TRANSNET

national ports authority

TNPA MARINE MANUFACTURING AND SHIP REPAIR STRATEGY 2025

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The Ship Repair Unit prepared the strategy document in collaboration with the Head Office, Regional Office, and Ports Officials.

SIGNED BY: Adv Phyllis Difeto

TNPA Acting Chief Executive Officer

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ABBREVIATIONS

AI	Artificial Intelligence
B-BBEE	Broad-based Black Economic Empowerment
CAGR	Compound Annual Gross Rate
CMT	Channel Marine and Trading
CRM	Customer Relationship Management
DES	Desired End State
DFFE	Department of Forestry, Fisheries, and the Environment
DSCT	Damen Shipyards Cape Town
EEZ	Exclusion Economic Zone
GDP	Gross Domestic Product
GT	Gross Tonnage
IDZ	Industrial Development Zone
ILO	International Labour Organisation
IMO	International Maritime Organizations
IoT	Internet of Things
IPMS	Integrated Personnel Management System
MTM	Marine Transport Manufacturing
NDP	National Development Plan
NPA	National Ports Act
OEMP	Oceans Economy Master Plan
ORS	Operational Requirement Specification (ORS)
PMFA	Public Management Finance
PRSA	Ports Regulator of South Africa
Pty	Propriety
QCTO	Quality Council for Trades and Occupations
RAB	Regulatory Asset Base
RoD	Record of Decision
RR	Required Revenue

R4G	Transnet Reinvent for Growth (R4G) Strategy
SAASR	South African Association of Ship Builders & Repairers
SAIMI	South African International Maritime Institute
SAMSA	South African Maritime Safety Authority
SAMTRA	South African Maritime Training Academy
SAOGA	South African Oil and Gas Alliance
SAQA	South African Qualifications Authority
SETA	Sector Education and Training authority
SOC	State Owned Company
TE	Transnet Engineering
TFR	Transnet Freight Rail
TNPA	Transnet National Ports Authority
TP	Transnet Property
TPL	Transnet Pipeline
TPT	Transnet Port Terminals
TVET	Technical and Vocational Education and Training
UNCLOS	United Nations Convention on the Law of the Sea
VLCC	Very Large Crude Carrier

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EXECUTIVE SUMMARY

The Ship Repair Industry is critical in ensuring vessel seaworthiness and operational efficiency worldwide. All vessels are required to have a certification of seaworthiness. This certification is renewed every two to five years, depending on the class society. This indicates the importance of this industry as an enabler of economic and international trade. Moreover, 80% of the world trade is transported by sea through a recorded world fleet of more than 100,000 vessels in 2024 (UNCTAD, 2025). The global ship repair and maintenance market is experiencing robust growth, with a projected market size of $53.23 billion by 2032, exhibiting a CAGR of 4.60% (Fortune Business Insights, 2025). This growth will be driven by factors such as increasing global trade, a rising number of ships, and the need for regular maintenance to ensure operational efficiency and regulatory compliance.

The Ship Repair Sector faces challenges influenced by global industry competition, regulatory requirements, dependency on imported material, and other local industry related factors. Despite significant socio-economic contributions to the economy of South Africa, the industry contends with an aged superstructure, a shortage of infrastructure, escalating operational inefficiencies and an inability to accommodate larger vessels. Although the Port Authority is possessing relatively substantial physical infrastructure, particularly in dry docks, the ship repair business has continuously not operated to its optimum capability and capacity due to dilapidated infrastructure and operating equipment, prolonged lack of maintenance, human capital deficiencies and increased usage of ship repair facilities by the Port Authority's marine craft leading to the inability to service its customers and the broader market.

To overcome these challenges, the Transnet National Ports Authority (TNPA) Ship Repair Business Unit has developed a comprehensive strategy to accelerate refurbishment of facilities, infrastructure development, improve operational efficiencies, human capacity, and ensure organisational integration and financial sustainability. The developed strategy is in alignment with the Transnet Reinvent for Growth (R4G) Strategy, which aims to address operational challenges and improve execution of the organisational mandate.

The renewed and focused delivery of the Ship Repair and Manufacturing Strategy seeks to fix and optimise the business through essential infrastructure upgrades; expansionary projects aiming to grow and transform the business whilst leveraging on private sector participation.

Furthermore, this strategy aims to facilitate transformation and socio-economic imperatives in the port system through meeting market and industry demands. The strategy execution will culminate in the following:

- The upgrade and refurbishment of infrastructure to its original state through the replacement of dilapidated facilities and asset renewal.
- The development of new facilities, such as ship lifts, floating docks, bigger dry docks to create additional capacity and accommodate both smaller and larger vessels thereby meeting market demands.
- Augmentation of marine engineering workshops to complement the existing facilities.
- Integration of the Ship Repair business across the port system to enable standardisation and seamless operations.
- Capacitation of the ship repair facilities with the required skills and resources.

The effective execution of the TNPA Ship Repair Strategy will enable the unit to be a transformative force in the industry and fulfill its economic and socio-economic mandate whilst contributing to the financial sustainability of the organisation.

Keywords: Ship Repair Industry, Operational Efficiency, Infrastructure Renewal, Infrastructure Expansion and Financial Sustainability

1. INTRODUCTION

Transnet SOC Limited is a state-owned bulk freight transport and logistics company in South Africa, and the Department of Transport represents it as its sole shareholder. The company is legally constituted under the Legal Succession Act of 1989. Transnet Group has seven operating divisions, namely:

- Transnet Freight Rail (TFR), the largest operating division of Transnet, providing rail transport of commodities for export, regional and domestic markets.
- Transnet Engineering (TE) responsible for the research, design, manufacturing, and maintenance of trains and associated rolling stock across the globe and specifically in the African continent.
- Transnet National Ports Authority (TNPA), the largest port authority in the Eastern and Southern hemisphere, responsible for the safe, effective, and efficient functioning of the national port system managed as a landlord.
- Transnet Port Terminals (TPT) supports the South African government export-led growth strategy through the delivery of integrated, efficient, safe, reliable, and cost-effective cargo handling services.
- Transnet Pipelines (TPL) transports essential liquid bulk commodities through an extensive, reliable, and efficient pipeline network in South Africa.
- Transnet Property (TP) is managing commercial and residential assets.
- Transnet Rail Infrastructure Manager (TRIM) involves the reform of the South African rail network and thereby opening the market to third parties amongst others.

1.1 TRANSNET MANDATE

Transnet's strategic objective is to ensure the global competitiveness of its freight system and thus enabling a sustained growth and diversification of the South African economy. The Transnet mandate and strategic objectives are aligned to national plans and the statement of strategic intent. The mandate envisions three main outcomes: (i) Lowering the *cost of doing business* in South Africa and (ii) thereby enabling *economic growth* (iii)

through the *security of supply* in providing appropriate port, rail and pipelines infrastructure utilising the most cost effective and efficient methods, within acceptable benchmarks as depicted in Figure 1.

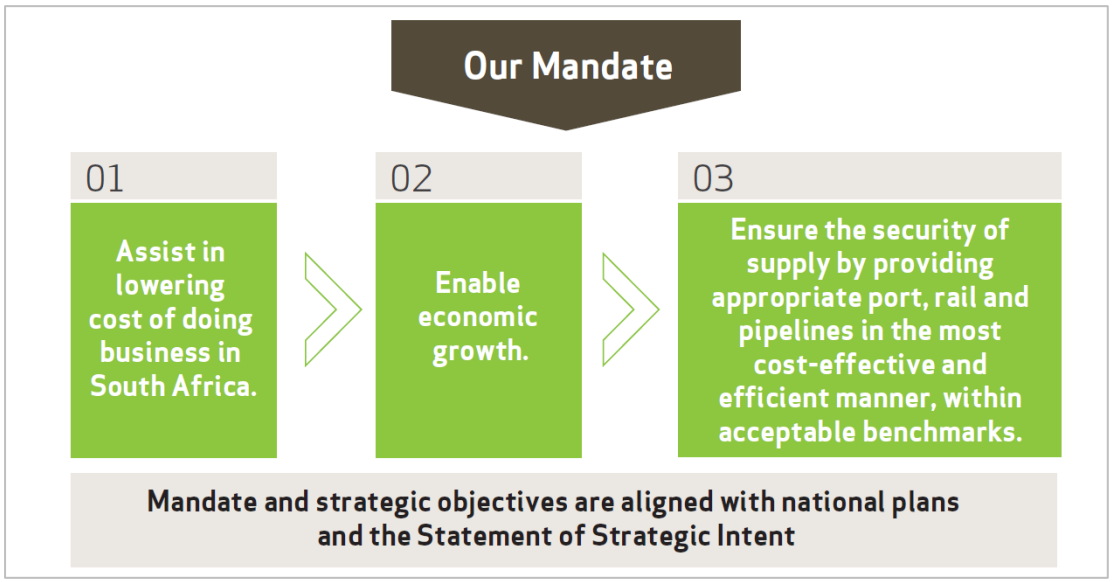

FIGURE 1: TRANSNET MANDATE

1.2 TRANSNET REINVENT FOR GROWTH (R4G) STRATEGY

The Transnet Reinvent for Growth (R4G) Strategy employs a three-pronged approach to address the various challenges and demands from customers, shareholders and the broader economy. Central to this strategy is the ongoing effort to improve performance across Transnet's business units by leveraging internal capabilities and collaborating with key external stakeholders, including customers and industry groups. A three-pronged approach considers three focus areas, namely, fixing and optimising the business (tactical), transforming the business (transformative) and growing the business (expansionary):

- Fixing and optimising the business (tactical recovery): A short-term Transnet Recovery Plan focusing on the immediate revitalisation of current operating performance specifically in the rail and ports business units through low capital-intensive initiatives.

- Transforming the business *(transformative)*: The execution of complex initiatives through the adoption of new Transnet operating models in alignment with rail and regulatory reforms to achieve long-term repositioning of the entity.
- Growing the business *(expansionary)*: Long-term objectives to reposition Transnet within the industry through infrastructure and assets that unlock economic growth, enhance competition and improve efficiency.

Figure 2 below depicts the Transnet R4G Strategy focus areas and pillars.

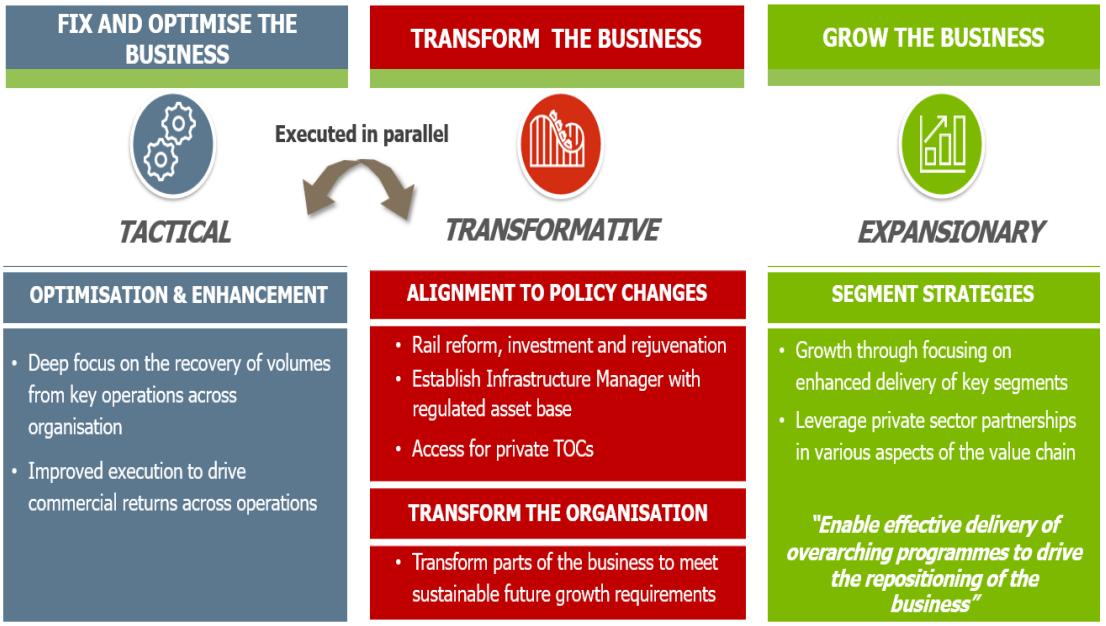

FIGURE 2: TRANSNET REINVENT FOR GROWTH (R4G) STRATEGY

These three components summarise how Transnet aims to transform its service offering through strategic infrastructure and equipment investments to restore lost capacity, upgrade services and ultimately improve collaboration and strategic partnerships within the broader context of the South African economy.

The R4G Strategy aims to build upon the successes of the Recovery Plan by addressing persistent inefficiencies within the freight transport system, particularly in rail and port networks, with a focus on container terminals. Enhancing operational efficiencies and attracting investment are crucial, especially given the Government's constrained fiscal

framework, to strengthen the productivity and competitiveness of key national mining, manufacturing and industrial supply chains. Emphasizing investment and infrastructure development in these network industries is essential to drive productivity in the industrial, manufacturing and mining sectors, thereby increasing exports and enabling economic growth above the 3% threshold necessary to absorb new labour force entrants and address inequality.

1.3 TRANSNET NATIONAL PORTS AUTHORITY

Transnet National Ports Authority (TNPA) is an operating division of Transnet SOC Limited. The TNPA vision is to become a financially sustainable, smart port system that drives economic growth through efficient operations and environmental sustainability. These strategic aspirations align with the Transnet Recovery Plan and R4G Strategy through strategic priorities which include terminal oversight, infrastructure development, workforce empowerment and supply chain efficiency. The division is a landlord port authority responsible for the safe, efficient, and effective economic functioning of the national port system which it manages, controls and administers. The key business activity of TNPA is to provide and manage port infrastructure and maritime services. In a broader context, TNPA also facilitates the development of trade and commerce through market collaboration for the benefit of the national economy and the region.

Transnet National Ports Authority (TNPA) operates within a dynamic policy and regulatory environment marked by recent reforms in key sectors, particularly in ports. These reforms aim to revitalise South Africa's logistics sector by modernising infrastructure, introducing competition, enhancing operational efficiency, increasing capacity, attracting private investment and promoting sustainable practices. Port industry policy and regulation reforms have placed an emphasis on the full implementation of the National Ports Act, No. 12 of 2005, which requires that the National Ports Authority is transitioned from its state as an operating division of Transnet into a corporatised entity with its own Board of Directors that is 100% owned by Transnet.

It is similarly envisaged that the increased autonomy granted to the authority will improve transparency, enhance performance management of terminal operators, including private sector terminal operators, and attract additional investment and participation from the private sector. This strategic restructuring aims to modernise infrastructure, introduce competition and attract private sector investment, thereby revitalizing South Africa's logistics sector. This will also create new opportunities for increased collaboration and partnerships which could potentially unlock new markets and customers.

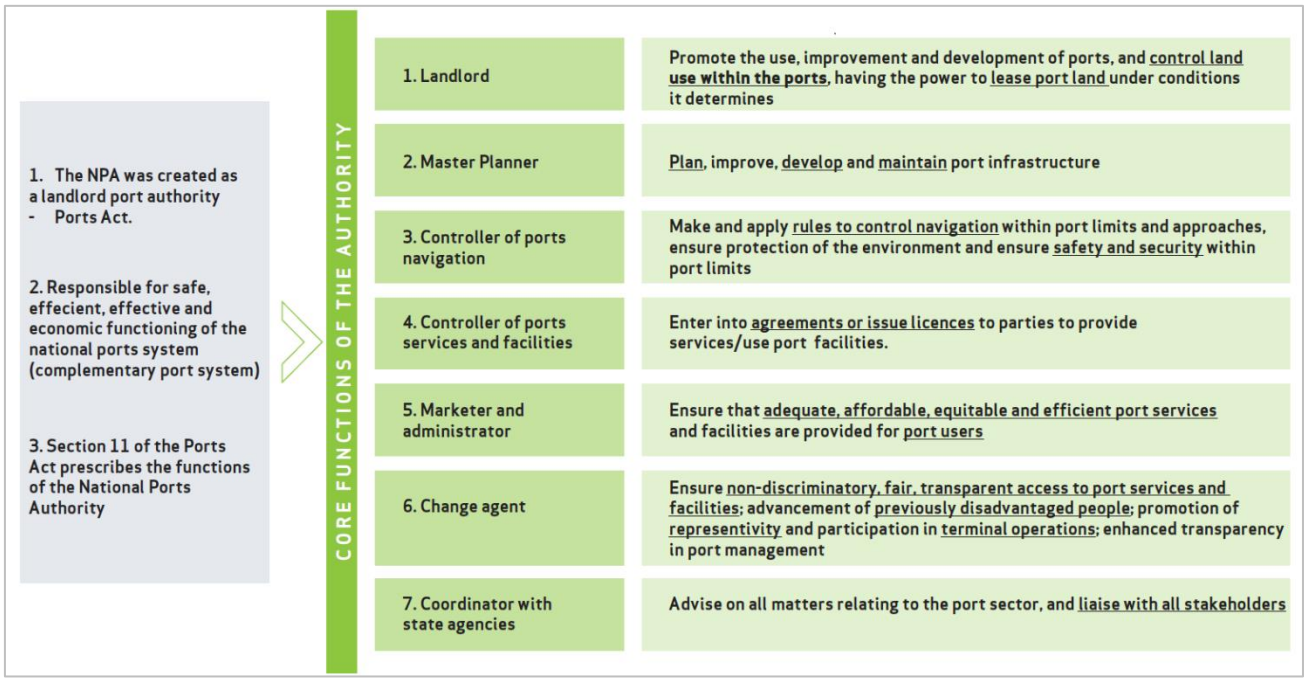

FIGURE 3: TNPA CORE FUNCTIONS

Figure 3 above illustrates Section 11 of the National Ports Act No.12 of 2005, which prescribes the core functions of the National Ports Authority summarised as follows:

- To promote the use, improvement of ports, and control land within the ports, having the power to lease port land under the conditions it determines as a landlord.
- To plan, provide, maintain and improve port infrastructure as a master planner.
- Controlling navigation within port limits and ensuring protection of the environment, safety and security within port limits.
- To enter into agreements or licenses to parties to provide services of use to port facilities as a controller of port services and facilities.

