



Wes-Kaapse Provinsiale Parlement Western Cape Provincial Parliament IPalamente yePhondo leNtshona Koloni

Ref Number: WCPP 11/4/2

Report of the Standing Committee on Finance, Economic Opportunities and Tourism on its engagement with Transnet and the relevant role-players in the port value chain on the inefficiencies and challenges experienced at the Port of Cape Town:

Delegation

The delegation consisted of the following Members:

Murray, C (Chairperson)(DA)
Van der Westhuizen, AP (DA)
Nkondlo, N (ANC)
Brinkhuis, G (Al Jama-ah)
Sileku, I (DA)

The Procedural Officer, Ms Z Adams was the support staff member during the stakeholder engagement.

1. Introduction and background

The Standing Committee on Finance, Economic Opportunities and Tourism (the Committee) has held several engagements with Transnet over the past five years, focusing on the challenges experienced at the Port of Cape Town (the Port) and the remedial steps taken to address the Port's inefficiencies. Several stakeholders involved in the port logistics value chain were also invited to these meetings over the years to discuss the progress made at the Port.

On 22 February 2024, the Committee held its final meeting with Transnet and several relevant stakeholders to discuss the challenges that persisted at the Port, the steps to address the challenges, and any recommendations that the stakeholders had for Transnet.

The invited stakeholders included the Western Cape's Department of Economic Development and Tourism, the South African Association of Freight Forwarders, Exporters Western Cape, and the South African Association of Ship Operators and Agents. The Committee also received recommendations from the Mediterranean Shipping Company (PTY) LTD.

This report serves to summarise the challenges discussed by Transnet and the stakeholders and to propose recommendations to improve the Port's efficiency, as suggested by the stakeholders mentioned above.

Concerning the 2023/24 Strategic Objectives of the WCPP linked to the Speakers' Concerning the Concerning the 2023/24 Strategic Objectives of the WCPP linked to the Speakers' Priorities to the end of the 6th Term, the outcome of this report is linked to:

Priority 3: Strengthening the core business.

2. Engagement with Transnet and stakeholders from the port value chain on the challenges and inefficiencies experienced at the Port of Cape Town

2.1 Transnet: Briefing on the inefficiencies experienced at the Port of Cape Town

The following officials represented Transnet:

- Mr Vernal Jones, Acting Managing Executive: Transnet National Ports Authority
- Mr Oscar Borchards, Acting Managing Executive: Transnet Port Terminals
- Ms Smah Khumalo, Head of Operations: Transnet Freight Rail
- Mr Rajesh Dana, Port of Cape Town Manager
- Ms Vuyiswa Mangcu, Parliamentary Liaison Officer

2.1.1 Observations and Challenges:

- The total assets for the Port of Cape Town (the Port) were just less than R16 billion regarding the total area, which was just over 9,000 hectares. The water area is the biggest component of this space. There are 42 berths in total, which are spaces where boats would be moored. The Port also consists of three ship repair facilities, a marine fleet, and 11 licensed terminal operators, nine of which are private terminal operators. The Port was also a major liquid bulk player in respect of petroleum and edible oils.
- Transnet implemented an 8-Point Plan, which included initiatives to deal with the Port's current situation. This was a co-created plan with the integrated stakeholders that formed part of the quarterly engagement with Transnet. It focuses on port efficiency improvement, which includes immediate crisis management, improvement of information sharing and port operations visibility, combatting adverse weather conditions, improving terminal equipment and port infrastructure, improving truck operations, optimising marine services, people management, and optimising the port as a delivery platform.
- In terms of immediate crisis management, the Integrated Port Management System (IPMS) went live in April 2023. Whilst it was operational, there was still a considerable amount of work that needed to be done to prepare the IPMS for phase 2. There were considerable discussions in respect of the terminal operations that were being carried out. This information was fed back into the IPMS and made visible to stakeholders who required access to this information.
- Weather had a major impact on the terminal and the Port, in general, as well as all vessels that were unable to dock. Even if there is an operating terminal, if the Harbour Master deems it unsafe for the vessel to dock or sail from where it is, then the vessel must remain where it is. As part of the improvement plan, there are email and SMS notifications sent out regarding the weather, berth planning and shipping. Daily berth planning meetings are held as well.

