

BUSINESS COMMUNITY COMMENDS PROGRESS AT DURBAN TERMINALS

[Durban – Tuesday, 27 October 2020] Transnet Port Terminals (TPT) and the Durban Chamber of Commerce and Industry (DCCI) last week took stock of progress made to date following an industry outcry eight months ago, that called for an overhaul of operations at the Durban Port precinct. Port users and cargo owners, also members of the DCCI, attended the session and commended developments. They highlighted improved communication; collaborative approaches that aligned operating hours of nearby warehouses with the terminal's 24-hour working pattern; improved truck turnaround time; and equipment availability and reliability owing to TPT's R2 billion investment program currently underway.

Morgan Moodley, Vice President Supply Chain at SAPPI said, "We are seeing encouraging transformation at the terminal and TPT's introduction of the mandatory truck booking system is helping industry despite initial teething problems. We remain with the challenge posed by wind and equipment within operations and we will have to soon find solutions to cope with arising circumstances".

Through learnings and innovations employed at the Durban Container Terminals (DCT) and guided by the new operating model, TPT shared how it was in the process of repositioning itself as a logistics solutions provider.

An application called Cargo Connect was in the building phase and would serve as a conduit for the commercial interaction between all parties in the supply chain. According to Siyabulela Mhlaluka, General Manager of Sales and New Business Development at TPT, "Cargo Connect would enable transactions between cargo owners, SARS, shipping lines, trucking companies and the terminal. It would also assist cargo owners accelerate the movement of their cargo through the system".

Despite COVID19 and weather challenges, DCT was performing relatively well although 15% behind budgeted volumes year to date. DCT Pier 2 increased straddle carriers servicing vessels from 70 to 85. A total of 23 new straddle carriers were delivered as replacements in July and September this year, with a balance of 22 still to arrive in batches from May 2021. At DCT Pier 1, two rubber – tyred gantry cranes were expected to be delivered by December 2020.

The company's ability to plan and work Durban as complimentary terminals has reduced delays on vessel waiting, with the three terminals recording an average of less than a day. "The resourcing and efficient running of both terminals DCT Pier 1 and 2 enabled the repurposing of the adjacent Durban MPT in a bid to handle additional container volumes long term," said Mhlaluka. He added that in the recent past, equipment and capacity challenges at the Durban MPT had resulted in vessel delays impacting especially the AMEX service to America, volumes were being diverted to DCT Pier 1 and 2 while company executives looked into redirecting capital expenditure to increase capacity at the terminal. Furthermore, loading rates at the Durban RORO Terminal were above target despite affected automotive volumes.

Captain Ian Rosario, Director of Operations at shipping line MSC welcomed the appointment of TPT Chief Executive Velile Dube saying, "With him on-board, there has been a good injection of energy. The move is now from the high-level strategy to the detailed focus that will enable us to see change; where things get examined and we move forward".

There remained weather challenges that saw unfamiliar wind surges in Durban that the session identified as an initiative to be pursued, as it negatively affected container movements at the terminal. The complimentary terminals' approach would ensure that only extended periods of wind would create delays and in such cases, recovery would be relatively quick.

"The collaboration we have going with the supply chain and our customers is at a calibre that will really see South Africa successfully compete with the best markets in the world at the rate we are going" said Mhlaluka, adding that logistics was a team effort.

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