

Ports Regulator Hearings: TNPA Tariff Application for the Financial Year 2017/2018

MLU GANTO – Head: Regulatory Affairs

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CAIA
Chemical & Allied Industries' Association



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CAIA OVERVIEW

- Established in 1994
- A registered non-profit company
- Represents a wide range of interests across the chemical value chain
- Custodian of Responsible Care
- Member of BUSA, Proudly SA, Johannesburg Chamber of Commerce and Industry, National Science and Technology Forum & International Chamber of Commerce, South Africa
- Member of the ICCA



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CAIA's VISION

- To be widely valued and supported for its economic, social and environmental contributions to society;
- To provide sound management of chemicals throughout their lifecycle;
- To promote improving quality of life and contributing to sustainable development through investment both in South Africa and the rest of Africa;
- To promote education and training to ensure the supply of appropriate skills for the chemical industry



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CAIA's OBJECTIVES

- Ensure a balanced perception of the contribution of the chemical and allied industries to the South African economy;
- Pursue opportunities for growth;
- Promote the interests of small and developing business and fostering co-operation in the sector – contributing to the achievement of national imperatives of economic growth;
- Increase the commitment to Responsible Care and keep the public continually aware of performance in this area;
- Create value for members through Responsible Care and assist the industry with its implementation;



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OBJECTIVES cont.

- Consult with and advise all levels of government on the content and advisability of proposed legislation affecting the industry;
- Provide leadership and balanced perspective for members;
- Promote the broad interest of the industry and represent these to government and other stakeholders;
- Engage in relevant national and international forums.



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ADVOCACY

Elements

Policy Analysis

Communication

Networking and Engagement

Position Development

These elements allow the views and interests of members along the entire chemical industry value chain to be put forward when opportunities to provide written and oral input are available, and when not expressly called for



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MEMBERSHIP

- Three categories of membership – Full, Associate and Affiliate membership
- 153 members,
- Manufacturing, storage, transport, distributors, traders, spill response, drum reconditioners, service providers, waste management companies and consultants
- A number of members are port users



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THE CHEMICAL INDUSTRY

- The chemical industry is an apex industry; contributing to downstream value chains both internal and external to the industry itself
 - › 2.7% of GDP
 - › 1.2% of labour
 - › 8.8% of all exports versus 13.4% of all imports
- The performance of the chemical sector exceeds that of the manufacturing sector
- Potential impacts in all arenas including health, mining, water purification, tourism, employment, supply of raw materials to downstream industries



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CHALLENGES FACED BY OUR MEMBERS AT THE NATIONAL PORTS

Members experience challenges at the ports which include:

- Delays
- Congestion caused by poor planning and limited capital expenditure
- Infrastructure challenges
- Container operations: efficiency and capacity constraints
- Limited skills and experience for handling challenges of the port environment
- High port charges



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RECOMMENDATIONS

- Reduction of port costs
- Reduce congestions and delays
- Improve efficiency at container terminals



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TARIFF INCREASE

- No tariff increase until the above issues are addressed
- Tariff increase will have adverse effects on the business which include:
 - › Reduction of production
 - › Retrenchments



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Thank you