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PORT CONGESTION

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FOR IMPORT / EXPORT DECISION-MAKERS

Durban congestion hits CT schedules

Liesl Venter

Congestion at the Port of Durban is causing havoc in Cape Town with vessels increasingly bypassing the port in an effort to make up time.

"We have a massive problem in Cape Town at present," said Terry Gale, chairman of the Exporters' Club Western Cape (ECWC). "Delays caused at the Port of Durban are impacting the Port of Cape Town where vessels are either arriving late

or simply bypassing the port."

Congestion in Durban has been on the increase for some time. Last week FTW reported on trucks having to wait more than 30 hours to deliver containers to the export stack at Point Terminal where only two cranes were operating – while at least five vessels were being worked on the waterside.

The lack of equipment – particularly on the landside of the port – has been cited as one of the major contributors

to the increased congestion.

With the port under pressure, vessels are in some cases waiting up to two weeks outside Durban to berth.

Practically that meant the vessel arriving three weeks late in Cape Town, said Gale.

"Something has to be done as the situation cannot continue," he told FTW. "If Durban is congested and cannot service the vessels, why are they sitting waiting to berth there for two weeks? The question we are asking

is why can they not sail on to Cape Town which is not congested, offload the Durban cargo here and move it to Johannesburg via rail. It will still be quicker than what is currently the case in Durban."

According to Mike Walwyn, chairman of the Cape's Port Liaison Forum, what was of increasing concern was the decision by shipping lines to bypass Cape Town to make up time lost waiting in Durban. "We are seeing more and more

cases where containers are booked onto a vessel, and shortly after its departure in the East, we are advised it will not be calling Cape Town."

He said decisions such as these based on adverse weather in a port were understandable, but when schedules were being rationalised because of a single congested port in the country, it was concerning.

The guaranteed weekly direct service between Cape Town and New York has been impacted particularly severely.

According to Gale, due to rescheduling, vessels are simply not calling on a weekly basis. "This means any exporter who has guaranteed his US clients a weekly sailing is not able to keep to the commitment."

Gale described this service as brilliant in the past but extremely unreliable at present.

"And all because of Durban. That port gets all the attention and it is not performing. It is an untenable situation."

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President Jacob Zuma addresses the Brics Business Council Special Session for South Africa.

SA-Brics trade needs new agenda

South Africa's "highly inequitable" trade relationship with its Brics counterparts was high on the agenda when President Jacob Zuma addressed the Brics Business Council Special Session for South Africa in China at the weekend.

This despite an increase in trade between South Africa and its Brics partners from US\$15 billion in 2010 to US\$31.2 billion in 2016.

Zuma said exports from

South Africa had been driven particularly by raw materials, adversely affected by volatile commodity prices.

He called on the Brics trade partners to help drive SA's industrialisation policy by, amongst others, investing in supply and development programmes in Africa, skills development and technology transfer, and also engaging in projects that would support inclusive development and equal partnerships.

Durban congestion hits CT

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he told FTW, "We simply cannot perform and export if vessels don't call."

According to Maersk South Africa trade and marketing manager, Matt Conroy, there have been scheduling challenges of late, but he said all efforts were

being made to service Cape Town.

"There is congestion in Durban and there's no doubt it is causing delays," he said. "If one is spending seven days waiting, the time has to be made up somewhere so a shipping line might omit Cape Town or a port in Asia but it has an impact somewhere on the schedule."

He said it was not only a concern in terms of scheduling but it also led to increased incremental costs. "We have added a vessel onto our weekly service, but more vessels come with

more costs. An extra vessel to a weekly sailing schedule adds another seven days' delay. Customers want speed and

faster delivery."

Conroy said all efforts were being made to ensure reliability at present. "We are spending a lot of time trying to get the schedules as reliable as possible. This issue is a concern and we

are making an effort to find a solution from our side."

FTW approached Transnet for comment on the issue, but at the time of going to press no response had been received.

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If one is spending seven days waiting, the time has to be made up somewhere.

— MATT CONROY



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