

**DEPARTMENT: PUBLIC ENTERPRISES**

**REPUBLIC OF SOUTH AFRICA**

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NO.: PQ 654**

**QUESTION:**

**654. Mr. A G Whitfield (DA) to ask the Minister of Public Enterprises:**

What (a) are the reasons for the delay in relocating the fuel tank farm from the Port of Port Elizabeth to the Port of Ngqura, (b) by what date is it envisaged that the relocation will be completed and (c) what plans are in place for the rehabilitation of the current site in the Port of Port Elizabeth?

**REPLY:**

**According to the information received from Transnet**

1. The delay in the relocation of the fuel tank farm was due to the inability of an operator that was appointed in terms of Section 56 of the National Ports Act, to achieve a commercially viable business case for the proposed terminal, and thus a decision was taken to discontinue the project. Subsequently, Transnet supported the Coega Development Corporation (CDC) in developing the liquid bulk facilities in Zone 5 of the Special Economic Zone (SEZ) in view of the advanced progress the CDC had made with the development of their liquid bulk storage facility.
2. The Transnet National Ports Authority (TNPA) has given termination notice to Astron Energy (Pty) Ltd, Engen Petroleum Ltd, and Total Energies Marketing South Africa (Pty) Ltd (Oil Majors) who operate the Liquid Bulk Terminal in the Port of Port Elizabeth, effective 30 April 2022. As a result of this termination notice, the Oil Majors have lodged an appeal to the Ports Regulator of South Africa (PRSA) contesting this termination.

A firm timeline for the relocation cannot be determined until such time that:

1. TNPA and Astron settling the PRSA matter; and

2. There is a firm commitment from the Oil Majors to commit to commercial offtakes with the CDC or a liquid bulk storage facility operator appointed by the implementing agent CDC.

1. In October 2020, the Department of Forestry, Fisheries and the Environment (DFFE) issued a Remediation Order in terms of Part 8 of the National Environmental Management: Waste Act of 2008. This Remediation Order will regulate how the Oil Majors will undertake the decommissioning and remediation of the Port of Port Elizabeth’s liquid bulk terminal. TNPA has initiated negotiations to conclude a Decommissioning and Remediation Exit Agreement.

The Oil Majors have cited that this Agreement cannot be finalised without the PRSA appeal being determined and for realistic timelines for the relocation to the Port of Ngqura/CDC SEZ being agreed to.