

**14 August 2019**

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**1. Emergency Surcharges to be Implemented by Shipping Lines**

The delays at Transnet ports have had a detrimental affect on the shipping lines, not only in lost time but also the financial impact resulting from this. As previously noted some vessels are omitting ports in an attempt to catch up to their planned schedules, unfortunately the financial impact has resulted in the lines having to implement an emergency surcharge in an attempt to mitigate their losses.

The first line to announce this is DAL and we have been informed that the majority of the lines will follow suit within the next 48 hours.

For your reference a copy of the DAL notification is attached, and is summarised as follows:

*US\$ 150 / TEU on all movements originating in Europe, from the Santa Ursula 324/194A (which is scheduled to depart from Rotterdam on the 19<sup>th</sup> of September) onwards. This applies to all 20' and 40' General Purpose and Reefer Containers.*

At this point there is no official notification as to how long this surcharge will be in place, but based on previous experience we believe that the minimum time frame is two months.

As further information becomes available we will inform our clients accordingly, please be assured that we are in constant negotiation with our service providers and hope that this will be a short term issue.

**2. Transnet Responds to Crisis at Ports**

The attached letter from Transnet refers.

Transnet have responded to the above-mentioned crisis by implementing a turnaround strategy which sees the management teams of Cape Town and Durban ports being restructured and overhauled. They are tasked with firming up and

implementing recovery plans to ensure that operations at the ports return to acceptable levels as soon as possible.

### **3. Hong Kong Flights Resume**

Flights out of Hong Kong have resumed following an interdict obtained by the airport authority against the protestors. While flight schedules are slowly returning to normal, we do stress that it will take some time for the backlog to clear, particularly for freight movement. In addition to this, local businesses are affected in terms of productivity and this will have a knock on effect for some time. Please note that protests are ongoing, and are expected to continue for the foreseeable future.

If you have any questions please don't hesitate to contact us at any time.

We thank you for your continued support and partnership

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