



Press statement

On 8 July 2016, Mr. Mahesh Fakir, CEO of the Ports Regulator of South Africa stated:

“The Ports Regulator of South Africa (“the Regulator”) is classified as a schedule 3A public entity established in terms of section 29 of the National Ports Act 12 of 2005.

Its main functions as set out in terms of section 30 of the Act are to:

- a. Exercise economic regulation of the ports system in line with governments strategic objectives;
- b. Promote equity of access to ports and to facilities and services provided in ports;
- c. Monitor the activities of the Authority (TNPA) to ensure that it performs its functions in accordance with the Act.

The Regulator notes the initiation of a complaint against Transnet SOC LTD (“Transnet”) by the Competition Commission South Africa (“the Commission”) in terms of section 49B(1) of the Competition Act 89 of 1998 as amended.

The Regulator wishes to inform the public of the following:

- The Regulator has been responsible for the approval of tariffs for TNPA for the last 5 years, the latest having been a zero percent average increase for the 2016/17 financial year.
- The Regulator has over the past few years undertaken price benchmarking studies that assist in benchmarking South African ports with a sample of global ports. The studies, whilst assisting in giving direction are not the basis on which port tariffs are calculated.
- The Regulator has by publically approved processes published a multi-year Tariff Methodology as well as a Tariff Strategy (applicable over the next 10 years) which form the underlying basis for tariff determination.
- The Regulator has entered into a Memorandum of Agreement with the Competition Commission.

The Regulator will therefore shortly be meeting the Competition Commission to understand the nature and extent of the complaint initiated on port pricing, as well as to explain the processes of the Ports Regulator.

End quote.

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