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PARLIAMENT

OF THE

REPUBLIC OF SOUTH AFRICA

**ANNOUNCEMENTS,
TABLINGS AND
COMMITTEE REPORTS**

THURSDAY, 12 MARCH 2026

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ANNOUNCEMENTS

National Assembly and National Council of Provinces

The Speaker and the Chairperson

1. Classification of Bills by Joint Tagging Mechanism (JTM)

(1) The JTM in terms of Joint Rule 202(6) classified the following Bills as section 77 Bills:

(a) **Special Appropriation (2025/26 financial year) Bill** [B3–2026] (National Assembly – sec 77).

(b) **Appropriation Bill** [B4–2026] (National Assembly – sec 77).

(2) The JTM in terms of Joint Rule 202(6) classified the following Bill as a section 76 Bill:

(a) **Division of Revenue Bill** [B5–2026] (National Assembly – sec 76).

2. Letter from the Minister of Home Affairs: South African Citizenship Act, 1995

(1) A letter from the Minister of Home Affairs, dated 5 March 2026, addressed to the Speaker of the National Assembly and the Chairperson of the National Council of Provinces, informing Parliament that no certificates of naturalisation were granted in terms of section 5(9)(b) of the South African Citizenship Act, 1995 (Act No. 88 of 1995), for the year 2025.

National Assembly

The Speaker

1. Introduction of Bills

(1) Mr MJ Cuthbert, MP

- (a) **Public Procurement Amendment Bill** [B7–2026] (National Assembly – proposed sec 76) [Explanatory summary of Bill and prior notice of its introduction published in *Government Gazette* No. 53515 of 17 October 2025.]

Introduction and referral to the Joint Tagging Mechanism (JTM) for classification in terms of Joint Rule 202.

In terms of Joint Rule 196 written views on the classification of the Bill may be submitted to the JTM. The Bill may only be classified after the expiry of at least seven parliamentary working days since introduction.

Bill to be read a first time.

National Council of Provinces

The Chairperson

1. Referral to Committees of papers tabled

- (1) The following paper is referred to the **Select Committee on Security and Justice** for consideration and report:
- (a) Report on the provisional suspension from office of Ms M Maithufi, Additional Magistrate, Ga-Rankuwa, submitted in terms of section 13(4)(b) and for the withholding of remuneration, in terms of section 13(4A)(b) of the Magistrates Act, 1993 (Act No. 90 of 1993).

TABLINGS

National Assembly and National Council of Provinces

1. The Minister of Communications and Digital Technologies

- (a) Memorandum of Understanding (MoU) between the Government of the Republic of South Africa and the Government of the Republic of Uganda on Cooperation in the Field of Information and Communication Technologies, tabled in terms of section 231(3) of the Constitution of the Republic, 1996.
- (b) Memorandum of Understanding (MoU) between the Government of the Republic of South Africa and the Government of the Republic of Côte D'Ivoire on Cooperation in the Fields of Telecommunications, Information and

Communication Technologies, tabled in terms of section 231(3) of the Constitution of the Republic, 1996.

- (c) Memorandum of Understanding (MoU) between the Government of the Republic of South Africa and the Government of the Kingdom of Saudi Arabia on Cooperation in the Field of Information and Communication Technologies, tabled in terms of section 231(3) of the Constitution of the Republic, 1996.
- (d) Memorandum of Understanding (MoU) between the Government of the Republic of South Africa and the Ministry of Communications and Information of the Republic of Singapore on Cooperation in the Field of Information and Communication Technologies, tabled in terms of section 231(3) of the Constitution of the Republic, 1996.
- (e) Explanatory Memorandum to the Memorandum of Understanding (MoU) entered into by the Department of Communications and Digital Technologies, on behalf of the Government of the Republic of South Africa, with four international counterparts in the fields of Information and Communication Technologies.

2. The Minister of Justice and Constitutional Development

- (a) Amended National Prosecuting Authority Policy Directives, issued in terms of section 18(2), read with section 18(5) of the Domestic Violence Act, 1998 (Act No. 116 of 1998).

National Council of Provinces

1. Chairperson

- (a) PROGRESS REPORT TO THE NATIONAL COUNCIL OF PROVINCES ON THE IMPLEMENTATION OF HOUSE RESOLUTIONS, SPECIFICALLY THE PROVISION OF PROVINCIAL SUPPORT IN TERMS OF SECTION 154 OF THE CONSTITUTION TO KNYSNA LOCAL MUNICIPALITY, WESTERN CAPE.

Referred to the **Select Committee on Cooperative Governance and Public Administration** for consideration and report.

COMMITTEE REPORTS

National Assembly

1. Report of the Portfolio Committees on Trade, Industry and Competition, on Transport, on Mineral and Petroleum Resources, on Electricity and Energy, and on Defence and Military Veterans on the Department of Transport Directive to Transnet National Ports Authority's Island View Precinct, dated 11 March 2026

1 INTRODUCTION

The Minister of Transport, Ms B. Creecy, issued a directive, under section 79 of the National Ports Act (Act No. 12 of 2005), instructing the Transnet National Ports Authority (TNPA) to extend or renew the leases of the current liquid-bulk terminal operators in the Port of Durban Island View Precinct (IVP) for an additional 25 years to secure and maintain fuel security.

Subsequently, the Portfolio Committees on Trade, Industry and Competition and on Transport received several complaints on 19 September 2025 from industry representatives regarding the directive for the Island View Fuel Storage (IVFS) facility. The representatives requested urgent consideration of their concerns about the Minister's directive to award contracts to five petroleum industry players (referred to as international oil majors (IOMs)) rather than following an open process.

From the Portfolio Committee on Transport, stakeholders requested that the Minister of Transport clarify the rationale for the Directive and the decision to pursue this approach instead of an open tender process for new lease agreements.

Furthermore, from the Portfolio Committee on Trade, Industry and Competition, stakeholders requested that the Committee considers concerns raised regarding potential breaches of competition law or the risk of unfair competition practices, as well as the impact of the directive on transformation objectives.

1.1 Purpose of the Engagements

The purpose of the engagements was to oversee the directive of the Minister of Transport and to assess whether due process was followed. Furthermore, to assess whether the outcome of the directive would achieve or undermine national transformation objectives and ensure national security of fuel supplies piped from the IVP. Therefore, the Committees' purpose was to oversee whether statutory powers had been exercised lawfully and were in the national interest.

1.2 Process followed

On Tuesday, 14 October 2025, having considered correspondence from the industry representatives, the Committees engaged the Department of Transport (DOT), Transnet, including the TNPA and Transnet Pipelines (TPL), the Department of Trade, Industry and Competition (DTIC), the Broad-Based Black Economic Empowerment (B-BBEE) Commission and the Competition Commission in Parliament, Cape Town. Specifically, the Committees sought clarity on the rationale for issuing the directive to extend the leases and the processes followed, as opposed to an initial strategy proposal to consider the matter through an open tender.

In addition, Transnet and its divisions, TNPA and TPL, were requested to provide background information on the following:

- An overview of the TNPA's responsibilities in managing the IVP;
- The strategies in place for managing the IVP from 2018 to date, including whether there were intentions to advertise an open tender for potential lease agreements, and when the decision had been taken to extend the current lease agreements via the directive instead;
- Whether the proposed lease agreements required compliance with B-BBEE legislation, as well as the provisions within the lease agreements regarding licensing by the National Energy Regulator of South Africa (NERSA); and
- How TPL's operations and revenue are impacted by activities at the IVP, and how these would be affected should industry representatives apply for an interdict against the lease extensions.

Following this engagement, the joint meeting resolved to convene further meetings with the complainants, other relevant government institutions and beneficiaries of the IVP directive. Consequently, on Tuesday, 28 October 2025, the Committees met with the Minister of Mineral and Petroleum Resources, the CEF, NERSA and the complainants. The final meeting was then convened on Friday, 28 November 2025. Due to the matters arising from the previous meetings, the Committees had also extended the meeting to include the Portfolio Committees on Mineral and Petroleum Resources, on Electricity and Energy, and on Defence and Military Veterans. The joint meeting then engaged the Ministers of Transport and of Mineral and Petroleum Resources, as well as beneficiaries of the IVP directive.

1.3 Layout of the Report

Section 2 of the report provides the background to the Committees engagements including the content of the directive and the concerns raised in this regard. Section 3 captures the engagements with the relevant departments and public entities. Section 4 provides a more detailed overview of the concerns raised by the complainants. An overview of the beneficiaries of the directive including the nature of their business, transformation status and the impact of the directive on their business is provided in section 5. Section 6 describes a complaint regarding the NOAA Ambrose Park Oil Terminal (NAPOT) project, which is planned in the Ambrose Park adjacent to the IVP.

Section 7 highlights the Committees' key observations, while section 8 provides their concluding remarks. This is followed by recommendations for the National Assembly's consideration in section 9.

2 BACKGROUND

2.1 Island View Precinct

Transnet manages the IVP, a critical liquid bulk terminal in the Port of Durban. This facility handles the majority of South Africa's fuel, chemical, and other associated liquid product imports. It serves as a major storage and supply hub, with various terminal operators leasing land from the TNPA to operate storage tanks and infrastructure. The IVP strategy focuses on transformation, ensuring fuel security, and increasing B-BBEE participation in port operations through new terminal operators and revamped leases.

In accordance with the National Ports Act, the TNPA is the landlord/authority of South African ports and must perform the functions of the Authority. It owns and manages nine commercial ports along the coastline of South Africa handling different commodities, namely Containers, Automotive, Dry Bulk, Break Bulk and Liquid Bulk. The Port of Durban is the leading port in the Southern African Development Community region and the premier trade gateway between South-South trade, Far East trade, Europe, the United States and East and West African regional trade. It is also the international commercial gateway to South Africa and is strategically positioned on world shipping routes within excess of 74 per cent of South Africa's total Liquid Bulk trade being handled at the Port of Durban.

The IVP is a petro-chemical hub in the Port of Durban. The majority of the IVP footprint is occupied by Cargo Owners who act as Terminal Operators responsible for the movement and storage of South Africa's petroleum, diesel, chemicals, oils, lubricants and aviation fuel. The IVP consists of 10 berths and operates on a 24-hour basis. Vessels call at the different berths to off-load liquid bulk products, which are pumped to and stored in tanks within the IVP. Liquid Bulk distribution from storage tanks takes place via fuel pipeline, liquid freight road transport and rail tankers. In addition to liquid bulk cargo, dry bulk products (mainly agricultural) are also handled at berth 3 within the IVP.

2.2 Directive by the Minister of Transport

On 18 September 2025, the DOT issued a media statement, "*Minister Creecy Instructs TNPA to Renew Island View Lease Agreement to Balance SA Transformation and Energy Security at the Port of Durban*"¹, regarding the directive issued by the Minister of Transport, Ms Barbara Creecy. The media statement noted the following key matters:

- An instruction to the TNPA to renew all leases of existing tenants (Entities) in the IVP, namely: Bidvest Tank Terminal, H&R South Africa, Chemoleo, UNICO TEC, ASTRON ENERGY, VOPAK Terminal Durban, Engen, Total Energies, SAPREF and Sasol.
- The Entities are granted the rights to operate liquid bulk terminals and manufacturing sites in the IVP for a period of 25 years. The TNPA and the Entities must establish a framework governing third-party access to storage capacity within the IVP. This framework must ensure transparency of excess storage capacity and facilitate the allocation of specific

¹ www.transport.gov.za/wp-content/uploads/2023/02/Renew_IslandView_Lease_Agreement2025.pdf

dedicated capacity to support the entry of new market participants, in compliance with the regulations of the NERSA.

- Access to the existing terminal Infrastructure within the port limits, including marine and landside infrastructure for landing, exporting, and evacuating cargo to be guaranteed to the CEF. Initially, the CEF would be allocated 15 per cent capacity which could be increased up to 30 per cent over time based on significant milestones being reached, and utilisation of existing allocated capacity.
- The CEF would also act as a third-party access point for emerging black industry players who were previously limited by a lack of access to Island View infrastructure.
- The CEF was granted the right to build and operate a new Single Buoy Mooring (SBM) within the port limits in the Port of Durban to further entrench access for the new South African National Petroleum Company (SANPC).
- This Directive is conditional upon the Authority concluding new Terminal Operator Agreements (TOA) with the Entities on or before 31 March 2026.

According to the Minister, the intention of the directive was to ensure transformation of the sector dominated for decades by well-established players and to ensure ongoing fuel security by ensuring that third party access is managed in a well-regulated and incremental manner that ensures consistent usage of the Island View infrastructure.

Furthermore, the new agreements should include the following conditions:

- Transfer of terminal infrastructure ownership to the Authority at the end of the 25-year concession period, as well as to ensure the terminal infrastructure, including but not limited to bulk fuel storage tanks, pipelines, and related infrastructure is maintained in accordance with international best practices;
- The Entities are to make all necessary capital investments to ensure that the terminals are fully equipped and operate at all times in a highly efficient, reliable, and safe manner;
- The Entities are to establish and implement training and incubation programmes aimed at transferring technical skills, to foster and empower historically disadvantaged people to participate in the operation of port facilities within port environments; and
- The Entities are to adopt a comprehensive transformation strategy to increase B-BBEE levels, Black ownership, and participation in port operations within a mutually agreed period with the Authority and the relevant statutory requirements.

2.3 Concerns raised by black traders

However, industry representatives from the Economic Intervention Forum of South Africa (EIFSA), Capricorn Petrochemicals, and SSMI Distributors submitted complaints to the two Committees. They raised concerns pertaining to the following:

- Potential awarding of leases to only five international oil majors (IOMs) (Shell, BP, Engen, Total, Astron) without following the proper procurement process and without meeting the Section 79(2) consultation obligations;
- Concerns regarding procedural integrity and oversight;
- Perceived lack of compliance with B-BBEE requirements;
- Energy security implications of leases being awarded predominantly to IOMs, with associated risks to economic transformation; and
- Potential unfair competition practices, as the leases could exclude black-owned operators and create an uneven playing field.

These stakeholders had requested intervention from the NERSA and the relevant parliamentary committees to:

- Immediately suspend the extension directive;
- Hold the Minister of Transport and the TNPA accountable for all lease renewals and Section 79 allocations;
- Place the lease awards on hold, consider limiting extensions to 25 years, and assess the national security implications of awards to IOMs;
- Ensure compliance with constitutional, statutory, and policy obligations in the IVP allocation process;
- Ring-fence 60 per cent of IVP capacity for B-BBEE-aligned operators and new entrants;
- Guarantee a transparent procurement process with full disclosure;
- Provide remedies, including review or setting aside of unlawful lease renewals; and
- Ensure contracts include investment and reinvestment obligations by IOMs, along with responsibility for liabilities and infrastructure upgrades.

2.4 Regulatory framework

In the case of the IVP, the port terminal and facilities are governed by the National Ports Act under the responsibility of the Minister of Transport. This responsibility is legislatively

mandated to the TNPA to own, manage, control and administer ports to ensure their efficient and economic functioning. Based on the legislation, the TNPA may conclude agreements or issue licences regarding port facilities and services. However, the Minister may issue a directive to the TNPA to perform a certain act or not to perform certain acts under certain legislated conditions.

In relation to the petroleum pipeline and storage industry, the NERSA is responsible for its regulation through licensing, setting tariffs, and enforcing compliance under the Petroleum Pipelines Act (Act No. 60 of 2003). Its oversight is essential for promoting competition, ensuring equitable access, and safeguarding the industry's economic and environmental sustainability. In particular, it issues licences for the construction and operation of petroleum storage facilities and ensures that companies adhere to relevant standards, including financial and environmental requirements as well as local regulations and international standards. In addition, it approves the tariffs charged for petroleum storage facilities based on a transparent methodology to allow licensees to recover their investments and operate their facilities efficiently. By regulating storage tariffs, it promotes equitable access to facilities for all users, including new and smaller companies. Furthermore, it must ensure that licensees with uncommitted capacity allow third parties to access their storage facilities on "commercially reasonable terms". Storage licensees must submit their allocation mechanisms for uncommitted capacity to the NERSA for approval.

