

■ OPINION

PAUL MATTHEW: Port regulations can be a double-edged sword

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The Port of Cape Town. Picture: GCIS

Government regulations play a vital role in ensuring a fair, safe and sustainable food sector, and ensure that business is compliant with standards set out by the country's laws.

Yet if they are implemented without the accompanying measures to mitigate unintended consequences they can spell disaster.

Nowhere is this balance more apparent than in the upheaval at SA ports. Despite the fact that the ports are already congested and in a state of crisis, the department of agriculture, land reform & rural development and the Border Management Agency recently mandated that every container entering the country be subject to veterinary inspection.

Previously consignments, made up of many containers, would be subject to a randomised daily inspection process. In effect this means inspections of containers have increased by 75%.

The problem with this is that it was implemented without increasing the number of veterinary inspectors or the hours allocated for inspections, and without any risk assessment being conducted by the Border Management Agency or department. There is no scientific justification for the introduction of this new requirement.

As a result of the new inspection procedures ports across the country are experiencing a backlog and mass container congestion. The situation is being compounded by the fact that many of food containers need refrigeration, and there are not enough plug points to go around. This will have serious consequences for jobs at cold stores and result in food security concerns, especially for poor consumers.

The veterinary inspection decision — introduced without notice — has a range of damaging consequences and is placing unbearable pressure on SA ports, on the inspectors themselves, on cold store facilities and on importers of critical foodstuffs.

The entire value chain for food will be in further peril unless the department and Border Management Agency come up with an urgent plan to either increase capacity for inspections and inspecting hours, or revert to the former system until they are able to put measures in place to address the backlog.

Inspections

Previously, importers were allowed to break veterinary seals and offload products into government-approved cold storage facilities, where inspectors would conduct inspections in line with defined processes, with subsequent sampling for microbiological testing. However, the new conditions mandate full inspections and offloading in the presence of inspectors, increasing processing times as it requires the inspectors to be available for protracted periods without considering stretched resources at the ports.

The Association of Meat Importers & Exporters (AMIE) of Southern Africa is concerned about the lack of foresight in implementing these changes, which overlooked their far-reaching implications. With inspections now consuming three to four hours per container and no provision for additional resources, port throughput has plummeted, worsening backlogs and escalating demurrage charges.

Because of the congestion food import companies are also being forced to pay additional container storage costs and demurrage charges at ports — a charge levied for failure to discharge product within the agreed time. One company alone recently paid R325,000 in demurrage charges for a two-week period, off a base of zero previously.

On top of this, delays in clearing containers will also have a negative impact on SA's successful citrus export sector, whose season will soon begin, as the reefer containers used for imports need to be emptied and cleared for use in citrus exports. This will cause further backlogs at the port.

Beyond the logistical hurdles there is a broader concern about the need for such stringent measures. Existing protocols already ensure the integrity and safety of imported foodstuff through rigorous quality control procedures.

Given these challenges it is imperative that government and industry stakeholders engage in collaborative dialogue aimed at finding sustainable solutions. This needs a holistic approach that balances regulatory imperatives with the operational realities of port management and the imperative of ensuring uninterrupted access to critical food supplies.

As SA navigates the complexities of global trade and regulatory compliance, it is critical that all stakeholders work together to address these challenges, even if it means going back to the drawing board by reverting to the previous standard while developing an implementation plan that includes measures to supplement the inspection protocols.

This is important given that any delays in our ports inevitably means that the country experiences delays in putting food on the table. Some 80% of all chicken meat imports that come into the country is mechanically deboned meat, which is used to produce vital and affordable protein such as polony, viennas and Russian sausages.

It is only a matter of time before the backlog has a serious effect on those who produce these meat products, and the consumers who buy them.

• *Matthew is AMIE CEO.*

