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## More manganese please

**SOUTH AFRICA:** The increasingly busy Orex heavy haul iron ore railway between Sishen and Saldanha may gain a second source of traffic in the coming years. Transnet Freight Rail is in discussion with a consortium of mining companies about using the route to export manganese through the deep-water port at Saldanha Bay, as an alternative to developing further port capacity on the eastern seaboard.

The mining groups (BHP Billiton, African Rainbow Minerals and Assore) would like to boost exports from the Kalahari manganese field from the current five million tonnes a year to around 12 million tonnes. Most of the traffic currently moves through the harbour at Port Elizabeth, which has never reached its theoretical capacity of 6 million tonnes a year as it is constrained by the land available and

the depth of the shipping channel.

Transnet is currently looking at various options, which would all require 'significant investment', according to Acting CEO Chris Wells, who is looking at various models for possible private-sector participation.

One option is to develop the eastern corridor leading to Port Elizabeth, Ngqura and Durban. But the mining groups would prefer to use the Sishen – Saldanha line, as they believe a dedicated heavy haul corridor would offer greater operating efficiencies than a route shared with general freight traffic.

In the six months to 30 September, export traffic over the Orex line reached 21.1 million tonnes, a 32.7% increase on the same period last year. At the end of July TFR achieved 100% of theoretical capacity, moving a record 955 800 tonnes in one week, and on August 10

it marked the billionth gross tonne to traverse the line since it opened in May 1976.

The Sishen – Saldanha route is currently being upgraded to raise capacity from 47 million to 60 million tonnes a year (RG 6.07 p375), but Wells is concerned that significant investment would be needed to expand any further. 'To move to 80 million tonnes, which the iron ore industry wants, would require massive investment in new infrastructure and rolling stock', he explained. However, he suggests that a 90 million tonne corridor, handling 78 million tonnes of iron ore and 12 million tonnes of manganese, 'looks full of potential'.

Following consultation with the manganese exporters, Transnet hopes to make a decision on its preferred option 'within the next four to five months'. ❏

## Tackling terminal troubles

**BULGARIA:** EU-funded efforts to develop intermodal services to and from southeast Europe are being hampered by a shortage of suitable terminals, according to a 'declaration' submitted to the Bulgarian government at the end of October.

Involving 26 partners from 12 countries, the CREAM project was established to encourage modal shift by boosting the quality of rail services and shortening journey times. Organisational changes and advanced information systems are being introduced to 'optimise all interfaces in the transport chain', according to project co-ordinator HaCon, a German consultancy specialising in logistics planning.

Following EU enlargement, Bulgaria has become an important hub for freight moving between western Europe, Greece and Turkey. But CREAM says the only major hubs for container

operations in the region are in Budapest and Beograd, as the 'small, outmoded terminal' in Sofia is unable to handle the anticipated volumes.

The government had committed to develop intermodal facilities at nine locations by 2015: Sofia, Philipovo, Stara Zagora, Ruse, Dimitrovgrad, Varna, Burgas, Kaspichan and Gorna Oryahovitsa. In 2007 the Ministry of Transport appointed consultants to develop plans for a terminal at Poduyane near Sofia, able to handle up to 280 TEUs a day. The estimated cost was put at €25.9m, of which around €22m would come from ERDF. The project was due to start with the appointment of a terminal operator this year. TEN-T funding has been allocated for design of a terminal at Plovdiv, the intersection of three international corridors and well sited to feed the Black Sea ports of Varna and Burgas.

JBIC has already provided funding for new terminals at both ports, with the first stage of Varna West completed in 2008, and Burgas to be ready in 2014.

However, there has been little evidence of progress, perhaps because of constraints on the provision of EU funding. So in a bid to push ahead, the signatories to the CREAM declaration have informed the government that they propose 'to implement effective organisational structures for terminal development and operation, and to build a high-capacity container transshipment terminal in the Sofia region'.

Meanwhile, DB Schenker announced on November 9 that it is already building a 'modern logistics terminal' at Bozhuriste near Sofia, which is expected to open in early 2010. Developed at a cost of €10m, this will include road-rail transfer facilities and warehousing. ❏