- In terms of plans to mitigate the adverse weather conditions with respect of long waves and surging activities, the Port has three short tension unit sets. All the berths had short tension units on the CTCT, and Transnet awaited a few additional short tension units that would be rolled out to the entire Port. The CTCT has been prioritised because it is the area that experiences more long waves and surge activities. The Port will receive a helicopter in 2025 to combat high swells. The helicopter would further assist vessel movement, the movement of the marine pilots to and from the vessels when a pilot boat is not sufficient due to swell height. The Council for Scientific and Industrial Research (CSIR) was requested to investigate a predictive model, potential infrastructure engineering solutions, equipment more resilient to wind, and an optimal recovery plan for the Port. Transnet was also looking at the impact of fog on marine and cargo operations to mitigate possible negative fog-related incidents.
- There was an investigation on the bypassing of vessels past the Port of Cape Town, which started in 2023. There were a few vessels in the last period (December and January 2023) that docked at other ports for the evacuation of fruit and containers. These vessels bypassed Cape Town to offload at the ports in the Eastern Cape and Durban. Transnet would continue to monitor this and implement a plan to ensure that vessels did not bypass the Port of Cape Town. The Transnet National Ports Authority (TNPA) has facilitated conversations with the shipping lines to understand their trends, the routing and sizing of vessels, and other factors that could result in the bypassing of vessels.
- There were handover meetings ahead of shifts at the Port so that all employees and stakeholders were aware of any bottlenecks that might have occurred in the previous shift. The TNPA continues to monitor the port terminal, especially the Cape Town Container Terminal (CTCT) until the Port reaches its performance norms and standards once again.
- Transnet undertook a terminal equipment condition assessment across the Port of Cape Town, and all its ports, in late 2023. This assessment was completed, and Transnet was in the process of monitoring actions emanating therefrom. The TNPA has also gone out to market in respect of a Request for Proposal (RFP) to further the equipment condition assessment across the Port of Cape Town. The TNPA will update the stakeholders on information emanating from these assessments.
- The TNPA has continued its discussions with its partners in the industry, specifically stakeholders in the agriculture and fruit sectors, to discuss the plans going forward to ensure that the next citrus season is better managed, as well as the subsequent deciduous season. The TNPA is monitoring and trying to understand the process flows/mapping of fruit, through the transport logistics chains (from farm to vessel), thereby ensuring a more fluid logistical solution to the managing of fruit. Transnet held meetings with stakeholders in the fruit industry to understand what was happening in the fruit value chain. Transnet was working with shipping lines and exporters to prepare for the deciduous fruit season, and they were looking at increasing capacity to handle the fruit.
- In terms of the current terminal equipment and infrastructure at the Port, Transnet was looking at increasing the landside capacity of the Port from 1 million Twenty-Foot Equivalent Units (TEUs), to 1,4 million TEUs. Transnet has also looked at increasing the Container Stack Capacity, increasing the capacity of the rail marshalling yard from 40 to 50 wagon trains, creating a permanent truck staging facility, monitoring the implementation of the Terminal Operators capital investment and refurbishment plans, refurbishing the F and J berths,

dredging some CTCT berths, and designing and constructing the traffic circle in Duncan Road.