The B-BBEE Commission and the Competition Commission, entities of the DTIC, play overarching roles in the economy. The B-BBEE Commission must monitor and advise on the implementation of the B-BBEE Act (Act No. 53 of 2003) by both state and private stakeholders. On the other hand, the Competition Commission under its legislated mandate in the Competition Act (Act No. 89 of 1998) is responsible to ensure fair competition in the economy. In doing so, it may advise on competition matters, conduct investigations and/or market inquiries, among others, to ensure that market practices enable a fair playing field for existing stakeholders and new entrants. Together, the two Commissions play a crucial role to ensure that inclusive economic growth is effective and not impeded.

3 ENGAGEMENTS WITH GOVERNMENT AND PUBLIC ENTITIES

As part of the three days of meetings held, the Committees engaged the following national government departments and public entities:

3.1 Department of Transport

3.1.1 Minister of Transport's introductory remarks on 14 October 2025

In her introduction on 14 October 2025, the Minister emphasised that the matter is longstanding and has been under consideration for several years. Upon assuming office, she was approached by the CEF and other stakeholders in the minerals and petroleum sectors, who raised concerns relating to energy security and the need for a mechanism to enable the reopening of the SAPREF refinery.

The Minister explained that the SAPREF refinery has been closed for a prolonged period, with significant consequences for the country's fuel supply profile. As a result, South Africa has become heavily reliant on imported refined fuel, as only two refineries remain operational, namely the refinery in Cape Town and the Sasol NATREF refinery.

She also referenced a fire at the NATREF refinery earlier in the year, which resulted in a critical shortage of aviation fuel. She noted that this situation exposed the country's vulnerability and reliance on IOMs to avert severe disruptions to the aviation industry. Even with the reliance on IOMs through the importation of fuel supplies, the merchant vessels transporting this cargo are often delayed due to global supply chain disruptions or delayed from docking due to inclement weather which would then have an impact on demand and supply of fuel products locally. This experience reinforced the strategic importance of restoring domestic refining capacity, including the reopening of SAPREF.

She linked this objective to the priorities of the Seventh Administration, particularly the focus on industrialisation and the beneficiation of products within South Africa rather than exporting raw materials and importing finished products. The recommissioning of SAPREF was therefore described as both an energy security and an industrial development priority.

Three primary considerations were identified as underpinning the decision to issue the Section 79 Directive:

- Fuel security, including reducing dependence on imported refined products;

- Refurbishment and reopening of the SAPREF refinery; and
- Economic transformation, with an emphasis on broadening participation in fuel importation and storage.

On transformation, she opined that while IOMs often have empowerment partners, these partners have not consistently been directly involved in fuel importation activities. At the same time, a number of small and emerging importers have expressed interest in participating in the sector but require access to storage and logistics infrastructure.

She explained that the Directive sought to balance these considerations. While lease renewals would be granted to established IOMs, these leases would include conditions relating to transformation and the provision of access to CEF and emerging participants.

A key component of the decision was the allocation of capacity to CEF on an incremental basis. The Minister stated that CEF does not seek to operate as a commercial importer but is focused on supporting the reopening of the refinery. In this context, CEF would act as a facilitator or “aggregator” of third-party access, assisting smaller players to gain access to storage capacity.

She noted that CEF is currently engaged in negotiations with the TNPA regarding its own lease arrangements and has indicated its willingness to engage with prospective importers once these matters are finalised.

She further highlighted the need to improve utilisation of existing pipeline infrastructure. Current usage was estimated at approximately 70 per cent of capacity. In line with government’s broader strategy to reduce the movement of fuel by road due to safety risks and road infrastructure damage, new lease conditions would require greater use of pipeline transport.

Finally, she addressed the future balance between crude and refined product imports. While refined products may continue to be imported in the short term, the longer-term intention, linked to the reopening of SAPREF, would be to prioritise the importation of crude oil as feedstock for domestic refining. Importation of refined products would in future be limited to circumstances where domestic refinery output is insufficient to meet demand.

3.1.2 Overview of the Directive's process

The DoT, together with Transnet and the TNPA, provided an overview of the ministerial directive issued in terms of Section 79(1) of the National Ports Act. The DoT outlined the rationale for the directive, the challenges within the IVP, and the short- to long-term measures being implemented to ensure fuel supply security, economic stability, and the advancement of transformation within the petroleum value chain.

The DoT recognised the IVP as a strategic national asset. Notwithstanding its strategic importance, the long-term leases in IVP expired between 2010 and 2011, which precipitated a fifteen-year period characterised by policy uncertainty and limited investment. This resulted in the deterioration of vital infrastructure and an estimated R20 billion in lost potential capital investment. The fuel security situation was exacerbated by the closure of two major refineries (SAPREF and Engen) weakening local refining capacity, increasing reliance on imported petroleum products and exposing the country to serious national energy security risks. However, it should be noted that the existing capacity at the IVP is restricted and insufficient to support all interested market players. This has curtailed access for emerging and previously disadvantaged entities and has entrenched the dominance of the IOMs.

To address this anomaly, the Minister exercised powers under Section 79(1) of the National Ports Act and issued a directive as outlined in sub-section 2.2 above to safeguard national security; promote national strategic and economic interests; and give effect to national obligations.

In the view of the DoT, the directive complies with at least two of the three statutory conditions, namely the protection of national security and the promotion of strategic and economic interests. Accordingly, the directive operates in parallel with Section 56 of the Act in relation to the competitive procurement process, which the TNPA continues to implement for long-term concessions.

In its presentation, the DoT outlined four central principles that informed the Minister's directive. Collectively, these principles seek to ensure that the IVP embodies fairness, enhances national security interests, supports economic transformation, and promotes long-term infrastructure sustainability. These principles were the:

- Common-user infrastructure principle to ensure fair, transparent, and non-discriminatory access to critical petroleum import and storage facilities. This approach aims to level the playing field for both established industry players and emerging market entrants.
- Security of supply principle and the strategic importance of fuel to South Africa's national security and economic stability. Furthermore, the DoT stressed the importance of enhancing state control over the importation and storage of fuel products to safeguard an uninterrupted supply.
- Promotion of transformation by increasing the participation of South African companies throughout the petroleum value chain. This includes creating opportunities for historically disadvantaged operators to expand ownership and operational involvement, and to develop and build new terminal infrastructure.
- Modernisation of the IVP's infrastructure to reverse its long-term decline. The directive seeks to support a more efficient and competitive port environment, promote investment, and upgrade ageing facilities.

To implement the directive, the DoT proposed a phased approach in order to secure long-term transformation and capacity extension within the IVP, enable medium-term infrastructure development, and stabilise the current operating environment in the short-term.

- Short-Term Measures:*** To improve state participation and assist new market entrants, the DoT outlined its immediate interventions. The CEF will receive a 15 per cent guaranteed throughput and storage capacity starting 1 September 2025, with a planned incremental increase to 30 per cent contingent on predetermined utilisation thresholds. The objective of this allocation is to ensure that the state has consistent access to strategic import and storage operations.

Furthermore, the CEF will act as a third-party aggregator, enabling emerging and smaller fuel importers to access common-user infrastructure that they may not be able to use independently. In order to ensure immediate operational readiness and equitable use of current facilities, terminal operators will have to guarantee CEF access to both landside and marine infrastructure.

- ii. **Medium-Term Measures:** The medium-term measures emphasise enhancing operational efficiency and preparing the IVP for expanded capacity. To accommodate the expected volumes associated with the future reconfigured SAPREF facility, storage tanks are required to be built and the current infrastructure should be modernised. In addition, the DoT further indicated that, preparatory measures are being considered toward the creation of a dedicated import system for the CEF, which is intended to enhance state autonomy in fuel import processes and reduce the reliance on private-sector controlled systems.
- iii. **Long-Term Measures:** According to the DoT, long-term strategic measures prioritise structural transformation and the sustainable expansion of infrastructure. A key component is the development of a dedicated SBM, giving the CEF independent capacity to import crude oil and refine fuels, thereby enhancing national energy security.

The DoT further stated that certain land parcels in the IVP would be made available through a Section 56 competitive bidding process, facilitating the entry of new South African-owned terminal operators. This initiative is intended to broaden ownership, promote transformation, and support investment in upgraded infrastructure.

Collectively, these long-term measures are designed to expand government and South African private-sector participation, accelerate the transformation of the petroleum logistics value chain, and establish the precinct as a competitive, future-ready hub for energy imports.

Furthermore, the DoT provided an overview of the stakeholder consultation process that preceded the issuance of the directive. These engagements involved key government entities, regulatory agencies, and industry stakeholders to ensure that the decisions were well-informed and aligned with government's strategic objectives. Stakeholders reportedly consulted included:

- Transnet National Ports Authority;
- Central Energy Fund;
- Fuels Industry Association of South Africa (FIASA);
- National Intelligence Co-ordinating Committee;
- Department of Trade, Industry and Competition;
- National Energy Regulator of South Africa;

- Environmental authorities;
- The Competition Commission, noting that its formal response was delayed due to misdirected correspondence; and
- Incumbent terminal operators and applicants seeking access.

The DoT further emphasised that these consultations were comprehensive and inclusive, reflecting a deliberate effort to solicit input, address potential concerns, and ensure that the directive advances national energy-security objectives, transformation, and infrastructure development.

3.1.3 Minister of Transport's comments on 28 November 2025

In her introductory remarks, the Minister of Transport referred to the proceedings held on 14 October 2025, where the rationale underpinning the Section 79 directive was presented. She reiterated that her decision pertaining to the directive was not only intended to address operational and strategic considerations within the port's environment, but also to advance the government's broader transformation and empowerment objectives.

She further emphasised that the Section 79 framework incorporates explicit empowerment conditions to be embedded within lease agreements granted to terminal operators. These included the following:

- Ownership transformation, particularly requiring oil majors to improve their B-BBEE status over the lease period, with an expectation of progression toward Level 1 or Level 2 compliance.
- Management-level transformation, including greater participation of historically disadvantaged persons.
- Targeted inclusion of women, youth, and persons with disabilities in ownership and management structures.
- Skills transfer, supplier development, and broader socio-economic development commitments.

In her opinion, these empowerment obligations would form part of lease conditions and would be subject to ongoing monitoring by the NERSA and the TNPA.

She further stated that leaseholders would be required to make uncommitted storage capacity available to third-party operators in a regular, transparent and accessible manner. While the CEF had initially been considered as a potential aggregator for third-party access, subsequent deliberations indicated that an independent third-party aggregation mechanism would be more appropriate. To facilitate this, the TNPA would issue a public call for expressions of interest from entities seeking access to excess storage capacity. Applicants would be required to register and submit relevant corporate, licensing, and financial documentation to form part of a transparent and managed roster of potential users.

On the supply-side obligations, the Minister informed the Committees that terminal operators would be required to:

- Disclose and publish uncommitted capacity;
- Provide access in line with the Petroleum Pipelines Act; and
- Reserve specific capacity for new market entrants.

In addition, fuel storage operators would also be required to submit their capacity allocation mechanisms to the NERSA (as already required in law) and additionally to the TNPA. These mechanisms should include published criteria covering tariff schedules, technical requirements, priority rules, non-discrimination principles, transparency measures, and a “use-it-or-lose-it” provision to prevent capacity hoarding.

Under this approach, the TNPA would have authority to reclaim underutilised capacity and reallocate it to users with operational readiness, such as vessels awaiting berthing. She also emphasised that allocation decisions must be fair, transparent, and supportive of new market entrants.

Regarding third-party access procedures, the Minister outlined that the TNPA would establish and maintain a terminal capacity registry, publish monthly availability bulletins via an online portal, and administer a formal application and queuing system based on transparent, first-come-first-served principles where demand exceeds supply. Agreements between operators and third parties would be subject to regulatory oversight by the TNPA and the NERSA prior to execution.

The Minister acknowledged that although the existing regulatory framework already provides for third-party access, implementation and monitoring had historically been inadequate. The revised system would therefore include enhanced monitoring, reporting, dispute resolution, and enforcement mechanisms.

In conclusion, she informed the Committees that the TNPA was in the process of developing a formal document to operationalise the expression-of-interest system and mandatory transparency requirements for leaseholders. The Minister acknowledged that this work was undertaken in direct response to concerns raised by Members during previous engagements.

3.2 Broad-based Black Economic Empowerment Commission

The Commissioner informed the Committees that the B-BBEE Commission had not yet formed a definitive view on the specific matter under discussion, as it had not received full documentation or a formal referral at the time of the meeting. The Commissioner therefore limited his remarks to outlining the applicable legislative framework and its general mandate.

He emphasised that, in terms of Section 10(1) of the B-BBEE Act, all organs of state and public entities are required to apply the Act and the relevant Codes of Good Practice when issuing licences, concessions, authorisations, or entering into contracts and other economic activities regulated by law. This obligation applies broadly across spheres of government and state-owned entities.

He indicated that transformation requirements should therefore be embedded in the design of allocation conditions, licensing arrangements, and contractual frameworks linked to strategic infrastructure. He cautioned that inconsistent or weak application of transformation legislation undermines the achievement of national empowerment objectives.

He further stated that, should it receive the necessary documentation and formal request, it would be willing to provide technical support to ensure that any conditions attached to leases, allocations, or third-party access arrangements are aligned with the B-BBEE legislative framework and are capable of achieving measurable transformation outcomes.

He also noted the Commission's ongoing engagement with various public and private sector stakeholders on matters relating to empowerment compliance and indicated that it would

continue engaging relevant entities, including Transnet, to ensure that state obligations in respect of transformation are properly understood and implemented

3.3 Central Energy Fund

3.3.1 Introductory remarks by the Minister of Mineral and Petroleum Resources

On 28 October 2025, the Minister of Mineral and Petroleum Resources, Mr G Mantashe, contextualised the Department of Mineral and Petroleum Resources' (DPMR) broader policy approach, emphasising that a central objective of the Ministry is to build the capacity of the state. He expressed the view that a capable and effective private sector requires a strong and capable state as a partner. As part of this approach, government has pursued strategic participation in energy infrastructure.

He cited several examples of this approach:

- The Rompco pipeline, which transports gas from Mozambique to Mpumalanga, in which the South African and Mozambican governments each hold a 40 per cent stake, with Sasol holding 20 per cent. This, he noted, was a deliberate policy decision to ensure state participation in strategic energy infrastructure.
- The acquisition by the state of a major storage facility from BP, undertaken to ensure that the state has the necessary capacity and presence in the fuel storage value chain.

The Minister further emphasised that when discussions began regarding the Section 79 process affecting the IVP, the matter did not fall directly within his portfolio, but engagement took place with the Minister of Transport. The DPMR's initial position had been that the state should have a substantially larger share of capacity. The outcome, however, was an allocation that would begin at 15 per cent and increase incrementally over time.

He stressed that the DPMR did not view the 15 per cent allocation in isolation, but rather as an entry point providing the state with access to strategic storage infrastructure adjacent to the SAPREF refinery, which government is in the process of reviving. He reiterated that the acquisition of SAPREF, despite the liabilities involved, was a deliberate and strategic decision aimed at restoring South Africa's declining refining capacity in the interests of energy security.

He linked the storage debate to a broader strategic perspective, emphasising South Africa's potential in oil and gas exploration and production. He noted ongoing challenges in advancing

upstream exploration, including legal and regulatory obstacles, but maintained that oil and gas development remains central to the country's long-term energy and economic growth prospects.

Turning specifically to the issue under discussion, he expressed concern about what he viewed as a disproportionate focus on the portion of capacity allocated to the state entity, while comparatively less attention was being paid to the much larger share remaining with IOMs. In his view, transformation discussions should not exclude the role of the state. He argued that state participation is itself a component of transformation, alongside increased participation by black-owned private enterprises.

