

**FROM THE DESK OF THE CEO (04/24)**

**(Follow me on X justchad\_cga)**

Justin Chadwick 26 January 2024



***“NOU weet hulle wat ons weet” Dricus du Plessis***

### **UPDATED STATUS OF OPERATIONS AT TRANSNET CONTAINER TERMINALS AND 2024 OUTLOOK (MITCHELL BROOKE)**

Towards the end of last year I wrote that ‘Turnaround at Transnet is imminent’. The article was written at that time on the basis of the adoption of the National Logistics Crisis Committee (NLCC) and the deployment of new leadership at Transnet. However, we have not yet witnessed a turnaround in operational performance at Transnet, specifically at Transnet-operated container terminals, currently actually quite the contrary. It will be vitally important for all stakeholders in the citrus sector to understand the complications at the ports that are likely to be faced as you head into the 2024 citrus season. This is our perspective as we see it, ‘know what we know’. When it comes to the ports container terminals, we can put the poor performance primarily down to the continued failing and extensive breakdown of the essential equipment across the ports terminals. The statistics from the onset of November 2023 shows that the average performance has declined to at least 30-50% of historically-based statistical performance. This is more relevant to Durban Pier 1, Pier 2 and Cape Town terminals. Although there are equipment challenges across all the terminals, these terminals are underperforming at a more consistent rate. During November 2023, Durban had close to 30 container ships waiting for weeks off the port to discharge and load containers. This has been reduced to an average of 15 during January and has been stagnating at that number without a clear view on the port's full recovery. We eagerly await the highly regarded International Container Terminal Services (ICTS) partnership in the Durban Pier 2 terminal. Cape Town terminal performance has been very poor from the commencement of the deciduous season in December. Coupled to poor operational performance, the wind disruption has been recorded as 517 hours lost (between week 45 and week 3) - this is 214 hours higher than the same period last year. At this time there are 10 container ships waiting to discharge and load containers. There has been a lot of media coverage relating to the impact on the deciduous sector. In Justin's last newsletter, he pointed out that citrus growers across the country are reporting that a very good crop is anticipated for 2024. Without the official estimate I have submitted to Transnet, based on some correspondence circulated, a 13% additional reefer container volume can be expected. Some 96,000 reefer containers were exported last season with an expectation of 109,000 containers being exported in 2024. I anticipate a 20% increase in reefer container exports from Maputo, 20% from Durban, 8% from PE and Coega and 12% from Cape Town. We have scheduled a meeting with Transnet Port Terminals management to discuss the projections and align our efforts to ensure each of the ports terminals are equipped and positioned to handle this season's crop. We remain committed to working with Transnet. The CGA Board Executive have met and were briefed on these issues. A communication strategy was outlined and agreed upon which will be used to provide growers and stakeholders regular updates on the status of the ports operations and provide key information that reflects the state of play. The first of this communication will be made at the upcoming CRI Packhouse workshops commencing next week and also at the CGA roadshows commencing on 19 February. Be sure to attend these important sessions.

### **CGA LOGISTICS AND SHIPPING WHATSAPP PLATFORM**

I have started a Whatsapp platform for regular updates on logistics and shipping. A lot of useful information is posted daily and already there are over 130 subscribers. Be sure to join, as it will be used to keep everybody updated. Follow the CGA CITRUS LOGISTICS AND SHIPPING channel on WhatsApp:

<https://whatsapp.com/channel/0029VaGQ2pn84OmFd7T6203f>. Be sure to have the latest version of Whatsapp installed on your device or PC.

### **CGA VISION 260 LOGISTICS AND SHIPPING BEING STREAMED LIVE BY LUCENTLANDS MEDIA**

The origins, purpose and importance of CGA Vision 260 has been widely communicated by the CGA. After pondering the most beneficial means of communicating the logistics and shipping portion of Vision 260, I reached out to Lucentlands Media to host online live broadcasts of the project outline. The first live session was held on Tuesday with further sessions planned in coming weeks. Here is a link to the Lucentlands Media YouTube page where you can find the broadcast and other interesting content covering the fruit industry: <https://www.youtube.com/@lucentlands>

***THE CGA GROUP (CRI, RIVER BIOSCIENCE, XSIT, CGA CULTIVAR COMPANY, CGA GROWER DEVELOPMENT COMPANY & CITRUS ACADEMY) ARE SUPPORTED BY AND WORK FOR THE SOUTHERN AFRICAN CITRUS GROWERS'***