- The most critical resource at the Port was the people. Transnet was focused on the development of critical skills around marine engineering, marine resources, and infrastructure. There was also a drive to fill critical vacancies within the Port operations.
- Transnet undertook an international terminal benchmarking study, where they had extensive engagements with relevant stakeholders, including terminal operators that were affected. There were best practices that came from the study, and Transnet was in the process of rolling out the recommendations that came from it.
- The growth strategy for the Port of Cape Town has already been implemented. The plan focuses on revenue diversification, capacity creation, financial sustainability, and operational excellence.
- The average waiting time for the berths (at the time of this engagement – 22 Feb 2024) was 144 hours, which was an improvement on previous months. The average waiting time for a berth was 215 hours in January 2024. Transnet was well aware of its inefficiencies. The average waiting time of a berth was impacted by the demand for container services versus the capacity of the terminal. This was also impacted by the productivity of the terminal operator (vessel turnaround time), the marine services and the inclement weather.
- The average truck turnaround time was 68 minutes, but this has since been reduced to 51 minutes. The throughput at the Port has increased in general. The average vessel turnaround time was 82 hours; however, this has improved to 57 hours. This was a progressive improvement, although the turnaround time still was not ideal.
- In terms of volume and vessel performance tracking, there was a sign of improvement in line with the budget. To address the impact on imports and exports, Transnet focused on the number of containers that they were able to move, which was a good indicator of whether importers and exporters were being serviced.
- Transnet has received the seven second-hand Rubber-Tyred Gantries (RTGs) for Los Angeles, which were operational; however, Transnet still experienced some equipment breakdowns albeit now there was a bigger fleet to operate. An order for a new fleet of RTGs was placed in December 2023, unfortunately, there was an 18-to-20-month lead time on this order. In the meantime, Transnet would rely on the seven second-hand RTGs. Orders were also placed for new haulers, which will be arriving in June 2024. Transnet has planned for the refurbishment of one or two cranes per year.
- Transnet has extended its hand to the private sector, for their involvement at the Port, and there has already been an improvement in terms of assistance and equipment that has come through. There has been some improvement with planned night runs at the Port as Transnet has started working with the shipping lines.
- To improve the traffic at the Port, and for cost-efficiency purposes, Transnet was focused on moving produce or shifting volumes from road to rail as several branch lines were underutilised, which made the cost of doing business a bit higher. The challenge was that several smaller trains were running on different branch lines that were not cost-effective. The proposed solution was to consolidate the small trains into longer trains to improve the optimisation of the utilisation of these assets.
- There was limited investment in the infrastructure in terms of Transnet's Freight Rail, which was why the current infrastructure was not of the correct standard. This was a challenge

that Transnet was faced with; however, there were discussions around this matter. Transnet planned to develop the vacant land at Transnet Park to enhance the rail volumes on the shuttle service between the Belcon Terminal and the Port of Cape Town. MAERSK has already been awarded some land, where they have committed to developing warehousing, cold storage, reefer capacity, and container depots. A warehouse was also awarded to TITAN Cargo.

- Working hours at the Port were amended to include shifts from Monday to Saturday, including night shifts from Monday to Friday.
- One of the major issues that Transnet was faced with was security-related, where the Entity had experienced several incidents of cable theft and sabotage, especially between Belville to Beaufort West. This has heavily impacted on the performance of the freight rail, also impacting traffic approaching the Port of Cape Town. There has been an improvement and work was being done to address the issue, including managing Transnet's response time and implementing intelligence to security issues.

2.2 Department of Economic Development and Tourism: Update on addressing the inefficiencies at the Port of Cape Town

The following officials represented the Department of Economic Development and Tourism:

- Minister M Wenger, Minister of Finance and Economic Opportunities
- Mr G Steyn, Deputy Director
- Ms I van Schalkwyk, Chief Director
- Mr R Toefy, Deputy Director-General
- Ms J Johnston, Deputy Director-General

2.2.1 Observations and Challenges:

- The Minister noted the challenges experienced at the Cape Town Container Terminal (CTCT) during the peak export season, which was at the end of 2023 and the beginning of 2024, when productivity at the Port of Cape Town (the Port) dropped substantially, affecting exports which in turn had the risk of adding costs and potentially losing market share.
- Trade is a concurrent competency between the national and provincial governments. Therefore, as a province, the Port needed to work optimally. 55% of South Africa's primary exports were exported through the Port of Cape Town, which meant that the Port was essential, not only for the Western Cape but also for the entire country. Improvement in the Port would result in the generating of economic growth, and the creation of much-needed jobs.
- There was a clear need for urgent action at the Port in the immediate term; however, there was also a need for vital investments and technologies in the longer term to ensure the enablement of future growth. The Department believed that logistics, mobility, and export facilitation at the Port was critically needed to achieve breakout economic growth.
- The history of the Port of Cape Town has been bittersweet. In 2011, the Port was the best-performing container terminal of all ports in that competitor class (parcel size and type of cargo etc.). There was a steady decline in the Port's performance after 2011, which became

very serious. In terms of ship working hours, there was a precipitous drop in 2023, to roughly half of what Transnet's target was.

