

FROM THE DESK OF THE CEO (16/14)

Justin Chadwick (2 May 2014)

QUOTE OF THE WEEK *"If someone offers you an amazing opportunity and you're not sure you can do it, say yes- then learn how to do it later"* Richard Branson

SOUTH KOREAN PROGRAM

CGA have been informed that the Korean Inspector has considered the PUC list for South Korea and approved it. DAFF have indicated they will change the PUC list on their website from Pending to True for those PUCs that have applied and been approved. **NB Please check the DAFF website.** Inspections will take place in the port from now on for approved PUCs.

Please also note that the Korean inspector has indicated that the plastic covers or mesh that was required under 5.1 of the protocol which applied in 2013 will also be required in 2014 until another instruction is received out of Korea. For further information please speak to Rauff Dawood on 031 369 6864.

Durban Reefer Container Operations Forum (DRCOF)

Due to the problems of exporting containers in the Durban port experienced during the previous season, the CGA took the issues directly to Transnet Port Terminals (TPT) senior management. Various meetings and engagements have taken place between CGA and TPT over the past few months to determine a satisfactory way forward. TPT responded to address the infrastructure and equipment challenges by upping the reefer plug points, reconstructing reefer intake yards, putting in place reefer express lanes and replacing inadequate equipment (which are extremely wind sensitive). Most of these developments will be rolled out in the coming weeks. TPT also recommended that a forum be established to bring all the stakeholders around the table to discuss the operational challenges of exporting citrus containers. As such the Durban Reefer Container Operations Forum (DRCOF) was established and the first meeting took place on the 16th April at the Durban Container Terminal (DCT) Pier 2. The aim of the forum will be to serve as a centralized communication mechanism for stakeholders involved in the daily operations and to identify ways and means of streamlining the operations thus minimizing bottlenecks and congestion. Ahead of the 16th April meeting, the CGA, TPT and PPECB met with representatives from the cold stores, empty container depots and transporters to hear from them the problems of last season and take suggestions going forward – a representative was also elected to the forum from each group. The forum is represented by TPT (represented by each terminal), CGA, PPECB, exporters and logistics agents, shipping lines, cold stores, empty containers depots, transporters and various stakeholders. The CGA has employed Shane Rademeyer for the season to convene the forum as well as provide stack date planning and container packing information to all stakeholders. A key element which surfaced was the need to provide information as to the volume of containers to be packed on a daily basis. This will assist to ascertain specific days when a high volume of containers is to be packed at the Durban cold stores in order for all stakeholders to be geared to handle this. Shane will also be monitoring the various key points in the port in order to identify operational constraints thereby advising all stakeholders of such. To be added to the stakeholders list in order to receive the various data that is being distributed kindly email shane@cga.co.za to be added to the stakeholder database.

Reefer Container Rail

Some very interesting and promising developments are happening around the railing of containers to the port of Durban and Cape Town this coming year. Two train sets are being planned out of Letsitele this year with one targeting Durban and the other targeting Cape Town. The implementation of the Cape Town train will depend on the Transnet Freight Rail pricing committee agreeing to equalize the rate for running trains to Durban and Cape Town. The trains will initially start with 38 containers per train set but will be increased to 50 containers when the new reefer train sets are brought into operation – more train sets are being planned and are in the pipeline. The plan is for the Durban train to turn around twice a week and Cape Town every 10 days. Transnet Port Terminals and Transnet Freight rail held discussions recently to address the need to offload full containers and reload empty containers directly from the container terminals. This will see a vast improvement in the turnaround times of the trains in the port as previously this was handled outside of the port. The first trains from Tzaneen are planned to depart on the 14th May to arrive in Durban on the 16th May. Mitchell Brooke is planning a meeting between Transnet Freight Rail, the rail operator 4PL and producers in Hoedspruit around the 15th May. The purpose of this meeting is to identify whether a reefer train operation can be established in Hoedspruit as an extension to the Tzaneen operations. If implemented it will potentially save 240km's to transport containers between Hoedspruit and Tzaneen, where the containers are transferred from the train.