



WHAT MALEMA VICTORY MEANS/4



PREMIERSHIP: THE FULL FIXTURES LIST/29

SHASHI'S DURBAN DELIGHTS



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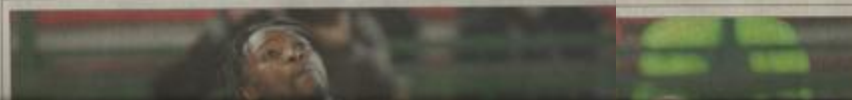
LOTTO PLUS/2

R14 including VAT

ALL SET FOR SUPER PORT

Final hurdle is Acsa demanding more money for old airport site

- R100bn investment plan
- 60 000 new jobs promised
- Construction to start in 2015



THAT DOES IT FOR US

The project, which will have job creation and economic spin-offs, has been hailed as a major coup for Durban and KZN. As many as 60 000 jobs will be created during the construction and operation phases, as well as from port-related industries.

Following reports this week that Transnet had a budget of R1.5bn for the airport property, the Tribune has established that the parastatal and the Airports Company South Africa (Acsa) are in final negotiations over the land - with money the stumbling block.

"Transnet has an amount they are prepared to pay, but this isn't what Acsa wants. I think that once Transnet draws its line in the sand, given the government's desire for the project, Acsa will find it very difficult to up the price," a source said.

The Tribune understands Acsa wants between R2bn and R3bn for the 638ha site, considerably more than the R1.5bn Transnet chief executive Brian Molefe told a parliamentary portfolio committee the parastatal had budgeted.

Acsa spokesman Solomon Makgale intimated that money was an issue. "Throughout the discussions, we indicated to Transnet our willingness for them to have first option on the property - but at the right price. The negotiated price must reflect a fair value for a large tract of land in Durban's South Basin, which is a rare commodity. The reported figure of R1.5bn that Transnet has supposedly set aside is not in line with the independent valuations we have received.

Valuations

"Any price for the land will be subject to negotiation and agreement between Acsa and a potential purchaser on the fair market value. In the property business, the outcome of negotiations of such a sensitive and strategic nature may only be made public once a deal has been struck," he said.

It is clear that various government departments are determined to see the deal go through.

Transport department director-general George Mahlalela confirmed they wanted the announcement made at the festival, which will be attended by ministers Malusi Gigaba (public enterprises), S'bu Ndebele (transport) and Rob Davis (trade and industry).

If it doesn't happen, a final deadline of a month later has been set.

"The instruction from us is that

of the project will be completed by all 2037," he said.

Gigaba said the project could cost as much as R100bn over the next 30 years, but it would be money well spent.

"The contribution to the economy is expected to be significant during the construction and operational phases. Durban is the busiest port in the southern hemisphere and a key gateway for imports and exports.

Capacity

"In the next 30 years, the Port of Durban will require significant addition of capacity in order to meet the growing market demand and to be fully developed as a hub port. The proximity and availability of the old Durban International Airport site provides an opportunity to capitalise on the current market position of Durban, to optimise existing logistics nodes and still have more capacity at our disposal for the future," he said.

eThekweni municipal manager Michael Sutcliffe said the council and Transnet had been looking into this development for a number of years.

"This is probably the biggest development that will have an impact on South Africa for the next 15 to 20 years. The economy of the city and the country is dependent on building the capacity of the port."

Mahlalela told the Tribune: "There will be massive job opportunities. The radius from the existing port to the new port will make it one of the biggest ports in the world. This development will also double our import and export activities, so it's massive. This is why we didn't want to go to the open market for this land, because it has so much potential for the country as a port."

Sutcliffe said other developments would be linked to the dugout port, including plans for the "back of port" area and the South Durban Basin. The city was also looking at the area between the two ports and how they might be linked.

Mahlalela said other developments would be linked to this, including a dry port at Cato Ridge and improved rail networks.

Durban Chamber of Commerce and Industry president Thato Tsautse, also the chief executive of the South African Association of Ship Owners, said news of the imminent deal was welcomed.

"We want to see Durban becom-

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Durban Chamber of Commerce

