Durban: a joint future for the city and the port

Situated on the East coast of South Africa, in the Province of KwaZulu-Natal, the city of Durban with over 1.1 million inhabitants (2007) is one of the most populated cities of South Africa. In 2000, it integrated the Municipality of Ethekwini to form a metropolis with over 3.5 million inhabitants and contributes 60% of the economic activity of the Province. In the decade preceding the economic crisis, the city experienced strong growth both on the level of urbanisation and in the sectors of small industries, manufacturing industries and tourism.

At the heart of the city, the port of Durban also recorded strong growth (+150 % for containers between 1995 and 2005). It is the top South African port for containers (it handles two thirds of the country’s traffic), bulk liquids and vehicles. It contributes both to the economic vitality of the region of Durban but also it is the natural maritime gateway for the region of Gauteng, the main economic hub of South Africa with its capital Johannesburg, situated 600 km inland.

Nevertheless, until a few years ago, the development projects of the port and the city were in competition. Flash-back.
A dynamic but constricted port

Port of Durban, aerial view @ Transnet

In the fiscal year 2008/9, its total traffic attained 74.7 million tonnes (oil and container traffics included) and 2.56 million TEUs. Its geographic position gives it a real advantage and the prospects are promising. However it is also a port shut in by the city and situated in a bay with a sensitive environment. A port restricted landwards and seawards for an expansion which appeared indispensible, a growing city, the situation was for the least conflictual.
We were able to discuss this last November with Andrew Mather (Ethekwini Municipality) and David Stromberg (Transnet) during the last AIVP International Conference in Buenos Aires.

**AIVP**: «In September 2003, the metropolis of Durban and the Port signed a Memorandum of Understanding. Is this a key date marking a new approach to city-port development, in Durban?»

**Andrew Mather** (Project Executive - Coastal Policy, d’Ethekwini Municipality)

«This will indeed have been one step. However in fact, we had to wait several years more before things really evolved. Thus in 2004, the National Port Authority (NPA) started developing a strategy to develop complementarity between the ports of the country. In 2005 a masterplan was established for the Port of Durban on the basis of projected cargo demand forecast up to 2050, including a need for capacity to 7 million TEUs in 2015 and over 9 million in 2020.»
The Durban’s Port masterplan was planning for the widening and deepening the entrance channel and the increase of container capacity on 2 sites: 1.2 million TEUs by an infill in the bay between Pier One and the naval base at Salisbury Island ; + 6 million TEUs by a dig out basin in the Bayhead area.

He led to counter-proposals from the City. Two logical confronted each other. In 2005 the NPA continued to reason with a logic of port and logistics strategy at national level. On their side, the city was very worried about the impact of this plan on the environment, notably on the very sensitive Bay of Durban, on the ability of the city to accommodate the additional traffic, and on the social impact of the reduction of ship repair and construction activities. The project also strengthened the contradiction with the projected Port and City land uses on certain interface sectors, in particular “The Point”.

The necessity for joint planning became essential in order to ensure cohabitation. The two parties then agreed in 2006 to implement a joint planning strategy: the Tempi project (Transnet eThekwini Municipality Planning Initiative)

In this process, the risk of seeing the port of Durban losing its role as top port of the country in favour of Richards Bay or Ngqura will without doubt have had a heavy influence. For the city and the region, the port is a major economic player: 40 000 jobs are connected to port activities. For NPA and the Transnet Group placing their money uniquely on the new port of Ngqura was finally not an optimum solution: it serves a more restricted immediate hinterland and being further away than Durban from Gauteng, the economic heart of the country, the creation of new connections would be more expensive.

From that point on, all the players were able to get together more easily. However the success of the dialogue which would then be established also resided in setting up a real planning team notably including the project managers of the City and of Transnet, coordinators representing each of these entities, and external consultants.

Dialogue would also be facilitated when South Africa obtained the organisation of the 2010 World Football Cup. Indeed, for Durban, that signified the creation of a new international airport and that would change the deal as regards the organisation of the City-Port spaces of the Metropolis. Concomitantly, it was in fact decided:

- On the one hand, to create a new port 20 km away from Durban on the site of the old airport by 2040. 437 hectares are concerned of which 295 hectares dedicated to containers and 24 hectares to the vehicle traffic;
- On the other hand, by 2050, to develop new capacities in the present port on the underutilised site of Bayhead.
Against the initial reinforcement projects for the port in its Northern part, an already congested sector close to the city, these two developments towards the South also rendered the development of a freight corridor easier. Programmed for 2050, they will rely on a renewed road and rail network and on inland intermodal relays to serve Gauteng and Johannesburg and beyond these the regions of the "Southern African Development Community (SADC)". Incontestably, this corridor will be a major advantage for the expansion of the Port of Durban but also for the development and structuring of the Eastern side of Africa.

City-port interface, patience ...

For the City Port interface sites patience will however be required. This is particularly true for the sectors of Point Waterfront and Victoria Embankment, situated in direct contact with the city.

The Victoria Embankment sector presents a development potential with a relatively simple implementation. Port activity is light there. A maritime museum, restaurants, and a yacht harbour are already present.

The case of Point Waterfront is more problematic.

It is a historically important zone for the city. An aquarium and a world class aquatic park, Ushaka Marine World, were opened there in 2003. Housing, shops and hotels have been installed there. A yacht harbour was also planned to complement the other two already existing in on Victoria Embankment.

The Point Waterfront ©Transnet
However the sector is difficult. It is jammed between the sea on one side and the port for general cargo and the vehicles terminal on the other. It is also served by a highly congested road infrastructure. Because of this, developments there are for the moment blocked.

*The Point: Car terminal blocking the waterfrontage @ Transnet*

**AIVP**: «Point waterfront is seen as a major opportunity to develop the Central Business District of the City. The creation of the new port will free up spaces in the old port. But deadlines seem far away. Are there no other development scenarios which could be implemented faster?»

**David Stromberg** (Senior Project Manager, Transnet)

«The city has long had a vision for the port to de-operationalise the city side of the Bay, to allow for the city to regain its waterfront, uninterrupted by freight handling activities. This was a focus of early TEMPI planning engagements. At the time an ‘antagonistic’ business model was explored, with the cost of the land determined by replacement value of port infrastructure and conversion of the Point to residential/commercial/tourism. This encumbered the development with an unaffordable land cost. The only way for such a conversion to work would mean a City development of dense high-rise buildings to create sufficient returns. The viability of such port conversion use remains questionable in the context of Durban’s property market.

Later engagements have focused on city support for Transnet’s long term expansion plans, with an ‘understanding’ that once these developments take place, there will be a strong case for the relocation of operations from the Point. Put differently, unless the port can expand to the airport site and Bayhead, the Point land would not be available for city use.»
The timelines for a phased de-operationalising are not precisely defined certainly not before the airport expansion has occurred – say 2025 earliest. In the interim, the port is proceeding with a process to develop A-B berths (The Point) as a dedicated cruise liner terminal with associated office developments in the short term – detailed planning is budgeted to begin this year.

In parallel, the city has reclaimed a piece of land alongside the yacht mole on the Victoria Embankment with a view to a limited commercial development including a hotel, etc. This is a city initiative on land leased from Transnet. Additionally the two other waterfront nodes on the Victoria Embankment – the Small Craft Harbour and Wilson’s Wharf, continue as low scale commercial waterfront nodes.

So I think this is still early days for this major development, but I anticipate some exciting early planning taking place. So in response to your question about how this area will become an extension of the CBD, this still needs to be explored in parallel with the port expansion plans, and at this early stage it is still a blank but very exciting canvas!».

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