- To ensure that adequate, affordable, equitable and efficient port services and facilities are provided for port users as a marketer and administrator.
- Ensuring non-discriminatory, fair transparent access to port services and facilities, advancement of previously disadvantaged people and transparency in port management as a change agent.
- Providing advice on matters relating to the port sector and liaising with all stakeholders (National Ports Act, 2005).

TNPA operates within the port industry and administers services to a target market comprising port users, terminal operators, shipping lines, ship agents, cargo owners, clearing and forwarding industry and ship repairers. TNPA owns and manages eight commercial ports across the South African coastline located in Saldanha Bay, Cape Town, Mossel Bay, Port Elizabeth, Ngqura, East London, Durban, and Richards Bay. Port infrastructure and maritime services are provided in five market segments namely, containers, dry bulk, liquid bulk, break-bulk and automotive. These services are also offered to other non-cargo segments, such as repair facilities for rigs, ships, and cruise liners. The authority may license entities that provide services within the port and adhere to the prescribed requirements. Furthermore, TNPA makes provision for the licensing of vessel repairs (National Ports Act, 2005).

1.4 SHIP REPAIR LEGISLATIVE FRAMEWORK

1.4.1 National Ports Act

The TNPA Ship Repair Business is governed by different legislations underpinned by operational functions, as depicted in Figure 4 below. The National Ports Act No.12 of 2005 is among the key legislation that overarches the port business. The National Ports Authority has informed the constitution of TNPA and the Ports Regulator of South Africa (PRSA). These institutions have been entrusted with critical parallel responsibilities, clearly articulated in Chapter 3 of Section 11 and Chapter 5 of Section 30 of the Ports Act.

Additionally, the TNPA Port Rules and Regulations for business activities also guide the Ship Repair Business.

1.4.2 Ports Regulator of South Africa

The overarching mandate of the TNPA is to own, manage, control and administer ports to ensure their efficient and economic functioning. The PRSA is responsible for, among other things, the economic regulation of the ports system in line with governmental strategic objectives, the promotion of equity of access to ports, facilities and services, and monitoring of the authority's activities to ensure that it performs its functions in accordance with the NPA (National Ports Act, 2005).

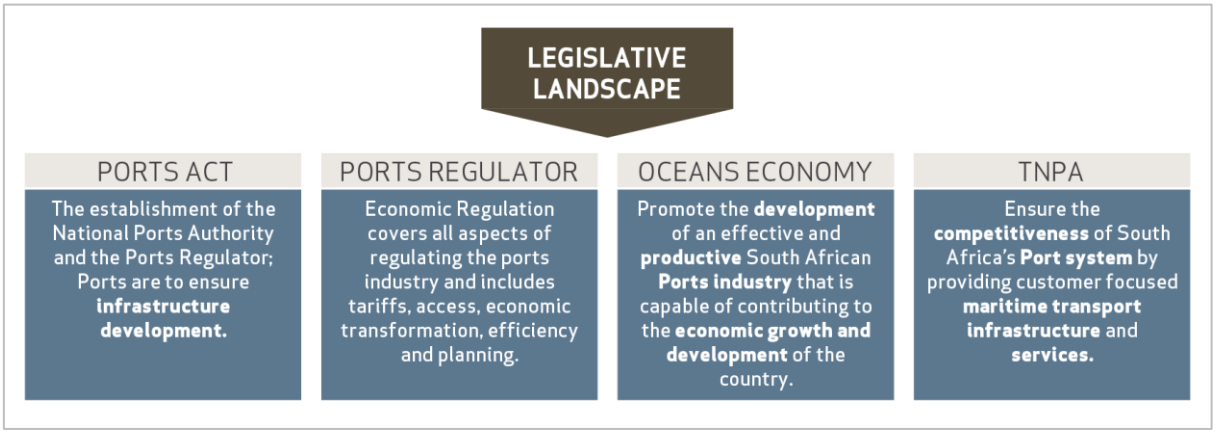

FIGURE 4: LEGISLATIVE LANDSCAPE - SHIP REPAIR BUSINESS

The pricing for services and use of facilities at TNPA is determined by the PRSA through an approved and annually reviewed tariff book. The annual tariff reviews are governed by a Tariff Strategy which is based on the user-pay principle and allocates port infrastructure assets accordingly. The same tariff review principle applies to the Ship Repair Business. Generally, tariffs levied are based on vessel length and gross tonnage, with the larger attracting the highest tariffs. Equally, the PRSA pricing methodology operates on a balance principle which prescribes that fixed assets (regulatory asset base) should increase prior tariff increases.

1.4.3 Oceans Economy Master Plan

The ship repair business also finds expression in one of the five priority subsectors of the Oceans Economy Master Plan (OEMP) 2035, Marine Manufacturing and Repairs. The foundation of the Marine Manufacturing and Repair subsector is anchored on the ship repair, shipbuilding, and boat building segments, with other segments leveraging on the success of these for job creation and growth (Department of Forestry, Fisheries and Environment, 2023). TNPA's role involves developing port infrastructure, and new facilities to support industries like ship repair, aquaculture, and the oil and gas sector.

2. TNPA ORGANISATIONAL STRATEGY

2.1 TNPA DESIRED END STATE

The TNPA operating model, TNPA re-imagined, emanated from the development of the TNPA's Desired End State (DES) Strategy. This is anchored on three strategic thrusts: operational excellence, customer intimacy and product leadership. The strategy has intentionally prioritised operational excellence and product leadership with the resultant assumption of improved customer intimacy. The DES Strategy is articulated through seven key focus areas namely, a financially sustainable least cost port, environmentally sustainable port system, landlord port authority, operational excellent port authority, world class port infrastructure, smart ports system and people-centric employer.

2.2 TRANSNET NATIONAL PORTS AUTHORITY STRATEGY

The TNPA vision is to become a financially sustainable, smart port system that drives economic growth through efficient operations and environmental sustainability. The TNPA strategy, in alignment to the Transnet R4G Strategy, seeks to address four critical issues: port operational performance, volume decline, inadequate infrastructure and regulatory transformation. The port operational performance seeks to address the

performance of South African ports in alignment with global rankings. Furthermore, it aspires to improve volume throughput, and vessel calls through advancements of efficiencies and port oversight. It also seeks to address ageing infrastructure and build future-ready infrastructure and execute capacity expansion that is adaptable to climate change. Furthermore, the TNPA aims to implement regulatory transformation aligned to new governance requirements and the corporitisation mandate.

The TNPA has endorsed five critical compass points which have been identified as the focus areas for financial year 2025/26. Figure 5 below depicts these TNPA focus areas.

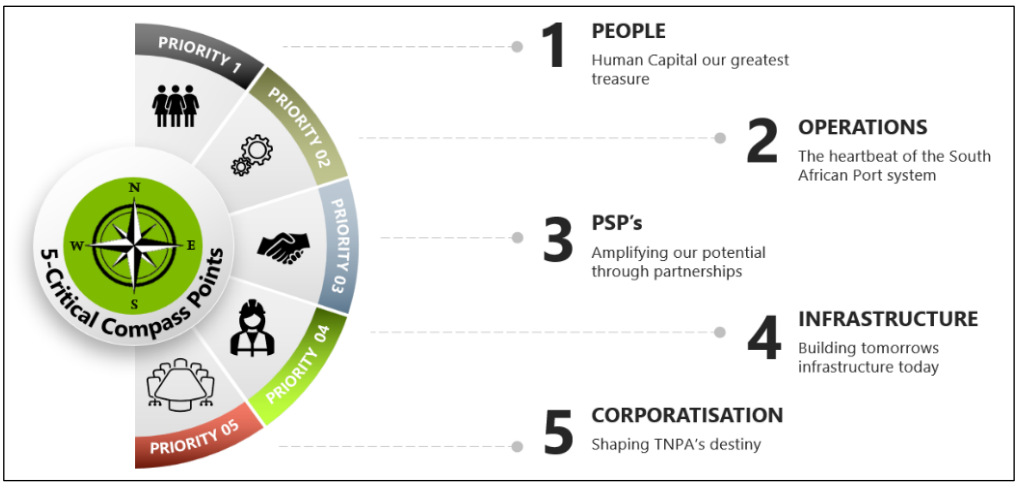

FIGURE 5: TNPA FIVE FOCUS AREAS

2.3 PROBLEM STATEMENT

In the past ten years, the Ship Repair business in South Africa has continuously encountered operational inefficiencies, constant infrastructure breakdowns, inadequate equipment, prolonged lack of maintenance, human capital insufficiencies and increased usage of facilities by TNPA vessels, resulting in limitations in servicing the broader stakeholders and meeting market demands.

This has diverted the service provision of the business unit and impacted both internal and external stakeholders. Furthermore, delays in executing Operation Phakisa projects have profoundly impacted on the industry and its ability to create jobs and economic value. The lack of operational readiness of the TNPA Ship Repair facilities, the economic

backbone of the industry, has contributed to industry players closing and/or consolidating operations in South Africa.

Furthermore, these inefficiencies have resulted in repair vessels seeking alternative ship repair facilities services elsewhere. Neighbouring ports are becoming stronger competition for the South African Ship Repair Business. These factors have resulted in this business unit's loss of operational effectiveness and revenue earnings potential, leading to it not achieving its desired socio economic and financial imperatives as anticipated by the government.

From a Desired End State perspective, the burning platforms are indicated in Table 1 below for the Ship Repair Business:

TABLE 1: BURNING PLATFORM - SHIP REPAIR

FOCUS AREAS	SHIP REPAIR CURRENT STATE
Financial Sustainability Least Cost Port System	• The Ship Repair Business is currently not meeting its desired market competitiveness and financial capability. • Delays in capital project completion have restricted the revenue-earning potential of the business unit and of the stakeholders.
Landlord Port Authority	• TNPA has not developed new Ship Repair facilities in more than 10 years in alignment with changing market demand.
Operationally Excellent Port Authority	• The current structure and business architecture of the unit is not integrated. • The unit is not adequately resourced. • Loss of institutional skills due to lack of succession planning.
World-Class Port Infrastructure	• Aged superstructure has caused an increase in downtime, thus seriously affecting operational efficiencies. • Dry dock has not reached its operational capacity since 2015/16. • Operation Phakisa projects have not all been completed, thus affecting the brand value, earnings potential for TNPA and its stakeholders.
Smart Port System	• Processes are manual, leading to inefficient operation. • Lack of technological investments to compete in the industry.
Transformation	• Ever-increasing pressure from the government and PRSA for TNPA to meet its socio-economic mandates. • The TNPA Ship Repair Business has not meaningfully contributed to its role as a change and transformation agent.

2.4 TNPA MARINE MANUFACTURING AND SHIP REPAIR STRATEGY

A strategy has been developed to mitigate the current challenges faced by the Ship Repair business, whilst ensuring adherence to business sustainability aspirations and legislative requirements. The TNPA Ship Repair and Marine Manufacturing strategy objectives and aspirations are as follows:

2.4.1 Ship Repair Strategic Objectives

There are six primary strategic priorities that support and align with the strategic aspirations of the Ship Repair Business.

- To improve operational efficiency and service delivery within the Ship Repair Business through improved infrastructure, integration and automation of services.
- To ensure asset renewal, refurbishment and expansion of the Ship Repair Business.
- To drive transformation and ensure socio-economic contribution of the Ship Repair Business in the South African economy.
- To contribute to the financial sustainability of the Ship Repair Business through improved operational efficiencies, expansionary projects and diversification of services.
- To review the Ship Repair operating model to balance the public port authority and private port industry interest.

2.4.2 Ship Repair Vision and Value Proposition

The TNPA Marine Manufacturing and Ship Repair Strategy vision, as depicted in Figure 6, seeks:

"To position the **South African Ship Repair facilities** as **leading hub of excellence** in the **African Continent** and **Southern Hemisphere**".

Furthermore, the envisioned value proposition of the business is to be:

"A **world class**, **deep-sea**, complementary ship repair and marine manufacturing **hub of excellence** servicing **Africa** and the **Southern Hemisphere** offering **efficient**, **competitive services** to global markets".

The ship repair and marine manufacturing services value proposition include (i) the strategic positioning of South African Ports in the Southern tip of Africa to enable connectivity to regional and global markets as well as connecting trade between South America, Asia and the African Continent. Furthermore, (ii) the world-class ship repair infrastructure offers services that cater to a diverse and complementary ship repair market, encompassing dry docks, ship lifts, slipways, boat hoists, floating docks and workshops. (iii) The complementary operating equipment inclusive of experienced and knowledgeable ship repairers all contribute to the efficient services offered by the South African Ship Repair market. (iv) A harmonised pricing model offering within a regulated commercial environment, lower bunker cost, competitive and incentive-driven pricing.

FIGURE 6: TNPA SHIP REPAIR ASPIRATIONS

3. EXTERNAL SITUATIONAL ANALYSIS

3.1 GLOBAL AND LOCAL SHIP REPAIR DRIVERS

Table 2 below indicates the current global and local ship repair drivers which include geopolitical, specialisation, market forces, governmental and regulatory factors and the OEMP.

TABLE 2: CURRENT GLOBAL AND LOCAL SHIP REPAIR DRIVERS

DRIVERS	DETERMINANTS
Geopolitical	• Conditions in the Red Sea and Egypt's new proposed tariff structure for the Suez Canal are causing the rerouting of vessels to the African coast. • Supply chain readjustment due to sanctions in the Northern Hemisphere is creating the establishment of new supply chain networks in the sanctioned countries.
Specialisation	• Oil and gas discoveries increase the number of active vessels on the East and West Coast of Africa. • Rise of specialised repair facilities catering to specific types of vessels, such as oil and gas service vessels, telecom/data cable layers, seismic research vessels, oil rigs and drill ships.
Market Forces	• Increase in seaborne global trade will be a catalyst for increased market growth. • The global shipping fleet age by vessel counts averaged 22.4 years in 2024, an increase of 2 per cent over the same period in 2023 which results in these vessels frequently calling the drydocks (UNCTAD U. T., 2025). • Increase in the size of vessels. Larger vessels have complex systems and components which require more frequent inspections, repairs, and maintenance to ensure operational efficiency, safety and compliance. • Ports in the African continent are expanding their ship repair facilities in response to the projected demand.
Regulatory Forces	• Global stricter vessel safety regulations and environmental standards require ongoing repairs and upgrades as per IMO regulations.
Government Economic Stimulus Plan	• The Ocean Economy Master Plan aims to drive economic growth in South Africa through the development of the country's maritime sector.

	• Operation Phakisa and particularly the Marine Transport and Manufacturing Lab Delivery Unit seeks to accelerate project delivery in maritime infrastructure i.e. renewal and revitalisation of Ship Repair facilities in the ports and infrastructure expansion.

3.2 GLOBAL SHIP REPAIR MARKET OVERVIEW

3.2.1 Global and African Shipping Market Trends

The average global growth rate of the maritime sector between 2018 to 2023 was 3,1% per annum as measured in terms of the number of port calls. In addition, the world commercial fleet increased between 2011 and 2023 by about 4,0% per annum. The growth of the global shipping industry is a long term one as shown by a 40-year growth trend of 3% per annum in total tons moved from 1983 to 2023. Global growth rates vary considerably between the different regions. Table 3 below indicates that the highest growth was experienced by Europe with a growth rate of 3,6% per annum while America had the lowest growth of 1,3 % per annum. The African region had a growth rate of 3,3% per annum and contributed to 2,2% to the total number of port calls globally (Martens, 2025).

TABLE 3: GLOBAL VESSEL CALL AND GROWTH RATES PER WORLD REGION.

PORT CALLS BY REGION	TOTAL 2018 TO 2023	% CAGR 2018 TO 2023	% OF TOTAL
Africa	1,149,684	3,3	2,2
North and South America	6,492,444	1,3	12,5
Asia and Oceania	17,648,936	3,0	33,9
Europe	26,733,916	3,6	51,4
World Total	**52 024 980**	**3.1**	**100.0**

Source: (Martens, 2025).

Within the Africa region, North Africa equated to 52.8% of all African port shipping calls. West Africa, East Africa and Southern Africa each handled 22%, 10.4% and 8.8% respectively with Central Africa handling the least at 6.1% of all shipping calls. Table 4 depicts the summary of vessel calls per African region between 2018 and 2023 (Martens, 2025).

TABLE 4: AFRICAN VESSEL CALL AND GROWTH RATES PER REGION

AFRICAN REGIONS	TOTAL 2018-2023	% CAGR 2018-23	% OF WORLD
Eastern Africa	119,060	10,4	0,2
Middle Africa	69,638	6,1	0,1
Northern Africa	606,760	52,8	1,2
Southern Africa	101,514	8,8	0,2
Western Africa	252,712	22,0	0,5
African Total	**1,149,684**	**100,0**	**2,2**

Source: (Martens, 2025).

3.2.2 Global and African Ship Repair Market Overview

The global ship repair market is currently valued at USD 35 to 42b per annum. The African ship repair market is currently valued at USD 600m to 1b per annum. Africa holds 2.2% of the global vessel market, as depicted in Table 4 above, wherein Sub-Saharan Africa holds an estimated share of 0.2% of the global ship market with significant potential for growth due to its strategic positioning along major shipping routes. The African vessel call market share is depicted in Figure 7 below (Martens, 2025).

