

**18 October 2022**

**Citrus Producers  
Logistics and Shipping Partners**

***This is not intended as a media release but merely an internal advisory***

**CITRUS PRODUCER ADVISORY (INTERNAL) – TRANSNET STRIKE ACTION (2)**

On 17 October 2022, Transnet and majority employee union Untu confirmed the signing of a 3-year wage agreement. Commencing 1 April 2022 and concluding 31 March 2025, in a process mediated by the Commission for Conciliation, Mediation and Arbitration (CCMA). This should effectively end the industrial action by Untu members with immediate effect. As at 30 September 2022, Untu represents 54% of bargaining unit employees at Transnet. The agreement, which applies to all bargaining unit employees including those who are not members of Untu, is effective 1 April 2022 and will be implemented from 1 October 2022. However, the employee union Satawu has issued a statement opposing the present wage settlement agreement and encouraging members continue with strike action. It is unclear at this time what process will unfold and for how long a timeframe for employees and union representatives of Satawu to agree to a wage settlement seeing workers report back to work.

Since there are differing levels of union representation at the various Transnet Port Terminal (TPT) Container Terminals, the level of manpower will likely differ from terminal to terminal. As such the ports which operate as a complimentary port system are still likely to remain operationally constrained as a collective for the time being. CGA will continue to engage Transnet in the daily national operations calls in order to inform producers and stakeholders of the ports and container terminals operational functionality.

It must be emphasized that there is a backlog of vessels either on berth or waiting to berth at the main container terminals. There are vast amounts of import containers in the terminals and on vessels needing to be cleared to prevent terminals from becoming gridlocked. TPT are focusing on preventing this event; particularly at the Durban Pier 2 terminal where it has been identified that some 40,000 import containers are in stack and on ships waiting to berth. There is collective demand from all sectors to receive containers to support business and manufacturing. Equally exporters are also eager to deliver containers to export markets; as in the case of fruit exports. Even when the terminals begin to reach operational normality after the strike impasse, it will take a number of weeks to reach vessel schedule stability across the ports. We would encourage that a level of perseverance and patience be applied while



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Transnet and shipping lines work their plans to ease the situation once the environment permits. For now, they are making plans with what is obtainable for the time being, this may not see export containers being permitted into terminal as frequent as one would hope. And will most likely be dependent on the operational situation at each specific container terminal. Please monitor shipping line and terminal communication closely to guide on how to proceed with exports.

We remain hopeful that the situation and the impasse will be resolved sooner rather than later.

Again, however long the impasse lasts, CGA will continue to send the daily updates and give updates on the negotiations to when an agreement is reached between Transnet and Satawu.

Yours Sincerely  
CGA