

RBCT have shelved plans to expand

SA's RICHARDS Bay Coal Terminal (RBCT) has shelved plans to increase export volumes until 2015 due to the slow pace of rail infrastructure expansion, the *Business Report* newspaper said yesterday.

South Africa is a major exporter of coal to power stations in Europe and Asia, but bottlenecks on the rail line leading to the Indian Ocean terminal are hampering shipments.

RBCT chief executive Raymond Chirwa said efforts to increase exports were frustrated because of limited infrastructure provided by state rail and logistics group Transnet.

"It would be irresponsible for RBCT to expand when the other items of the value chain have not expanded," Chirwa was quoted as saying. "We can extend beyond 100 million tons a year but that depends on the performance of Transnet Freight Rail, which has not expanded its infrastructure to our 91 million tons capacity. At the moment there is a deficit in the rail."

Transnet has been investing in new and improved infrastructure, but is still far from meeting annual RBCT capacity of 91 million tons.

In 2010, SA coal exports rose to 63,43 million tons, boosted by demand from China and India – *Reuters*.