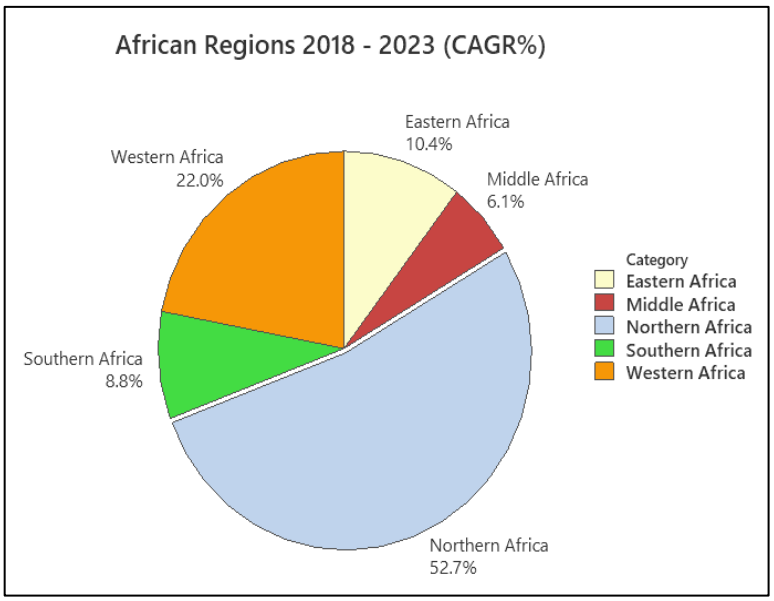

FIGURE 7: AFRICAN SHIP REPAIR MARKET SHARE. SOURCE: **(MARTENS, 2025)**

The global ship repair market distribution by region is indicated in Table 5 below. The Asia-Pacific region accounts for the largest market share, accounting for 45%, followed by Europe at 18% market share. Middle East and Africa account for the lowest share of 10% in the global market, after North America and South America, which hold 15% and 12% respectively as depicted in Table 5 below.

TABLE 5: GLOBAL SHIP REPAIR MARKET SHARE BY REGION

GLOBALLY BY REGION	**MARKET SHARE**	**KEY PLAYERS**
Asia-Pacific	45%	China, South Korea, Singapore, and Japan. China holds 25% due to massive shipyard capacity.
Europe	18%	Germany, the Netherlands, Norway, and Turkey (strategic for Mediterranean traffic).
Middle East and Africa	10%	UAE (Dubai, Abu Dhabi) benefits from proximity to busy trade routes like the Strait of Hormuz.
North America	15%	U.S. (Gulf Coast, East Coast) and Canada focus on naval and offshore repairs.
South America	12%	South America.

SOURCE: (DATA INSIGHTS MARKET,2024)

3.2.3 Global Ship Repair Market Overview

The global ship repair and maintenance market, as illustrated in Figure 8, is projected to reach over $53 billion by 2034, growing at 6.5% per annum. This projected industry growth is expected to be driven by an aging fleet requiring more repairs, increasing global trade, and stricter environmental regulations. The Asia-Pacific region is expected to continue to dominate the market over the projected period due to its market competitiveness for extensive shipbuilding and repair infrastructure. It is anticipated that countries such as South Africa and other East African ports will benefit from the rerouting of ships via the Cape of Good Hope because of the protracted Red Sea situation.

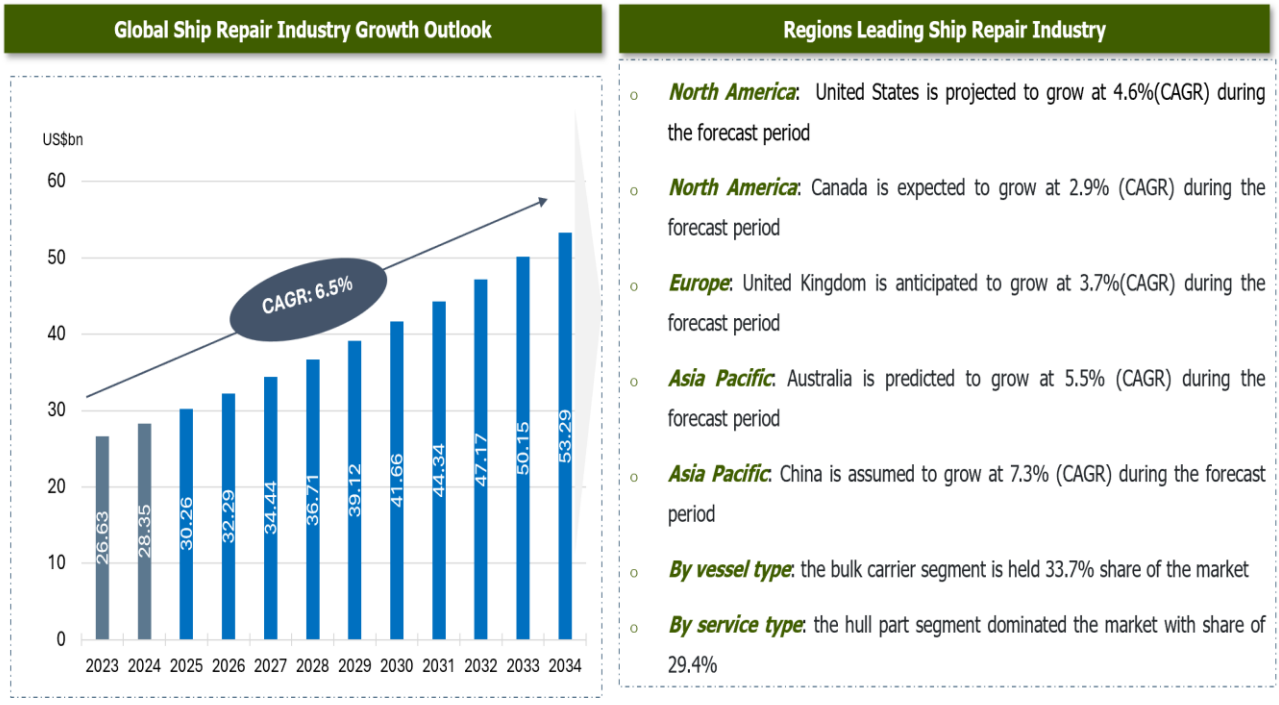

FIGURE 8: GLOBAL SHIP REPAIR INDUSTRY GROWTH

The ship repair and maintenance industry outlook will be determined by a few key factors which are summarised in Table 6 below.

TABLE 6: KEY FACTORS TO SHIP REPAIR INDUSTRY GROWTH

Key Drivers	• *Ageing Fleet* - A significant portion of the global fleet is over years old, these drives increasing demand for maintenance, inspections, and overhauls. • *Maritime Trade* - The growing trade volumes and ship evolution requires ongoing maintenance to ensure vessel reliability and operational efficiency. • *Environmental Regulations* - Stricter regulation by International Maritime Organisation (IMO) require frequent compliance. • *Digital Transformation* - Adoption of technologies offers predicative maintenance to drive frequent maintenance plans.
Market Challenges	• *Skilled Labour Shortage* - Shortage of experienced engineers and technicians can lead to increased costs and delays. • *Material Costs* - Market price fluctuations for raw materials impact the financial viability and sustainability of the ship repair industry. • *Technological Adaptation* - The need to upgrade shipyard technology and retain staff presents a challenge for the industry.

3.3 GLOBAL FLEET TRENDS

The current global fleet trend entails the newest generation of ships requiring ports that can accommodate deeper drafts and complimentary equipment. Some of the key trends and highlights of the Ship Repair Industry include:

- The increasing demand for ship repair and maintenance services due to ageing fleet worldwide.
- A growing focus on regulatory compliance and environmental sustainability, driving the need for regular maintenance and upgrades.
- Adoption of advanced technologies such as robotics, Internet of Things (IoT), and predictive analytics for efficiency improvement and reduced downtime.
- The rise of specialised repair facilities catering to specific types of vessels, such as container ships, oil tankers, and cruise liners (Future Market, 2024).

Report Ocean, a leading strategic consulting and market research firm, in its recent study, estimated the Global Ship Repair and Maintenance Services Market size at USD 43.11 billion in 2023. During the forecast period between 2024 and 2030, Report Ocean expects the Global Ship Repair and Maintenance Services Market size to expand at a CAGR of 4.83% reaching a value of USD 59.24 billion by 2030. The expansion of international trade and the growing use and integration of innovative technologies like artificial intelligence (AI) and the Internet of Things (IoT) are key drivers of growth for the global ship repair and maintenance services market. Furthermore, during the projected period, the building of seaports as part of infrastructure development projects is expected to propel the global ship repair and maintenance services market.

Integrating advanced technologies such as artificial intelligence and predictive analytics is expected to optimise maintenance operations, reduce downtime, and enhance overall efficiency in the coming years. The total market share for the world fleet is reflected in Table 7 below (UNCTAD, 2025).

TABLE 7: WORLD COMMERCIAL VESSEL FLEET OVERVIEW

VESSEL TYPE	NUMBER	GRT (000)
Bulk carriers	14 137	573 635
Oil tankers	12 636	367 578
Container ships	6 791	324 911
General cargo ships	21 125	70 129
Other types of ships	57 806	330 376
GRAND TOTAL	**112 495**	**1 666 629**

Source: UNCTD (2025)

The South African Ship Repair facilities can accommodate the break bulk carriers and general cargo ship due to the size of the facilities. There is an opportunity to service some of the container and bulk carriers that are already calling to the ports. Whilst South Africa's capability is not yet on par with leading yards in Europe and the Far East, it is by far the most developed centre for ship repair in Sub-Saharan Africa. Its wide range of

engineering skills and extensive network of sub-contractors allow it to dominate the regional ship repairing market whilst extending its expertise to neighbouring countries. This positions South Africa at a strategic point along one of the world's major shipping routes, mainly the South-South trade corridor from Asia to the East Coast of South America and the connector routes along the East and West Coasts of Africa. The trade route presents an opportunity for the rest of the potential market share to be tapped into with upgraded and new facilities across the port system.

The graph depicted in Figure 9 below indicates the total number of vessels that have called South African ports as 3853 vessels in the 2023/24 financial year. This number excludes repeat vessel calls per annum.

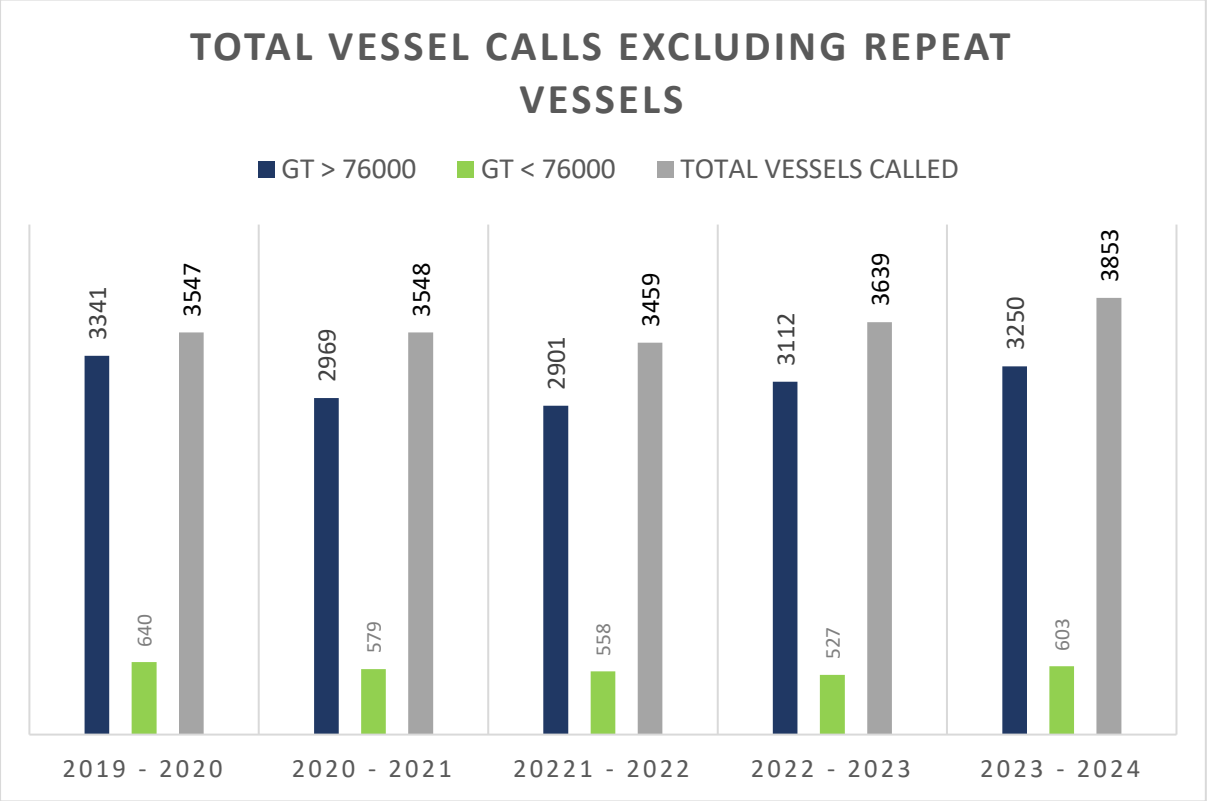

FIGURE 9: VESSELS CALLING TO SA PORTS EXCLUDING REPEAT VESSELS

The vessels that have gross tonnage of or less than 76 000 equivalent to 603 in 2023/24 financial year can be accommodated in the South African ports with upgraded facilities.

The vessels that have gross tonnage of or more than 76 000 cannot be accommodated and will require new facilities to be developed. This illustrates there is a potential market within our system, which is currently not captured due to the conditional assessments and size of the ship repair facilities.

3.4 COMPETITOR ANALYSIS

Major players operating in the Global Ship Repair and Maintenance Services Market include Bac Viet Commercial and Shiptech JSC, HSD Marine and Shiprepair Pte Ltd, Damen Shipyards Group, S (Taiwan News, 2024) embcorp Marine Ltd, Phu Duc Trading & Marine Service Co., Ltd, Dundee Marine & Industrial Services Pte Ltd, Unithai Shipyard and Engineering Ltd, Blue Ocean Marine Service, Jobson Asia Pte Ltd, Hyundai Mipo Dockyard, Seacom Marine and Services Pte. Ltd, Hai Phong Marine Services Company, Tsuneishi Shipbuilding Co., Ltd, Egyptian Ship Repair & Building Company, and Desan Shipyard. To further enhance their market share, these companies employ various strategies, including mergers and acquisitions, partnerships, joint ventures, license agreements, and new product launches (Taiwan News, 2024).

There are limited competitors in the African or Southern Hemisphere region with comparable facilities and services to that of the South African ports. However, few African dry dock competitors are expected to emerge in the next five to ten years from neighbouring and regional ports such as Namibia, Kenya, Mauritius, and Senegal. These neighbouring countries are implementing initiatives to increase existing capacities through capital investments in ship repair facilities. Figure 10 below depicts some of Africa's ship repair facilities that are competing with the South African Ports.

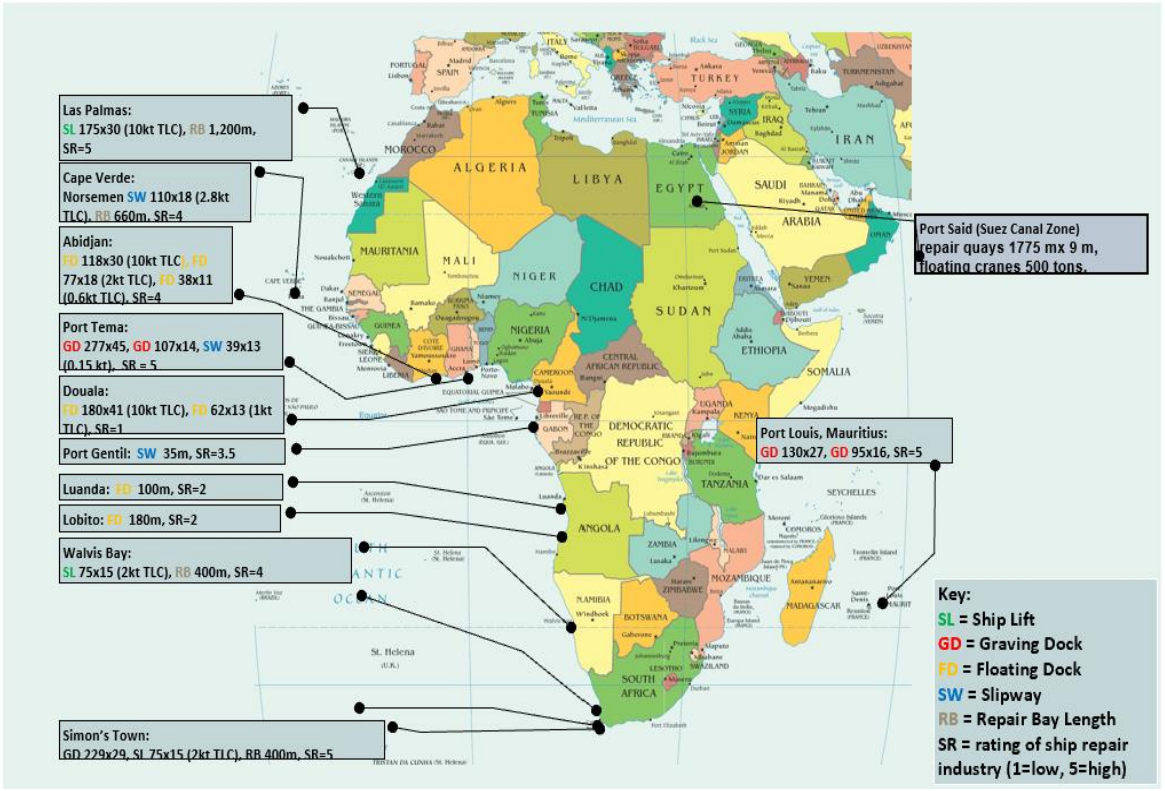

FIGURE 10: SHIP REPAIR COMPETITOR ANALYSIS IN THE AFRICAN CONTINENT

Annexure "**A**" provides a comprehensive competitor analysis of the ship repair facilities within the Sub-Saharan Region.

3.5 PESTEL ANALYSIS

An external macro-environmental analysis was conducted for the Ship Repair Business to understand and monitor factors that impact on the operations and their success. A PESTEL analysis strategic planning framework showing political, economic, socio-economical, technological, environmental and legal factors is reflected in Figure 11 below.

