Wes-Kaapse Provinsiale Parlement
Western Cape Provincial Parliament
IPalamente yePhondo IeNtshona Koloni

MINUTES OF PROCEEDINGS

STANDING COMMITTEE ON FINANCE, ECONOMIC OPPORTUNITIES AND TOURISM

Thursday, 17 February 2022 (08:00)
Hybrid Meeting: Virtual via MS Teams and In Person in the Chamber (6th Floor, 7 Wale Street, Cape Town)

ATTENDANCE

Members:

Democratic Alliance

Baartman, D (Chairperson)
Maseko, M
Van der Westhuizen, A

African National Congress

Nkondlo, N

Absent

Makamba-Botya, N (EFF)

The following persons were in attendance:

Western Cape Provincial Parliament:

Ms Z Adams, Procedural Officer
Ms L Cloete, Senior Procedural Officer
Ms M Motsapi, Committee Assistant

Department of Economic Development and Tourism, Department of Public Enterprises and Transnet
List attached.

1. **Welcome and attendance**

   The Chairperson welcomed the Members, the Group Chief Executive of Transnet, Transnet officials and officials from the Department of Economic Development and Tourism to the meeting. The Chairperson noted the apology from the Director-General from the Department of Public Enterprises, Mr K Tlhakudi.

   The Chairperson indicated, ahead of the briefings, that the last agenda item, which was a briefing by Transnet on the recent cyber security attacks on the ports, could possibly contain confidential information that could compromise the Entity's cyber security once again. The Chairperson indicated that the Committee would need to consider holding this portion of the meeting in-camera in terms of Standing Rule 72, given the sensitive nature of the information that would be discussed.

   The Chairperson proceeded with the agenda items below.

2. **Briefing by the Department of Economic Development and Tourism and Transnet on progress regarding the Port of Cape Town's container backlogs**

   The Department of Economic Development and Tourism and Transnet briefed the Committee on the information requested.

   The Committee asked questions based on the presentations and information received.

3. **Briefing by Transnet Freight Rail on the possibility of using the Belcon Station to transport containers to the Cape Town Container Terminal via train to eradicate a possible backlog**

   Transnet Freight Rail briefed the Committee on the information requested.

   The Committee asked questions based on the presentations and information received.

4. **Briefing by Transnet and the Department of Public Enterprises on the recent cyber security attacks on the ports, the nature and reason for the cyber-attack, the impact it had on the Cape Town Port Terminals, what is being done to address the delays that affected the container terminals in the Western Cape, and the steps to ensure that cyber-attacks do not reoccur**

   The Chairperson informed Members that the presentation on the above agenda item did not contain confidential information, however, there was a concern that the subsequent discussion would contain confidential information that could compromise Transnet's cyber security once again.

   The Chairperson indicated that the briefing could be open to the public, but suggested that the discussion portion of the meeting could be held in-camera in accordance with Standing Rule 72(2), which states that "The chairperson of a committee may at any time close the meeting for a decision by the committee whether a matter should be considered *in camera"*.

   The Committee agreed to hold the discussion session in-camera.

In accordance with Standing Rule 74, the proceedings or the evidence taken by or the report of a committee, while its proceedings were conducted *in camera*, or a summary of such proceedings, evidence or report, may not be published or divulged before the report has been printed on the authority of the Speaker or by order of the House, provided that evidence which such a committee has resolved may not be made public, may not be published or divulged.

The Committee asked questions based on the presentations and information received.

At the conclusion of the discussion session, the Chairperson opened the meeting to the public again.

5. Resolutions/Actions

5.1   The Committee wished to express its appreciation to Transnet for engaging with Members, and for providing the information that was requested from them.

5.2   The Committee wished to welcome the new manager of the Port of Cape Town, Mr Rajesh Dana, and wished him well in the new role.

5.3   The Committee NOTED the importance of the Port of Cape Town for the Western Cape's economy and indicated that the Committee could make a request to the Programming Authority to debate this subject in the House.

5.4   The Committee REQUESTED the following from Transnet:

5.4.1 A report indicating the plans and progress made in respect of the refurbishment of the Cape Town Container Terminal;

5.4.2 A report on the Road to Rail strategy, detailing the progress made so far in terms of that strategy and pilot, any amendments made to the strategy, weaknesses and strengths identified so far and any new initiatives in respect of the Road to Rail strategy;

5.4.3 A list of the groups, associations and organisations that Transnet has been meeting with, in respect of skills development, to ensure new entrants in the sector;

5.4.4 A list of skills needed within the ports and the advertising and recruitment strategy for the Skills Development Centre;

5.4.5 A brief report detailing how individuals may access Transnet's recruitment information;

5.4.6 Copies of reports (if possible) that are regularly submitted to the Department of Public Enterprises, specifically in respect of operational plans, refurbishment of equipment and costing of equipment investment needs;

5.4.7 To add the Members of the Standing Committee to their stakeholder mailing list;

5.4.8 A brief report on the outcome of the meeting with Transnet Property in respect of identifying land to transfer to TNPA for the truck staging area; and

5.4.9 A list of stakeholders that Transnet engaged with via WhatsApp groups and emails – the Committee does not need individual names, but rather the names of organisations and businesses.

5.5   The Committee FURTHER REQUESTED that the Western Cape Provincial Parliament's Research Unit provide a research report on fully automated ports as indicated in Transnet's briefing, detailing how these ports operate and what the best practices are for each fully automated port.

5.6   The Committee RESOLVED the following:

5.6.1 To undertake an oversight visit to the Belcon Station, owned by Transnet Freight Rail, as well as the properties that Transnet would like to use for the truck stations. The Committee would then receive an update on freight rail initiatives as well as a briefing from Transnet Properties on the property matter;

5.6.2 To hold a joint meeting with the Standing Committee on Transport and Public Works where Transnet would brief the Committee on the Road to Rail Strategy, the challenges encountered, the infrastructure required and the impact on the Western Cape so far;

5.6.3 To engage with the Transnet Academy on the skills required in the sector and the alignment of these requirements with relevant stakeholders; and

5.6.4 To re-issue an invitation to the World Bank to brief the Committee on its *"Container Port Performance Index 2020"* report (released in May 2021).

5.7   The Committee RECOMMENDED that Transnet engage more closely with the Department of Economic Development and Tourism and the Western Cape Education Department to align their required skills with the pipeline of skills that are already coming in to the sector.

The meeting adjourned at 14h13.

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MR G BOSMAN, MPP
CHAIRPERSON: STANDING COMMITTEE ON FINANCE, ECONOMIC OPPORTUNITIES AND TOURISM
DATE: 6 July 2022