

17 July 2019

Mr. Justin Chadwick
Chief Executive Officer
Citrus Growers Association

Dear Mr. Justin Chadwick

TRANSNET ACTION PLAN TO ADDRESS CONTAINER TERMINALS SERVICE DISRUPTION

Transnet SOC Ltd ports have been greatly impacted by illegal strike action over the past two weeks in the form of employee 'go-slows', high absenteeism and disruptions of operations through malicious radio interference. These actions have primarily targeted the container terminals in Nqgura, Durban and Cape Town, with operational performance reported at between 53% and 82% efficiency levels, with the Port of Nqgura being the most heavily impacted terminal of the three. Consequently the Container, Automotive and Citrus industries have been disrupted.

Actions Taken

Despite the prevailing conditions, Transnet is committed to ensuring that employees are heard and their concerns addressed so that we can continue to deliver optimum service and create value for you our customer. These illegal labour actions therefore have not been tolerated or treated lightly, Transnet has taken actions and obtained a court interdict to stop the illegal strike action by employees at the Nqgura Container Terminal and have suspended thirteen (13) employees. The interdict equally ordered the remaining workers to increase performance levels at the port.

Recovery Plans

Since the suspension of the employees last week, radio interference has ceased, and operational performance has improved at all the container terminals. With a view of closely monitoring the impact on performance and prioritising critical container flows, Transnet has established multiple command centers in Nqgura, Durban and at the Corporate Head Office in Waterfall. Refer to the attached annexure for contact details.

The Acting Group Chief Executive; Mr. Mohammed Mahomed, is currently engaging labour in key operational areas in order to resolve matters.

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In order to recover lost service hours and reduce cargo backlog, Transnet has instituted the following measures:

- Changed the shift patterns from eight (8) hours to twelve (12) hours
- Moved and redeployed resources to cover the gaps where workers have been suspended
- Collaborating with internal crane operators to backfill or replace shifts where necessary
- Reviewed and prioritized urgent cargo to ensure minimal disruptions to customer and loss of cargo. For example, urgent containers that were destined for Ngqura are being offloaded in Cape Town and road hauled to customer sites in Port Elizabeth.

Due to the aforementioned actions and the focused attention on resolving the issues experienced, the number of ships in outer anchorage across the Port/terminals have reduced by 70% compared to the previous week. Furthermore, gradual improvements in container terminal performance have been noted.

Transnet remains committed to resolving the service disruptions and reducing the impact to our customer base. It is in this spirit that we aim to have an open engagement with you and regular communication on the matter. We will be facilitating a number of key engagements to share progress and communicate recovery plans.

Should you need any further information or would like to log a query, please do not hesitate to contact the Customer Nerve Centre, see details below;

Customer Nerve Centre 

Tel: 041 507 8368

Email: Transnet.cnc@transnet.net

Sincerely,

M. Fanucchi

Mike Fanucchi
Chief Customer Officer
Transnet SOC Ltd.