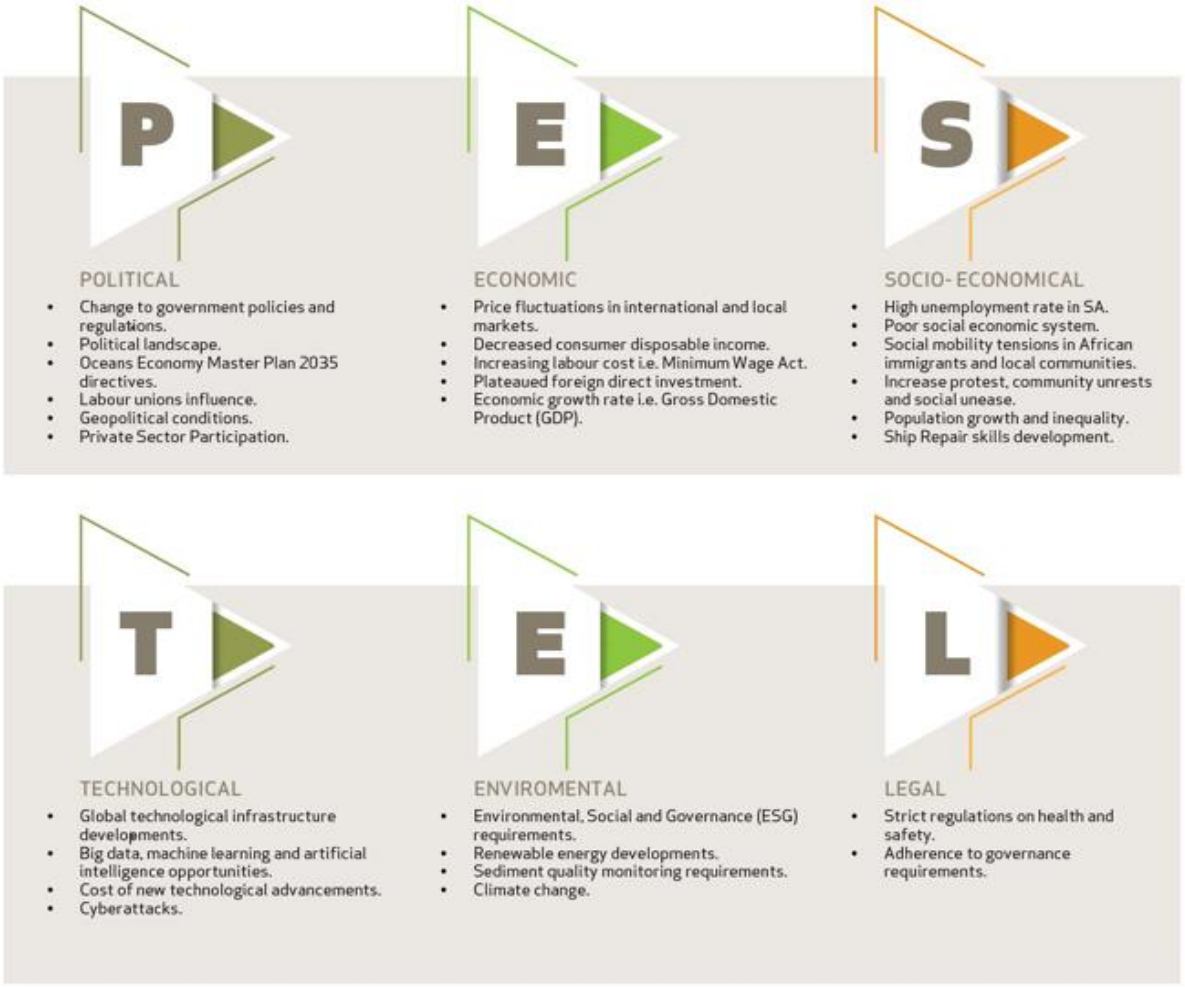

FIGURE 11:PESTEL ANALYSIS - SHIP REPAIR

4. INTERNAL SITUATIONAL ANALYSIS

4.1 THE SOUTH AFRICAN SHIP REPAIR OVERVIEW

The South African Ship Repair Business has a large footprint spread across the TNPA port system. The business has approximately three billion rands (R3.8bn) regulated asset base, which is inclusive of four dry docks, three repair quays, two slipways, one boat hoist and one Syncrolift supported by two workshops. South Africa, through TNPA, has the largest dry docks accessible to all contractors.

As shown in Figure 12 below, ports are capacitated with a variety of facilities where:

- Durban has a dry dock and a workshop 24 facility.
- East London houses a dry dock and a workshop 18 facility.
- Ngqura and Saldanha manages rig repairs.
- Port Elizabeth has a slipway and a boat hoist facility.
- Mossel Bay has a slipway which manages fishing vessels.
- Cape Town houses two dry docks, a Syncrolift, and a repair quay.

Further details on ship repair port capacities and capabilities are depicted in Annexure "**B**".

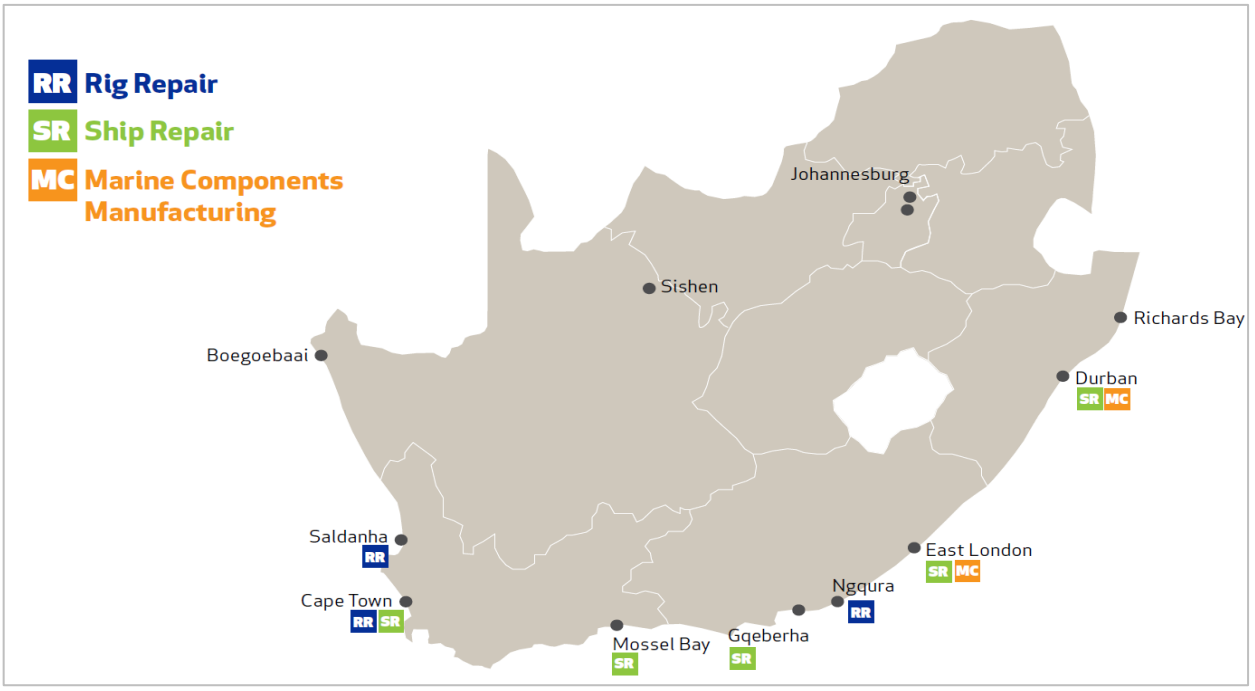

FIGURE 12: SHIP REPAIR FOOTPRINT

4.2 SHIP REPAIR BUSINESS UNIT CORE SERVICES

TNPA Ship Repair Business Unit core services incorporate engineering services and operations as depicted in Figure 13 below. Third parties are reflected in the third column.

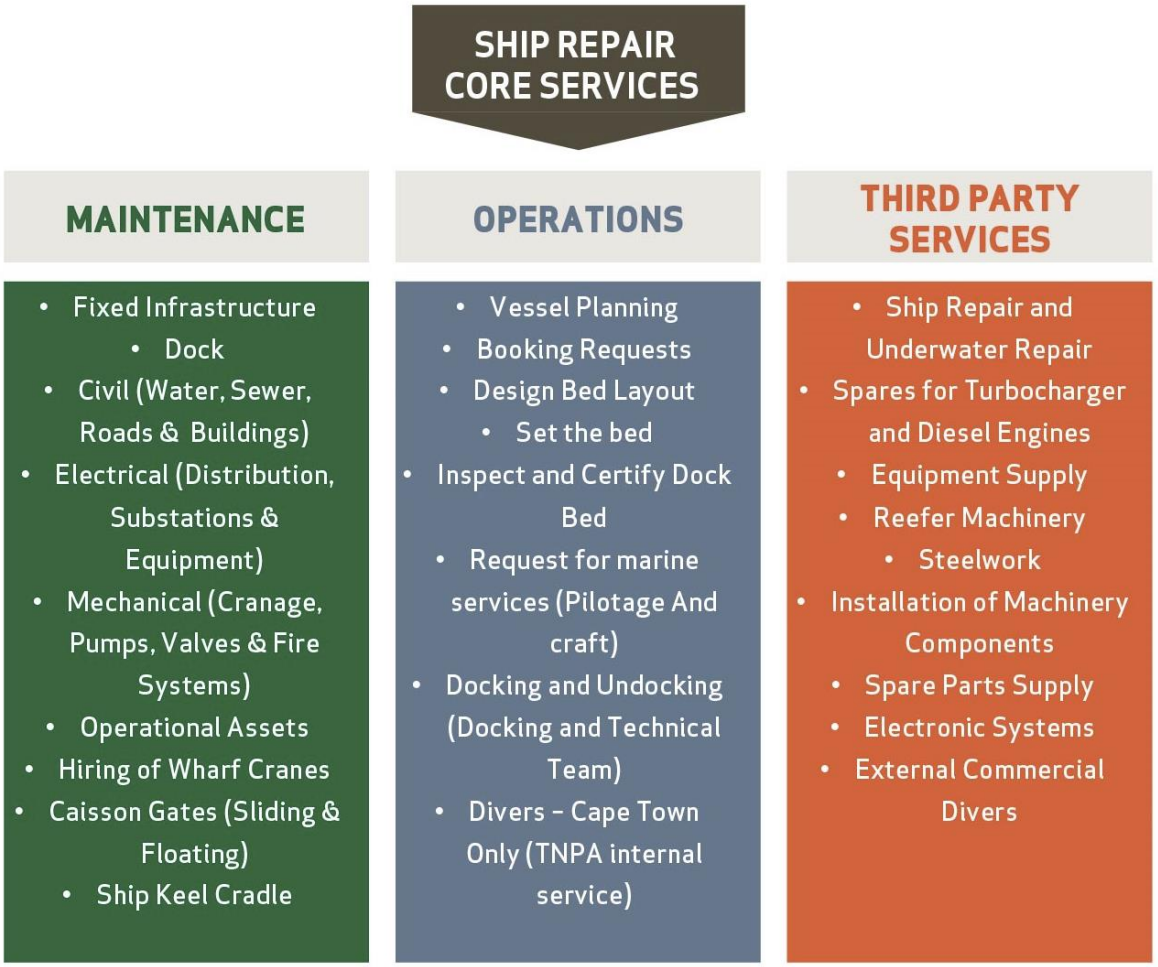

FIGURE 13: SHIP REPAIR UNIT CORE SERVICES

The capabilities of ship repair at TNPA are dry docking services, maintenance of marine craft, machining and fabrication and ship repair infrastructure maintenance. TNPA dry docks and ship lift facilities constitute port infrastructure and superstructure, i.e., hard assets, with 25 –50 years life spans. Graving Docks (concrete) have a life span of, in many cases, 150+ years. The Sturrock Dry Dock (SDD), the biggest dry dock in Southern Africa, is 79 years old, whilst the Port of Durban Graving Dock is 99 years old, and the Port of East London Graving Dock is 75 years old. However, ship lifts and dock facilities are required to undertake Marine Engineering, each business model is different in principle and execution.

The dry docks and ship lifts are complemented by engineering workshops, which manufacture spares, repair equipment, and provide maintenance services for the TNPA internal fleet. TNPA carries the total cost of ownership of these facilities while users pay for slot or short-term leasing and associated regulated charges.

4.3 OPERATION PHAKISA SHIP REPAIR INITIATIVES

The implementation of Operation Phakisa was approved in 2014. The main objective of the programme was to unlock the potential of South Africa's Economy. It aspires to grow the Ocean Economy contribution to South Africa's GDP to R129 - 177 billion by 2033, 250 – 350% of its present value. Additionally, the socio-economic impact is expected to provide an estimated million new jobs in the country (SA Goverment, 2025).

Six growth areas were prioritised to contribute to unlocking the economic potential of South Africa's oceans, based on the potential contribution to the economy and job-creation.

- Marine Transport and Manufacturing driven through the Department of Transport and TNPA initiatives.
- Offshore Oil and Gas Exploration led by the Department of Mineral Resources.
- Aquaculture driven the Department of Aquaculture, Forestry and Fisheries.
- Marine Protection Services and Ocean Governance led by the Department of Environmental Affairs.
- Small Harbours Development led by the Department of Public Works.
- Coastal and Marine Tourism (SA Goverment, 2025).

The Ship Repair Business falls within Marine Transport and Manufacturing under the Ministry of Transport. TNPA is responsible for superstructure renewal across various ports. To date in 2025, a majority of Operation Phakisa Projects under this initiative have been completed with an overall progress of 78%, 2% were cancelled and 20% are currently in progress.

4.4 SHIP REPAIR ECO-SYSTEM

The National Ship Repair ecosystem comprises of vessel construction and/or repair companies. These include Damen Shipyards Cape Town (DSCT), Dormac Marine and Engineering, SNN Ship Co. (Pty) Ltd, Channel Marine and Trading (CMT), Hesper Engineering and Southern African Shipyards (Pty) Ltd. Moreover, many industries offer related ship repair services in the port system and a broad clientele base, with some residing within the port's environment or precincts, particularly in Cape Town and Durban. Figures 14 and 15 below depict the Port of Cape Town and Port of Durban ecosystems.