- Minister Wenger has been hosting stakeholder dialogues with Transnet and all relevant stakeholders, the first of which was held in December 2019. This was where many of the challenges were agreed upon. The first challenge was institutional. The idea was that there was this complex mechanism of activities within and outside of the CTCT, with each part being managed by its organisational structure, but there was no one pulling the whole complexity of activities together. This led to an institutional vacuum, which was fine if all the wheels worked in sync; however, as soon as an activity was interrupted, there was no management intervention to restore the equilibrium, and this is when operations fell apart.
- Associated with institutional problems were communication problems. Communication could not be managed if there was no central institutional structure.
- Industrial relations were an issue. The rich data that was available was never utilised to manage the entire logistics value chain, and some members within the logistics chain such as cargo owners, exporters, and importers. Some members felt that they never had a voice in these matters.
- The matter of the old and inadequate fleet of heavy lifting equipment was very concerning. This impacted the ship-to-shore cranes, the Rubber Tyred Gantries (RTGs), and the tractors (haulers) and trailers running in between and carrying the containers between the cranes and RTGs.
- There was no growth strategy for cargo in Cape Town and no strategy to address seasonal peaks, high wind speeds and ranging. This was concerning because the market was growing. Cape Town's market was unique, as it has "twin peaks", which is a production manager's nightmare. Then, during the peak, there were high winds as well. This meant that capacity had to be created to manage the average cargo flow as well as the peaks while there were high winds. Additional challenges in this respect included fog and ranging, which led to "bunching of trucks" and queueing on Duncan Road and Marine Drive. This is extremely frustrating for drivers, which can lead to unruly behaviour.
- Exported goods included fruit, wine, and other dry goods that are not homogenous products. For example, there are highly perishable plums and table grapes, and less perishable fruits such as oranges and apples. Some exports cannot be delayed. Every day that the shipment is delayed, means there is a quality penalty from the retailer abroad to the exporter in South Africa. There was no institutional structure to manage this cluster. The Western Cape Government (WCG) has stepped into this space. It has indicated that they will continue to assist in this space until the system is fluid again or perhaps until the system manages itself, or an alternate system is implemented such as a project management unit or a joint action team.
- The Department noted how uneven the monthly distribution of cargo was in terms of the number of containers. From a production management perspective, it was extremely difficult to have a higher fleet of cranes in one month than what was normal or to have to deploy very expensive equipment that only worked for part of the year. Industry partners have indicated that they would be prepared to carry part of this risk to ensure that capacity is available.
- The Department has strategic coordination meetings on the challenges at the Port of Cape Town at least once a month, where these issues are shared with the terminal manager, the

port manager and Transnet. The Department also engages with the Port Manager once a week for a weekly operations coordination meeting to look at what will be happening in the next week, which issues should be fine-tuned, and what the longer-term issues were that needed to be addressed.

- If there were problems with the fleet, and they were unable to do the work that they were meant to do – whether it was a technical breakdown on a chain, a flat tyre, or a shortage of diesel – this impacted directly on the volume of cargo planned for the day, on the ship that had to be completed, on the trucks coming in with containers needing to be offloaded, and on everything that was scheduled to happen the following day as well. All of this spoke to having adequate terminal equipment. However, this was not simple because there were specific IT systems involved. For example, the Transnet National Ports Authority (TNPA) has a very specific IT system prescribed in terms of the law, and it was not easy to manage the system.
- Inclement weather will remain an issue in Cape Town. The port manager has worked with the Council for Scientific and Industrial Research (CSIR), and there were experiments with short tensioning units to reduce the ranging (the movement of the vessel at berth) experienced at the Port of Cape Town. All three berths at the main terminal now have short tensioning equipment, which will benefit ships during winter when ranging can be more severe.
- In terms of the contribution of the CTCT to the Western Cape’s economy, the Department believed that container logistics in the Port of Cape Town was approximately a R75 billion industry. The Department believed that from the present to the year 2026, there were two options for the Port – the “high road” or the same “business as usual”. The high road option could generate more than R6 billion more than there currently was in the Gross Value Addition (GVA), and it could generate 20,000 new jobs simply from cargo growth. Those 20,000 new jobs could put R2,1 billion in the pockets of the employees for those jobs that would be created, and businesses in this value chain would be paying taxes on their profit to the amount of R1.6 billion. These taxes could be reallocated to schools, or put towards addressing other social issues, not only in the Western Cape but for the entire country.