He also expressed reservations about the term "aggregator" as used in relation to the CEF. He indicated that the concept had not been clearly defined and cautioned that redefining the CEF's role without clear legal grounding could create governance and compliance risks. He stated that the principal source of value for emerging black participants should not be confined to the state's allocation but should also be derived from the larger portion of capacity held by established operators.

On 28 November 2025, he further reiterated that the primary authority over the IVP and related port infrastructure resides with the DoT. The DMPR, and entities within its portfolio, were therefore only participating in the process as recipients of capacity allocations rather than as decision-makers or regulators. In this regard, the CEF, one of the DMPR's entities, had applied for and been granted phased access to the IVP storage capacity.

He stressed that the central consideration in all deliberations among the Committees should be the security of fuel supply for the country. He reiterated that the matter should not be viewed as ideological or conceptual, but as one of national energy security. Any decision or approach that could undermine security of supply would be cause for concern.

He further reflected on broader governance principles required in managing the issue, highlighting the importance of:

- Moral responsibility in acting in the public interest rather than benefiting narrow commercial interests;
- Constructive intergovernmental and stakeholder relations; and

- Self-discipline and adherence to appropriate roles and mandates.

While recognising the multi-committee nature of the engagement, the Minister expressed the view that the matter fundamentally falls within the transport sector's mandate. He also reaffirmed that transformation remains a cross-cutting responsibility of all departments, noting that sectors such as mining had pursued transformation proactively as a matter of policy and historical redress. In this context, he characterised state access to strategic infrastructure, such as the IVP, as a form of structural transformation, alongside other empowerment measures.

3.3.2 Presentation by the CEF

The CEF informed the Committees that it is a Schedule 2 state-owned company operating on a commercial basis and does not receive any direct fiscal transfers from government. Its mandate is derived from the Central Energy Fund Act (Act No. 38 of 1977) and is centred on energy security of supply and strategic participation across the oil, gas, and broader energy value chain. It further outlined its role as a shareholder representative of several strategic energy entities and informed the Committees that it is currently heading the consolidation of PetroSA, iGAs, and the Strategic Fuel Fund into the South African National Petroleum Company (SANPC). They informed the Committees that this consolidation is intended to create a stronger, vertically integrated national oil company capable of supporting South Africa's long-term energy security and industrial development objectives.

The CEF highlighted the decline in South Africa's domestic refining capacity, which, in their opinion, posed a significant risk to energy security and industrial resilience. They highlighted the following:

- South Africa's increased dependency on imported refined products due to refinery closures and operational suspensions.
- The importance of domestic refining for producing petrol and diesel, but also for generating critical by-products such as bitumen, heavy fuel oil, lubricants, petrochemical feedstocks, which were essential for road infrastructure, electricity generation, industrial activity, and manufacturing competitiveness.

The CEF was of the view that relying on imports for these products would be more expensive and exposes the country to global supply disruptions. They stressed that refining capacity also

supports industrial linkages, skills retention, and regional economic activity, all of which had been negatively affected by refinery shutdowns.

Furthermore, it informed the Committees that it acquired the SAPREF refinery, renamed the National Petroleum Company Refinery, with a capacity of approximately 180 000 barrels. It also is working towards a long-term expansion scenario that could significantly increase refining throughput. In addition, efforts were also underway to assess the potential reactivation of the PetroSA refinery.

Regarding the rationale for the Section 79 application, the CEF informed the Committee, that its Section 79 application, first submitted in January 2023, was motivated by the following concerns related to: (i) Energy security; (ii) National sovereignty; and (iii) State access to and oversight over strategic import infrastructure.

The CEF further argued that it was irregular for the government to carry the responsibility of security of supply without having sufficient control or presence in critical import and storage infrastructure. It also informed the Committee that it initially applied for a larger share of capacity, but only received an initial 15 per cent allocation as per the directive.

In regard to engagements before and after the issuing of the directive, the CEF provided a detailed account of consultations and engagement:

- Before the Directive:
 - Engagements with the DMPR, the DoT, the TNPA, and the National Joint Operational and Intelligence Structure (NATJOINTS) on national security and infrastructure access.
 - Bilateral and industry engagements, including with leaseholders and industry associations.
 - Submissions emphasising the need for state participation to address security and transformation concerns.
- After the Directive:
 - The CEF received the Directive from TNPA in early September 2025.
 - It provided a R2 million guarantee as requested to enable the commencement of TOA processes.

- Engagements began with the TNPA regarding Immediate access arrangements; The development of a new SBM to accommodate Very Large Crude Carriers; and Associated land parcel allocations to support this infrastructure.

The CEF confirmed that monthly structured, ongoing engagements with the TNPA are taking place.

Furthermore, the CEF emphasised that the directive requires not only CEF's 15 per cent allocation to promote inclusion, but also that the remaining 85 per cent allocation must be subject to a third-party access framework.

In light of the above, CEF proposed that this framework should:

- Be transparent and inclusive in that a public and verifiable database of interested and qualifying participants should be created to ensure fair access to spare capacity.
- Be dynamic and regularly updated and that the framework should not entrench current participants but allow new entrants to access opportunities over time.
- Address cargo aggregation (“co-loading”), as many emerging participants lack the financial capacity to import full cargoes independently. A structured mechanism should enable smaller players to pool demand and share shipments.
- Support product co-sourcing indicated that state-to-state supply arrangements could support more favourable sourcing terms and improve supply security.
- Address financial barriers to entry as importing fuel requires large letters of credit covering 60–90 days of trade. The CEF further emphasised that without financial instruments or structured support, smaller players will remain excluded regardless of nominal access rights.

The CEF further raised concerns that some emerging black-owned traders experience operational disadvantages, including demurrage² and scheduling inefficiencies, which erode margins and discourage participation. It argued that improved terminal planning and governance are required to ensure equitable treatment.

² A charge payable to the owner of a chartered ship on failure to load or discharge the ship within the time agreed.

The CEF indicated to the Committees that the 15 per cent allocation should not be treated as a passive entitlement but must be supported by a revised operating model at the terminal. This model should:

- Ensure efficient utilisation of terminal capacity;
- Prevent discriminatory practices; and
- Strengthen the TNPA's oversight role, including retaining final governance authority in terminal operations.

Pricing for use of facilities would remain subject to the NERSA's regulatory framework, and commercial terms would apply to all users, including CEF.

With regard to a way forward the CEF outlined the following immediate steps for consideration:

- Conclusion of a TOA to enable short-term operational access;
- Negotiation of a longer-term TOA framework by the end of the financial year;
- Finalisation of land allocations to support new SBM infrastructure; and
- Establishment of an access panel or governance mechanism to oversee implementation of the third-party access framework.

In conclusion, the CEF informed the Committees that its participation at IVP was intended to advance energy security, transformation, and industrial development, rather than to displace private sector activity. It further argued that meaningful state presence in strategic infrastructure was necessary to balance commercial interests with national priorities. The CEF reaffirmed its commitment to working with the TNPA, regulators, and industry stakeholders to develop a transparent, inclusive, and operationally efficient framework that expands participation while safeguarding security of supply.

3.4 National Energy Regulator of South Africa

The NERSA made a submission in which it addressed its regulatory role, sector challenges, and concerns relating to the Section 79 directive affecting the IVP, issued by the Minister of Transport. The NERSA emphasised that South Africa's energy sector is governed by a comprehensive policy framework, rooted in the Energy White Paper. However, it acknowledged that while the legislative framework is intensive, implementation delays and policy fragmentation have stalled sector progress.

It stated that South Africa's petroleum and liquid fuels sector had undergone significant structural changes. These included:

- Extreme oil price volatility;
- The 2005/6 fuel specification changes, which contributed to domestic supply disruptions;
- The COVID-19 pandemic, which created global oversupply conditions and severe market distortions; and
- The effective decline of domestic refining capacity, leaving South Africa increasingly dependent on imported refined products.

Furthermore, it emphasised that the loss of coastal refining capacity highlighted the strategic importance of storage and port infrastructure, particularly at terminals such as IVP. It acknowledged that without refinery capacity, the country would be vulnerable to supply disruptions, making efficient storage, handling, and logistics infrastructure critical to national energy security. However, it recognised that the sector remains untransformed, both structurally and in terms of access and participation of historically disadvantaged persons. Notwithstanding the availability of policy and legislative instruments, progress within the sector was slow and uneven.

It outlined its statutory responsibilities specific to the regulation of the petroleum pipelines industry under the Petroleum Pipelines Act see sub-section 2.4 above (cautioning that the NERSA derives its mandate from multiple pieces of legislation and not only from this Act). It further emphasised that its focus was on allocative efficiency through licensing and third-party access regulation, and economic efficiency through tariff regulation, while considering operational risk. However, it stated that its powers were limited by the current legislative framework, as it could only enforce third-party access on uncommitted capacity and did not have authority to impose structural market access remedies.

It expressed concern about fragmented regulation across the petroleum value chain, with multiple regulatory authorities overseeing different segments within the value chain. It stressed that while it has a Memorandum of Agreement with the TNPA, the Ports Regulator of South Africa (soon to be incorporated into the Transport Economic Regulator), and the Competition Commission, coordination challenges among these regulatory authorities remain. It further

emphasised that transformation and access challenges to IVP could not be addressed by focusing solely on storage tanks. It was of the view that a full value-chain perspective would be required, including shipping access, berth allocation, terminal operation, financing arrangements, and trading structures. In its opinion, without a holistic approach, structural barriers to entry for new and emerging participants would persist.

It also stressed that security of tenure was a critical factor for infrastructure investment. Short-term or uncertain lease agreements would discourage capital investment in storage expansion and infrastructure upgrades. This regulatory and contractual instability could undermine both transformation objectives and energy security.

It informed the Committees that certain new entrants, including majority black-owned entities, had previously been licensed with the expectation that they would contribute meaningfully to sector transformation. However, protracted delays and unresolved land and access issues had prevented these projects from materialising. It emphasised the need for entrenched and sustainable transformation, and referenced international models, including Kenya's approach, where state ownership of strategic infrastructure creates a platform for broader market participation while maintaining oversight and coordination. It also indicated that the establishment of the SANPC should have a role to play in future sector restructuring and infrastructure planning.

Regarding the Section 79 directive, it informed the Committees that it was not formally consulted prior to the directive being issued. They informed the Committee that an informal virtual meeting took place with the DoT on 12 August 2025, during which general challenges at the IVP and two section 79 applications were discussed. It was not provided with the detailed content or intended structure of the directive at that stage. Also, a prior enquiry had been received from the TNPA regarding existing licensees and capacity at the IVP. Therefore, it was of the view that these interactions were information-sharing engagements rather than formal regulatory discussions. It emphasised that proper consultation with the NERSA typically follows a prescribed institutional process. It informed the Committee that it only became aware that a Section 79 decision has been taken during a later engagement with TPL. Subsequently, it had received a number of complaints from industry stakeholders; however, an initial meeting had since taken place, with further engagements planned.

Furthermore, it informed the Committees that it had concerns about the practical implementation of the directive, given that certain measures might require amendments to existing licence conditions for operators at the IVP. As the licensing authority, it informed the Committees that any changes to licence conditions must follow due regulatory processes consistent with its statutory mandate. It further highlighted the link between storage facilities and port berths, stating that where storage exists, access to import and export flows would be dependent on terminal operators' arrangements and loading infrastructure, which may be controlled by other entities. This, according to the NERSA, requires coordinated regulatory and operational alignment.

In conclusion, it acknowledged the importance of decisive action to address long-standing challenges at the IVP and to advance transformation in the sector. However, it cautioned against rushed or insufficiently coordinated interventions. Thus, it called for:

- Improved inter-regulatory consultation and coordination;
- A holistic value-chain approach to access and transformation;
- Greater certainty and security of tenure to support investment;
- Expedited resolution of outstanding land and access matters affecting new entrants; and
- Alignment with evolving sector developments, including the role of the SANPC.

3.5 South African National Defence Force

The Department of Defence (DoD) informed the Committees that its input was confined strictly to matters relating to the Emergency Strategic Fuel Reserve and the South African National Defence Force's (SANDF) operational fuel security requirements, and not to the broader commercial or regulatory aspects of the fuel storage allocation process.

The DoD expressed concern that discussions on security of fuel supply often did not sufficiently recognise the specific and legislated requirements of the defence sector. It emphasised that the SANDF's emergency strategic fuel reserve forms an integral component of the country's overall energy security framework and should not be viewed as competing with other users, but rather as a foundational national security requirement.

The SANDF representative stated that South Africa currently faces systemic risks to national security, energy resilience, and sovereign defence capability due to limitations in the Defence

Force's ability to reliably access its legislated fuel allocation and associated operational infrastructure at the IVP terminal in the Port of Durban. He noted that the Port of Durban handles the majority of the country's fuel imports, yet the SANDF does not have guaranteed access to critical logistics elements such as berthing slots, storage tank capacity, pipeline access, and scheduling priority, which were a major concern.

As a result, the SANDF indicated that its ability to sustain military operations, disaster response deployments, border safeguarding, air capability, and maritime patrols was potentially compromised. The Admiral highlighted that maritime patrol operations, which help secure key sea lines of communication through which fuel supplies reach South Africa, were themselves dependent on assured fuel availability. In this regard, the SANDF argued that defence fuel security underpins the broader national fuel security framework.

The Committees were informed that the SANDF has been assigned an expanded role in national disaster response and is required, in terms of government mandates, to maintain an emergency strategic fuel reserve to cushion the state during crises and large-scale emergencies. It therefore requires appropriate infrastructure access to fulfil this responsibility.

In concluding, the SANDF representative stated that the DoD requires full and reliable access to fuel logistics infrastructure at the Port of Durban, particularly at the IVP. He further indicated that the SANDF regards the current allocation arrangements as insufficient and asserted that the 25 per cent allocation provided for under Chapter 15 of the Defence Act should be recognised and made available to the DoD, as opposed to the lower percentage currently associated with allocations to other state entities' allocation.

The submission was presented as a matter of national security and operational readiness, and the SANDF requested the support of Parliament and stakeholders in ensuring that defence fuel requirements are adequately accommodated within the overall allocation framework.

4 ENGAGEMENTS WITH COMPLAINANTS

The Committees engaged the following complainants on Tuesday, 28 October 2025:

4.1 Energy Importers and Exporters South Africa

The EIFSA represents a collective of energy producers and traders, including 17 black-owned trading companies, that are active in the South African energy sector. It informed the Committees that it had been monitoring developments related to the Minister of Transport's Section 79 directive concerning the renewal of leases for the IOMs. Its concerns relate primarily to the exclusion of black-owned traders from meaningful participation in strategic fuel infrastructure, notwithstanding constitutional and policy imperatives promoting economic transformation.

Its concerns were focused on transformation, market access, regulatory process, and energy security. It framed its submission around the need to ensure that state intervention in strategic energy infrastructure advanced meaningful economic transformation, promoted transparency, and safeguarded national energy interests.

It argued that the long-term renewal of leases in favour of established IOMs effectively entrenched historical market dominance and restricted entry by small- to medium-sized black-owned traders. According to it, emerging black traders continued to face structural barriers, including:

- Limited access to storage infrastructure;
- Difficulty securing trade finance and letters of credit; and
- The inability to enter into supply and offtake agreements without guaranteed access to logistics infrastructure.

It contended that the absence of a transparent and enforceable third-party access regime had left black traders dependent on incumbent operators, undermining both competition and transformation objectives.

It further expressed concern regarding the proposed role of the CEF under the Directive. While acknowledging the importance of a state presence in strategic infrastructure, it argued that the CEF should act solely as a neutral administrator or aggregator of capacity for emerging participants, rather than as a commercial tenant competing in the same market.

It cautioned that a dual role - as both allocator of capacity and market participant - could create conflicts of interest and reduce confidence among independent traders. It further noted that the reported allocation structure, including 15 per cent for CEF and 25 per cent for black traders, required clear definition, formalisation, and transparent rules governing access and use.

