

Port of Saldanha's New LPG Terminal Launched

[Saldanha, South Africa, 13 September 2017] A new open-access liquefied petroleum gas (LPG) plant has been opened at the Port of Saldanha on the West Coast of South Africa and will aid in increasing the use of environmentally-friendly and affordable LPG in the national energy mix.

Transnet National Ports Authority (TNPA) awarded Sunrise Energy a 30-year concession – including planning and construction – in 2013 to build and operate the LPG terminal.

Sunrise Energy is a partnership between the South African private and public sectors. It is 60% owned by Mining, Oil & Gas Services (MOGS), a subsidiary of Royal Bafokeng Holdings, and 31% by the Industrial Development Corporation.

Saldanha Port Manager Vernal Jones said: "This investment of R1.09 billion will create broader LPG access in the Western Cape. The terminal will boost the capacity of existing LPG distributors as well as enable the entry of new small, medium-sized and microenterprises, who have had restricted access to the market because of supply constraints and lack of access to enabling infrastructure."

Jones said TNPA's awarding of this contract to a black owned company speaks strongly to Transnet's commitment to its Market Demand Strategy (MDS) and the vision of the South African government's Operation Phakisa programme of creating capacity ahead of demand and unlocking South Africa's oceans economy.

Partnerships between South Africa's state-owned port authority and the private sector emanate from Section 56 of the National Ports Act, which mandates TNPA as landlord and ports master planner, to contract with private terminal operators to design, construct, rehabilitate, develop, finance, maintain and operate port terminals or facilities.

The facility comprises a 10.9 hectare landside terminal and waterside multi-buoy mooring connected via a three kilometer subsea and over-land pipeline.

Phase 1 of the terminal entails five tanks with 5,500 tonnes of storage, allowing for a monthly capacity of 17,500 tonnes of LPG. Construction of Phase 1 was completed on schedule and a trial shipment was handled at the terminal at the end of May 2017.

Phases 2 and 3 of the project will see modular expansion that will enable the terminal to meet regional LPG supply demands for the next 27 years.

More than 1000 indirect jobs have been created to date through the project including 31 permanent positions.

Energy is recognised as one of the key commodities in driving economic growth in South Africa.

The Sunrise Energy Terminal is poised to become the country's largest such facility for handling both imports and exports of LPG.

Earlier this month TNPA's 24-year concession awarded to black-empowered Burgan Cape Terminals saw a new independent fuel storage, distribution and loading facility become fully operational at the Port of Cape Town.

Ends

About Transnet National Ports Authority

Transnet National Ports Authority (TNPA) is one of five operating divisions of Transnet SOC Ltd. The National Ports Authority is responsible for the safe, effective and efficient economic functioning of the national port system, which it manages in a landlord capacity. It provides port infrastructure and marine services at the eight commercial seaports in South Africa – Richards Bay, Durban, Saldanha, Cape Town, Port Elizabeth, East London, Mossel Bay and Ngqura. It operates within a legislative and regulatory environment and is governed by the National Ports Act (Act No. 12 of 2005). For more information visit www.transnetnationalportsauthority.net.

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