2.3 Department of Economic Development and Tourism: Update on addressing the

2.3 Exporters Western Cape: The challenges experienced in respect of exporting goods via the Port of Cape Town, particularly during the table grape harvesting season

Exporters Western Cape was represented by:

- Mr Terry Gale, Chairman
- Ms Tracey Alexander, EWC Committee Member
- Mr Kyle Beswick, EWC Committee Member
- Ms Ilze Rens, EWC Committee Member

2.3.1 Observations and Challenges:

- Exporters Western Cape (EWC) and relevant stakeholders receive vital information from the Port of Cape Town weekly. This started during the COVID-19 pandemic and was important because it enabled the stakeholders to see the changes and developments taking place at the Port.

- The EWC noted that the ship container movements had increased; however, there was still room for improvement so that the movements could reach global best practices. There was a need to increase productivity to become more efficient.
- In terms of truck gate movements – there was a need to increase the night shifts if the Port was to operate 24/7; however, the EWC was aware that this was also dependent on the weather, where the wind was usually worse at night.
- During February 2024, there was 37% stack occupancy and 345 rail movements from the Belcon terminal. There could be improvement in this area, with Belcon movements increasing to 1,500. Besides being eco-friendly, Belcon could be used 24/7 and it would not have the impact that the wind would have on movements, particularly with fruit. The EWC was looking at some of its general cargo exporters moving into the Belcon route, dropping off containers at Belcon and eventually moving to the terminals.
- Regarding the Cape Town Multi-Purpose Terminal (CTMPT), Transnet was very close to its target in terms of movements; however, the ship working hours and the container working hours were very slow. This was because the CTMPT did not have the landslide equipment it needed. Most US-based vessels stopped at this terminal; however, there have been major delays, which the Port could not afford because the US was one of the country’s best trade partners. Improvements to the CTMPT meant more trade opportunities, not only with fruit but for general cargo as well.
- Many exporters were upset because they were getting new contracts from the US; however, they were unable to deliver because vessels were too full. This was unacceptable. This did not only apply to fruit exports but to manufactured goods as well, which was part of the Growth for Jobs strategy. There was going to be major growth in the manufacturing market; however, if the containers cannot be shipped then the country will lose out on the opportunity. The CTMPT had to be up and running at an optimal level, as it should be.
- The figures for table grape shipments improved significantly, and the turnaround time was much better than a few weeks prior. The movement of table grapes from the pack houses to delivery was a maximum of 40 days. If the delivery exceeds 40 days, then there is no point in shipping out the table grapes because they could be seen as being of poor quality.
- The EWC believed that the current Transnet team was the “dream team”, led by Advocate Phyllis Difeto, Advocate Michelle Phillips, and Mr Oscar Borchards. These officials were in acting positions, but the EWC recommended that they should become permanent officials overseeing the Port.

2.4 Exporters Western Cape: The challenges experienced in respect of exporting goods via the South African Association of Ship Operators and Agents: The Challenges experienced at the Port of Cape Town, the impact of surcharges, and the gap between the average turnaround time at the Port and the ideal turnaround time needed.