In terms of the procedural basis of the Directive, it argued that it appeared to bypass the competitive procurement processes envisaged under Section 56 of the National Ports Act and the governance principles of the Public Finance Management Act (PFMA). In this regard, it noted that:

- The absence of published allocation criteria created uncertainty and perceptions of unfairness;
- Lack of clarity on operational conditions and tenure undermined the ability of new entrants to plan investments and secure financing; and
- Regulatory ambiguity could expose the process to legal and commercial risk.

In addition, it argued that the structure of the arrangements risked preserving foreign and historically dominant control over strategic fuel infrastructure. In its view, this limited the state's ability to exercise meaningful oversight and leverage infrastructure to support domestic industrial and transformation objectives. It further suggested that the Directive represented a missed opportunity to strengthen the balance sheet of the TNPA and align infrastructure management more directly with state-supported refining and industrial initiatives.

It linked transformation and competition directly to national energy security. It argued that concentrating long-term storage and import capacity in the hands of a small group of established private operators reduced supply resilience and diversification. According to it, capable black-owned traders with operational and financial backing remained marginalised, despite their potential to broaden supply channels and enhance system resilience. It, therefore, maintained that inclusive access was not only a transformation issue but also a strategic energy security consideration.

Its overarching concerns could be summarised as follows:

- The entrenchment of historical monopolies and continued exclusion of black-owned businesses;

- Misalignment between the Directive's implementation and constitutional and policy imperatives for economic transformation;
- Insufficient transparency regarding allocation criteria, pricing structures, and storage access rules;
- Potential risks to South Africa's strategic fuel reserves and overall energy security; and
- Uncertainty and possible conflict of interest arising from the CEF's proposed dual role as both aggregator and tenant.

It urged that the implementation of the Directive be guided by clear, transparent, and enforceable mechanisms that advanced equitable access, promoted genuine transformation, and protected national energy interests.

4.2 Capricorn Chemicals

Capricorn Chemicals made a submission to the Committees as a black-owned company with long-standing experience in the energy, oil, gas, and logistics sectors across Southern Africa. Its presentation focused on practical industry experience and was positioned as a case study demonstrating how the implementation of the Section 79 directive and related port leasing decisions may be disadvantaging emerging black participants in the energy sector.

While acknowledging the importance of energy security and continuity of supply, the company expressed concern that the current approach risks reinforcing historical patterns of exclusion in strategic fuel infrastructure. The primary concern raised was the perceived inconsistent application of Section 79 of the National Ports Act. The company noted that established IOMs appear to have benefited from long-term lease arrangements at the IVP through the use of Section 79 mechanisms. However, when Capricorn and LIU Energy pursued investment opportunities at the Port of East London, they were reportedly advised that their proposal would not be considered under Section 79 and would instead be subject to a Section 56 process. It argued that this differential treatment creates the perception that regulatory mechanisms are being applied in a manner that favours incumbents over new black investors.

It further highlighted operational and administrative barriers that, in its view, disproportionately affect emerging players. It described an instance where a vessel carrying Liquefied Petroleum Gas (LPG) ISO containers remained in the Port of Cape Town for an extended period due to

administrative and operational delays. It argued that such delays create severe financial exposure and undermine the viability of black entrants seeking to participate in regional and international energy trade. It emphasised that these challenges were not due to a lack of technical competence, but rather to systemic obstacles within port and regulatory processes.

It rejected the notion that black-owned energy firms lack the capacity to operate in strategic segments of the industry. It outlined its involvement in regional trade initiatives, export operations through other South African terminals, and access to financial institutions and international partners. It argued that exclusion from strategic infrastructure, such as the IVP, is therefore not a function of limited capability, but rather of structural barriers that prevent meaningful entry.

It proposed that government consider adopting a “set-aside” model similar to that implemented at the Richards Bay Coal Terminal (RBCT), where a portion of export capacity was reserved to enable participation by emerging miners. It argued that a comparable approach at the IVP - reserving a defined portion of storage and terminal capacity for black-owned energy companies - would create a practical pathway for inclusion without disrupting overall energy security.

It also raised concerns about consultation and transparency. It stated that there had been limited meaningful engagement with affected black-owned companies during the development of the directive and the subsequent leasing approach. It further noted the absence of publicly available information regarding allocation criteria, access rules, and investment pathways for new entrants. It was of the view that, this lack of clarity, discourages investment and perpetuates uncertainty for emerging participants, including black traders.

In broader terms, Capricorn Chemicals expressed concern that long-term lease renewals for existing operators, without deliberate access mechanisms for new entrants, risk entrenching historical market concentration in fuel storage and logistics. It emphasised that, given the strategic nature of the IVP, port and fuel infrastructure should be managed in a manner that balances energy security with inclusive industrial development and transformation objectives.

In conclusion, it called for a more transparent and equitable framework governing access to strategic port infrastructure. Their key proposals included, among others:

- The introduction of a capacity set-aside mechanism to ensure that a defined portion of storage and terminal capacity is reserved for black-owned and energy companies.
- The need to ensure consistent application of regulatory provisions across all applicants, including Section 79, to ensure new black investors are afforded the same opportunities as established IOMs, especially in ports requiring new investments.
- Improved transparency and access to information by requiring the publication of allocation criteria, tariffs, and third-party access rules applicable to strategic fuel infrastructure.
- Improvements in port administrative processes to avoid undue delays, and a renewed consultative process involving affected stakeholders, before finalising long-term lease arrangements.
- A review of port operational procedures to address administrative practices that may create unnecessary delays or barriers for new entrants in the logistics chain.

4.3 LIU Energy

LIU Energy presented its submission as evidence drawn from lived operational challenges, which it argued would demonstrate inconsistencies and shortcomings in the implementation of Section 79 processes. It highlighted its longstanding involvement in the oil and gas sector and emphasised its role in introducing LPG ISO container imports into Cape Town, described as a “virtual pipeline” model aligned with regional and intra-African trade objectives. Through this initiative, it demonstrated an example of black-owned firms undertaking innovative infrastructure solutions consistent with continental trade integration, yet domestically it faced significant operational barriers.

A key concern for LIU Energy was the inconsistent application of Section 79 dependent on the applicant and project. It cited its own experiences of prolonged delays in securing port access for LPG ISO containers, with vessels awaiting approximately three months for operational clearance. This, according to LIU Energy, stands in sharp contrast of faster turnaround times experienced in neighbouring countries and raises significant concerns about the administrative efficiency and fairness in port and terminal operations. Such delays, according to it, imposed significant financial risk, and also undermines investor confidence and South Africa’s competitiveness as a regional energy logistics hub.

It rejected the assertion that black-owned firms lacked the technical or financial capacity to invest in and operate energy infrastructure. It cited its decades of industry experience with international financiers and technical partners and argued that the persistent narrative of incapacity was inconsistent with its operational track record and reflects a systemic barrier to entry. It further stated that its proposals for collaboration with public entities and state-owned enterprises (SOEs) remained unanswered, creating a perception that emerging black industrial players are excluded from meaningful engagement. This perception of unequal treatment between established IOMs and new black-owned investors, particularly where underdeveloped ports could benefit from new private sector investment.

It also cited Richards Bay Coal Terminal as an example where government had previously and successfully implemented set-aside mechanisms to enable emerging participants to access strategic export infrastructure. It was of the view that government should apply a similar principle at the IVP, where a defined portion of capacity would be reserved specifically for emerging black-owned and emerging energy companies at a viable scale. According to it, such a model would follow established practice in restructuring historically concentrated logistic infrastructure to broaden participation.

Furthermore, it expressed concern that long-term lease arrangements under the current Section 79 framework could lock in existing market structures for decades, effectively preventing new entrants from accessing essential import and storage facilities. Without guaranteed and scaled access to infrastructure, black-owned firms would remain dependent on incumbent operators, limiting their ability to develop independent trading operations or attract investment.

It made the following proposals, that:

- The Section 79 process relating to the IVP should be revisited with broader and more transparent consultation, thereby ensuring that independent black-owned companies would be meaningfully included in discussions that affect long-term infrastructure control.
- A defined portion of the terminal and storage capacity should be ring-fenced for black-owned and emerging firms, structured at a scale that enable viable import operations and access to financing.

- The need for improved coordination between relevant department, energy and competition regulators to ensure that infrastructure decisions support – rather than undermine – national transformation and industrialisation policies.
- The need for clear, published criteria governing access to port and terminal infrastructure, including scheduling and throughput arrangements, to reduce uncertainty and ensure fair treatment of all market participants.

4.4 NAKO Energy

Nako Energy is a black-owned energy company with operations across five African countries and active modular refinery development projects on South Africa. It framed the decision around the section 79 directive at the IVP as a once-in-a-generation opportunity to restructure South Africa's fuel logistics and storage system which could either entrench past structural inequalities or advance real economic transformation, industrial development, and energy sovereignty. In addition, it linked infrastructure control directly to national energy security, as private control of the scheduling and operational flow of imported fuel limits the state's ability to intervene during supply disruptions or emergencies.

It emphasised that the IVP should not be seen merely as a commercial storage facility, but as strategic national infrastructure central to fuel imports, supply stability and downstream industrial activity. Therefore, decisions about its long-term control and allocation have implications that extend beyond port operations into energy security, industrial policy, fiscal sovereignty, and economic inclusion.

It was of the view that the current Section 79 approach risks entrenching historical structural imbalances rather than correcting them and that the black allocation model associated with the directive was largely symbolic. While acknowledging the provision for state participation, operational control of logistics, scheduling, berthing slots, and throughput remains with established IOMs. As a result, where black-owned companies or state entities are allocated notional capacity, they remain dependent on incumbent operators for access and timing. This undermines the practical value of any minority allocation and leaves structural market power unchanged. Therefore, in its view, transformation will be stalled; thus, undermining and not advancing meaningful black participation.

In addition, it considered the 15 per cent allocation to the state as inadequate and ineffective, as it would be insufficient to drive transformation or enable sustainable participation by black traders. Such a share would not accommodate new entrants to import full cargoes to benefit from economies of scale or securing financing. It was of the view that without scale and certainty of access, black traders would not be able to build sustainable businesses, attract capital, or compete fairly. It was concerned that the 15 per cent allocation would create competition among black traders for limited capacity, rather than expanding meaningful participation.

Barriers to entry for black traders remain systemic which is a major concern. According to it, access to storage and terminal infrastructure is required to build a trading track record, but a track record is often required to secure storage access. Long-term lease renewals in its opinion risk locking out new participants for decades. As a result, black-owned traders often remain confined to small allocations, short-term arrangements, or downstream distributions roles rather than participating meaningfully in bulk imports, refining, or upstream value chains. It emphasised that without significant structural reform, transformation would remain on the periphery and not be fully integrated into the energy value chain.

It also raised concerns about transfer pricing and offshore profit booking within the oil trading system. Many multinational operators conduct trading, financing, and marketing through affiliated entities in international financial centres, with significant margins realised outside South Africa. It argued that even where empowerment partnerships exist locally, the profit stream may be captured offshore, limiting local reinvestments, reducing the tax base, thereby weakening the broader developmental impact of the sector. It called for infrastructure reform which should be accompanied by greater scrutiny of pricing structures and affiliated trading arrangements to ensure that more value is retained within the domestic economy.

It cautioned that a fragmented, commercially-driven allocation model does not align with South Africa's long-term industrial and energy strategy. It was of the view that the IVP should be governed as part of a coordinated national platform linking import infrastructure with refinery development, storage expansion, and industrial policy objectives.

It made the following proposals, that:

- Government should have a majority share to ensure meaningful influence over scheduling, national security allocations, and support for emerging participants. This would allow the government to meet defence and strategic requirements while generating revenue to reinvest in domestic energy infrastructure.
- A defined portion of capacity should be allocated (ring-fenced) at a commercially viable scale to black-owned industrial participants, enabling full cargo imports and long-term sustainability.
- IOMs should remain participants but should operate within a framework where infrastructure control is not concentrated in their hands.
- The need for a single, transparent governance and allocation system involving the state, established operators, and new entrants, with clear rules on access, tariffs, and scheduling. This would reduce disputes, improve predictability, and align infrastructure management with public policy objectives.
- Given the financial and regulatory requirements to develop an entirely new import terminal, transformation should rather focus on restructuring control and revenue flows within existing strategic infrastructure.

5 ENGAGEMENTS WITH BENEFICIARIES OF THE DIRECTIVE

The Committees had invited beneficiaries of the directive to engage it on the following as far as these matters were relevant to their businesses:

- What commitments the lease beneficiaries' have made to fostering economic transformation and inclusion, particularly in relation to providing access to berth, storage and pipeline capacity within the IVFS;
- The mechanisms in place to report available storage capacity to NERSA, and the process to avail this capacity to black or smaller traders;
- The domestic investment commitments your company is making as part of the lease agreements being negotiated;
- The reasons why ownership of storage capacity at the IVFS has not been transferred to the State via the TNPA since the 1960s;

- The impact of the Section 79 directive, as compared to an open tender process under section 56, on your business, particularly in light of the delays in renewing the lease over the last 11 years; and
- Elements contributing to the company's current B-BBEE levels, particularly its ownership and management structure.

5.1 Fuels Industry Association of South Africa

The FIASA is the representative body for a significant share of the South African fuels industry. Its members are active across the petroleum value chain, including refining, manufacturing, transporting, storing, distributing, and marketing fuel and related energy products. It engages government and other stakeholders on policy, regulatory, and operational matters affecting the sector. It was in this capacity that certain members operating within the IVP mandated the FIASA to submit a joint application to the Minister of Transport in May 2024 requesting a directive in terms of Section 79 of the National Ports Act. The request sought to secure long-term tenure for facilities operated by those members at the IVP. It noted that the Minister subsequently issued a Section 79 direction in September 2025, aligning with its request.

It further stated that it had been requested to make representations concerning BP South Africa and Shell South Africa. Although these companies were not listed as direct beneficiaries of the directive, they were indirect beneficiaries through their participation in the SAPREF joint venture.

The FIASA stated that, given the number of beneficiaries and the differing operational circumstances, its role was to address the common industry interest, while individual companies would provide entity specific details.

It primarily focused on the following:

- The mechanisms to report available storage capacity to NERSA and processes to make such capacity available to smaller or black-owned traders;
- The rationale on why ownership of storage infrastructure at the IVP had historically not been transferred to the government via the TNPA; and
- The impact of the Section 79 directive compared to a potential process under Section 56 of the National Ports Act.

It emphasised that the IVP is South Africa's most important petrochemical and fuels logistics hub. It facilitates the import, storage, blending, and distribution of fuels, lubricants and other petroleum related products. It further explained that facilities operated by its members at IVP include refinery-linked infrastructure, multi-product pipeline connections, lubricant manufacturing plants, and terminals integrated with rail and road networks. These facilities enable the discharge of products from vessels, their movement through interconnected pipelines, storage in tanks, and onward distribution throughout the country. These are physically and operationally interconnected, often spanning multiple lease sites linked by pipelines, pump stations, and shared berth infrastructure. Refinery-linked facilities are similarly integrated into a broader national supply chain.

According to it, these operations rely on highly integrated, capital-intensive infrastructure that requires long-term planning and investment. As a consequence, security of tenure is critical for maintenance planning, and supply chain management. It also informed the Committees that approximately 72 per cent of South Africa's liquid fuels are imported through the IVP, including jet fuel and lubricants essential for sectors such as electricity generation, aviation, mining, and heavy industry. Therefore, any disruption in throughput at IVP could have severe economic consequences.

It also outlined that the TNPA initiated an Island View Strategy in 2018, which proposed a process under Section 56 of the National Ports Act. However, despite multiple iterations of plans and master planning documents, this process was never implemented. Consequently, many operators continued to function under month-to-month lease extensions, resulting in prolonged uncertainty. It also indicated that it had engaged with the TNPA over a period of approximately six years to secure clarity, but without any resolution.

