

# Transnet's long-term freight rail plan coming together

NICKY SMITH

Transport and Tourism Editor

TRANSNET Freight Rail will next month conclude a study expected to provide the state-owned rail transport company with a 30-year framework for investment in the coal export corridors to Richards Bay in Namibia and Mozambique.

The study would allow Transnet to form a view of the long-term needs of the commodities that move along the Richards Bay and the Maputo corridors, Divyesh Kalan, the GM for Transnet Freight Rail's group commercial unit, said yesterday.

This strategy would include Transnet's investment in a possible rail line to move coal from the

Waterberg region to Eskom's power stations as well as its supply to the export market.

Transnet was aiming to move as much as 81-million tons a year on its coal line to Richards Bay by 2015, Mr Kalan said.

In the medium term the proposed plan would also show what investments would need to be made over the next five to 10 years, he said.

The study had been adjusted for projected commodity demand and incorporated current and possible future bottlenecks in the two corridors, Mr Kalan said.

The study makes provision for possible private-sector investment in the corridors, or in infrastructure such as rolling stock.

Transnet has already committed to spending at least R37bn on expanding its coal-line capacity over the next five years.

A recently concluded 20-day upgrade and maintenance programme gave the freight company confidence that it could meet its target of moving 72-million tons on the line to Richards Bay Coal Terminal in the current financial year.

However, earlier this week Richards Bay Coal Terminal cut its forecast of cargo shipped from the terminal this year from 68-million to about 63-million tons because of uncertainty over the ability of the rail service to meet its own targets.

Mr Kalan brushed off scepticism over Transnet meeting the target of

72-million tons during the current financial year. He said the experience gained from improving the efficiencies on the line to the Matola terminal in Maputo would be applied on the Richards Bay route.

Transnet halved the turnaround times of its coal trains in the Maputo corridor. The parastatal extended the length of its trains from 30 wagons to 40.

Plans are to move 35 trains to Maputo a week but Mr Kalan said capacity constraints at Matola limited the number of trains Transnet could send along that corridor. Weekly volumes on that line were running at 1,4-million tons. Transnet was working with producers to lift this to 1,6-million tons.

India and China's growing energy needs were driving the need for rail services. Transnet intended to raise annual capacity on its coal line beyond 81-million tons, Mr Kalan said. "We recognise the urgency ... of getting coal to export markets."

India, which generates more than 65% of its electricity from coal, may need to triple its coal imports, Lars Schernikau, the CEO and founder of IMT International Mining & Trading, said yesterday.

"Domestic production cannot meet demand resulting in growing import rates," he said. The supply crunch was also forcing Indian companies to seek acquisitions, he said.

*With Allan Seccombe*  
smithn@bdfm.co.za