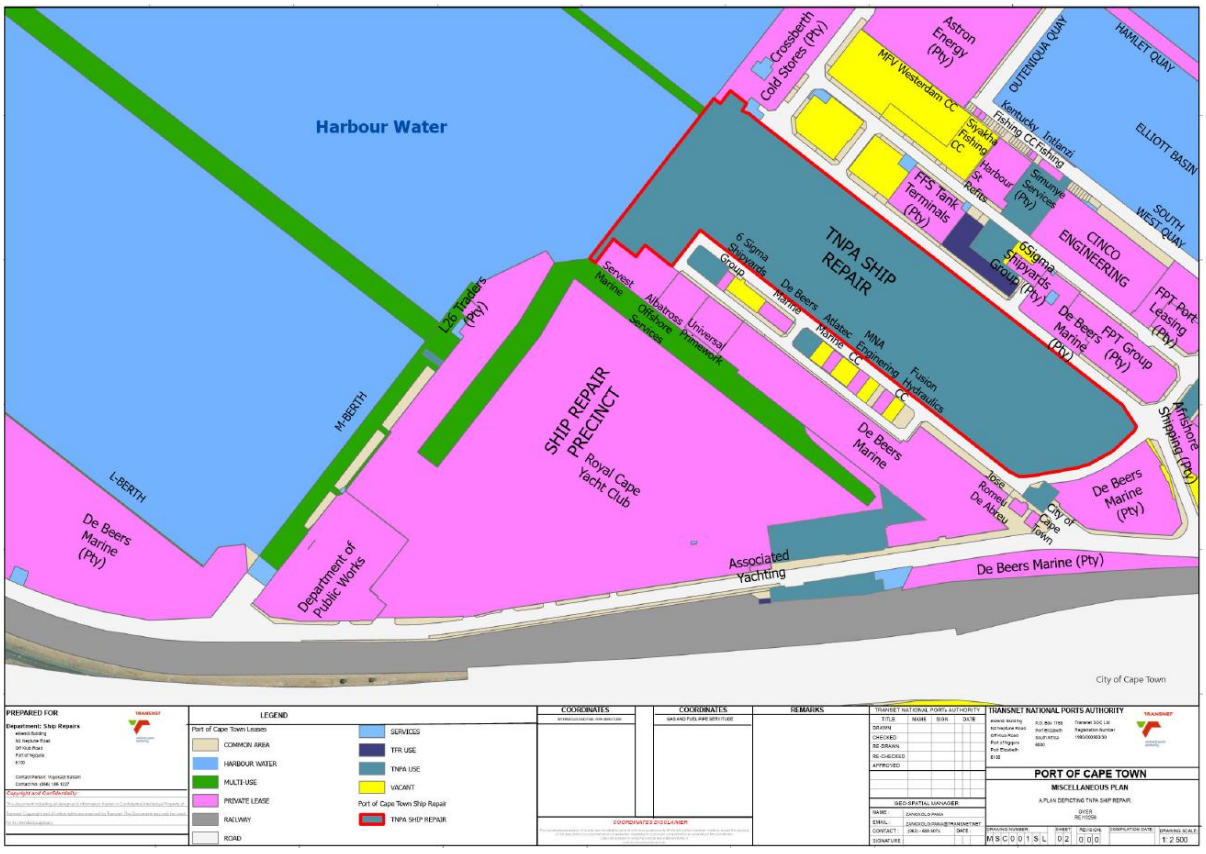

FIGURE 14: LAYOUT OF SHIP REPAIR INDUSTRIES - PORT OF CAPE TOWN

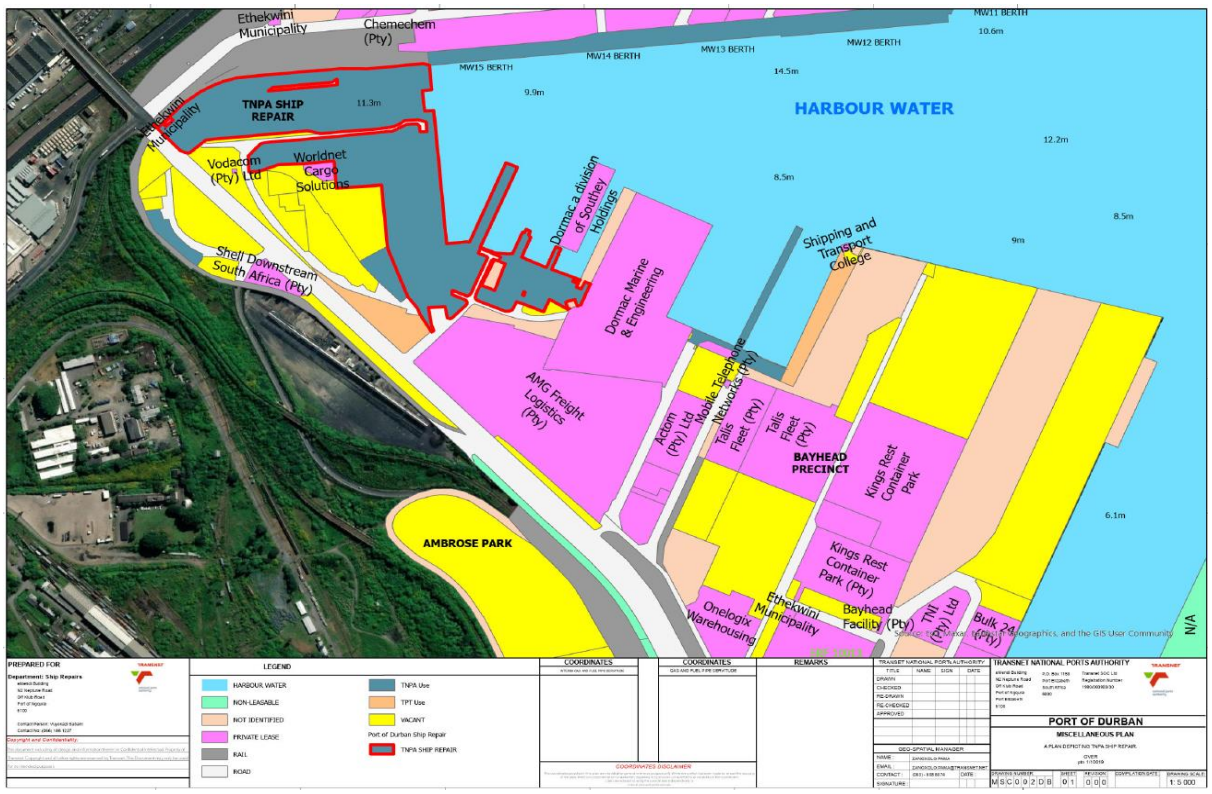

FIGURE 15: LAYOUT OF SHIP REPAIR INDUSTRIES - PORT OF DURBAN

4.5 VESSEL TYPES AS PER OUR TARGET MARKET

The current ship repair facilities can accommodate vessels up to a length overall (LOA) of 250 meters and beam of 40 meters. Due to the current limitations of dock structure and draft, the existing port ship repair facilities are restricted in accommodating new generation vessels. However, the vessel type target market of vessels greater than 250 LOA remains untapped, presenting a potential market for new facilities for the South African ports. While the world fleet is comprised of 112 495 registered, the African market has 10 620 with sub-Saharan Africa having 9 771 vessels calling. The registered vessels for the sub-Saharan Africa per cargo type, as depicted in Table 6 below presents a potential market for the region (UNCTAD, 2025):

Table 8: POTENTIAL MARKET - SUB-SAHARAN AFRICA

VESSEL TYPE	NUMBER
Bulk carriers	2 337
Oil tankers	1 575
Container ships	1 312
General cargo ships	1 573
Other types of ships	2 974
GRAND TOTAL	**9 771**

Source: UNCTD (2025)

The ship repair business remains a lucrative business for ship repairers in South Africa and the country because of its contribution to economic growth in employment opportunities and its multiplier effect on the economy in general. There is also an increasing market demand for ship repair facilities. Therefore, South Africa continues to be attractive to ship repairers globally due to the favourable weather conditions. As such, the downtime due to rain and winds is lower in South Africa than most competitors.

4.6 SWOT ANALYSIS – SOUTH AFRICAN SHIP REPAIR BUSINESS

An internal micro-environmental analysis was conducted using the SWOT framework to determine factors impacting the South African Ship Repair Business. An overview of the analysis is reflected in Figure 16.

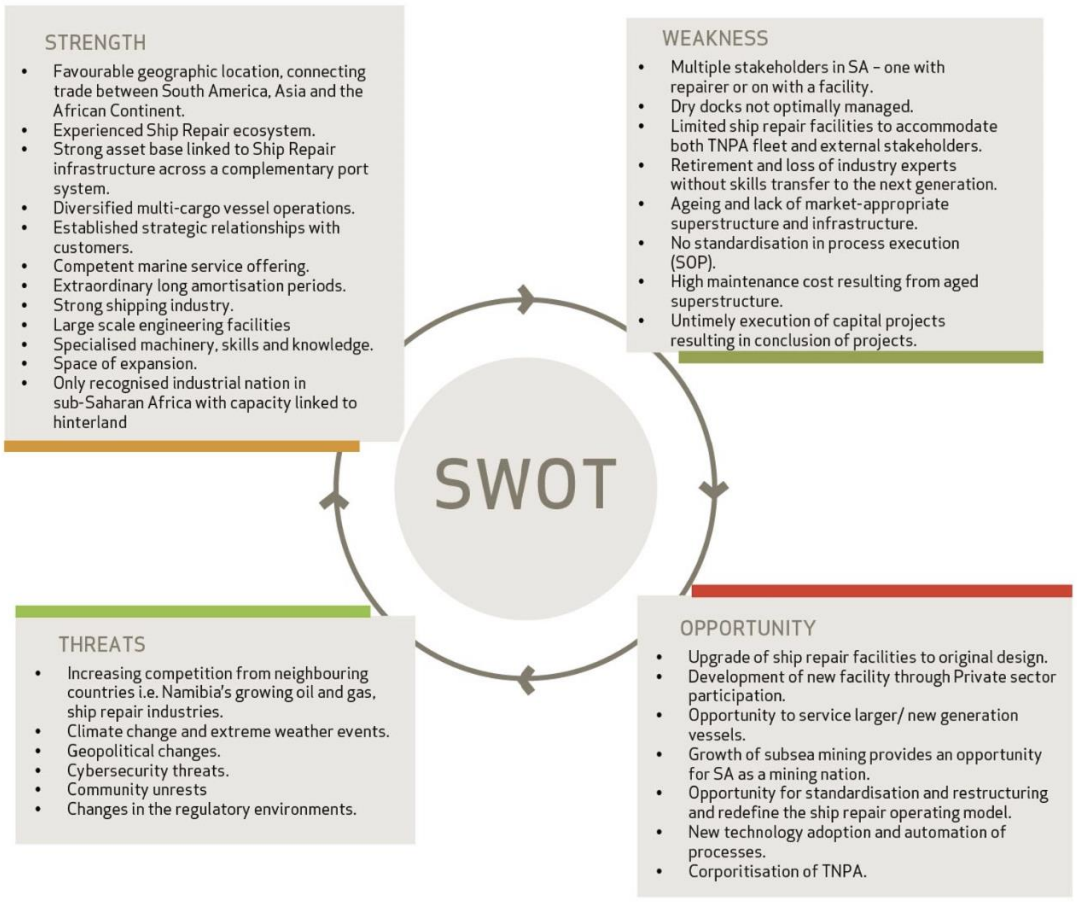

FIGURE 16: SWOT ANALYSIS – SOUTH AFRICAN SHIP REPAIR BUSINESS

5. TNPA MARINE MANUFACTURING AND SHIP REPAIR DESIRED END STATE

5.1 SHIP REPAIR DESIRED-END STATE

The Ship Repair Business Unit DES themes have been aligned with the TNPA DES aspiration. Figure 17 stipulates the focus areas for the Ship Repair Business for the next three to five years.

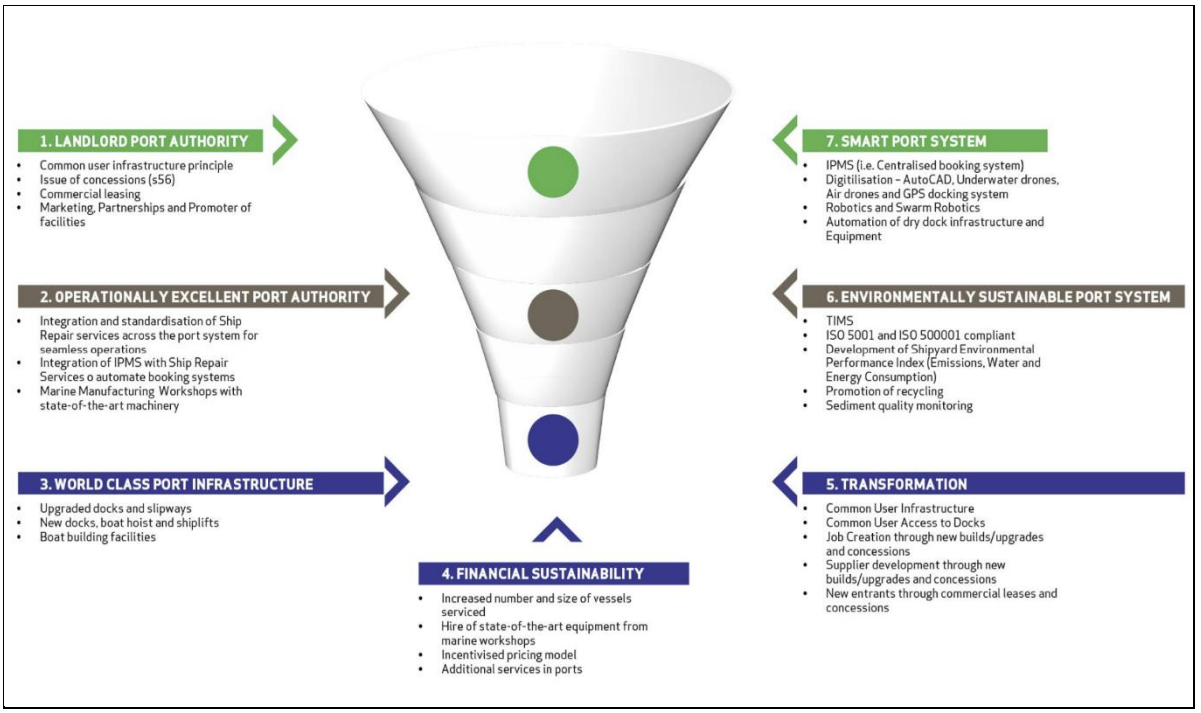

FIGURE 17: SHIP REPAIR DES THEMES

5.2 SHIP REPAIR STRATEGIC ASPIRATIONS – PHILOSOPHY AND FOCUS

The Ship Repair Business Unit philosophy is to maintain the common user principle in TNPA facilities and collaborate with the private sector to enhance TNPA assets and operations for newly developed facilities through concession agreements.

The aspirational focus of the business is therefore aiming to achieve:

- Infrastructure renewal project acceleration through Operation Phakisa.
- Infrastructure expansion through capital investments and private sector participation.
- Integration and standardisation of Ship Repair services across the port system for seamless operations.
- Digitalisation and automation of the ship repair operations, infrastructure and superstructure.

The philosophy and aspirational focus were used as a baseline to determine the aspirational objectives for the Ship Repair Business.

5.4 SHIP REPAIR DESIRED-END STATE CASCADE MODEL

The cascade model was used to develop the Ship Repair Business Unit strategy, as depicted in Table 9.

TABLE 9: SHIP REPAIR CASCADE MODEL

Goals and Aspirations	Where to Play	How to Win	Capabilities
Financial Sustainability • Business financial growth by 15% (CAGR) by FY 2030/31.	• Ship repair services – Increase in number of vessels serviced with gross tonnage of between 50 000 to 60 000.	• Extensive marketing. • Collaborate with Ship Repair Industry players. • Promote incentives on cascade model to attract additional vessels.	• Marketing strategies. • Incentivised pricing models. • Marketing, Partnerships and Promoter of facilities.
Landlord Port System • Increase facility availability from 60 to 90% working capacity by FY 2028/29.	• Commercial leasing. • Issue of concessions (s56).	• Private Sector Participation. • Lease and concession facilities.	• Lease management manuals. • Concessions procedure manuals. • Common user infrastructure principle. • Marketing, Partnerships and Promoter of facilities
Operational Excellence • Improve operational capacity from 60 to 85%. • Improve customer services from 40 to 70% in FY 2028/29.	• Bigger docks for larger vessels. • Shiplifts for ease of smaller vessel transfer. • Dedicated lanes for TNPA internal fleet. Express lanes for external fleet.	• Expedite acquisition of equipment. • Establish workshops at all ports.	• Experienced personal - wide skills base and expertise. • Penalties for overstaying vessels as per tariff rates.
World Class Port Infrastructure			

• Capacity creation ahead of demand. Increase maintenance spend from 0.04 to 3% of the asset value.	• Provision of infrastructure - New dry docks, shiplifts, repair quays and workshop 24 expansion. • Maintenance, infrastructure refurbishment. Operation Phakisa Projects.	• Private Sector Participation. • Expedite Operation Phakisa. • Increase Capex and Maintenance spending.	• Asset renewal programmes. • Build internal capability to conduct asset assessments. Strong asset base - largest docks in Sub Saharan Region and Africa.
Smart Port System • Improve TNPA Drip Score from 2.4 to 5.2.	• Technological improvements.	• Automation of operations, dry docks and superstructures. • Digitalise ship repair booking system.	• Software i.e. AutoCAD, GPS. • IPMS – integrated booking systems. • Robotics, swarm robots and air and underwater drones and smart docking blocks.
Enviromentally Sustainable Port • Improve sediment quality from level 2 to level 1.	• Sediment quality monitoring at all facilities.	• Acquisition of dredging permits seamlessly.	• Long-term sediment quality monitoring programme. • ISO 5001 and ISO 500001 compliance.
People-centric Port • Fill skills vacancies from 40 to 100% by FY 2028/29.	• Recruit specialised skills personnel for all facilities.	• Collaborate with private sector on job creation opportunities. • Acquisition of specialised personnel. • Partnerships with educational institutions.	• Skills development programs. • Succession planning. • Safety and high performance culture. • Change management.

Transformation and Economic Growth • Increase employment opportunities for the Ship Repair Industry to 25 207. • Improve BBEEE and Black Ownership levels.	• Supplier development through new builds/upgrades and concessions. • New entrants through commercial leases and concessions.	• Common user access to docks. • Job creation through new builds/upgrades and concessions. • Engineering workshop access.	• Common User Infrastructure

5.4.1 Goals and Aspirations Overview

5.4.1.1 Financial sustainability

The aspiration for financial sustainability incorporates 15% growth of the business per annum over the next five years. This will be achieved through the increased number of vessels serviced, targeting the vessels between 50,000 to 60,000 gross tonnages. Asset renewal and refurbishment of facilities and availability of machinery and equipment in the marine engineering workshops are critical in ensuring asset availability and an increased number of vessels. The initiative must be supported by extensive marketing in collaboration with the Ship Repair Industry players. Furthermore, TNPA must develop new infrastructure to generate untapped revenue streams for future sustainability beyond the Operation Phakisa projects.

5.4.1.2 Landlord Port System

One of the main functions of the port authority is to plan, provide, maintain and improve port infrastructure. In alignment with this responsibility, the business unit intends to upgrade and refurbish existing infrastructure to improve facility availability from 60% to 90% by 2028/29. TNPA will embark on a structured programme for asset renewal across all facilities in all ship repair ports. Furthermore, maintenance spending is expected to grow from 0.04% to a minimum of 3% of the asset value to keep the infrastructure in good condition.

5.4.1.3 Operational Excellence

The centralisation, development of standard operating procedures and establishment of marine workshops with modern equipment to support dry dock operations will be prioritised to ensure operational excellence. Furthermore, strategic allocation of ship repair facilities will be considered, with more extensive docks earmarked for bigger vessels, special lanes in ship lifts earmarked for internal fleets and express lanes for external vessels. The penalties embedded in the tariff book for vessel overstays will be maintained to promote efficient operations by all stakeholders.

5.4.1.4 World Class Port Infrastructure

The ship repair business has a strong asset base compared to the rest of the facilities in the sub-Saharan region and Africa. To improve service offering and delivery, the business aims to create capacity, increase maintenance and renew infrastructure and superstructure through Operation Phakisa programme. In addition, through private sector participation, provision is to be made for new dry docks and ship lifts.

5.4.1.5 Smart Port System

In embracing the principles of the Fifth Industrial Revolution within ship repair, the business unit seeks to improve technological use in the marine manufacturing and repair environment. For transparency and efficiency, various initiatives will be implemented, including the Integrated Port Management System (IPMS) for vessel scheduling and booking systems. Furthermore, drones, smart docking blocks, technological advancements to current facilities and automated docking procedures will be considered. Research and development into the applications of Smart Port technologies will be explored.

5.4.1.6 Environmental Sustainability Port Repair System

The strategic intent for environmental sustainability is to improve sediment quality from level 2 to level 1. This will be achieved by deploying sediment quality monitoring systems and programs in all ship repair facilities.

5.4.1.7 People-Centric Port

The unit will endeavor to fill critical vacancies gradually and ensure the acquisition of the requisite specialised skilled personnel, thereby improving operational efficiency. TNPA, in collaboration with Tertiary institutions, TVET colleges, SAIMI, SAMSA, QCTO, and SETAs, will facilitate a coordinated and integrated industry skills development programme.