Accordingly, by 2024, members faced the risk of lease expiry or termination without a clear framework for future operations. Therefore, this uncertainty posed a risk to continued investment, infrastructure maintenance, and ultimately to national fuel supply. It further argued that only the TNPA could initiate a Section 56 process and, given the delays, complexities, and lack of a tailored plan for interconnected facilities, it had viewed a Section 79 directive as the only viable mechanism to secure continuity. On the other hand, a generic Section 56 tender process, without detailed planning for interconnections, could fragment operations and

undermine efficiency, safety, and supply security. Therefore, it did not support a broad section 56 approach for the IVP in the absence of a carefully designed, facility-specific framework.

In its view, Section 79 permits ministerial intervention where necessary to safeguard national security or promote strategic and economic interest. Accordingly, these conditions were met due to the IVP's central role in national fuel supply. It also stated that the Minister consulted with the TNPA in line with the legislative requirements. It further presented investment data that illustrated the impact of uncertainty. It reported that industry capital expenditure at IVP had declined significantly following the announcement of the Island View Strategy, from approximately R2,4 billion in 2018 to substantially lower levels in subsequent years. It was therefore of the view that prolonged uncertainty would have materially hindered investment and risked infrastructure deterioration.

On the issue of storage, it indicated that its members adhere to the NERSA's allocation guidelines for uncommitted capacity, which are intended to ensure fair, transparent, and non-discriminatory third-party access. Operators report available capacity to NERSA, which publishes the information. Interested third parties may then apply for access specifying product type, volumes, and duration. It indicated that its members remain committed to working with NERSA to improve access for smaller and black traders where feasible.

It also explained that existing lease arrangements with the TNPA provided for immovable infrastructure to revert to the TNPA at the expiry of leases. However, because many facilities are operationally inseparable from ongoing national supply functions, these arrangements had historically been extended. It further noted that the Section 79 directive provides that terminal infrastructure and tanks would vest in the TNPA at the expiry of future concession agreements.

With regard to transformation and economic contribution, beneficiary members had approximately R60 billion in planned investment linked to IVP operations. It further stated that beneficiary companies are level 1 B-BBEE compliant and have various initiatives in place to support transformation across their value chains. These include supplier development programmes, support for black-owned enterprises in port-related operations, employment equity initiatives, and an estimated R700 million in small, medium, and micro enterprise and supplier development funding. Therefore, it concluded that the Section 79 application was

driven by the need to ensure long-term operational certainty, continued investment, and security of national fuel supply.

5.2 SASOL Oil

Sasol Oil (Pty) Ltd is a major subsidiary of Sasol Limited, with responsibility for production, sourcing, blending, and distribution of liquid fuels to customers across South Africa. It supplies approximately 25-35 per cent of South Africa's fuel demands and operates a national network of more than 400 service stations, depots and supply chain infrastructure located across the country. Sasol employs over 1 000 skilled professionals in support to its operations. Sasol Oil is also a co-owner of the SBM facility, through which crude oil is imported for processing at its inland refinery. It also utilises Berth 9 at the Port of Durban and associated throughput tank infrastructure at the IVP, which enables the receipts of refined product imports and their transfer into the New Multiple Product Pipeline for transportation to inland markets.

Sasol Oil described itself as a proudly South African, customer-focused company that is committed to sustainability and investing in the production of lower-carbon and biogenic fuels. It highlighted ongoing upgrades at its Natref refinery to ensure compliance with the Clean Fuels 2 specification by June 2027, in line with the national regulatory requirements.

Sasol Limited produces synthetic fuel components from coal and natural gas at its Secunda operations. It then procures these components and blends them into finished fuels at blending facilities, including those linked to the Secunda tank farm. In addition, Sasol Oil also participates in the crude oil value chain by procuring crude from international markets, receiving it via marine import facilities, and transporting it inland for refining. It also imports refined products and base oils to supplement domestic production and meet market demand. According to Sasol Oil, these combined activities support their downstream marketing operations, including partnerships and joint ventures in the fuels retail sector.

Sasol outlined several investments and supplier development initiatives linked to its operation around the IVP. These included, among others:

- A fenceline community development programme which supports small local businesses through capacity-building and supplier development.

- A transporter development programme, through which small and emerging businesses have been supported to acquire fuel tankers and participate in the logistics value chain.
- Financial and training support for black-owned operators of Sasol-branded service stations, including franchise readiness and business development programmes.

Furthermore, funding in the region of R200 million had been directed towards enabling black entrepreneurs to access and operate service stations, supported by structured development and training programmes. It further reported that its preferential procurement spend, with more than 51 per cent black-owned businesses, exceeded R2.5 billion in the most recent financial year, excluding crude procurement. It also cited significant procurement from black women-owned enterprises. Regarding local capital investment, it emphasised that it had invested approximately R450 million over the past five years in facilities at IVP and Prospecton. Furthermore, according to Sasol Oil, planned capital expenditure for the next ten years at these sites is estimated at approximately R980 million. Furthermore, Sasol and Sasol Oil collectively had made substantial broader empowerment-related investments nationally, which it linked to long-term sustainability and inclusive growth.

With regard to transformation and enterprise development, Sasol Oil informed the Committees about several transformation initiatives, including support for over 500 SMMEs through development funding and capacity-building programmes. These initiatives span economic inclusion, financial inclusion, gender-focused programmes, and sustainability-linked projects. It also made reference to enterprise development funding mechanisms such as the Siyakha Fund Trust, through which loans had been advanced to emerging suppliers and reported measurable impacts in terms of job creation, job retention, and improved financial performance of supported enterprises.

In addressing the issue of access to infrastructure, Sasol Oil stated that at the IVP it operates throughput tanks rather than long-term storage facilities. These tanks are used to facilitate efficient vessel offloading and onward transfer of product, rather than for extended storage. It further clarified that the relevant facilities, including Berth 9, are licensed by the NERSA. Sasol Oil stated that it complies with licence conditions requiring the publication of third-party access procedures and the submission of monthly utilisation reports to the NERSA. It further reported

that, at present, the facilities are fully utilised and that no spare capacity is available, and that it had not received third-party access requests via the published procedures.

With regard to the impact of the Section 79 directive, Sasol Oil was of the view that a Section 56 tender process would have introduced significant uncertainty, potentially constraining the company's ability to commit to long-term investment and infrastructure upgrades. By contrast, the company argued that the Section 79 direction provides the tenure certainty required to proceed with planned capital investments and to maintain and expand capacity where needed. In addition, Sasol Oil also raised concerns that certain transformation-related eligibility requirements associated with a Section 56 process, such as high thresholds for black ownership, might have disqualified some existing operators despite their current transformation credentials. It also informed the Committees that Sasol Oil is a Level 1 B-BBEE contributor, with a longstanding black equity partner and additional empowerment credentials through Sasol Limited's ownership structures. The company further cautioned that separating berth and terminal operations from integrated refinery and supply chain activities could create operational complexity and risks to supply continuity.

Sasol Oil emphasised that its Secunda and Natref operations together supply roughly 30 per cent of South Africa's liquid fuel production, but that domestic production alone is insufficient to meet total demand. It argued that continued access to import infrastructure at IVP, including Berth 9 and associated throughput facilities, was essential to supplement local production and ensure national supply security. It made reference to recent disruptions at refinery facilities as evidence of the importance of resilient and diversified supply routes, including imports through Durban.

Sasol Oil stated that it remains committed to the transformation objectives of the Liquid Fuels Charter and providing fair access to infrastructure in line with the NERSA's third-party access framework, with preference for historically disadvantaged South Africans where criteria are met. Sasol Oil reiterated its commitment to the long-term development and sustainability of its facilities, continued investment in refining and logistics infrastructure, and compliance with future fuel quality standards. It maintained that security of tenure under the Section 79 direction is critical to enabling the capital investment necessary to support national fuel supply security.

5.3 SAPREF

SAPREF submitted a joint presentation on behalf of Shell Downstream South Africa and BP Southern Africa, concerning its operations at the IVP and its commitments in relation to the Section 79 Ministerial Directive issued. SAPREF informed the Committees that the joint venture recognised its responsibility not only to comply with the letter of the Section 79 directive, but also with its spirit, which it described as promoting the strategic interests of the Republic, including security of fuel supply and transformation of the industry. SAPREF focused on its domestic commitments under the directive and its transformation credentials, both at the level of the operating company and of its shareholders. SAPREF indicated that it was the formal leaseholder which participated in the Section 79 application process and acknowledged its obligation to ensure that its future operations align with national policy objectives.

With regard to transformation initiatives and commitments, even prior to the issuing of the Section 79 directive, it had already taken steps to support further transformation at the IVP. It stated that it had relinquished 17 per cent of its leased land to the TNPA, including land that had previously been earmarked for its own expansion projects. This decision was presented as a proactive measure to make space available for new entrants and transformation-focused initiatives. In addition, it expressed its support for the 15-30 per cent allocation of industry capacity to the State over the tenure of the directive. It acknowledged that such an allocation could make the government a significant, if not majority, participant in certain aspects of the sector, and expressed its willingness to work within this framework.

However, it cautioned that the fuel industry operates within a regulated pricing environment where costs incurred along the value chain ultimately feed into the Basic Fuel Price (BFP) through a predetermined formula. It further emphasised that any additional costs introduced at IVP - whether through inefficiencies, duplication of infrastructure, or poorly coordinated interventions - could ultimately be passed on to consumers. It therefore argued that transformation and restructuring initiatives should be implemented in a manner that preserves operational efficiency and economies of scale, to minimise adverse price impacts on end users and the broader economy.

While the land at IVP belongs to Transnet, as the port landlord, much of the infrastructure on the land had been funded and developed by leaseholders. It submitted that future arrangements

should recognise both the need to advance transformation and the rights and investments of existing operators and should be structured in a manner that is fair and equitable.

It further highlighted that the shareholders, Shell and BP, collectively operate more than 1 000 retail service stations across South Africa, many of which are supplied through the IVP. Over the past six to seven years, the retail networks of the two companies have undergone significant transformation, with black ownership in the retail segment reportedly increasing from approximately 25 per cent to over 68 per cent. SAPREF further highlighted that many of these retail sites are operated by black, family-owned businesses that had taken on debt to acquire and operate their businesses. It urged that decisions affecting upstream supply and logistics should consider the downstream impact on these operators.

It also cautioned that the implementation of expanded third-party access should take into account existing regulatory and operational constraints. In particular, it made reference to the South African Revenue Services licensing regime for jet fuel and kerosene, which it noted could complicate the practical implementation of shared access arrangements.

It further alerted the Committees that capacity at IVP is currently constrained, and that its facility now operates primarily as a throughput terminal rather than as a storage facility. It explained that certain storage tanks previously associated with SAPREF had been divested and are now under the control of the CEF, while its remaining tanks are fully utilised in a high-throughput model. It stressed that the whole industry faces a shortage of storage and handling capacity and called for collaborative efforts between government and industry to expand national fuel logistics capacity.

It indicated that its facility has been in operation since 1960 and was historically linked to the SAPREF refinery, which ceased refining operations in 2022. The facility now operates on a full import and throughput model. It further emphasised that it currently imports approximately 6-7 billion litres of fuel per year, supporting the aviation, marine, industrial, and road transport sectors. The terminal facilitates the rapid discharge and evacuation of product via pipeline, rail, road, and marine routes, rather than long-term storage. It also employs over 200 permanent staff at the facility and supports more than 500 contractors and service providers, particularly in maintenance and specialised technical services.

With regard to investment, it spends close to R1 billion per year on operations and maintenance at the IVP facility, with the majority allocated to operational expenditure and a significant portion to capital expenditure. It emphasised that, even during periods when it operated on short-term lease extensions, it continued to invest in maintaining its infrastructure, which it described as world-class. Going forward, it indicated that it expected to invest approximately R28 billion over the next 25 years, including more than R18 billion dedicated to asset integrity and infrastructure upgrades. It further outlined its broader financial contribution to government and Transnet, including lease payments of more than R200 million per year, significant rail and pipeline tariffs, and substantial tax and duty payments linked to fuel imports.

With regard to its transformation performance, it had improved its B-BBEE status from Level 4 in the early 2000s to Level 1 in 2025. It stated that its leadership team is 100 per cent black, with women comprising a majority of leadership positions, and that its Board is predominantly black, with substantial female representation. Over the past five years, there had been procurement expenditure of more than R14 billion with Level 1 B-BBEE-compliant suppliers. It also emphasised its investment in skills development, bursaries, artisan training, and internal talent development, noting that many senior staff had progressed through the company's development programmes. It emphasised that it remains committed to maintaining its Level 1 B-BBEE status over the tenure of the directive and to continue its enterprise and supplier development initiatives. It had already handed over approximately 50 000 square metres of land for the development of new storage and terminal facilities by other parties. It reiterated its commitment to providing 15–30 per cent of storage capacity to government over the 25-year period envisaged under the directive.

It also addressed the transformation record of Shell Downstream South Africa, outlining the company's black ownership transactions over time, increasing representation of women and black professionals in management, and substantial expenditure on skills development, enterprise development, and preferential procurement. Over 60 per cent of Shell's retail sites are operated by black entrepreneurs. In respect of BP Southern Africa, it highlighted their transformation transactions, including a partnership with the Strategic Fuel Fund in Cape Town and a transaction in East London involving a 100 per cent black, woman-owned company, supported by long-term throughput agreements.

It concluded that it occupies a central role in a highly integrated and capacity-constrained fuel supply system and reiterated its commitment to security of supply, responsible transformation, continued investment, and collaboration with the State. It expressed willingness to work with government to expand capacity, enable new entrants, and implement the Section 79 directive in a manner that balances transformation objectives with operational sustainability and consumer protection.

5.4 Total Energies South Africa

Total Energies informed the Committee of its long-standing presence in South Africa, having operated since 1954, with:

- A nationwide network of 550 service stations;
- Local lubricants manufacturing, sustaining 60 full-time jobs and over 2 500 indirect jobs, producing 342 high-tech products for mining, agriculture, and industrial applications;
- Exploration activities beginning in 2014, with ongoing deep-water prospecting in the Orange Basin; and
- Expansion into renewables in 2015, including the Prieska solar plant producing 86 MW, and plans for Liquefied Natural Gas (LNG) projects in Mossel Bay for electricity supply or import.

Currently, Total Energies employs 850 full-time staff, supported by contractors contributing to local skills development. It highlighted that its petroleum storage capacity at IVP is highly constrained, limiting its ability to fully meet market requirements. In 2024, Total Energies could import only 78 per cent of its fuel needs, purchasing the remainder locally. Furthermore, operational bottlenecks prevent the offloading of full cargoes directly into its site, causing delays and additional costs. However, it stated its readiness to expand storage capacity if additional land becomes available and noted that it is exploring partnerships with other investors, such as NOOA, to develop storage in the area.

It confirmed that it is fully compliant with reporting and regulatory requirements. It emphasised its commitment to long-term investment in infrastructure upgrades, safety enhancements, and sustainability initiatives, with an estimated R6.1 billion over the next 25 years. These investments aim to modernise operations, maintain high safety and quality standards, ensure resilience, and support continued transformation.

With regard to the ownership of storage capacity, its IVP site exists primarily to supply its market demand. The integrated network of road, rail, and depot deliveries is essential for nationwide fuel distribution. It emphasised that third-party access should not compromise operational efficiency or security of supply.

It highlighted its commitment to transformation, stating its B-BBEE achievements:

- 49.9 per cent South African ownership, with 31 per cent black ownership.
- Black participation within Total Energies - Board (52 per cent), Executive (62 per cent), Senior management (54 per cent), Middle management (68 per cent), and Junior levels (81 per cent).
- Six consecutive years at Level 1 B-BBEE.
- Internal skills development programmes and support for universities for underprivileged students.
- 80–85 per cent of procurement spend directed to black-owned companies.
- Support for small businesses and pump attendants to become fully-fledged dealers.
- Social and economic development initiatives including road safety, climate and oceans, culture, heritage, and education. Long-term partnerships include SANParks (65 years), Sibikwa Arts (30 years), Buskaid DFFE (20 years), and the DFFE tree planting (20 years).

It concluded its presentation by reaffirming its commitment to:

- Security of supply for South Africa;
- Operational excellence at the IVP;
- Local manufacturing and production, particularly in lubricants; and
- Meaningful and sustained transformation across ownership, management, and operational levels.

