauritius 2022

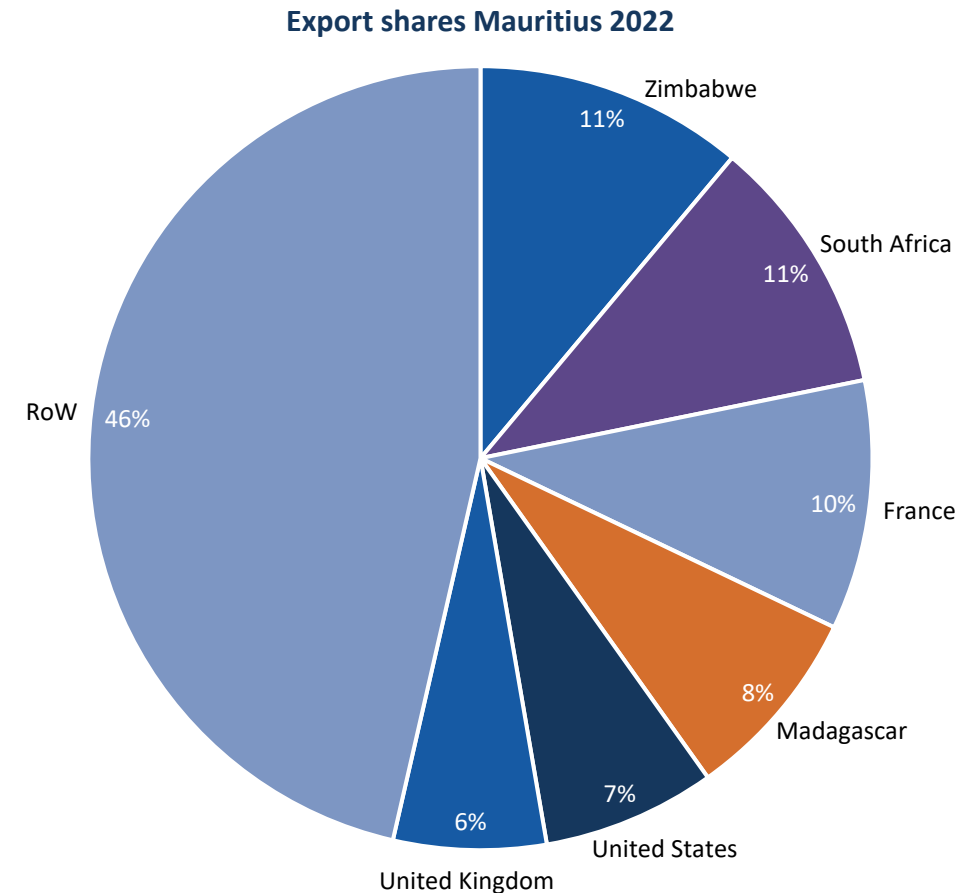


Sources: World Economics Journal, Observatory of Economic Complexity (OEC)

2. MAURITIUS

Mauritius' biggest export partners by value are Zimbabwe, South Africa, and France. Together, they receive over 30% of the country's exports.

- In 2022, a total of \$288M was exported to Zimbabwe, making it the biggest client for fertilizers and paper products from Mauritius.
- South Africa received \$277M of exported products in the same year.
- More than 70% of this consisted of fabrics and clothing.
- France received a wide array of products. This includes clothing, medical instruments, jewellery, sugar, and watch parts.
- Fish and crustaceans, good for more than 10% of exports, were frozen and almost exclusively exported to Europe.
- South Africa, Madagascar, Reunion Island, Kenya, and Seychelles are now in top 10 export partners, indicating increasing importance of regional market.

