



TPT ADDS NEW DEADLINE TO HIGH CUDE TENSION

In an exclusive interview with FTW last week, TPT chief executive Nozipho Sithole said the decision would be revised should the high cube issue be resolved before then. "From November 1, unless the shipper and haulers can demonstrate that they have onward transportation for high cube containers, TPT terminals will not be taking them off vessels," she said "This comes as tension continues to mount ahead of the January 1, 2019 deadline for the expiry of the seven-year moratorium that allows the movement of high cubes at 4.6m in South Africa".

From that date containers may not exceed a height of 4.3m when transported on the back of a trailer. Industry and government have been at loggerheads for years over the issue. Government insists industry has had seven years to transform the current fleet to lower trailers, while industry maintains it does not have the budget for such a massive undertaking.

South Africa as it stands only has a handful of trailers available to move high cubes legally come 2019 Industry experts estimate that the regulation will affect some 800 000 containers not to mention all of South Africa's reefer export boxes that exceed the height.

Harbour carriers would be able to give TPT the necessary assurance that they could move high cubes in and out of the ports until the end of December, but not after that. Sue Moodley, chairman of the Durban Harbour Carriers' Association, told FTW. "TPT's stance on high cubes was understandable as very few transporters had the right trailers to move high cubes at 4.3m. "Come January 2019 we won't be able to move them, it really is as simple as that," she said, "unless a directive is given prior to that on the way forward. We cannot accept any consignments from January 1".

"If the boxes are taken off the vessels, the ports are going to be congested very quickly." Moodley said making an entire country's trailer fleets obsolete and expecting them to be phased out and replaced with new trailers – even in a seven-year period, as was the length of the moratorium. Financially it was an impossible ask and will be impossible for most transporters," she said. Sithole said since no solution was forthcoming, there was little alternative option available to the terminal operator. "If I take the high cubes off the vessels and there is no onward transportation, where exactly are we to store them in the ports and for how long?" she said. According to transport consultant Nick Porée, should the regulation not change, the South African ports would become congested very quickly if TPT continued to take high cubes off vessels.

Kevin Martin, former chairman of the Durban Harbour Carriers Association, said the decision would not impact during 2018 as Peter Besnard of the South African Association of Ship Operators and Agents (Saaso) said it was extremely concerning as boxes were loaded on

vessels weeks in advance. "The cargo is already booked," he said. "We have been notified by TPT of their decision."

According to Sithole, hauliers at this stage have said they will be able to move high cubes until December 31 this year, but after that are unable to give any assurance as to whether they will be able to take high cubes.

John Berry, chairman of the Cape Town Harbour Carriers' Association, told FTW that unless harbour carriers were in possession of a lower trailer they would be breaking the law if they moved high cubes out of the port.

According to Porée, following the TPT announcement the "window" was now down to about 10 weeks, and it was already too late for shipping to respond, as cargo had already been booked.

"TPT will continue to handle the boxes this year because as harbour carriers we can assure her we will move the boxes out of the port for now, but that will change once the moratorium is lifted."

Sithole said should a solution be found she would immediately revise her decision.

Mike Walwyn of the Cape's Port Liaison Forum (PLF) said they had a clear understanding that even if the legislation did not change there would be no sudden implementation come 2019.

"We are in the process of developing a possible solution and presenting it to government," he said.

Several others agreed with Walwyn saying TPT was obliged to take containers off vessels, but many more agreed with Sithole saying a congested port filled to the brim with high cubes would be beneficial to no one.

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No Tariff Amendments for week ending 31 August 2018



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Mail: Graeme.impson@sctsolutions.co.za
Tel: +27 (0)31 818 0320
Fax: +27 (0)31 818 0324
Mobile: +27 (0) 71 4140472