5.5 Astron Energy

Astron Energy informed the Committee that it is a fully integrated downstream oil company operating across the full value chain, including supply, manufacturing, refining, storage, distribution, and retail. It indicated that its overall contribution to the South African economy exceeds R110 billion in gross domestic product impact. In addition, it highlighted its role in revenue collection for the government, noting that it contributes approximately R300 million annually in government revenues.

It operates the second-largest crude oil refinery in South Africa, located in Milnerton, and also runs a lubricants manufacturing plant in Durban. Its national footprint includes 15 terminals and more than 800 service stations countrywide supporting approximately 161 000 direct and indirect jobs across the country.

Within the IVP, its operations are centred on a lubricants manufacturing plant, which had been in continuous operation since 1955, rather than a fuel storage terminal. This plant produces specialised lubricants that are essential inputs for heavy industries, particularly the mining sector. These lubricants are proprietary and technically complex and cannot easily be substituted with alternative products without significant operational risk to end users. Approximately 90 per cent of finished lubricant products are distributed to customers via warehouses and logistics networks across South Africa, with a smaller portion exported. Therefore, it emphasised that the nature of this facility is materially different from refined product import, storage, and throughput terminals operated by other entities within the IVP.

The plant relied on common infrastructure within the IVP to import base oils and additives, which are the primary raw materials for lubricant manufacturing. These inputs are blended, packaged, and distributed as finished lubricants. However, it did not control berth access within the IVP. It also cautioned against any removal or restriction of import access or storage capability at IVP, as this would directly jeopardise the viability of the lubricants manufacturing plant.

In terms of third-party access and storage capacity, the lubricants manufacturing plant is not designed or configured to facilitate the storage or movement of petroleum fuels. Its infrastructure is limited to lubricants and the specific components required for their manufacture. Notwithstanding these constraints, it indicated that it facilitates appropriate third-party access in line with the principles of reasonable equality, fairness, transparency, and efficiency, and in compliance with the regulatory frameworks of the NERSA and the TNPA.

It reported that for several years it had made seven of its sixteen base oil tanks available to an independent lubricants and base oil distributor. However, it explained that due to safety considerations, product integrity, and the specialised nature of additives and blending

processes, it is not feasible to allow third-party access to additive tanks, blending facilities, filling lines, or finished product storage areas within the plant.

It also reflected on the 2020 fire and explosion that resulted in the shutdown of the then Chevron refinery in Milnerton. It confirmed that the refinery was successfully restarted in 2023 and continues to operate. Since the transition from Chevron South Africa to Astron Energy in 2018, capital investments of approximately R8 billion have been made in South Africa. These investments include significant upgrades to the Milnerton crude oil refinery and extensive refurbishment and rebranding of the national retail network.

It further stated its commitment to upgrading the Milnerton refinery to meet Clean Fuels 2 specifications, thereby supporting national energy security and local beneficiation at a time when several other South African refineries have ceased operations. Construction is underway, with completion scheduled for 2027 at an estimated cost exceeding R6 billion. With regard to the IVP lubricants plant, short-term lease arrangements in recent years have constrained long-term capital investment in efficiency improvements and expansion. It indicated that longer term lease certainty would enable increased investment in the lubricants manufacturing facility.

With regard to transformation, it is a 32 per cent black-owned company and holds a Level 1 B-BBEE status. It employs approximately 1 000 people directly, with substantial additional indirect employment generated through contractors, refinery operations, and the branded retail network. It outlined its transformation profile, noting that 86 per cent of its workforce is black, with black women representing 31 per cent. Within the retail network, 57 per cent of sites are managed through branded marketers with an average of 80 per cent black ownership. More than 70 per cent of directly managed retail sites have at least 25 per cent black ownership.

It further emphasised that 30 per cent of its fuel transport contracts are allocated to small black-owned businesses. In procurement, more than 74 per cent of spend is directed to black suppliers. It had supported 19 companies with more than R105 million in funding and assistance. In addition, it stated that more than 30 per cent of its crude oil procurement is sourced from black-owned trading companies, with at least 30 per cent of these suppliers being black female-owned.

With respect to enterprise and supplier development initiatives, it highlighted the establishment of the Astron Energy Development Fund (AEDF) in 2022, aimed at driving sustainable economic development for small businesses and communities. Through partnerships with implementation and incubation partners, the AEDF supports unemployed youth through digital skills training, internships, and mentorship programmes. It further reported that it operates in 72 under-resourced high schools, offering internships and leadership development initiatives. Participants who complete the programme receive entrepreneurial skills training and support to incubate micro-enterprises across various sectors. Through the AEDF, it had supported more than 15 800 students, 1 900 unemployed youth, 771 emerging and micro-enterprises, and facilitated the creation of 336 jobs. In partnership with the Silulo Foundation, the AEDF established a business centre in Dunoon, Cape Town, in 2024 to provide education and training to unemployed youth.

It further highlighted that its national rebranding programme is implemented through Keabetswe Design Technology, a 100 per cent black-owned company that locally manufactures Astron Energy signage. All pylons and branding infrastructure are produced in South Africa. It invested R15 million in equipment through its distribution partner, Afrilogistics, to support the rebranding project. To date, approximately 630 service stations had been rebranded, with a further 200 sites planned.

It also reported collaboration with ORT SA and the AEDF on incubation and accelerator programmes aimed at productivity-focused entrepreneurs and SMMEs. In conclusion, it reaffirmed its commitment to security of supply, local manufacturing, and meaningful transformation. It emphasised its sustained investments in refining, retail infrastructure, and skills development, and underscored the strategic importance of its IVP lubricants manufacturing plant to South Africa's industrial and mining sectors.

5.6 Engen South Africa

Engen South Africa informed the Committees that it forms part of Vivo Energy, which operates in 28 African markets and had been active on the continent since 2010. In South Africa, it operates more than 1 000 retail service stations nationally under the Engen brand and supplies a broad range of sectors, including agriculture, automotive, aviation, chemicals, construction, mining, and marine. It operates a lubricant blending facility, more than 24 storage depots, and its own logistics fleet. Engen directly employs over 1 900 people within South Africa.

With regard the transformation, it emphasised that it had maintained a Level 1 or Level 2 B-BBEE status since 2016 and continues to prioritise transformation across its operations and supply chain. Approximately 79-80 per cent of procurement spend was directed toward B-BBEE-compliant suppliers.

In terms of ownership, a 21 per cent shareholding was held by Phembani Group, alongside an employee trust whose shareholding is set to increase from 5 per cent to 9 per cent. This would bring total ownership by historically disadvantaged persons to approximately 30 per cent. Its employment equity profile was outlined as follows: over 60 per cent African, 20 per cent Coloured, 12 per cent Indian, six per cent White, and one per cent foreign nationals. It stated that transformation remains central to its operational strategy.

It also emphasised transformation within its retail network, reporting that more than 57 per cent of company-owned sites and 63 per cent of dealer-owned sites are operated by historically disadvantaged persons. One in six Engen dealers is female, and it continues to invest in developing women entrepreneurs within the retail fuel sector. It stressed that transformation extends beyond internal employment to include supplier development and empowerment across its value chain.

It further highlighted several long-standing social investment initiatives. The Engen Maths and Science Schools Programme, operating for over 35 years, had supported more than 50 000 learners across 10 focus schools and 87 feeder schools. The Programme reportedly achieved an 82 per cent pass rate, compared to a national average of approximately 41 per cent. In addition, initiatives also included the provision of dignity packs to support schoolgirls, youth unemployment interventions through basic computer training, and employment readiness programmes. It reported that more than 50 per cent of participants in its youth programmes have gone on to secure employment.

It also addressed the closure of its Durban refinery in 2020, noting that the facility had historically imported crude oil and exported refined products via IVP. Following the shutdown, it undertook a significant transformation to convert the site into an import-based storage and distribution facility. This transition had increased the strategic importance of the IVP, both for

the company and for the broader industry, as it now serves as a critical gateway for the importation and inland distribution of refined products.

It has committed to invest more than R9 billion to convert former refinery infrastructure into import storage facilities pending lease tenure being secured. This includes tank conversions, capacity reinstatement, environmental remediation, and upgrading of infrastructure to ensure long-term safe and compliant operations. It emphasised that this infrastructure would be operated in accordance with the Petroleum Pipelines Act and relevant NERSA frameworks, allowing for third-party access where capacity was available. Furthermore, it stated that it was not merely proposing investment but had already committed substantial capital to strengthening South Africa's fuel import and storage capability.

It also addressed congestion challenges it was facing at the IVP, particularly vessel discharge delays and demurrage costs arising from limited berth availability. It reported that it was investing in a new loading arm at Berth 5. Currently, it discharged vessels at Berths 6, 7 and 8, which were heavily constrained. The Berth 5 investment would be expected to be commissioned in quarter 1 of 2026 and would expand discharge capacity, reduce delays, and benefit not only Engen but the broader industry by improving overall port efficiency. It further indicated that it had previously handed back approximately 20 000 square metres of land at the IVP to the TNPA to support broader port development initiatives under Section 56 processes.

It emphasised that security of supply should be understood not only in terms of refining capacity but also in terms of the ability to store and distribute product when and where it was needed. It argued that the IVP should function as a high-throughput logistics hub rather than a static storage site, likening congestion in the IVP to a blockage in a vital artery that can disrupt the entire system. It stressed the importance of maintaining fluid product movement from the IVP into the New Multi-Product Pipeline (NMPP) to supply the Gauteng market, which is the largest fuel consumption region in the country.

Going forward, it outlined plans to diversify into broader energy initiatives, including gas-to-power projects and potential LNG imports into its Durban facility. It noted that one such project has received Strategic Integrated Project status. It also indicated interest in expanding solar energy initiatives and exploring development of LPG infrastructure to address national supply shortages.

5.7 Vopak

Vopak informed the Committees about its business model as an independent storage safe, clean, flexible, and efficient operator. It emphasised that it did not own or trade in petroleum products but instead provided storage and terminal infrastructure that enables market participants - particularly new entrants - to import, store, and distribute products. This independence, it argued, ensures open access and equal treatment of customers seeking to use its facilities.

It emphasised that, in its view, understanding the IVP requires an appreciation of the full logistics value chain. It identified five interdependent components necessary for effective participation in the Precinct:

- Access to port and terminal infrastructure;
- Connectivity to pipelines and shared systems;
- Discharge capability from vessels;
- Storage capacity within terminals; and
- Evacuation mechanisms to move product inland.

It further argued that challenges at the IVP often arose when one or more of these elements were missing. For example, a market participant might have secured storage but lacked evacuation capacity or had contractual arrangements without guaranteed physical access.

In addition, it indicated that its Section 79 application was designed to support an integrated, independent role across this logistics chain. By operating as a neutral terminal provider, it aimed to ensure that access, connectivity, discharge, storage, and evacuation could function cohesively for both existing customers and new entrants.

It also outlined its commercial model as being transparent and structured to offer different contracting options for new entrants. It worked closely with the TNPA on berth access and connectivity, and with the TPL regarding evacuation through pipeline infrastructure. It emphasised that the relationship between the TNPA, the TPL, Vopak and customers was critical in structuring commercial arrangements that would enable effective use of the IVP. Its tariffs were regulated by the NERSA, and it regularly submitted reports to ensure transparency and regulatory compliance.

With regard to investment, it reported that it had invested more than R6 billion in upgrades to its South African terminals. Its operations included a terminal at the IVP in Durban and an inland terminal in Lesedi, Gauteng. It described these facilities as functionally integrated, allowing customers to import products via Durban and move them inland through pipeline systems to Gauteng. In addition to liquid fuels, it further emphasised its role in gas infrastructure. Through a joint venture with the TPL, it was in the final stages of a final investment decision for a LNG import terminal in Richards Bay. This project was presented as a strategic contribution to South Africa's future gas supply security.

With regard to the Section 79 directive, it was of the view that regulatory certainty under a Section 79 framework was important for sustaining and expanding investment. It indicated that it had a pipeline of projects under consideration, including a jet fuel storage and handling project at the IVP, aimed at addressing aviation fuel supply constraints. However, it noted that long-term investment decisions were subject to board approvals and capital allocation processes, and that uncertainty regarding tenure and operating frameworks could delay or constrain such commitments.

In terms of transformation, it was a Level 1 B-BBEE contributor and was 30 per cent black-owned. In terms of the demographic composition of its leadership, 94 per cent of leadership positions were held by black employees, of whom 67 per cent were black women. Additionally, 50 per cent of executive management positions were held by black women. Furthermore, it highlighted that the Lesedi Terminal in Gauteng was a flagship example of transformation, noting that the facility was operated by a workforce that was 100 per cent black and 53 per cent female.

It reiterated its intention to serve as an independent partner in South Africa's energy logistics system. It emphasised that its neutral infrastructure model supports market access, competition, and new entrant participation, while contributing to the security of supply and economic growth. It expressed its commitment to continued investment and called for the finalisation of Section 79 processes to provide the regulatory certainty needed to advance planned projects.

5.8 Bidvest

Bidvest informed the Committees that it was a proudly South African company listed on the Johannesburg Stock Exchange. Bidvest Tank Terminal (BTT) operated as an independent liquid terminal. Therefore, it did not trade in or own the products stored. Rather, it provided storage, handling, and logistics services for customer-owned products. Its operations included Richard's Bay, Durban, and Isando terminals. BTT did not store or handle fuel at the IVP; thus, it had no NERSA-licensed tanks in the IVP.

It further highlighted that BTT handled chemicals, vegetable oils, and lubricants at the IVP. The facility managed a complex portfolio of 115 product types, which required smaller, specialised tanks rather than large fuel tanks. These products supported South African industries including manufacturing, mining, transport, agriculture, and food production. However, it emphasised that BTT was not connected to the NMPP pipeline.

With regard to transformation and B-BBEE compliance, BTT had allocated over 20 per cent of its IVP capacity to a new entrant, fostering economic transformation. Over 50 per cent of BTT's IVP capacity was used by Level 1 or Level 2 B-BBEE customers.

Under the Section 79 directive, BTT committed to significant investment and transformation initiatives. It planned R1.44 billion in capital expenditure to expand and upgrade its IVP facilities and to transfer ownership of IVP infrastructure to the TNPA at nil value, with a replacement cost of approximately R6 billion. BTT emphasised that certainty under a Section 79 framework was essential for investment, noting that a Section 56 process could have introduced instability for BTT and its clients, whereas Section 79 ensured lease tenure certainty, enabling capital investment and operational efficiency.

BTT was a Level 2 B-BBEE contributor, employing over 480 South Africans, excluding contractors. It highlighted its transformation profile, reporting that black voting rights on the board exceeded 50 per cent with 22.99 per cent of board voting rights were held by black women. The management team comprised over 52 per cent African/black employees, with more than 40 per cent female representation. Thus, management control and economic interest were reported at 38 per cent black. The workforce comprised 45 per cent female employees and 37 per cent African representation. It further emphasised that 87 per cent of procurement

spend was directed to Level 1–4 B-BBEE contributors. It reinforced its role as a South African business committed to transformation, inclusion, and sector stability.

BTT concluded that its independent terminal operations, combined with significant investment and transformation initiatives, made it a key contributor to South Africa's logistics and industrial supply chain. It supported customer operations while enabling new entrants and promoting B-BBEE.

5.9 Unico Tec

Unico Tec informed the Committees that it specialised in the blending, storage, toll-filling, packaging, and distribution of automotive and industrial products, including engine coolants, brake fluid, AdBlue, and oils. It primarily served the automotive and mining sectors and had been owned by the energy company since 2020.

The facility comprised 23 specialised storage tanks with a total capacity of 5 185.3 cubic meters. While it did not currently store regulated products, mechanisms were reported to be in place to report available storage capacity to the NERSA. In this regard, it was willing to apply for NERSA approval, if required.

