

Supplement

Dube TradePort beats its BEE targets

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KWAZULU-NATAL'S groundbreaking multibillion-rand Dube TradePort development, which includes a new international airport at La Mercy, north of Durban, has surpassed its stringent black economic empowerment targets, the Airports Company of South Africa (Acsa) said last week.

Speaking at a combined (tourism and hospitality) industry workshop at the International Convention Centre, Terence Delomoney - Acsa's newly appointed general manager of the Durban International Airport and national airports - said these were major achievements for one of the biggest infrastructure projects by the government in South Africa.

"We have made excellent progress with regards to the project's broad-based BEE targets, having surpassed what is one of the most stringent targets of its kind for a public infrastructure project of this size in South Africa," Delomoney.

"The project is extremely progressive in terms of promoting broad-based BEE and has a strict penalty regime for non-compliance by the contractor selected to design, engineer, procure and build the airport. In June 2007, we signed an EPC contract with the Ilembe Consortium, a joint-venture structure of 13 companies that together boasts strong broad-based BEE credentials - and with Group 5 and WBHO having the largest equity share," he said.

"We have a very robust regime to manage our BEE targets and compliance on this project . . . I am very proud to announce that besides beating our own BEE targets, we have even gone beyond what the Department of Trade and Industry's BEE Codes of Good Practice require," Delomoney told more than 200 delegates attending the combined industry workshop.

He said the massive airport development, for example, was spending about R27 million on just its corporate social investment programme in the area.

In terms of ownership, the contract had exceeded its BEE target of 30%; and, in terms of management-control it had exceeded its target of 50% at board level.

Delomoney said other major broad-based BEE highlights included: 70% BEE spend of local procurement; a targeted spend of R27 million on enterprise development; and about R6.8 million on its skills development target.

"The government is putting more than R8 billion in fixed infrastructure through the development of this state-of-the-art international airport and trade port facility, which is a great catalyst for economic growth and job creation not the for the region but the country," said Delomoney. "It is estimated that about 270 000 jobs will be created directly and indirectly as a result of this project. In addition, it will also contribute positively to the national GDP . . . increasing government revenues and taxes by about R4.3 billion."

"For us one of the most important things is the benefits to the affected and local communities. There will be increased job opportunities for the communities living around the present site and from the further northern regions of the province. For example, the Ilembe Consortium has a special recruitment office on-site for people from the area looking to be employed on the development. Also, for example, in terms of woman's empowerment, construction on the 'cab' structure of the control tower at the new airport is being done by an all-woman construction team. These are all part of our broader BEE goals," said Delomoney.

He said the strong focus on enabling broad-based BEE businesses at Dube TradePort included the much-hyped commercial opportunities that are set to be opened up at the airport.

"There are a number commercial opportunities that are set to go out to tender, for example retail outlets and restaurants . . . We have said that present tenants at the Durban International Airport will not automatically qualify to get into the new airport. Everyone will need to apply. This is in order to open up the opportunities," said Delomoney.

He said Acsa would have public information sessions on the commercial opportunities available at the new airport in November. This would include what it entailed to be able to get in.

"There will be further opportunities at the new airport with the terminal building alone being three-and-a-half times the size of the present Durban airport terminal, and boasting a floor area of 103 000m². We are on track to opening the new airport and trade port in May 2010 and it will have a capacity for 7.5 million passengers and 100 000 tons of cargo," he said.