

## **Court case in South Africa delays Durban port concession**

In South Africa, the legal dispute involving Transnet and APM Terminals (APMT) over the 49% concession tender for Pier 2 at Durban Container Terminals (DCT) awarded to International Container Terminal Services Incorporated (ICTSI) is postponed until October. The delay has sparked concerns within the logistics sector regarding the participation of ICTSI, amid fears that this might hinder collaboration aimed at addressing the port's congestion issues. The ongoing government negotiations, hinting at changes in key industry-related ministries, further contribute to the prevailing uncertainty.

Transnet's CEO, Michelle Phillips, stated that the company is constrained by the legal objection from A.P. Moller–Maersk's port operator regarding ICTSI's contract, emphasizing that the concession process would have concluded if not for the external objection. She highlighted the importance of private sector involvement in enhancing the port's operations but noted the challenges posed by disputes within the sector. Phillips underscored Transnet's adherence to the court's forthcoming decision and its intention to proceed with the concession if permitted.

Phillips also addressed concerns about operational efficiency and compliance with the Container Terminal Operating Contract (CTOC), particularly in relation to citrus exports. She clarified that there are no current capacity issues and stressed the necessity for all parties to adhere to contractual arrangements to prevent inefficiencies and ensure fair access to port services. The CEO reaffirmed Transnet's commitment to maintaining operational control and enforcing compliance to sustain port efficiency.

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