It indicated that it was a 51 per cent black-owned company and a Level 1 B-BBEE contributor, with 19.74 per cent of ownership held by black women. Furthermore, it engaged in partnerships with a B-BBEE Level 1, black woman-owned company for bulk liquid storage.

As part of ongoing lease agreements, it was investing in infrastructure modernisation and capacity expansion. Investments included approximately R500 000 per year for asbestos replacement, R750 000 for facility upgrades, R2 million for laboratory and gantry expansion, R1 million for oil filling plant expansion, R10 million for a B-line upgrade, and R5 million annually for maintenance. Additionally, a 3 000 m² Clearwood facility was developed to reduce port congestion. In its opinion, these investments reflect its long-term commitment to infrastructure modernisation and operational efficiencies.

It stated that previously, storage tanks had been leased from the TNPA on condition that they would be removed at the end of the lease. Current negotiations reportedly included transferring

ownership of the storage capacity to Transnet at the end of the new lease, providing long-term certainty.

Regarding the Section 79 directive, it emphasised that the implementation of the Section 79 directive allowed a 25-year lease, providing certainty after 11 years of delays. The directive was reported to enable long-term investment, support job retention for more than 60 employees, ensure continuity of customer supply, and contribute to national transformation and energy security.

Its staff complement had grown from 25 to 55 employees over five years, with 76 per cent of employees under 40 years old, supported by an annual training and skills matrix. Management was described as diverse, with two directors under the age of 40 and an average management age of 43. It indicated its aim to maintain Level 1 B-BBEE status and to expand empowerment partnerships.

5.10 H&R South Africa

H&R South Africa (HRSA) informed the Committees that it operated a chemical manufacturing facility and storage hub in Durban, covering approximately 6 900 m². It services the chemicals and lubricants industries, with its storage facilities closely integrated into its manufacturing processes. It noted that its operations were, therefore, not regulated by the NERSA.

It outlined its value chain model, which began with the importation of raw materials via containers or liquid bulk, transported through various terminals and pipelines to its storage tanks. These raw materials were then converted into finished chemical products, which were either stored or packaged at alternative sites before distribution to local and African markets. Historically, it relied heavily on the SAPREF refinery for supply, but following its closure, it shifted to importing liquid bulk via port terminals, ensuring continuity in its operations.

It highlighted the diversity of its markets, including the automotive sector, independent lubricants manufacturers, tyre and rubber production, personal care and consumer goods, road building, electrical distribution, and the citrus export industry. During the COVID-19 lockdowns, it maintained approximately 50 per cent of its business, as its products were deemed critical for national interest.

Regarding access and infrastructure, it explained that its operations utilised common-user berths and pipelines operated under the TNPA's supervision. While it managed its own storage tanks for chemical processing, third-party chemical storage was available on commercial terms and was regularly used by it when additional capacity was required. Operational oversight by the TNPA ensured compliance with safety and efficiency standards.

It emphasised its commitments under the Section 79 directive. It proposed a R183 million investment programme over a 25-year period, with the majority allocated to the first five years, aimed at enhancing infrastructure and capacity. Routine statutory maintenance continued at approximately R7–R10 million per five-year period. These investments were designed to improve manufacturing efficiency, expand chemical handling capabilities, and support downstream industries.

On the matter of asset ownership, it explained that current immovable assets on site were already transferred to the TNPA, and any new assets acquired would similarly be recorded and communicated to the TNPA. The Section 79 directive would also ensure that infrastructure investments would vest with the TNPA at the end of the lease period, with compensation to be agreed by the parties.

It provided a historical perspective on its operations, noting that it had managed the Island View site for over 20 years. Initially operating under 10-year leases, it faced limited capacity for investment due to short-term lease renewals, and at times had operated month-to-month, restricting long-term planning. The Section 79 directive provided the certainty required for strategic investment, mitigating risks associated with lease insecurity.

It further emphasised the critical nature of its chemical products, which support essential industries in KwaZulu-Natal, South Africa, and the wider African market. Without the Section 79 directive, it indicated that the local chemical industry could face instability, potential closure of capacity, job losses, and supply chain disruptions.

It also detailed its B-BBEE transformation journey, which began in 2008 with initial non-compliance. Over the years, it progressively improved its rating, achieving B-BBEE Level 4 status in 2018 and B-BBEE Level 3 status in 2023. Current ownership and management metrics

include 60 per cent black-owned, 47 per cent black women-owned, and 18 per cent black youth ownership. The board is 75 per cent black, with 50 per cent representation by black women, and 63 per cent of senior management roles are held by black employees.

It invested in skills development and workforce empowerment, including partnerships with the German chemical cluster and the South African-German Chamber of Commerce to launch a dual vocational chemical programme, supporting training and future industry professionals. It also engages with local communities through school support programmes and SME development in partnership with local municipalities and the Durban Chemicals Cluster.

Finally, it reaffirmed its commitment to job creation, infrastructure investment, transformation, and sustainable operations. The Section 79 directive enabled it to continue expanding capacity, support the national economy, and contribute positively to transformation and skills development within KwaZulu-Natal and beyond.

5.11 Chemoleo/AECI Limited

Chemoleo informed the Committees that AECI Limited is a Johannesburg Stock Exchange-listed mining services and chemicals manufacturing group with the Public Investment Corporation (PIC) being one its largest shareholder, holding approximately 18 per cent of the company. Chemoleo operates a small tank farm facility at IVP, accounting for approximately 0.3 per cent of the IVP's bulk storage capacity. The facility is used primarily for the importation of white mineral oils³, which are subsequently processed near AECI's Jacobs manufacturing site. Chemoleo emphasised that the facility was not designed or suitable for the storage of low flashpoint fuels and solvents and therefore operates within a specialised segment of the storage market.

In relation to transformation, AECI is currently a Level 3 B-BBEE contributor and has a defined pathway toward achieving Level 2 status.

Regarding the policy and regulatory framework under discussion, AECI supports measures aimed at making excess storage capacity available to third parties, provided these are

³ White mineral oils are highly refined mineral oils that are extremely pure, stable, colourless, odourless, non-toxic and chemically inert. These are used in pharmaceutical, cosmetic and chemical processing applications, among others.

implemented in a structured and transparent manner. The company endorsed the Section 79 process, viewing it as a mechanism that provided security of tenure, which was important for enabling further capital investment, while also recognising the legitimate need to accommodate new market entrants.

6 CONCERN REGARDING NOAA AMBROSE PARK OIL TERMINAL

NOOA is a historically disadvantaged participant that has sought, over several years, to enter the petroleum import, storage, and distribution market. It indicated that it was one of the early black-owned wholesalers to secure petroleum import activity, and reportedly held supply accounts with major refineries, and had also previously secured storage arrangements outside South Africa to facilitate fuel imports. It further outlined partnerships with international suppliers and financiers, including engagements with African development finance institutions, which according to NOAA demonstrate its technical and financial readiness to participate in large-scale infrastructure projects.

It argued that transformation within the petroleum storage and logistics sectors has been slow and that participation by historically disadvantaged persons in large scale port and storage infrastructure remains limited. It remains among the least transformed segments of the economy with large IOMs still dominating refining, storage, distribution, and retail infrastructure. Black-owned entities face significant barriers in accessing storage capacity, as most terminal infrastructure is owned or controlled by established IOMs.

Its key focus was the NAPOT project at Ambrose Park, located outside the existing IVP. NAPOT is a large scale, majority black-owned fuel storage and distribution facility intended to handle petrol, diesel, and jet fuel, with regional supply linkages into neighbouring Southern African markets. NOAA argued that the project would enhance security of fuel supply, help address aviation fuel supply vulnerabilities, facilitate regional trade, and potentially provide infrastructure suitable for hosting fuel reserves.

Despite the reported project readiness, NOAA informed the Committees that implementation has been delayed for several years due to administrative inaction and lack of enabling action for the relevant entities. It emphasised that no clear technical or regulatory justification had

been provided for the delays and had pursued several avenues to resolve the impasse, including correspondence with government departments, regulators, and oversight bodies. This inaction has resulted in the effective exclusion of a black-owned infrastructure developer from the market.

It made the following proposals, that:

- The relevant authorities facilitate the implementation of approved black-owned projects, subject to compliance with all regulatory requirements;
- Government aligns port and energy infrastructure decisions with transformation objectives;
- Government expands storage capacity through new entrants' participation; and
- Government strengthens oversight and transparency in the decision-making process.

7 OBSERVATIONS

Based on the input of the Executive, the entities, concerned stakeholders, and the oil majors, the Committees deliberated. The key issues raised by Members are captured below:

7.1 Legislative Framework

During the deliberations, Members consistently raised concerns regarding the rationale and legality of invoking Section 79 of the National Ports Act, instead of proceeding with a competitive and transparent tender process in terms of Section 56. They focused on the legal soundness of the directive and its compliance with existing legislation. The Committees were of the view that Section 79 is intended for exceptional, emergency, or security-related interventions, not for the allocation of long-term commercial rights. Furthermore, insufficient evidence was presented to demonstrate that a Section 56 process would have been impractical or unworkable. Therefore, it remained unclear whether the TNPA formally advised the Minister that it could not implement Section 56.

In addition, concerns were raised regarding compliance with Section 217 of the Constitution, particularly the principles of fairness, transparency, competitiveness, and cost-effectiveness, as well as whether a socio-economic impact assessment had been conducted comparing the outcomes of Section 79 versus Section 56 of the National Ports Act. The Committees were also concerned about the determination of the 15-30 percent reserve allocation for the CEF, the

rationale for 25-year leases, and how these decisions reconciled with the country's socio-economic objectives. In particular, the Committees were concerned whether the directive issued by the Minister of Transport had been misapplied to allocate commercial rights and whether it constituted a lawful and proportionate use of executive powers.

Furthermore, the Committees expressed concern that the use of Section 79 may have contributed to undermining the principles of inclusivity and transformation, with several stakeholders expressing the view that it failed to advance the transformation agenda or meaningfully promote participation by previously marginalised groups across the value chain. The Committees, therefore, questioned the rationale for invoking Section 79 and not considering interim leases with transformation conditions as part of a Section 56 process.

The DOT informed the Committees that the IVP has been identified as a National Key Point and remains critical to South Africa's energy and chemical logistics, handling approximately 62 per cent of the country's refined fuel and chemical imports. The Precinct plays a strategic role in supporting key sectors of the economy, including mining, automotive, pharmaceutical, and the broader manufacturing industries. Any disruption in the supply of these critical products would pose a significant risk to economic stability and national security. Therefore, in this context, it noted that any transition in terminal operators should be managed through a carefully considered, phased approach to safeguard continuity of supply and prevent systemic risks, thereby safeguarding national security and promoting strategic interests.

The Committees were informed that the Minister's directive was issued within the empowering provisions of the National Ports Act, which empowers the Minister to intervene in terms of national interest where necessary. The process leading to consideration of the Section 79 directive was triggered by formal applications received by the DoT from the FIASA and the CEF. It was further noted by the DoT that the issuance of the Directive did not replace or bypass the Section 56 process. It confirmed that Section 56 procedures would still be followed for rationalised sites. In addition, certain sites identified through the Island View Strategy have been earmarked specifically for allocation through a Section 56 process to enhance the transformation footprint within the Precinct.

7.2 Process integrity, legitimacy and oversight

The Committees raised serious concerns about the procedural integrity of the directive, and whether all the statutory preconditions of the National Ports Act were met. They questioned the expedited nature of the process, including the possibility of external or commercial influence on the decision-making process. In addition, the Committees sought clarity on whether regulatory bodies, such as the Competition Commission, the NERSA and the B-BBEE Commission, were formally consulted prior to the issuance of the directive. Furthermore, the Committees noted the absence of a documented chronological timeline outlining events from lease expiry to the issuing of the directive, which would have ensured transparency and accountability. Notwithstanding the principles of the separation of powers, a key concern for the Committees was the perceived lack of transparency and limited parliamentary oversight, which undermined the legitimacy of the process.

7.3 Stakeholder consultation and intergovernmental coordination

During the deliberations, the Committees noted significant deficiencies in the consultation and coordination process among key role-players. These included the acknowledgment by the NERSA that, in its opinion, it had not been formally consulted, the uncertainty regarding the CEF's role as an aggregator, and whether there had been adequate interdepartmental coordination between the DoT, the DMPR, and the CEF. The Committees also questioned whether strategic stakeholders such as labour, affected communities, black traders, and Historically Disadvantaged South African's had been consulted.

Furthermore, the Committees sought clarity on whether the directive aligned with the country's broader energy security objectives and expressed a view that future Section 79 interventions should include input from state security organs and strategic stakeholders. In addition, the Committees sought clarity on why interim leases with transformation conditions were not considered as part of a Section 56 process. A key concern for the Committees was the issuing of a directive that could be regarded as having been done without a comprehensive, inclusive, and coordinated stakeholder engagement process.

7.4 Transformation, Inclusion, and Black Economic Participation

Transformation emerged as a dominant and recurring concern across all meetings. The Committees queried whether the directive meaningfully advances B-BBEE and facilitates participation by black-owned companies or merely preserves the existing market structures.

The effectiveness of the 15-30 per cent allocation to the CEF was questioned, including whether these allocations effectively enable sustainable participation by black-owned traders in advancing B-BBEE objectives, and the Committees called for measures to drive structural transformation.

The Committees highlighted the potential risk of fronting by IOMs through their B-BBEE partners. They further expressed concern that, given the limited participation of black industrialists across the petroleum value chain, it was unclear whether the B-BBEE Commission has the necessary powers to enforce meaningful transformation. Of particular importance to the Committees was the need for the directive to provide opportunities for black industrialists and for state oversight to ensure equitable access to infrastructure.

The Committees emphasised the need for IOMs and other companies to demonstrate meaningful commitment to transformation, inclusion, and skills development under the IVP lease. A major concern for the Committees was that the directive risked entrenching exclusionary outcomes and undermining structural economic transformation.

7.5 Economic and Market concerns

Members highlighted significant structural and governance weaknesses within the sector, noting that conflicts of interest – where cargo owners also control terminal operations – and transfer pricing that limits local economic benefit, and systemic barriers continue to disadvantage black owned and small traders. These challenges were viewed by the Committees as undermining fair competition, localisation, and national security. They questioned the structuring of tariffs and access fees, emphasising the need to prevent preferential pricing or monopoly control, particularly by the CEF, and raised concerns about the broader impact of the directive on port tariffs and the national pricing framework.

The potential risk associated with 25-year lease agreements was highlighted, including contingent liabilities for the State, limitations on competition, and whether National Treasury concurrence/approvals were sought or standard processes were bypassed. In response, the DoT informed the Committees that it followed the prescripts of Section 79 of the National Port Act. The Committees further requested confirmation that a comprehensive cost-benefit analysis or economic impact assessment had been conducted and reviewed by National Treasury prior to issuing the directive. Additional concerns included the absence of adequate safeguards in the

Public-Private Partnership model, potential long-term dependence on IOMs, and whether the directive would stimulate new investment beyond maintenance while aligning with the national interest.

Finally, the Committees underscored issues of market concentration, demographic imbalances, and continued private sector control over strategic assets, noting that the TNPA's lack of ownership over terminal infrastructure, compounded by Section 79 interventions, could entrench private ownership and weakened government oversight. They were of the view that the directive may reinforce monopolistic market structures and suppression of fair competition and undermine economic transformation. Any future Section 79 interventions should safeguard national security, sovereignty, and strategic interest that would ensure security of supply, economic transformation, and strengthened State capacity.

7.6 Role of the State

Members underscored the central role of the state in driving industrialisation and safeguarding strategic infrastructure, raising concerns that the TNPA's operation of terminals appears to be proceeding without a clear plan for building direct state capacity or structured joint operations with the CEF. The absence of a clearly designated authority to enforce infrastructure leasing provisions and guaranteed non-discriminatory access was identified as a governance gap with significant competition implications. The Committees cautioned that the directive's reliance on broad national interest claims may have come at the expense of concrete commitments to state-led industrialisation, transformation, reinvestments, and localisation by beneficiary firms.