5.4.1.8 Promote Transformation and Economic Growth

One of the nine core action commitments for the marine manufacturing and repair sub-sector is accelerating transformation. This is an ever-increasing pressure from the government and PRSA for TNPA to meet its socio-economic mandates. To fulfil its socio-economic mandate and role as a change and transformation agent, TNPA intends to continue operating on a common user basis on all infrastructure with a first-come, first-served basis for all industry players. Furthermore, while this strategy is not focusing on real estate but rather on infrastructure and operations, the Ship Repair Business Unit intends to promote the following within its operations in alignment with the TNPA Transformation Strategy (Black Industrialist Strategy):

5.4.1.8 (a) Improved B-BBEE Levels

Port Regulations 2 and 3 mandate for TNPA to do business with entities with at least B-BBEE level 4 status to determine the applicable qualification criteria and the specific B-BBEE targets to be applied to the following transactions:

- Agreements in terms of section 56 of the Act.
- Licenses in terms of section 57.
- Any other concession or authorisation in terms of the Act.
- Sale or lease of any property owned by the authority.

TNPA intends to advance B-BBEE levels from 3 and 4 to 2 and 1 as part of the improvement plans.

5.4.1.8 (b) Black Ownership Improvement

In alignment with Transport Sector B-BBEE Sector Codes, the Strategy will also seek to address the acute transformation challenges within the maritime sector by dealing with the skills shortage in these industry sectors to ensure the development of Black professionals through prescribing the following improvement plans:

- An increase in Black ownership to 40%.
- An increase in Black women ownership to 20%.

- An increase in Board voting of Black people to 65%.
- An increase in Board voting of Black women to 40%.

5.5 STRATEGIC POSITIONING OF SOUTH AFRICAN PORTS SHIP REPAIR

Two additional services have been included in the DES Strategy for the Ship Repair Business Unit, namely, recreational vessel services and boat building. Figure 18 illustrates the envisioned strategic positioning of the ship repair core service across the port system, including these new services.

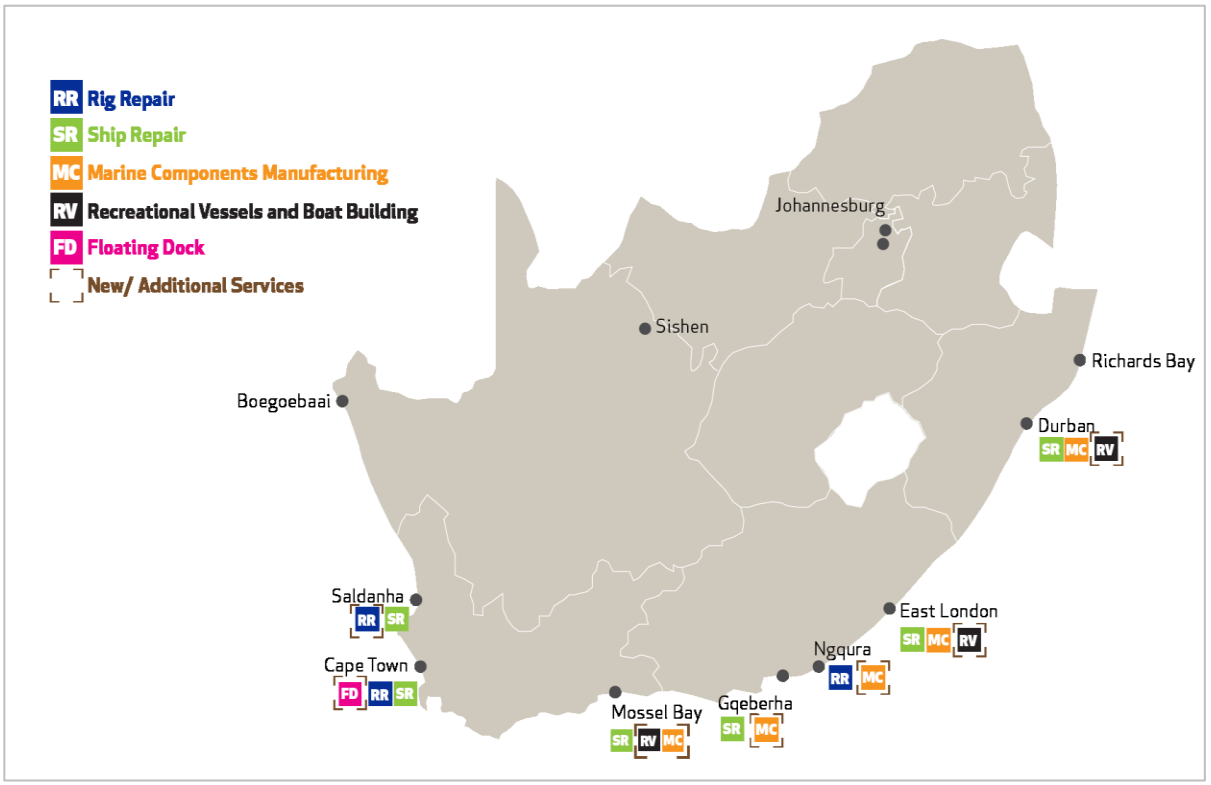

FIGURE 18: STRATEGIC SHIP REPAIR POSITIONING

The strategic ship repair position for each facility was guided by the industry service offering, the market strength and potential growth for each facility as outlined in Table 10 below.

TABLE 10: STRATEGIC JUSTIFICATION OF FACILITIES ACROSS SOUTH AFRICAN PORTS

Port	Service Offering	Type of Market Serviced	Market Strength	Strong Market Share	Potential Growth Area
Durban	• Dry docking. • Full spectrum of engineering services.	• Oil and gas service vessels. • Tugs. • Dredgers. • Cable lay vessels. • Bulk carriers. • Break bulk carriers. • Panamax size vessels.	• Mature and competitive environment.	• Bulk and Break bulk. • Oil and gas service vessels. • International dredgers.	• Recreational craft. • Boat building. • Marine Manufacturing.
East London	• Dry docking. • Limited engineering services.	• Tugs. • Dredgers. • Handy size vessels. • Break bulk and bulk.	• Tugs and dredgers.	• Tugs and dredgers.	• Tugs. • Dredgers. • Oil and gas service vessels. • Super yachts. • Marine manufacturing.
Port Elizabeth	• Dry docking. • No engineering.	• Fishing vessels.	• Fishing vessels.	• Fishing vessels.	• Factory fishing vessels. • Engineering services.
Mossel Bay	• Dry docking. • No engineering.	• Fishing vessels.	• Fishing vessels.	• Fishing vessels.	• Catamarans and yachts. • Engineering services.

Cape Town	• Dry docking. • Full spectrum of engineering services.	• Oil and gas service vessels. • Tugs. • Dredgers. • Cable lay vessels. • Bulk carriers. • Break bulk carriers. • Post Panamax size vessels. • Diamond mining vessels • Super yachts.	• Mature and competitive environment.	• Oil and gas service vessels. • Tugs. • Dredgers. • Cable lay vessels. • Bulk carriers. • Break bulk carrier • Post Panamax size vessels. • Diamond mining vessels. • Super yachts.	• Marine engineering services. • Post Panamax vessels. • Recreational vessels. • Super yachts. • Marine manufacturing.
Saldanha	• None.	• Oil rigs.	• Oil rigs.	• Oil rigs.	• Oil and gas sector vessels • Marine manufacturing

5.6 SHIP REPAIR STRATEGIC PROJECTS

The port system has shown a steady volume growth and a notable demand for services, but inadequate infrastructure continues to be a significant challenge. The efficiency and necessary expansion of all facilities are seriously threatened by critical elements such as basic reticulation systems (e.g., electrical, water and other) essential for the functioning of each facility to enable elements such as pumps, cranes, caisson gates, and capstans to name just a few general, the docks are located next to other port activities and are a part of well-established precinct features, providing a limited space for expansion and reconfiguration. It was imperative to draw attention to vessel tonnage calls variance, individual facility capacity, surrounding market, activities, competition, weakness to the strength of the area's serviceability, and market share that can be attracted.

A basic study was conducted by the ship-repair team in consultation with the various stakeholders ranging from port systems to our key strategic partners and customers, further soliciting the customer's voice. This was done to establish an essential founding position for the strategy aligned with the Oceans Economy 2035 goals. The strategy is pinned on three pillars: stabilisation, revival and growth by leveraging the existing facilities' strength and deriving a viable future on proposed new facilities based on the aspired capital initiative. In addition, the transformation pillar of the R4G strategy addresses challenges relating to infrastructure deterioration and outdated systems which are also prevalent at Ship Repair. It is imperative therefore that every port generates specific capital investment plans at a predetermined cycle to determine CAPEX distribution prioritisation across the port system. Table 11 provides a detailed list of the capital projects per port.

TABLE 11: CAPEX PROJECTS PER PORT

NO.	KEY PROJECTS	TNPA COST (R'M)	PSP COST (R'M)
1	Port of Durban – Operation Phakisa	533	-
2	Port of Mossel Bay – Operation Phakisa	394	-
3	Sturrock Dry Dock Infrastructural Upgrades – Operation Phakisa	507	-
4	Robertson Dry Dock Infrastructural Upgrades – Operation Phakisa	72	-
5	Port of East London - Operation Phakisa	179	-
6	Port of Saldanha – Berth Infrastructure	2000	-
7	Port of Durban - Syncrolift	-	252
8	Port of Durban – New Dry Dock	-	4639
9	Port of Cape Town – Floating Dock	-	300
10	Other Projects	315	859
	Total	**4000**	**6050**

5.7 CONCESSION – PRIVATE SECTOR PARTICIPATION PROJECTS

The private sector globally has contributed progressively towards the development of port infrastructure, superstructures and systems over the years, where traditional approaches of operating and managing these structures have been replaced with ports operating as commercial entities. Changes in recent trends demonstrate that the public sector has now assumed the port of planner, facilitator, developer and regulator at the port whereas the public sector provides services, operates and at times, develops the port (World Bank, 2007).

The main objective of the envisioned concession projects for the TNPA Ship Repair is to enable marine manufacturing and repair services across all Ship Repair Businesses in the port system. The benefits of these projects will include greater financial viability for the business and industry, attracting new customers through a more extensive and diverse customer base, and increasing operational efficiency and productivity. Table 12 indicates the envisioned concession projects identified for private sector participation across the various ports.

TABLE 12: CONCESSION PROJECTS

PORTS	IMMEDIATE CONCESSION AND COMMERCIAL LEASE PROJECTS	TERM
Durban	New Dry Dock	Short
	Boat Building Facilities	Short
	Ship Lift	Short
East London	Engineering Workshop	Short
Saldanha	New Facilities (Ship Lift)	Short
Ngqura	Engineering Workshop	Short
Mossel Bay	Boat Building Facilities	Short
Cape Town	New Floating Dock	Short

5.8 SHIP REPAIR STRATEGY OPERATIONAL MODEL

Benchmarks indicate various port operating models ranging from public port, tool port, landlord port, corporatised port and private service port. These models are distinguished through the following main characteristics (World Bank, 2007):

- Provision of services encompassing of public, private or mixed services offered.
- Orientation of the port, whether it is local, regional or global.
- Ownership of the infrastructure and port land.
- Ownership of equipment and superstructure.
- The type of dock and labour management is utilised to enable service rendering at the port.

Figure 19 further provides an example depiction of the current global continental ship repair operating models with emphasis on infrastructure, superstructure, port labour and other port functions (World Bank, 2007).

PUBLIC SERVICE PORT	TOOL PORT	LANDLORD PORT	CORPORATISED PORT	PRIVATE SERVICE PORT
PUBLIC		PUBLIC/PRIVATE		PRIVATE
• The **port authority** performs port-related services and owns all the infrastructure. • They are **a branch of a government ministry** and employees are civil servants.	• The **port authority owns, develops, and maintains the port infrastructure as well as the superstructure, including cargo handling equipment such as quay cranes and forklift trucks.** • Private handling of its cargo operations, albeit the port authority still owns the terminal equipment. • It is usually a transitional form between a public service port and a landlord port.	• Most common model where **terminals are leased to private companies with the port authority retaining ownership of the land** (e.g. concessions). • Under this model, **the port authority acts as regulatory body and as landlord**, while port operations (especially cargo handling) are carried out by private companies.	• 100% owned by government with full autonomy and freedom. • **The port authority operates with less bureaucracy.**	• The State no longer has any meaningful involvement or public policy interest in the port sector. • The **port authority is entirely privatised**, with all port functions under private control.
Examples: • **Port of Mombasa (Africa) (Vertically Integrated Port system)** • Bangkok (Asia) • Penang (Asia) • Colombo (Asia)- transitioning • Nhava Sheva (Asia)- transitioning • Kenya Port Authority	**Examples:** • Cebu (Philippines-Asia) • Davao (Philippines - Asia) • Chittagong Port (Asia) – transitioning to Landlord • Chinese Port Network/System • Las Palmas	**Examples:** • **Port of Houston Authority (USA) (Vertically Integrated Port system)** • Rotterdam (Europe) • Antwerp (Europe) • Pusa (India) • Laem Chabang (Thailand) • Ghana Ports and Harbours Authority • Nigeria Port Authority • Dakar (Senegal) Port Authority	**Examples:** • Port of Melbourne (Australia) • Port of Southampton (UK) • Namport (51% government shareholder)	**Examples:** • Prevalent in the UK (Bristol) and Australia • Mauritius Port Authority (water leases)

FIGURE 19: GLOBAL CONTINENTAL OPERATING MODELS

• The **port authority** performs port-related services and owns all the infrastructure. • They are **a branch of a government ministry** and employees are civil servants.	• The **port authority owns, develops, and maintains the port infrastructure as well as the superstructure, including cargo handling equipment such as quay cranes and forklift trucks.** • Private handling of its cargo operations, albeit the port authority still owns the terminal equipment. • It is usually a transitional form between a public service port and a landlord port.	• Most common model where **terminals are leased to private companies with the port authority retaining ownership of the land** (e.g. concessions) • Under this model, **the port authority acts as regulatory body and as landlord**, while port operations (especially cargo handling) are carried out by private companies.	• 100% owned by government with full autonomy and freedom • **The port authority operates with less bureaucracy**	• The State no longer has any meaningful involvement or public policy interest in the port sector. • The **port authority is entirely privatised**, with all port functions under private control.
Examples: • None	**Examples:** • Mossel Bay • East London • Port Elizabeth • Cape Town - Sturrock Dry Dock (De Beers Marine, Elgin Brown and Hammer, Afroshore Shipping, Africa Projects, Damen Shipyard, Balance Catamarans, KEA projects)	**Examples:** • Durban (Dormac, Elgin Brown and Hammer and SA Ship Yards)	**Examples:** • None	**Examples:** • Cape Town (Robinson Dry Dock and Synchrolift)

FIGURE 21: TNPA SHIP REPAIR OPERATING MODELS

The current operating model for the ship repair business in the South African ports, as depicted in Figure 21, falls within a mixed model of a tool port, landlord port and private service port. The South African Port Authority was formed as a Landlord Port Authority and as part of the strategy, the Ship Repair Strategy proposes a model that is transitioning from a tool port to a landlord port through a phased approach with all new projects to be concessioned to private sector in the short-term. This is a common model where terminals are leased to private companies with the port authority retaining ownership of the land (e.g. concessions). Under this model, the port authority acts as regulatory body and as a landlord, while port operations (especially cargo handling/ship repair services) are carried out by private companies.

The existing docks will remain as tool ports in the short to medium term because of existing Operation Phakisa Projects that are currently underway, their respective regulatory financial models and their economic contribution to the regions serviced.

5.9 FINANCIAL PROJECTIONS FOR THE DESIRED END STATE

5.9.1 Financial Outlook

In the context of the financial outlook, alongside the notable business growth, the efficient delivery of capital projects holds paramount importance for the sustainability of the ship repair business and its success over the next five to ten years. These projects signify strategic investments and serve as critical drivers for expanding revenue streams and enhancing operational capabilities for all stakeholders. It is imperative to ensure that these projects are executed in a timely, within budget, and accurate manner, as they directly influence the competitiveness of the organisation and the ability to capture emerging market opportunities.

Simultaneously, containment of OPEX remains a focal point for financial management strategies in the foreseeable future. With an expected growth trajectory in line with

inflation, effective cost containment measures become pivotal to safeguarding profitability and maintaining financial health. This entails meticulous budgeting, optimising operational efficiencies, and exploring avenues for streamlining processes without compromising quality or service delivery. Exercising prudence in operational expenditure management will enable the organisation to bolster resilience against market fluctuations while sustaining profitability amidst evolving economic landscapes.

The convergence of capital project delivery and cost containment underscores a holistic approach towards financial sustainability and growth. Striking a balance between strategic investments and prudent cost management practices will aid the organisation in navigating challenges, exploiting opportunities, and charting a course towards long-term success in the dynamic business environment.

5.9.2 Port Vessel Projections

Table 13 below provides an indication of the vessel performance projections for the financial year period of 2025/2026 to 2029/2030 because of conclusion of Operation Phakisa projects. The forecasted vessel performance for this period indicates varying trajectories for each port.

TABLE 13: VESSEL PROJECTIONS - 2025/2026 TO 2029/2030

PORT	**25/26**	**26/27**	**27/28**	**28/29**	**29/30**
Cape Town	158	196	196	208	206
Mossel Bay	0	0	57	72	80
Port Elizabeth	130	137	137	137	137
East London	8	12	18	18	20
Durban	37	38	40	43	44
TOTALS	**333**	**383**	**448**	**478**	**487**

The Port of Cape Town is projecting steady growth with an increase in vessel calls from 158 to 206 in the period 2025/2026 to 2029/2030. The port anticipates that the new jib cranes to be commissioned by 2026/2027 and refurbished pumps and valves will enhance efficiency thus improving turnaround time. Ship repair services at the port are planned to leverage on the complementary port system by ensuring vessels are directed to suitable dry docks as per vessel size and gross tonnage. The demand for Sturrock Dry Dock services includes Panamax size vessels, oil and gas service vessels, break bulk and diamond mining vessels. The Robinson Dry Dock and Syncrolift facilities predominately service fishing vessels or small port crafts.

The Port of Mossel Bay has forecasted zero vessel calls for the period of 2025/2026 and 2026/2027 due to the Slipway Rehabilitation Project. This project will ensure a renewed and revitalized infrastructural upgrade at the facility resulting in a significant surge on vessel calls of 52 and 70 for the period of 2027/2028 to 2029/2030 respectively. The slipway capacity will increase from 90 to 500 tons, enabling an upsurge in vessel calls and ability to accommodate two vessels at the facility concurrently. The market appetite for the ship repair facility at the port emanates from current resident vessel owners which include fishing trawlers and recreational vessels.