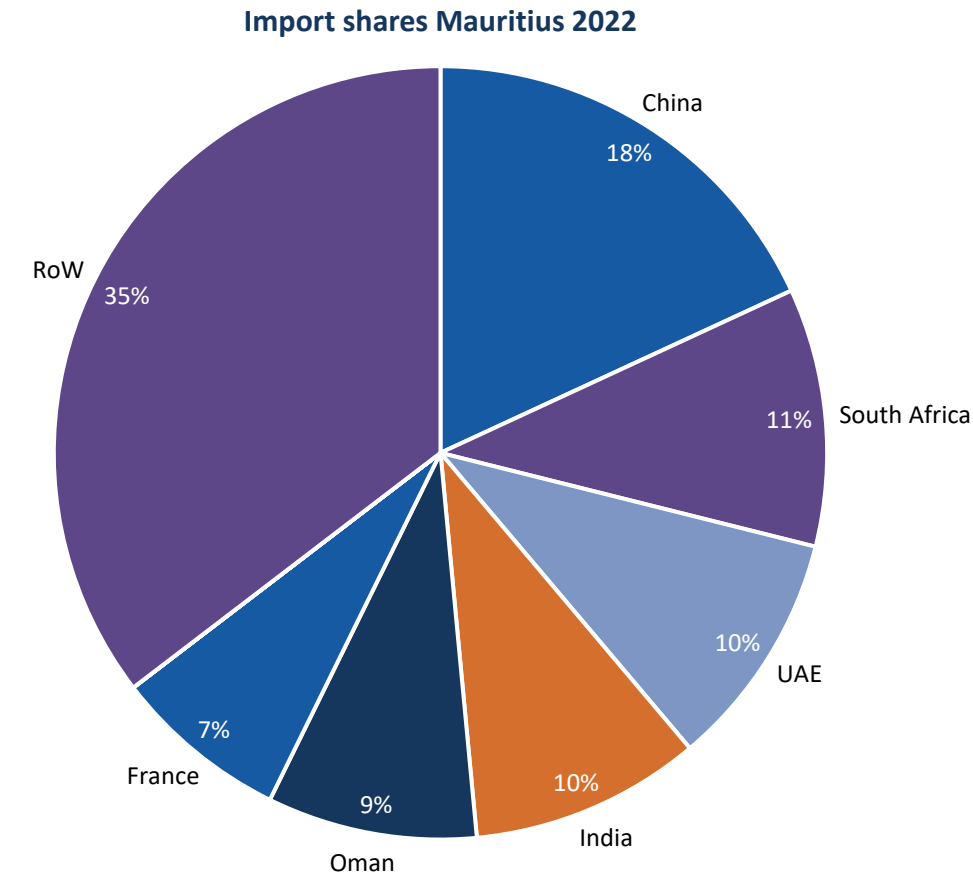


Source: Observatory of Economic Complexity,
Mauritius Chamber of Commerce and Industry

2. MAURITIUS

Mauritius imports most products from China, South Africa, and the UAE. This includes most of the fuels needed to power the local industry, as well as parts and materials for local industry.

- Limited national resources make Mauritius dependent on imports.
- Total value of imports were \$6.9B in 2022.
- China provides mostly electronics, appliances, machined parts, and steel.
- Refined petroleum from UAE and Oman.
- South Africa delivers all coal to Mauritius. This is essential to meet energy needs and keep prices low.
- These imports are likely to decrease, as Mauritius aims to source 60% of its energy from renewables by 2030.



Source: *Observatory of Economic Complexity*,
International Trade Administration

2. THE INDIAN OCEAN REGION

Major shipping routes pass Port Louis and Pointe des Galets, from where transshipment takes place to the smaller regional ports following the hub and spoke model.

