

Richards Bay Coal Terminal sets coal export record

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9 Jan 2014

The Richards Bay Coal Terminal (RBCT) shipped a record 70.2m tons (mt) of coal last year, passing the 70mt mark for the first time.



The RBCT exported a record 70,2mt of coal last year. Image: RBCT.

While coal industry sources have welcomed the improved performance, they have pointed out that the RBCT is only now just above export levels it last achieved in 2005.

The terminal exported 69.2mt then, which was equivalent to 96% of its then-installed capacity of 72mt a year.

Export levels then fell back to bottom out at 61.1mt, from which they have staged a gradual recovery to reach 67.8mt in 2012.

During this period, the RBCT carried out its phase five expansion, which increased the terminal's yearly throughput to 91mt with effect from the middle of 2010.

Since 2005, the coal exporters and Transnet Freight Rail (TFR) has been engaged in a slanging match over who is to blame for the poor coal export performance.

According to the coal exporters, TFR has failed to invest in expanding its rail infrastructure to meet the expanded terminal capacity and has also been operating inefficiently.

But TFR, says coal exporters have stalled on agreeing to a new "take or pay" rail tariff agreement, without which TFR will not invest the capital required for the increased rail capacity.

Transnet's chief executive Brian Molefe has accused the RBCT of restricting access to the export markets for small, black-owned coal companies. The RBCT has rejected this allegation.

The confrontation may be intensifying, judging by the fights between Molefe and the exporters - in particular BHP Billiton - in October, in response to remarks Molefe made during his interim results presentation.

There are now three projects being looked at to further increase coal export capacity at Richards Bay. TFR has not given any specifications for its proposed terminal, but according to a study by Exxaro Resources the planned expansion is 32mt per year.

The RBCT is considering a phase six expansion, which would take its total capacity to 110mt a year. Grindrod, which runs the separate Navitrade terminal at Richards Bay with current capacity of 4mt a year, is planning to increase this to 20mt a year.

The planned coal export capacity at the port - if all three terminals go ahead - is 162mt a year. But RBCT chairman Mike Teke has said that should this happen, "we are going to end up with over-capacity".

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