The Port of Port Elizabeth is projecting an average of 137 vessels per year in the period 2026/2027 to 2029/2030. Ship repair facilities at the port service the fishing industry, averaging a 44% utilisation rate at the facility. The slipway demand is directly impacted by the fishing seasonality with high demand during closed fishing season and low demand in open fishing season.

The Port of East London projections indicate a substantial growth from 8 to 20 vessels handled in the period of 2025/2026 to 2029/2030. The acquisition of new jib cranes in 2025/2026 will realise an increase in capacity and efficiency. The port currently handles TNPA craft such dredgers and provides additional support for Durban and Cape Town

vessels requirements. The port anticipates in partnering with the private sector on a Public–Private Partnership (PPP) model, where TNPA provides common user infrastructure and services as prescribed in the NPA, while the private partner delivers technical expertise, advanced machinery, workforce training and the management of operations. This synergy seeks to optimise efficiency, share investment risk and position the Port of East London Ship Repair Facility as a competitive repair hub for the Eastern Cape region.

The Port of Durban vessel calls project an increase from 37 to 44 vessels in the period 2025/2026 to 2029/2030. The dry dock services are offshore tugs, small container vessels, LPG vessels and general cargo vessels. The port additionally has a well-equipped marine manufacturing workshop.

5.9.3 The Game Changers

Four critical success factors were identified as game changers for the ship repair business to achieve its goals:

- Marine engineering where the ship repair workshop capacity and machinery will be open to the private sector. This will allow these ship repair assets to be positioned as a support system to the entire industry and not as a competitor.
- Lift capacity is encompassed in the capital expansion program which aims to increase lift capacity from a current capacity of 5 to 6 vessels to a capacity of 18 vessels per month across the port system.
- Departmental architecture aims to standardise and integrate the Ship Repair Unit for faster decision-making, integrated processes and systems and optimised long-term planning.
- Licensing ship repair operators with quality management systems will enable the South African industry to be strategically positioned as a service quality hub and enhance its attractiveness to the global market.

6. ECONOMIC ANALYSIS AND CONTRIBUTION

6.1 ECONOMIC CONTRIBUTION

The Operational Phakisa is aimed at expanding port capacity and infrastructure by positioning South Africa as a preferred destination for vessel maintenance through ship repair industry. However, the ship repair industry's potential competitiveness in the global market and wider economic advantages are seriously threatened by investment constraints to address some of its major challenges, such as outdated port infrastructure, high operating costs due to reliance on imported material and the erosion of critical skills. Despite these industry challenges, the ship repair industry in South Africa is poised for growth with sound investment in facilities and a focus on developing skilled workforce. To address some of the industry challenges and unlocking opportunities to position South Africa's ship repair industry as preferred destination, the Port Authority plans to invest approximately R10 billion over the period aligned to its strategic implementation period. This proposed investment plan, which will be dominated by capital investment at 89%, is thought to open up more ocean-related economic opportunities, such as the creation of direct and indirect jobs opportunities, contribution to the gross domestic product (GDP), and the attraction of further investment by capitalising on the nation's advantageous location for both African and international maritime activities.

The Port Authority's planned capital investment will not only address port infrastructure but further generate economic benefits through economic contribution and employment opportunities particularly for the regional economies and port cities where ship repair facilities are operating. The capital investment plan of R10.05 billion over the period aligned to the ship repair strategy execution plan is expected to positively impact on the socio-economic environment through the creation of employment opportunities, contribution to gross value added (GVA), creation of new business opportunities (in the form of material supply), generating income and contribution to fiscus through tax.

However, an estimated R6.74 billion will be directly spent on the construction and refurbishment phase of the ship repair infrastructure with R2.24 billion on equipment and the remaining R1.08 billion on professional services. The following is the summary of key economic benefits that are anticipated to be generated during the construction phase of the above-mentioned capital investment plan:

Employment opportunities and skills development: contributing towards reducing high and increasing unemployment rate, the capital investment plan is estimated to create a total of 25 207 employment opportunities. The planned capital investment for ship repair business is expected to create direct jobs for skilled labour and supports many indirect jobs through a strong multiplier effect. The industry is also expected to drive skills development and industrialisation which is crucial to curb the skill erosion in marine engineering.

Economic contribution: the capital investment plan for ship repair is estimated to contribute to national fiscus a total of R5.53 billion in the form of gross value added (GVA) over the capital investment plan cycle. Due to the nature of the investment, construction and manufacturing sectors are expected to be major beneficiaries in the economy. This is also expected to boost regional and port cities economic activities during the construction of some planned major projects.

Impact on production: this estimated capital investment is expected to generate a total of over R18.06 billion in new business opportunities (mainly for material supply) through the project delivery plan cycle. The construction and manufacturing sectors are expected to benefit greatly from the significant multiplier effects that will increase the availability of materials. The planned capital investment is also expected to benefit Small and Medium Enterprises (SME) contributing to the economic transformation agenda within the regions and port cities where the ship repair facilities will be operating.

Income contribution: the socio-economic impact on income which is expected because of this capital investment plan is expected to contribute a total of R2.63 billion in the form of personal income and other employment-related benefits. This is expected to further contribute towards poverty alleviation and somewhat reducing the dependency on social support program.

Tax contribution: the implementation of these capital projects will also contribute an estimated total amount of R876 million to boost the fiscus through tax.

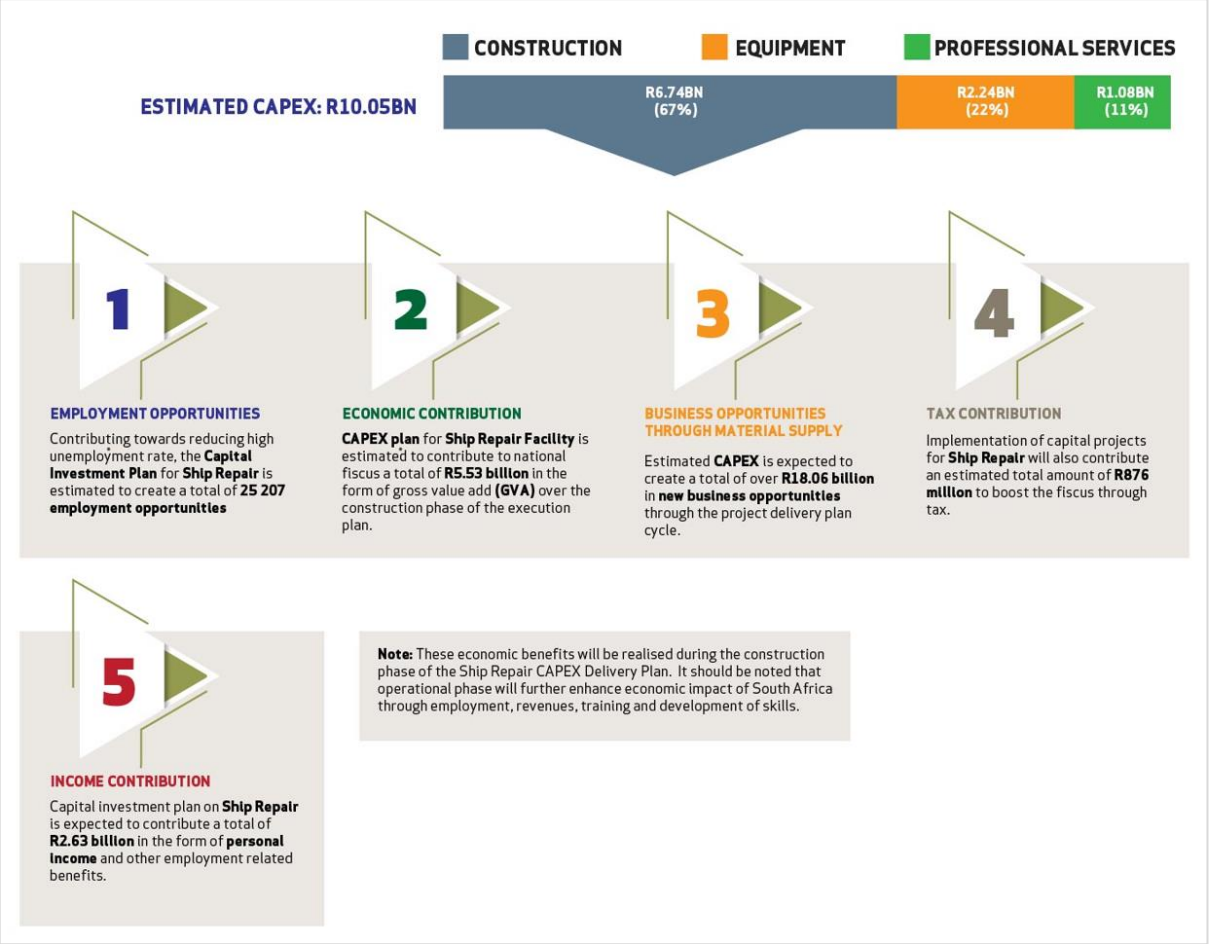

FIGURE 22: DISAGGREGATED DES FINANCIAL PROJECTIONS (R'M)

The strategic projects for ship repair will be implemented in the six of the eight commercial ports with economic impact expected to contribute to the economies of these port cities. The capital investment amounts will be allocated according to the strategic initiatives and investment requirements for each of the six ports. The table below demonstrates economic benefits by port based on the estimated capital investment plan.

Furthermore, Figure 23 below demonstrates the projected GDP contribution, new business development, income, taxes, and employment opportunities due to the anticipated projects to be implemented as part of the strategy. These were determined by the Multiplier Effect Model using input of an estimated ship repair capex.

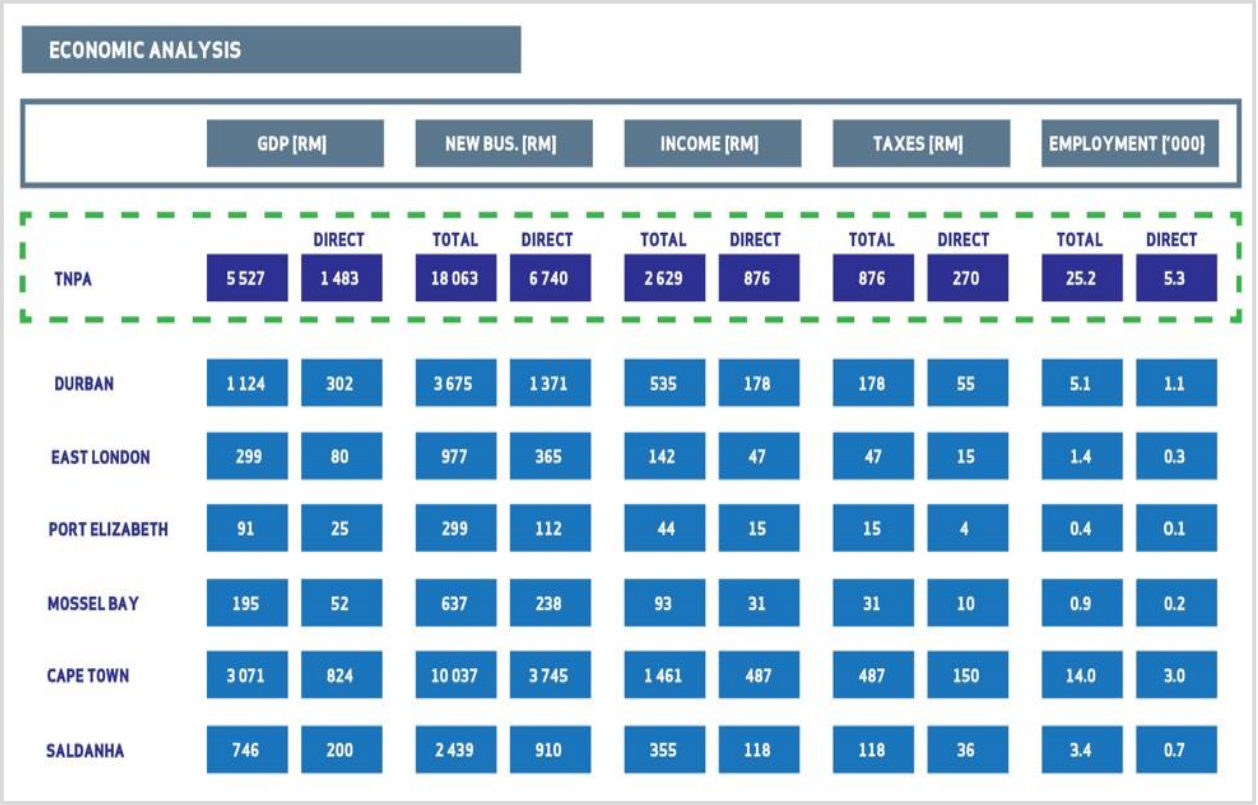

FIGURE 23: DISAGGREGATED DES ECONOMIC ANALYSIS (R'M)

6.2 CRITICAL KEY OUTCOMES OF THE STRATEGY

The key outcomes of the TNPA Marine Manufacturing and Ship Repair strategy, as depicted in Figure 24 below, are as follows:

Economic contribution - Drive economic contribution through CAPEX plans, new investment opportunities and Private Sector Participation. Approximately R10,05 billion is the estimated CAPEX contribution to Ship Repair upon implementation of the strategy and a projected GDP contribution of R5,527 billion to the national economy.

Financial sustainability - Ensure financial sustainability through improved operational efficiencies and expansionary projects which will facilitate increased number of vessels calls and docking of larger vessels resulting in revenue growth for all stakeholders.

Operational efficiencies - Improve operational efficiencies through automation and upskilling of ship repair personnel to work alongside automation; active resource allocation achieved through cross – port resource sharing; process optimisation such as SOP's, value stream mapping and preventative maintenance to ensure fewer breakdown during critical repair jobs.

New entrants - Create Opportunities for Private Sector Participation and new entrants through s56 leases/concessions and provision of appropriate tenure. TNPA will be issuing concessions for a New dry dock at the Port of Durban as well as at the Port of Saldanha with boat building facilities in Durban and the Port of Mossel Bay.

Operating model – TNPA to continue operating as a Landlord Port Model - The South African Port Authority was formed as a Landlord Port Authority and is part of the strategy, the **Ship Repair Strategy** envisions the **Landlord Port Model** adoption through a phased approach where private sector will play a significant role with new expansionary projects to advance the Ship Repair Industry. The Ship Repair Sector, will therefore, transition from a tool port to a landlord port through a phased approach with all new projects to be concessioned to private sector with immediate effect.

Infrastructure optimisation - The strategy will culminate in the acceleration of infrastructure development, upgrade and refurbishment of infrastructure to its original state through the replacement of dilapidated facilities thereby ensuring asset renewal. The development of new facilities such as Ship Lifts will create additional capacity for smaller fleet and allow dry docks to accommodate larger ships thereby meeting market demands.

Socio-economic improvements – The strategy will contribute towards reducing the unemployment rate. The Capital Investment Plan for ship repair is estimated to create a

total of 25,207 employment opportunities. The estimated CAPEX is expected to create over R 18,06 billion in new business opportunities through the project delivery plan cycle. The Capital Investment plan on ship repair is expected to contribute a total of R2,63 billion in the form of personal income and other employment-related benefits.

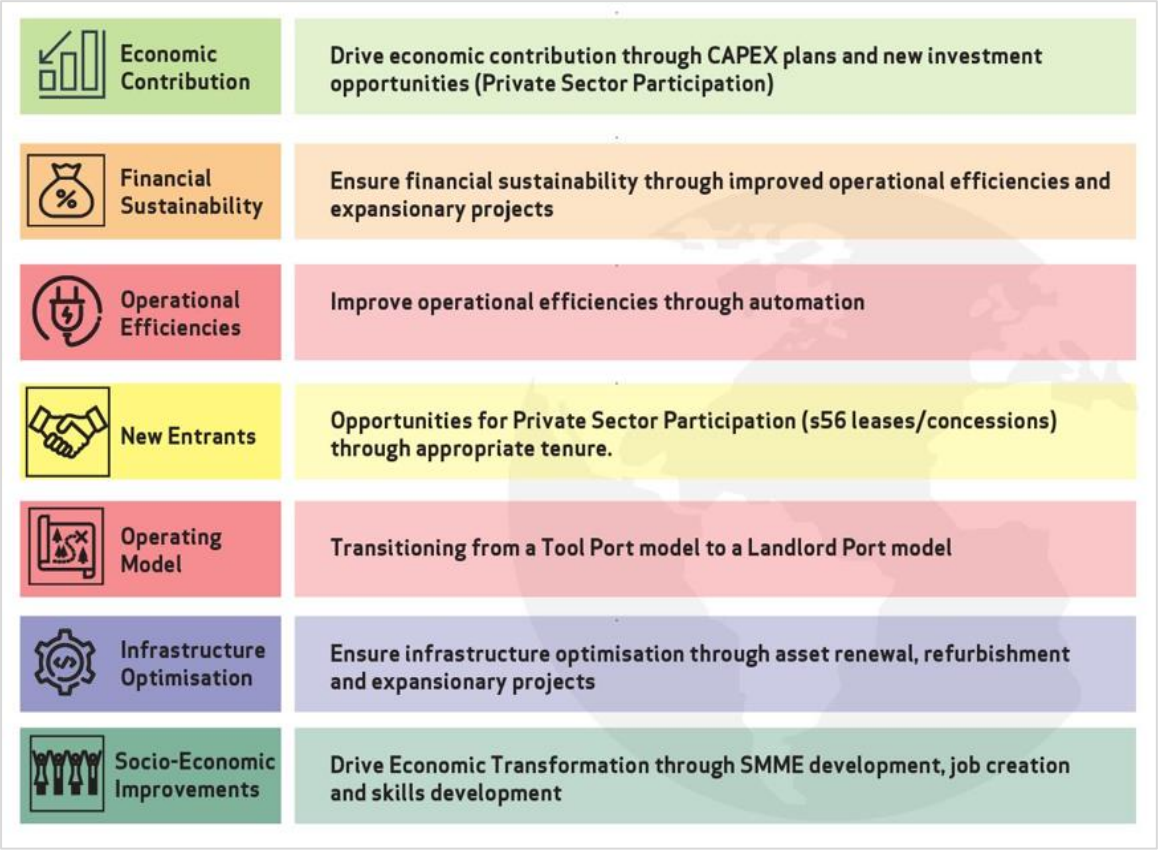

FIGURE 24: KEY OUTCOMES OF THE STRATEGY

7. RISK MANAGEMENT

TNPA adopts an enterprise-wide approach to risk management, which entails that key risks in every part of the ship repair business must be included in the structured and systemic process to manage risks. Figure 25 depicts the top 10 strategic risk map for the TNPA Ship Repair Business.

