

# FROM THE DESK OF THE CEO (29/20)

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Justin Chadwick 17 July 2020



*"Efficiency is doing things right, effectiveness is doing the right things" Tim Ferris*

## TRANSNET PORT TERMINALS (TPT) BRINGS ON VELILE DUBE AS CHIEF EXECUTIVE

Velile Dube is a well known figure amongst those close to TPT, he has served in varying roles across the port terminals. CGA held a teleconference call last week with Louis von Zeuner, Velile Dube and all the container terminal managers across all the ports. Velile outlined his plan for TPT going forward and he has already made sweeping changes. Something which we believe to be positive is the fact that each terminal manager will be at the centre of that terminal's functioning and performance. All activities will be directly accountable to the terminal manager where previously many core functions were centralized; such as maintenance of machinery and equipment. Five things are at the centre of terminal performance and all these functions need to be suitably in place for a terminal to achieve high levels of performance. 1) Management – apart from Cape Town Container Terminal and Cape Town Multipurpose terminals having acting terminal managers, we are very confident in the abilities of the current terminal managers at all the ports container terminals. 2) Machinery and equipment – we understand that machinery and equipment is ailing at just about all the container terminals due to historically failing procurement and ailing maintenance. TPT are on the war path to change this with a massive procurement and maintenance drive across all terminals to boost machinery and replace those that are ailing. Having the terminal managers at the core of this will see things change drastically. 3) Human resources – the HR function is another aspect that Velile outlined will be decentralized and taken back to terminal level, another very positive move. All staff at terminals need to have the correct skills and training to be in those positions and need to be conditioned about the need for high levels of productivity. 4) Processes – a core aspect of terminal functionality that leads to high productivity is good operational and planning processes. After all, if you fail to plan properly, you plan to fail properly. CGA has motivated for an integrated systems approach to connect all stakeholders in the chain involved in importing and exporting of containers to be connected to a central online platform - this will permit TPT to move towards a pull approach from a disastrous push approach. 5) Infrastructure – something that we see across most highly efficient container terminals is good infrastructure. From landside access in and out of terminals as well as the design of the yard configuration and quayside layout. The only container terminal in SA that actually replicates the design and configuration aspects of highly efficient terminals is that of the Ngqura Container Terminal (forgo the aspect of the wind and swell effects that impact the ports productivity). The access into and out of NCT, the design layout and yard configuration is probably the closest to replicate efficient terminals. Durban Pier 2 has unfortunately a very poorly designed quayside and landside configuration. To quote a well know port consultant – the road access into and out of Pier 2 is totally unfit for purpose. Let us not despair though as Transnet have commissioned a Durban port decongestion committee focused on resolving this matter. Outlined in the meeting with TPT is the fact that over the past three citrus seasons, exports have been heavily impacted by operational problems at the container terminals – Durban in 2018, Ngqura and PE in 2019 and now Cape Town in 2020 (to acknowledge, the latter very much associated with the impact from COVID-19). Let this be the last year and that from 2021 we see successes across all the terminals as the success of the container terminals will have a direct impact on the success of the citrus export industry.

## PACKED AND SHIPPED

Million 15 Kg Cartons to end Week 28	Packed	Packed	Packed	Shipped	Shipped	Original Estimate	Latest Prediction	Final Packed
SOURCE: PPECB/AgriHub	2018	2019	2020	2019	2020	2020	2020	2019
Grapefruit	17.6 m	15.2 m	13.9 m	12.3 m	12.1 m	16.7 m	15.2 m	16.1 m
Soft Citrus	10.4 m	11.4 m	14.6 m	8.7 m	12.0 m	23.3 m	22.8 m	18.3 m
Lemons	14.9 m	16.2 m	22.1 m	12.1 m	17.4 m	26.4 m	26.7 m	22.1 m
Navels	19.7 m	16.8 m	18.9 m	12.0 m	14.3 m	26.5 m	26.2 m	24.3 m
Valencia	8.4 m	9.0 m	12.0 m	4.2 m	6.7 m	50.4 m	49 m	46.8 m
<b>Total</b>	<b>71 m</b>	<b>68.6 m</b>	<b>81.5 m</b>	<b>49.3 m</b>	<b>62.5 m</b>	<b>143.3 m</b>	<b>139.9 m</b>	<b>127.5 m</b>

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