The South African Association of Ship Operators and Agents was represented by:

- Mr Eben Joubert, Chapter Chairman: Cape Town

2.4.1 Observations and Challenges:

- According to the latest TNPA report at the time, the crane movements at the Port of Cape Town were 18 moves per hour. However, from December 2023 to February 2024, there was

an average of only 10,28 crane movements per hour. The global figures according to the World Bank indicated an average of 23,34 movements per hour in 2021 and 23,18 movements per hour in 2022. This meant that the Port of Cape Town’s productivity was well below the global figures, which looked at all the ports in the world.

- There was a lot of concern about the port congestion surcharges at the Port of Cape Town. The ClarkSea Index charter rate for container vessels in 2023 was approximately \$ 23,639, which was approximately \$985 per hour. The average terminal berthing delay for the Port of Cape Town for the last three quarters was 104 hours (nearly 4.5 days). This meant vessels were looking at a surcharge of \$ 102,000 without even loading or discharging a single container.
- There were labour issues as well, which resulted in low productivity. Low productivity is also related to the quantity and quality of terminal equipment. Most of the port’s equipment was old and poorly maintained, and there was not enough equipment to service both the land side and the water side of the Port. There was not enough equipment to service both the trucks bringing in containers and taking the containers to the vessels themselves. This led to trucks waiting for hours to load or discharge containers outside of the terminal, costing transporters dearly and causing major congestion.
- The lease at Berth A was a short-term lease, which meant that the lessee was not going to spend a lot of money putting cranes or infrastructure in place if the company knew they would not be operating that berth over the long term. If a company received a long-term lease, they would be more incentivised to invest more heavily in infrastructure at that berth to increase productivity, and to ensure that the berth can handle all types of vessels.

3. Recommendations

The following recommendations for the improvement of the Port of Cape Town were submitted by the Department of Economic Development and Tourism, Exporters Western Cape, the South African Association of Ship Operators and Agents, the South African Association of Freight Forwarders, and the Mediterranean Shipping Company (PTY) LTD:

Stakeholder	Issue	Recommendations
Department of Economic Development and Tourism	Planning and communication	Planning and communication between the terminal and cold stores about the cargo that is coming in, and between the terminal and the planners in that vessel coming in, should be improved to remove inefficiencies in the load plans and the vessel readiness to berth. When a port brings in a ship that is not ready to berth, it takes double the amount of time to turn it around, which is what you want to avoid.

	Support for Container Development Plans	Transnet should mobilise industry and public sector support for the Port of Cape Town container development plans by way of efficiency improvements, including interventions to proactively manage peaks in cargo volumes and recovery after adverse terminal events.
	Lack of Digital Technology Platform	Transnet should develop a viable digital technology platform to facilitate cargo planning along the entire container logistics chain.
	Transporter Congestion and Traffic Management	<p>There is a need to reduce transporter congestion by way of appropriate and viable joint interventions. The more we can consolidate the different small transport operators and convince them to work as part of a trucker organisation with a set of rules that are consistent with the terminal rules, the more we can address transporter congestion.</p> <p>In terms of traffic management, if the drivers knew where to pick up their cargo, where to drop off their cargo, and the movement from gate to stack, this would remove some of the inefficiency experienced in this area and would improve congestion within the Port of Cape Town.</p>
	Private Sector Participation	Transnet must encourage viable private sector participation to contribute the resources and skills required to achieve and maintain fluid freight logistics. Transnet does not have the capacity, the balance sheet, or the skills to improve upon the Port by itself. There is a need for partnership with private sector capital investors, where investment and technology are needed. For example, the Belcon Inland Terminal, was one of the first evident case studies of private sector participation. There were similar types of interventions to come.
	Alignment with Western Cape Growth for Jobs Strategy	Transnet should promote the integration of the Transnet strategy in the Western Region and the Western Cape Growth for Jobs strategy to achieve the best-case outcomes for sustainable growth and employment. The G4J strategy envisions a tripling of exports, which would place additional pressure on the