Emphasising the need for a capable and interventionist state to address historical economic injustices and dismantle the entrenchment of market dominance, the Committees called for a coordinated and inclusive approach across relevant departments, entities, and portfolio committees. In this regard, they proposed that the Competition Commission consider undertaking a market inquiry to identify barriers to entry and support the development of a more equitable and competitive sector.

8 CONCLUSIONS

8.1. The Committees reaffirmed the constitutional principle of separation of powers as a guiding framework for its work, emphasising that Parliament's role is one of oversight

over the Executive, ensuring accountability, and making recommendations to the Executive, and not that of Executive decision-making, administrative implementation, or interference.

- 8.2. While the Committees may interrogate policy choices, regulatory approaches, and the exercise of statutory powers, it should not substitute itself for the Executive or operational authorities.
- 8.3. However, notwithstanding the principles underpinning the separation of powers doctrine, the Committees were of the view that this should not limit Parliament's duty, through its respective Committees, to engage the relevant departments, public entities and regulatory bodies where constitutional procurement principles, national security, transformation objectives, legality, or governance standards might be at risk.
- 8.4. The Committees recognised that the issues raised over the course of three engagements converged around the governance of strategic infrastructure, the use of public power, and the implementation of constitutional obligations in relation to fairness, accountability, and the advancement of transformation.
- 8.5. One of the key issues that emerged through the engagements related to the legal and procedural foundations for the invocation of Section 79 of the National Ports Act, particularly in relation to Section 56, and whether all statutory preconditions were met in invoking the provisions of Section 79 as opposed to allowing the TNPA to perform these contracting functions per the provisions of Section 56.
- 8.6. The Committees noted with concern that the use of Section 79 might have had the effect of bypassing the more open and competitive processes provided for in terms of Section 56, which raised concerns around fairness, transparency, legality and constitutional procurement principles. The Committees noted that key regulators and stakeholders appear to have not been formally consulted prior to the issuance of the directive, leading to a lack of alignment between the relevant departments and/or public entities. The Committees regard intergovernmental coordination as essential, especially when policy decisions could adversely affect both strategic infrastructure and energy security.

- 8.7. To enhance policy coherence, the Committees noted that strengthened coordination between relevant departments and agencies responsible for infrastructure, energy, skills development, and regulatory oversight is essential. Structured interdepartmental engagement mechanisms should be reinforced to ensure alignment between national energy security and industrial policy objectives as well as broader economic reform initiatives.
- 8.8. Furthermore, the Committees encouraged expanded and structured engagement with industry stakeholders and social partners to ensure that policy design and implementation were informed by practical experience and emerging economic conditions.
- 8.9. In this regard, the Committees underscored the need to address cross-cutting structural constraints that affect national energy security and industrial competitiveness, including energy reliability, logistics efficiency, and skills availability. The Department of Transport should engage relevant authorities to ensure that these constraints are systematically integrated into future planning within the Island View Precinct.
- 8.10. In terms of the Section 79 directive, the Committees were concerned about its economic, financial and national security implications. They emphasised that a decision of this magnitude, with possible fiscal or contingent liability risks for government, should be supported by rigorous, transparent analysis, including a socio-economic impact analysis, and appropriate and thorough consultation processes, especially where long-term strategic assets were concerned.
- 8.11. The Committees noted that stakeholders raised concerns about transformation, limited market access and fair competition, which related to structural concentration in the sector, barriers to entry for black and small industrialists and traders, possible fronting practices, and the absence of clear mechanisms that would ensure that reserve capacity and access arrangements translate into meaningful participation.
- 8.12. The Committees were of the view that transformation could not be treated as a secondary objective but was a constitutional and legislative imperative that should be rooted in the design of the contract and in contractual arrangements to ensure that these objectives are structurally secured. In particular, the Committees were concerned that

failure to do so risked that the granting of a 25-year tenure to International Oil Majors, without open competition, would effectively lock out black competitors for a generation and perpetuate historical dominance, as this may reinforce concentration, weaken state leverage, and foreclose meaningful entry for emerging black-owned participants.

- 8.13. The Committees noted the importance of state capacity and strategic port and liquid fuel infrastructure ownership, and the need for current arrangements to support effective oversight of national key points. In the medium to long-term, government should endeavour to build direct state capacity within strategic port and liquid fuel infrastructure, ensuring that state participation is not symbolic but operationally influential.
- 8.14. The issues of national security, sovereignty and security of supply were of critical importance, including the alignment of the directive with defence requirements and broader energy security objectives. It emphasised that directives and commercial arrangements in strategic port and fuel infrastructure should be aligned with the government's responsibility to safeguard national sovereignty and security interests. Furthermore, strategic and critical fuel infrastructure and reserves should not be used, directly or indirectly, to limit the government's ability to act in the national interest, including in matters affecting international relations, emergencies, or essential state functions.
- 8.15. In terms of national security, the Committees recognised the fuel requirements of the South African National Defence Force. It emphasised that the Defence Force's legislated fuel access rights were not discretionary commercial matters, but obligations linked directly to national security, emergency preparedness, and disaster response. Therefore, the Committees emphasised enforcement of existing legal provisions rather than prescribing new numerical allocations, thereby reinforcing the principle that defence fuel access forms part of the country's strategic security architecture.
- 8.16. In this regard, the South African National Defence Force and black-owned participants should have access to port storage, berthing, and evacuation capacity to enable full cargo imports and sustainable participation, as the absence of guaranteed access to these elements would compromise their operational readiness, disaster response capability, and sovereign fuel security.

- 8.17. The Committees stressed the importance of integrating transformation and empowerment objectives into the structuring of new fuel storage lease arrangements, while ensuring that regulatory mechanisms were efficiently robust to support fair market access.
- 8.18. The Committees welcomed the input from both Ministers, as it provided clarity around the policy, regulatory and national security aspects of the fuel storage matter under consideration.
- 8.19. In particular, the Committees welcomed the remarks of the Ministers of Transport and of Mineral and Petroleum Resources regarding the importance of embedding clear empowerment conditions within lease agreements and of advancing a transparent framework for these conditions. This should enable new entrants and historically disadvantaged participants to access strategic infrastructure in a fair, structured, and sustainable manner.
- 8.20. However, the Committees urged that third-party access should be governed by a formal, regulated system rather than voluntary or ad hoc arrangements.
- 8.21. The Committees were of the view that government entities such as the National Energy Regulator of South Africa and the Transnet National Ports Authority should collaborate with stakeholders to finalise a comprehensive framework, that should be incorporated into Terminal Operator Agreements. Such a framework should regulate reporting of uncommitted capacity, application procedures, dispute resolution processes, and compliance and enforcement measures.
- 8.22. In the Committees' view, transparency, predictability, and enforceability would be essential to ensure that access arrangements genuinely broaden participation rather than entrench existing advantages.
- 8.23. The Committees further expressed concern that the allocation of remaining storage sites should not proceed in a manner that inadvertently perpetuates historical patterns of exclusion. A strong view emerged that future allocation processes should actively advance transformation and create space for new market entrants. In this regard, the Committees cautioned against relying solely on approaches that treat strategic

infrastructure purely as commercial assets, without sufficient regard to developmental and structural transformation objectives.

- 8.24. The Committees further emphasised that to ensure that capacity is utilised effectively and contributes to genuine industrial participation rather than symbolic inclusion, preference should be given to black industrialists and traders demonstrating proven financial capacity, technical competence, regulatory compliance, and the ability to import at a commercially viable scale. Furthermore, parties granted third-party access to storage or throughput capacity should not be permitted to trade, sub-lease, pledge, or otherwise monetise that allocation as a financial instrument or secondary market asset, as this would undermine the objectives of deepening economic transformation and ensuring national energy security.
- 8.25. The Committees identified institutional clarity as a priority, stressing that any aggregation or coordination role must be legally sound and structured to avoid conflicts of interest. Concern was raised about the Transnet National Ports Authority potentially being viewed as both regulator and market participant in relation to the monitoring and oversight of third-party access.
- 8.26. In this regard, independent storage models such as that offered by Vopak should be considered at the appropriate scale to also support easier access to storage and other critical infrastructure to enable the importation of bulk liquids for black or smaller participants.
- 8.27. In addition, the Committees were of the view that floating storage units could quickly alleviate capacity shortages, overcome limited port land availability, support emergency reserve requirements, and enable access for new market entrants. In this role, floating storage units could serve simultaneously as strategic reserve capacity, a commercial import buffer to stabilise supply flows, and transitional infrastructure while permanent onshore storage facilities were being developed.
- 8.28. The Committees noted that, while progress has been made in the development and implementation of industrial support mechanisms, significant structural and institutional constraints continue to limit their overall effectiveness and impact. Evidence presented to the Committee indicated that fragmentation in policy

coordination, administrative inefficiencies, and insufficient outcome-based monitoring have weakened the ability of these interventions to deliver sustained improvements.

- 8.29. The Committees further observed that current implementation frameworks tend to emphasise procedural compliance and expenditure reporting, rather than demonstrable economic outcomes and inclusive economic growth aligned with national development objectives. The Committees therefore conclude that a recalibration of implementation approaches, strengthened interdepartmental coordination, and enhanced monitoring and evaluation systems are necessary to maximise the developmental impact of measures to ensure inclusive growth.
- 8.30. The Committees noted the importance of strengthening monitoring and evaluation systems through the development of a transparent performance measurement framework for the operations within the Island View Precinct in terms of national energy security of supply and the impact on inclusive growth. This framework should include clearly defined outcome-based indicators, such as employment impact, level of accessibility by black industrialists and traders, productivity improvements, and levels of private investment leveraged. The Committees also observed the value of conducting periodic independent impact assessments in this regard to ensure accountability and continuous improvement.
- 8.31. The Committees further highlighted the need to review administrative processes associated with access by black industrialists and traders, with a view to reducing procedural complexity and improving turnaround times to accessibility of excess storage capacity. This should include accelerating digitalisation initiatives for applications, reporting, and compliance processes to enhance efficiency and accessibility.
- 8.32. The Committees noted that existing infrastructure constraints have historically limited participation by new entrants and therefore encouraged the Minister of Transport to ensure that allocation provisions are accompanied by mandatory investment obligations to expand storage and throughput capacity over the concession period. These measures collectively aim to ensure that strategic fuel infrastructure operates in the national interest by guaranteeing meaningful access for the South African National Defence Force and capable black industrialists and traders, preventing speculative control of

capacity, and ensuring that allocations support actual supply security rather than creating opportunities for passive rent extraction or anti-competitive behaviour.

- 8.33. The Committees note, support, and commend the initiatives already being undertaken by Transnet together with the relevant stakeholders through the leadership of the Minister of Transport to arrive at a mutually agreed process based on the imperatives of (i) transformation thresholds; (ii) ring-fenced capacity for black industrialists and traders at a commercially viable scale; (iii) defined timelines and published allocation criteria; and (iv) safeguards for continuity of fuel supply during transition.
- 8.34. South Africa's heavy reliance on imported refined fuels has created significant vulnerability in its energy security framework, a situation worsened by the closure of domestic refineries and the resulting decline in local refining capacity. This increased dependence exposes the country to global supply disruptions, price volatility, shipping delays, and geopolitical risks. Accordingly, infrastructure reform must be aligned with broader industrial and energy policy objectives by supporting the revival of domestic refining capability, expanding strategic fuel reserves, promoting industrial development linked to the petroleum value chain, and diversifying sources of supply to enhance long-term resilience and sovereignty of fuel provision.

9 RECOMMENDATIONS

- 9.1. Informed by its deliberations, the Committees recommend that the House requests that the Minister of Transport should consider:
- 9.1.1. Reviewing the existing policy framework governing strategic fuel storage and port infrastructure within the asset base of entities within the Transport Portfolio to ensure that it adequately integrates national security, energy security, and sovereignty considerations, in consultation with the Ministers of Mineral and Petroleum Resources, of Energy and Electricity, and of Defence and Military Veterans;
- 9.1.2. Reviewing, together with the Minister of Defence and Military Veterans, the extent to which national security and defence policies are adequately integrated into civilian infrastructure planning and contractual obligations relating to strategic fuel storage and port assets within the asset base of entities within the Transport Portfolio;

- 9.1.3. Developing a clear policy position on third-party access, particularly for black participants, to strategic fuel storage and port infrastructure under the control of the TNPA, which would include or allow for access to storage, berthing, and evacuation capacity to enable full cargo imports and sustainable participation;
- 9.1.4. Requesting the Transnet National Ports Authority to include provisions in the Terminal Operator Agreements to support inclusive economic participation in the utilisation of the Island View Precinct infrastructure with regard to:
- a. Access to storage and throughput allocations for the South African National Defence Force and qualifying black participants at a reasonable scale to ensure national energy security of supply;
 - b. First preference access to spare capacity for black participants with the requisite technical and financial capability while promoting fair and transparent allocation;
 - c. A “use-it-or-lose-it” principle where unused or underutilised capacity is reallocated to operationally ready participants to efficiently utilise spare capacity; and
 - d. Pre-emption of capacity where defence or emergency requirements arise, in line with national obligations;
- 9.1.5. Requesting, in conjunction with the Minister of Energy and Electricity, and any other relevant counterparts, the Transnet National Ports Authority, the National Energy Regulator of South Africa, and relevant regulators to jointly monitor utilisation through transparent reporting mechanisms, including real-time capacity disclosures and periodic compliance audits, to ensure that allocations translate into actual imports, storage, and supply activity; and
- 9.1.6. In consultation with the Ministers of Trade, Industry and Competition and of Energy and Electricity, establishing an inter-regulatory task team including the Competition Commission, the National Energy Regulator of South Africa, the Broad-Based Black Economic Empowerment Commission, and the Transnet National Ports Authority, to ensure coherent oversight, prevent conflicts of interest, and enforce third-party access rules
- To ensure the fulfilment of the requirements of sub-section 79(1) of the National Ports Act:
- (a) to safeguard the national security of the Republic;
 - (b) to promote the national, strategic or economic interests of the Republic; or
 - (c) to discharge an international obligation of the Republic;

- 9.1.7. Requesting the Transnet National Ports Authority to develop and implement a phased strategy for reclaiming ownership of terminal infrastructure within the Island View Precinct onto its balance sheet, so that tankage may be leased to a diversified range of operators, including black-owned industrialists and traders, the Central Energy Fund, and existing International Oil Majors, thereby ensuring that storage revenue and asset value accrue to the state rather than remain concentrated in the hands of private incumbents. This approach would more effectively advance transformation, security of supply, and national economic interest simultaneously; and
 - 9.1.8. Adopting a floating storage model as an immediate, rapid-deployment solution to address South Africa's urgent fuel logistics constraints, particularly given the long timelines required to construct land-based facilities.
- 9.2. In addition, the Committees recommend that the House requests that the Minister of Mineral and Petroleum Resources should consider:
- 9.2.1. Engaging the Ministers of Energy and Electricity, of Defence and Military Veterans, and of Transport to ensure policy coherence in matters related to liquid fuel security planning, strategic fuel reserves, and ports logistic policies linked to fuel supply and storage.
- 9.3. Furthermore, the Committees recommend that the House requests that the Minister of Trade, Industry and Competition should consider:
- 9.3.1. Requesting relevant economic and competition regulatory authorities to assess whether current sector policies and licensing frameworks adequately address market concentration, barriers to entry, vertical integration, potential exclusionary practices and meaningful participation by historically disadvantaged persons within the fuel import and storage value chain; and
 - 9.3.2. Requesting the Competition Commission to conduct a formal market inquiry into transfer pricing practices and offshore profit-booking arrangements prevalent among International Oil Majors operating within South Africa's fuel import, storage, and distribution value chain, with a view to identifying where economic value is being captured outside the domestic economy and recommending remedial measures to retain greater benefit for the government and black partners within South Africa's fiscal and industrial framework.

The Democratic Alliance, the Economic Freedom Fighters, and the Umkhonto Wesizwe Party reserved their rights regarding this report.

Report to be considered.