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Industrial action hits citrus exports

Action at container terminals in Durban and at Ngqura are affecting South Africa's export operations

The South African transport and port company, Transnet, has confirmed that activities at the container terminals in Durban and at Ngqura near Port Elizabeth are affected by industrial action.

"Workers at port operations continue to engage in illegal industrial action in a form of a 'go-slow'," Transnet spokesman Molatwane Likhetho said. "Workers at the Ngqura Container Terminal have been on a 'go-slow' since last week which has had a negative impact on other port operations. Meanwhile operations at the Durban Container Terminal have also been impacted by equipment failure and high-level absenteeism."

Likhetho said Transnet is continuing to update all its customers on business continuity plans which have been put in place to deal with the anticipated backlog.

"Employees are also being engaged to ensure that the situation, particularly at the Port of Ngqura, is normalised," he added.

According to sources in the citrus industry, the statement does not provide much clarity of what is being done to resolve the situation.

Both ports are key to the success of the South African citrus operation which is now in its peak shipping weeks.

Reports indicate that the outlook for the reefer service schedules could take weeks to stabilise based on present circumstances.

Vessel port rotations are also likely to be impacted due to present berthing constraints at Ngqura Container Terminal (NCT).

The board of the Citrus Growers' Association has been fully briefed on the situation and industry growers and exporters have been informed.

It is reported that at this moment reefer stack occupancy remains high due to requirements for exports, imports and transshipments.

The plug occupancy reached 95 per cent on Tuesday with NCT closing reefer export stacks by midday. It is expected that reefer plug capacity will reduce with loading on board reefers for vessels MSC Candice and Dal Kalahari from this afternoon (11 July). It is anticipated that reefer export stacks are only likely to resume tomorrow morning (Friday).

This led industry sources to warn that problems with reefer occupancy are likely to occur when the vessels from MSCM and the SAECS service berth simultaneously, as in the case with MSC Candice and DAL Kalahari.

It is reported that four main cold storage facilities in the Eastern Cape remain with high stock levels. In consultation with main packhouses, plans continue to route citrus for the Far East and Middle East originally planned for Durban, and citrus for the EU, UK, the Med and Russia, via Cape Town.

The CGA advised that the present berthing circumstances at NCT would potentially impact the berthing of the MSCM, SAECS, SAFARI, FEZX3 and AMEX (on rotation) vessels calling at Durban, based on potential berthing delays at NCT.

The citrus industry, in the form of representatives of the CGA and Agbiz – the Argi Business Chamber – are due to meet with Transnet today and the relevant cabinet ministers have been appraised of the situation. The industry will also meet with representatives of the NCT next week.