		Port of Cape Town. Imports were just as important as exports, especially for the manufacturing sector.
	Berth Waiting Time	Based on benchmarking work undertaken by the Department, with respect to the berthing waiting period, it would be optimal if a vessel can berth on the day it arrives at the Port of Cape Town. International best practice is to berth within 24 hours of arrival.
Exporters Western Cape	Container Movements	There is a need to increase productivity so that the number of container movements can increase to the numbers needed to be aligned with global best practices.
	Port of Cape Town Accessibility	There is a need to make the Port of Cape Town more accessible to all shipping lines, thereby eliminating the bypassing of vessels to other ports.
	Shipping Line Participation	It is important to have all the major shipping lines on board during engagements, along with Transnet Freight Rail, Transnet Port Terminal, and Transport National Ports Authority, as cooperation and collaboration is important for the optimal operationalisation of the Port of Cape Town.
	Marketing Night Shift	The marketing of night shifts should be encouraged so that the industry can understand that there is easier traffic flow or truck flow into the terminals during this time.
	Cape Town Multi-Purpose Terminal	This is an important terminal as most US-based vessels stop at the CTMPT. Improvements are needed as there are major delays at the CTMPT, which is detrimental to potential trade opportunities with the US.
	Marketing the Port of Cape Town	Marketing is very important. For example, the Port of Walvis Bay is marketed very well, and they are direct competition for the Port of Cape Town. Cape Town has one of the most beautifully situated ports in the world and this should be used as an advantage.
South African Ship Operators and Agents	Private Sector Partnership Success	Private sector partnerships will only be successful with long-term leases and the removal of restrictions, for example, the type of vessels the Port can handle etc. There are also licensing conditions that were not

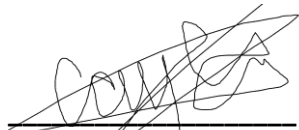
		conductive to good trade for the Western Cape.
	Port Congestion Surcharges	Low productivity may result in excessive port congestion surcharges for shipping lines. The average terminal berthing delays at the Port of Cape Town are too long and shipping lines cannot afford to carry these costs indefinitely.
	Additional Equipment needed	There is insufficient equipment for the servicing of trucks that bring containers in and take containers to the vessels. There is a need for more equipment so the cranes can operate at a better rate. This will allow the containers to be loaded or discharged much faster.
South African Association of Freight Forwarders	Human Resource Matters and Engagements with Labour	There seems to be a lack of oversight and accountability. Transnet must not only look at the equipment. They should also look at their people, management practices, recruitment, training, and discipline. Labour organisations should also be included in all decisions. This is crucial.
Mediterranean Shipping Company (PTY) LTD	CTCT RTG Procurement	We propose procuring Rubber-Tyred Gantries that align with the STS gantry cutoff speed (85-90 km/hr). This investment will extend operational hours during adverse wind conditions, ensuring smoother port operations and mitigating delays.
	CTCT Yard and Stack Planning	Upgrading yard and stack planning is imperative. Various tools available in NAVIS are to be explored to facilitate stacking conducive to eliminating rehandles in the yard, flawless loading operations etc.
	CTMPT Equipment and Gangs	Requires additional equipment and gangs to ensure uninterrupted operations. It is essential to have at least three complete gangs available at all times to handle the workload efficiency.
	CTMPT Shed Removal	The shed at MPT needs to be removed – this enhancement of extending the stacking area will accommodate growing cargo volumes and contribute to smoother operations.
	Procurement of Helicopter	We recommend procuring a helicopter to supplement the pilot boat, especially during adverse sea

		conditions. This addition will enhance safety measures and ensure uninterrupted maritime operations.
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The goal is not just to view the airport as a transportation hub but as a gateway by recognising its

4. Acknowledgements

The Committee thanked Transnet, the Department of Economic Development and Tourism, Exporters Western Cape, the South African Association of Ship Operators and Agents, the South African Association of Freight Forwarders and MSC for their contributions to the engagement, and their dedication to building an efficient and effective Port of Cape Town. The Committee acknowledged that this was a complicated operation and expressed its gratitude to Transnet and the relevant stakeholders for their achievements in respect of the Port of Cape Town so far and wished them well for all future port-related endeavours.



MS CAT MURRAY (MPP)

CHAIRPERSON: STANDING COMMITTEE ON FINANCE, ECONOMIC DEVELOPMENT AND TOURISM