Major trade line: Shaka Express 2

- 9 vessels
- Weekly frequency
- 63 day Round trip



Transshipment line: Indian Ocean Feeder 1

- 1 vessel
- 15 day round trip

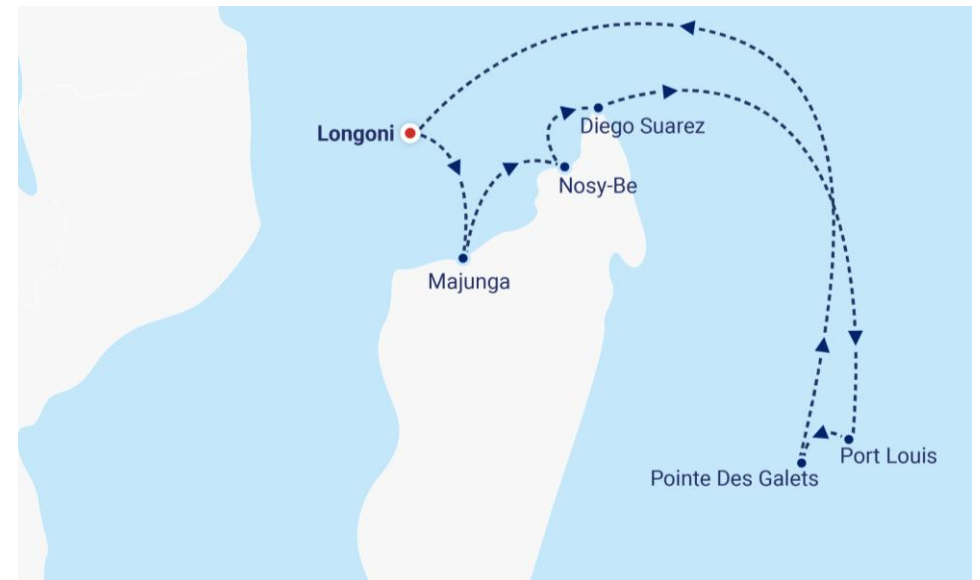


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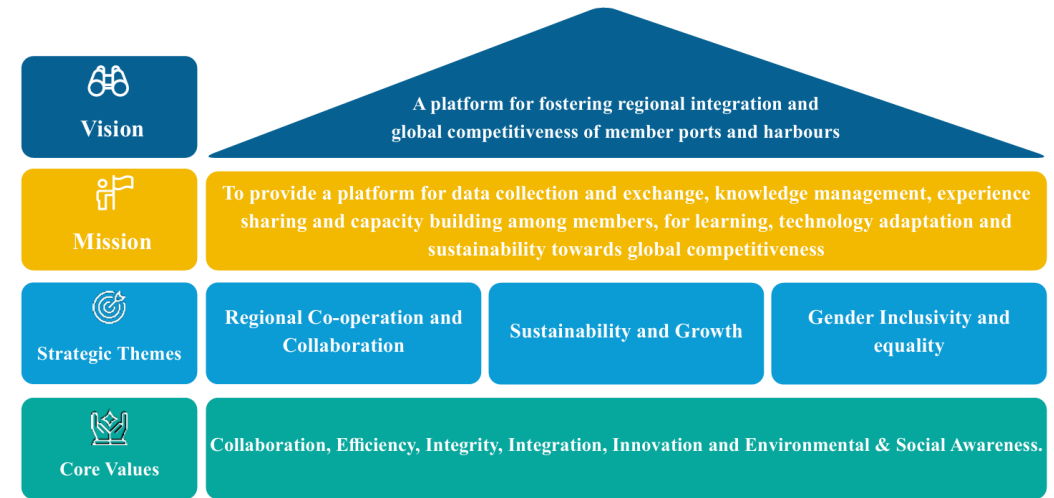
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3. THE INDIAN OCEAN REGION HAS A NUMBER OF REGIONAL & GLOBAL ASSOCIATIONS

As member states of PMAESA, focus is already on improved cooperation between regional ports. This cooperation should foster regional integration and global competitiveness.

- The IOIs, as well as SA and Mozambique, are members of PMAESA.
- Goal is to create a platform for fostering regional integration and global competitiveness, focussing on:
 - Co-operation and collaboration
 - Sustainability and growth
 - Gender inclusivity and equality
- Doing so through knowledge sharing and shared strategies.
- Major activities 2024-2028 strategic plan:
 - Implementation of green port toolkit
 - Strategy for green port development
 - African Ports Connectivity Portal



THERE ARE OTHER INTERGOVERNMENTAL MARITIME RELATED ORGANISATIONS

Each of the organisations and associations are playing critical roles



- IORA originated during a visit by late President Nelson Mandela of South Africa to India in 1995.
- Six priority areas of which one is Maritime Security & Safety



- To improve relations between cities and ports by promoting dialogue and cooperation.
- Members include local, regional or national authorities, private enterprises, ports, but also universities or architectural firms.



