Wayne Mudge has been running a successful SA fruit exporting business for 25 years, but he's now tired. He's not tired of his business and the sector that he has operated in for a quarter of a century. And he's not tired because of Covid-19 and everything it has come to symbolise over the past two years, as many would probably have guessed.

Even the global pandemic – which has had massive cost impacts on the global shipping industry on which the South African fresh produce export industry depends, doesn't sit right at the top of his worry list – although it is close - despite costs having skyrocketed due to reduced capacity since the advent of Covid-19, ending with lower supply of shipping services and rising costs.

That is Economics 101. But Mudge is confident that the supply of shipping services will normalise as the pandemic gradually becomes a thing of the past. I emphasise "gradually".

You see, for Mudge, who is also the current board chairperson of the South African Fresh Produce Exporter Forum (FPEF), to get his fruits and the fresh produce of others in the sector to some 55 countries around the world before the products perish, they need well-functioning, efficient, ports management systems and processes.

The question is whether they will get the help they need from the Transnet National Ports Authority. And their question might be coming at the right time as it coincides with the release of Part II of the Zondo Commission of Inquiry's serialised report.

Working in collaboration with other member associations of Fruit SA together with HORTGRO, Agbiz, and SATI, the South African Fresh Produce Exporters' Forum (FPEF) has sought to engage Transnet in finding ways to improve service delivery at key South African Ports, particularly Durban and Cape Town. But performance at the Port of Cape Town has been particularly disappointing in recent times, with significant delays impacting the movement of goods.

In a recent internal FPEF memo, it is stated that "after evaluating the Port of Cape Town's performance during the first two weeks of December 2021, the FPEF communicated its concerns directly to the management of Transnet Port Terminal Cape Town. The same concerns were shared with Transnet's national leadership. The situation was aggravated by the power outage (which impacted +/- 1 350 fruit export containers). In the said December period alone, berthing delays totalled around nine days, with GHC hovering at 15 and reefer occupancy percentage of barely 51%."

In a separate report by the South African Association of Freight Forwarders, Mike Walwyn, its vice chairperson, described the situation at the Port of Cape Town as "[n]ot great! We have vessels waiting from as long as ago as 25 December. The access to port has been hampered by strong winds with the result that truck congestion is still very much a factor and, consequently, the booking system doesn't really work properly. On average, ships are forced to wait 14 days to berth at the Cape Town Port and there is no proper staging area for trucks. This leads to an added problem of congestion out into the roads, which further leads to truck drivers being harassed by traffic officials. Moves per gross crane hour at the Cape Town Port are 11 where they should be above 20, preferably between 24 and 280."

Proposals to ease congestion on the Cape Town Terminal by diverting goods by rail to Gqeberha (Port Elizabeth) were thwarted by Transnet's report that it was unable to provide train set capacity for the initiative during the deciduous fruit season.

Some facts:

Fresh fruits account for approximately 35% of South Africa’s agricultural exports;
The sector’s economic value is about USD 3.3 billion;
3.2 million tons of fruit get exported per annum from SA;
95% of South Africa’s fresh fruit exports comes from FPEF members' and
The FPEF represents some 151 active members with a fast-growing 'emerging exporter' members component and 33 associate members.
If South Africa’s annual "Open for Business" message is to convince anyone out there, then it must start with the home-based export industries, as they constitute a key link to the broader world and can only be good ambassadors of the country’s capabilities – which are still many if we start valuing tested skills and experience – and its resourcefulness. Inadequate investment in new technologies and the endemic poor maintenance of existing infrastructure, much of which has been inherited from the pre-democratic era, remains a big problem.

It also does not make sense to allow too many essential workers to go on leave in December when the busy fruit export season begins. This speaks volumes of those tasked with the management of South Africa’s National Ports, especially Cape Town and the even busier Durban. It would help a lot for Transnet to conduct a thorough skills audit that is informed, at least in part, by industry and market size reports, as well as by considering the seasonal needs for labour support at the country’s ports.

If nothing gets done, the country’s growing fruit and other exports will continue suffering for lack of adequate investments, including in back-up power supply, in needed infrastructure at national ports. There is also the risk of international shipping lines losing patience with Transnet for their continued failure to deliver.

Even South African banks will need to ask difficult questions before approving loans to members of the industry, including ones on whether any further expansion of fruit production is a good idea given the difficulties of getting all the fruit through the country’s ports. International buyers will be concerned, meanwhile, about South Africa’s ability to "deliver on time".

For a while, Covid-19 might have provided useful cover for excuses in failures to deliver, but it will not remain useful for much too long as the world returns to normalcy and South Africa runs out of excuses to compete fairly, shoulder to shoulder, with its competing fresh produce exporters.

Is someone at Transnet’s National Ports Authority taking notes?