The highest-ranking risk relates to ineffective PDU service delivery where TNPA's internal infrastructure investment programme may not meet its ship repair strategic or technical needs due to misaligned technical solutions and execution challenges, leading to wasteful expenditure and unmet strategic goals. To mitigate this risk, TNPA is to establish an integrated infrastructure delivery framework that aligns technical solutions with strategic objectives, strengthens project management and procurement planning, embeds risk management practices, and ensures inclusive stakeholder engagement throughout the project lifecycle.

The government conflict risk refers to unclear accountability exposure due to conflicting governance structures between public and private entities that result in decision-making delays and compliance risks. Establishing a joint governance framework with clear roles, aligned KPIs, and standardized protocols to reduce decision delays and compliance risks.

The third highest ranking risk, operational inefficiency, relates to the existing TNPA inefficiencies, which may reduce service delivery due to persistent vessel overstays in dry docks and delayed maintenance schedules resulting in reduced competitiveness and investor interest. Mitigation measures to reduce or eliminate this risk are the modernization of infrastructure, optimizing scheduling, improving supply chain coordination, and monitoring SLAs to enhance competitiveness.

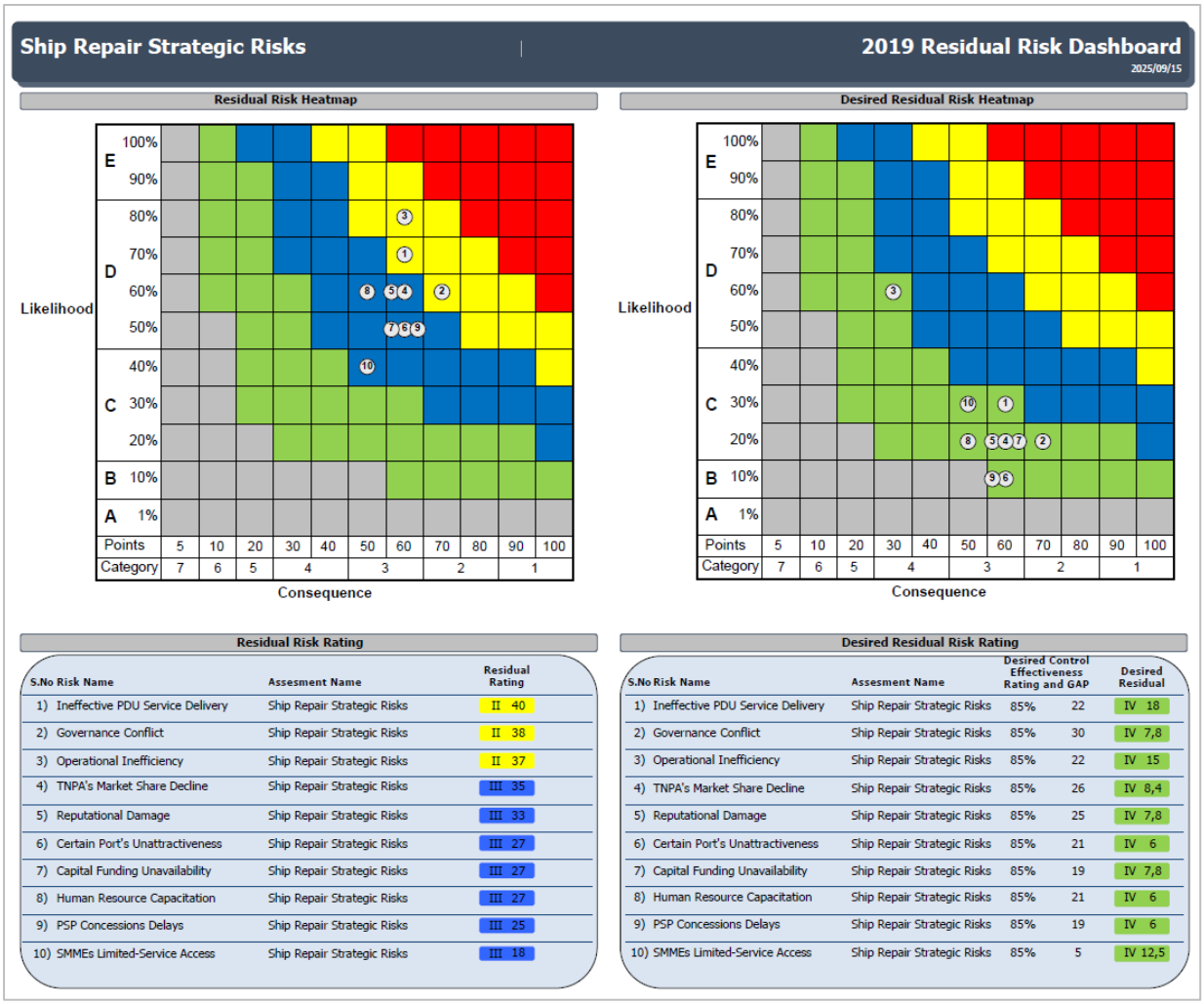

FIGURE 25: TNPA SHIP REPAIR STRATEGIC RISK HEAT MAP

8. IMPLEMENTATION PLAN

TNPA has developed an implementation which identifies critical deliverables, responsible parties and timelines needed to enable timeous implementation of the Ship Repair and Manufacturing Strategy. The implementation plan as depicted in Table 14 serves as a roadmap for executing some of the critical projects envisaged in the Strategy document which are essential to turn proposed initiatives into tangible results. It further outlines some of the critical projects to be implemented from an infrastructure perspective and the projects that TNPA will be issuing to the market for development of new facilities by the private sector as depicted in Table 15 and 16 below.

TABLE 14: SHIP REPAIR IMPLEMENTATION PLAN

NO.	ACTIVITY	DESCRIPTION	RESPONSIBLE STREAM	TIMELINE
1	Develop Detailed Port-Specific Plans	Create detailed business cases and implementation plans for each port facility	Ship Repair PDU Port BU	2025/26
2	Integration and standardisation for seamless operations	Development and Implementation of Standard Operating Procedures (SOP's).	Ship Repair Continuous Improvement	2025/26
3	Environmental Sustainability Plan	Development and implementation of environmental sustainability plans to promote world-class environmental standards.	Environmental Ship Repair Harbour Master	2026/27
4	Execution of Operation Phakisa Projects	Execution and/ or completion of current projects such as Jib Cranes, SDD Infrastructure Upgrades, RDD Floating Caisson Replacement, Syncro-lift Mechanical Infrastructure, Durban Dry dock Blocks, Mossel Bay Slipway Upgrade.	Ship Repair PDU Procurement	Currently – 2032/33
5	Corporate Structure	Ensure corporate structure is developed in accordance with task specific functions.	Ship Repair Commercial Services People Management	2025/26

6	Integration of IPMS to Ship Repair Booking System	Establish an automated booking system throughout the port system linked with the IPMS.	Ship Repair Harbour Master IT	2026/27
7	Navigational Assessment for the New Dry Dock in Durban	To validate the navigation of the design vessel down the Maydon Wharf channel to the drydock and maneuver in the turning basin into the potential layby berths. Confirm the size of the turning basin required for the design vessel.	Ship Repair Harbour Master Infrastructure	2026/27
8	Traffic Impact Assessment for the New Dry Dock in Durban	Undertake a screening to determine the need for a Traffic Impact Assessment (TIA) as part of future more detailed planning for the new dry dock and prepare a TIA if required	Ship Repair Harbour Master Planning	2026/27
9	Feasibility Report Ship Lift /Ship Recycling in the Port of Saldanha	To determine the viability of the project as well as the market appetite from industry.	Ship Repair Infrastructure NBD	2026/27
10	Marketing Strategy	Develop a marketing strategy for the South African Ship Repair facilities.	Ship Repair CRM Corporate Affairs	2026/27

TABLE 15: SHIP REPAIRTNPA CRITICAL PROJECTS

Port	Ship Repair Facilities	Existing	Project	Inception Phase	Feasibility Phase	Acquisition Phase	Negotiation/ Contracting Phase	Project Execution Phase
	Name	Yes/No						
Durban	Dry Dock	Yes	10 Dry Dock Jib cranes	Complete	Complete	Appointment of Bidder **2025/26 FY**	Contracting phase **2025/26 FY**	Project Close out **2028/29 FY**
East London	Dry Dock	Yes	**Phase 1** 2 Dry Dock Jib cranes	Complete	Complete	Appointment of Bidder **2025/26 FY**	Contracting phase **2025/26 FY**	Project Close out **2028/29 FY**
		Yes	**Phase 2** 2 Dry Dock Jib cranes	Complete	Complete	Appointment of Bidder **2029/30 FY**	Contracting phase **2029/30 FY**	Project Close out **2032/33 FY**
Mossel Bay	Slipway	Yes	Slipway Upgrade	Complete	Complete	RFP Draft Advertising **2025/26 FY**	Contracting phase **2026/27 FY**	Project Close out **2027/28 FY**
Cape Town	Dry Dock	Yes	10 Dry Dock Jib cranes	Complete	Complete	Appointment of Bidder **2025/26 FY**	Contracting phase **2025/26 FY**	Project Close out **2028/29 FY**
	Sturrock Dry Dock	Yes	Infrastructure Upgrades	Complete	Complete	Inner Caisson awarded Electrical upgrades RFP in the market Pumps Construction 2027/28	Inner Caisson awarded Electrical upgrade contracting by 2025/26 Pumps Construction 2027/28	**2026/27 FY** **2026/27 FY** **2029/30 FY**
	Robinson Dry Dock	Yes	Floating Caisson	Complete	Complete	Preferred Bidder Appointed	Contract finalised	**Project Close out 2026/27 FY**

	Synchrolift	Yes	Mechanical Infrastructure	Complete	Complete	Appointment of Bidder **2025/26 FY**	Contracting phase **2025/26 FY**	Project Close out **2028/29 FY**
Saldanha	Ship-lift/Ship Recycling	No	Ship-lift/Ship Recycling	Inception Report **2026/27 FY**	**2026/27**	**2027/28**	Contracting phase **2027/28**	Project Close out **2030/31 FY**

TABLE 16: SHIP REPAIR PSP CRITICAL PROJECTS PROGRESS

Port	Ship Repair Facilities	Existing	Inception Phase	Feasibility Phase	Acquisition Phase	Negotiation/ Contracting Phase	Project Execution Phase
	Name	Yes/No					
Durban	New Dry Dock	No	RFI Complete	Bayhead Concept Studies **2024/25 FY**	RFP Draft Advertising **2025/26 FY**	TOA Negotiation & Signature **2026/27 FY**	EIA Construction **2029/30 FY**
	Synchro/Ship-lift	No	PSP Validation **2026/27 FY**	Inception Report & Confirmation **2026/27 FY**	RFP Draft Advertising **2026/27 FY**	TOA Negotiation & Signature **2027/28 FY**	EIA Construction **2027/28 FY**
	Boat Building Facility	No	Precinct Plans	Stakeholder Consultations (EDTEA + Boat Builder Assoc.)	RFP Draft Lease Advertising **2025/26 FY**	Lease Negotiation & Signature **2025/26 FY**	EIA Construction **2026/27 FY**
East London	Marine Engineering Workshop	Yes	Market Interest	Market Consultation **2024/25 FY**	RFP Draft Lease Advertising **2025/26 FY**	Lease Negotiation & Signature **2026/27 FY**	Operation of Workshop **2026/27 FY**
Cape Town	Floating Dock	No	Market Interest & Consultation **2025/26 FY**	Inception Report & Confirmation **2025/26 FY**	RFP Draft Advertising **2025/26 FY**	Appointment of Bidder TOA Negotiation & Signature **2026/27 FY**	EIA Construction **2026/27 FY**
Saldanha	Ship-lift/Ship Recycling	No	RFI to the Market **2025/26 FY**	Inception Report & Confirmation **2026/27 FY**	RFP Draft Advertising **2026/27 FY**	Appointment of Bidder TOA Negotiation & Signature **2027/28 FY**	EIA Construction **2028/29 FY**
Mossel Bay	• Boat Building facility	No	Land Acquisition **2026/27 FY**	Inception Report & Confirmation **2026/27 FY**	RFP Draft Advertising **2026/27 FY**	Appointment of Bidder TOA Negotiation & Signature **2027/28 FY**	EIA Construction **2027/28 FY**

9. CONCLUSION

The TNPA Marine Manufacturing and Ship Repair strategy adopts a new strategic trajectory to see an overhaul of the ship repair business through its proposed expansionary programme. This heralds the massive growth for TNPA Ship Repair Businesses that will be propelled by the new additional facilities, refurbishments, and maintenance of the existing facilities. Despite the global economic downturn, the Ship Repair Industry remains resilient and is projected to grow in the future years. The South African Ship Repair Industry still has vast untapped market potential, contributing to its future sustainability. Furthermore, the TNPA Marine Manufacturing and Ship Repair Strategy endeavors to position the TNPA ports as service centres for the global fleet by increasing its market share by capturing exploration vessels along the coastline and those vessels passing the ports.

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ANNEXURE A: AFRICAN REGION CAPACITY

Location	Name	Facility Type (Dry Docking)	Dimension	Maximum Crane Lift	Maximum	Fitting Out Quays-Floating Repairs
Dakar, Senegal	Dakarnave	Floating Dock	235 X 38m	40 Ton	28,000lt 90,000dwt	1,000m with 15m Water Depth
		Graving Dock Syncrolift - 4 Bays of Total Length 240m	191 X 25m	40 Ton	60,000 Dwt 1,200 Lw	
St Vincent (Cape Verde)	Cabanawe	Floating Dock	110m X 16m		2,800 Lw	
Canary Islands	Las Palmas	Syncrolift With 7 Docking Lanes 2 X 220m, 2 X 180m, 3 x 120m In Length.	175m X 30m	150 Ton	10,000 Lw 36,000 Dwt	700m with 8-14m Water Depth
Abidjan (Cote d'Ivoire)	Carena	Floating Dock	130m X 20m		10,000 Lw	
		Floating Dock	80m X17.5m		2,000 Lw	
Tema (Ghana)	Tema Shipyard	Graving Dock	227m X 45m		100,000dwt	
		Graving Dock	105m X 13m		10,000dwt	
Lagos (Nigeria)	Niger Dock	Graving Dock	200m X 38m		25,000dwt	
		Floating Dock	N.A.		5,000lw	
Port Harcourt, Nigeria	West Atlantic	Floating Dock	105 X 23m	5 Ton	7,000 Lw	290m with a 6m Water Depth
Lobito (Angola)	Lobinave	Floating Dock	175m X 28m		10,000 Lw	
Walvis Bay, Namibia	Namdock	Floating Dock	155 X 23.5m	20 Ton	8,500 Lw 20,000 Dwt	2 X 100m Berths And 2 X 85m Berths, All With 7.5m Of Water
		Floating Dock	140 X 23.0m	20 Ton	8,500 Lw 20,000 Dwt	

Mombasa, Kenya		Floating Dock	195 X 33.5m	N.A.	15,120 Lw 0,000 Dwt	
	Namport African Marine & General Eng Co.	Syncrolift	80 X 14m		2,000 Lw	340m With a Water Depth Of 8.0m
		Graving Dock	180 X 26m	50 Tons	20,000dwt	
		Building Dock	40 X 24m			
		Slipways (2)	20 X 6m			

ANNEXURE B: TNPA CAPACITIES AND CAPABILITIES

Region	Port	Facility Type	Dimensions	Water Depth	Activities
Eastern	Durban	Prince Edward Dry Dock	350 x 33.5m (on the floor)	12.5m	Undertakes much larger package size and volume of repairs. Workshop 24 undertakes repair work only for TNPA's port craft and related services like navigational aids. TNPA and private ship repair facilities are all located close together in the Bayhead area of the port.
		Workshop 24	Marine Machine shop		
		Repair Quays	520m (in 3 sections)		
Central	East London	Princess Elizabeth Dock Dry dock		200 x 25m	East London comprises a graving dock (75 years old), workshop, and repair quay. The dry dock has a lower external utilisation rate. It acts as an overspill facility for Durban and Cape Town.
		Workshop 17	Marine Machine shop		
		Repair quay		106m	
	Port Elizabeth	Main slipway		1,200-ton lift capacity	Port Elizabeth has a cradle that can be split into two, allowing you to dock up to 600 tons. The port predominantly services fishing vessels and recreational vessels but has the potential to increase the space allocated to the staking area.
		Boat Hoist	1,200-ton lift capacity	200 x 25m	

Western	Cape Town	Robinson Dock	Graving Dock	153 x 27m	High utilisation rates. Infrastructure comprises three facilities that lift vessels out of the water. Cape Town has high utilisation rates. Sturrock Dock services general vessels of Panamax size, oil & gas service vessels, break bulk, bulk and diamond mining vessels. The vast majority of Robinson Dock and the Syncrolift are fishing vessels or small port craft.
		Sturrock Dock	Graving Dock	359 x 45m	
		Syncrolift	Syncrolift with 5 repair bays	61 x 15m 1,778tons capacity	
		"A" berth	Repairs afloat	275m + 76m	
		Repair Quay	Repairs afloat	458m x 2	
	Mossel Bay	Slipway	Slipway	30 x 12m	It is approximately 80 years old. It comprises an end-haul type slipway. A wooden cradle is used to haul the vessels out of water. The Slipway facilities cater primarily to fishing vessels.