- The Association of the Ports of the Indian Ocean Islands (APIOI), was created on 8 May 2007 in Toamasina (Madagascar) with the aim of establishing a dynamic of cooperation between the ports of the Indian Ocean region.
- The objective was to better defend their common interests and to jointly reflect on the challenges and opportunities they face.

THERE ARE SEVERAL AREAS OF POTENTIAL COOPERATION AMONGST PORTS

Could be regional or Global . . .



PORT PAIRING

- Regional port partnering
- Training & development
- Sharing of best practices



GREEN TRANSITION

- Sharing of Technological developments to facilitate the Green transition
- Common Legislative targets



TECHNOLOGICAL

- Accelerated technological innovations
- Decreased cost of technology implementation



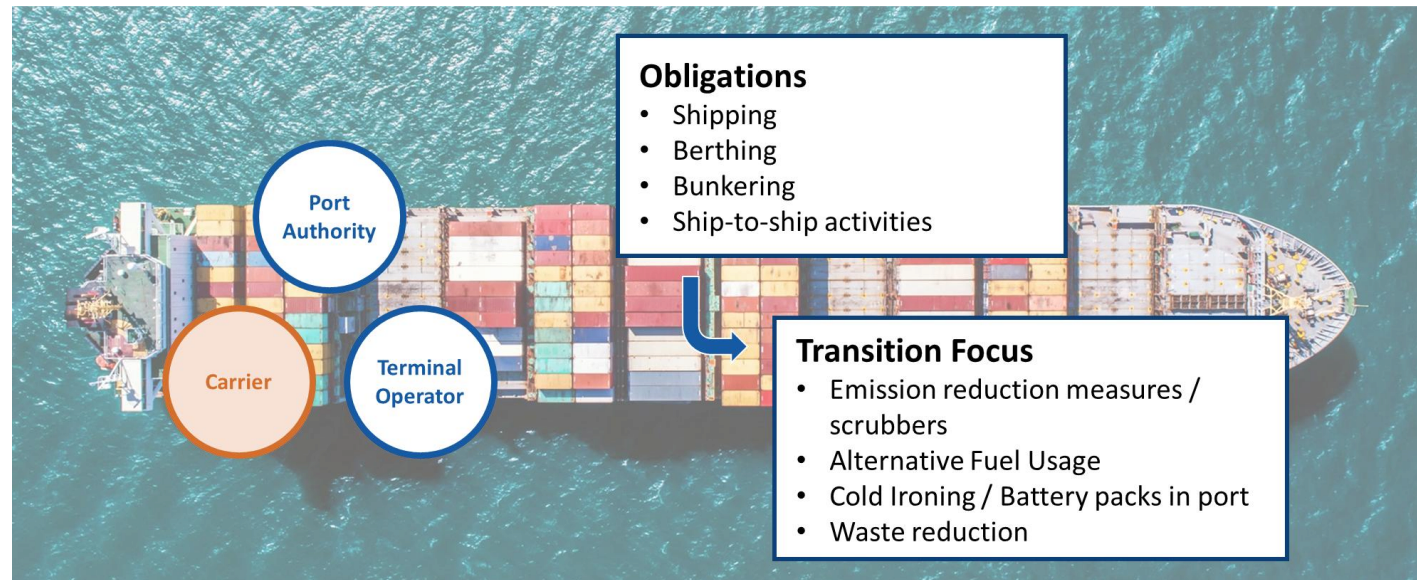
STRATEGIC CORRIDORS

- Deployment of Gov owned ships in Strategic trade lanes



COOPERATING TO ACHIEVE A GREEN TRANSITION

Every stakeholder in the maritime environment has a green responsibility



Climate Change related to port infrastructure in developing nations

MTBS has been requested by IAPH to write a study on the need and potential for climate change related port infrastructure in developing nations

Report cover



Objectives of the study

1. Provide insight into the size of the climate change issue for ports in developing countries
2. Provide insight into the port investment needs and sourcing of developing countries
3. Provide insights into potential ways forward to support a just transition for developing ports



<https://bit.ly/4dchRMH>

Thank You

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