
Durban Bulk plans new facility at Richards Bay

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Reuters reported that South Africa's Durban Bulk Connections hopes to build a new 3 million tonnes a year export facility at the Richards Bay port.

Mr Iain Geldart MD of DBC said that "We think there is a strong need for a small, independent bulk terminal facility to handle the boutique type of commodities like anthracite or sized coal, which do not go through Richards Bay and which you do not want to mix with the coal being handled at Richards Bay Coal Terminal."

Despite the planned expansion of RBCT to 91 million tonnes a year, which is due to begin ramping up in July 2009 and proposed port expansions in Maputo and elsewhere in Richards Bay, there is insufficient thermal coal export capacity to meet demand.

The National Ports Authority, which leases land to private operators, issued a tender late last year for new developments at Richards Bay. NPA will choose between DBC's proposal for a commodities terminal on the same side of Richards Bay as the Richards Bay Dry Bulk Terminal and a separate proposal from a consortium which wants to build a 10 million tonnes a year coal terminal adjacent to RBCT on the other side of the Bay.

South Africa exports around 65 million tonnes a year of thermal coal from RBCT and a few million tonnes of anthracite and sized coal from smaller ports. Only one anthracite exporter is currently using Richards Bay Dry Bulk Terminal to ship from at present, industry sources said.

Shifting anthracite exports away from Durban would enable more steam coal to be moved from there. Some traders and exporters are already rushing to obtain steam coal export capacity at all of the proposed port expansions outside of RBCT.

(Sourced from Reuters)

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