



TRANSNET FULLY FOCUSED ON DEALING WITH DELAYS AT PORTS

[Johannesburg, 20 November 2023] Transnet SOC Ltd. (Transnet) is implementing a number of urgent interventions to address the backlogs at the Port of Durban and to ease the congestion at Richards Bay in order to minimise the impact on the South African economy.

The delays are due various factors including adverse weather conditions and equipment availability.

The leadership of Transnet is fully focused on addressing these challenges.

“The problem of port congestion is a complex one and it is something that was due to happen at some point, as a result of many years of underinvestment in equipment and its maintenance. We are working on a number of measures to turn the situation around. We need to caution that this is going to take some time as the lead times for some of the equipment is anything from 12 to 18 months,” Transnet Board Chairperson, Andile Sangqu said earlier today, speaking at a media briefing.

“The team is working around the clock to procure this important equipment, to ensure our port facilities are in line with global best practice,” says Sangqu.

He says, in the meantime, Transnet has prioritised the optimisation of port operations through improved planning and forecasting, leading to better anticipation of cargo volumes.

In Durban, an urgent intervention team has already put plans in place to address slow turnaround times affecting the docking and offloading of containers at the port.

At Pier 2, the plan is to ramp up the tempo from 2 500 – 4 000 containers a day over the next three months. Under normal conditions, the container handling tempo at Pier 2 is 3 300 containers a day. However, over the past four weeks, this has reduced to 2 500 due to inclement weather and equipment challenges. At Pier 1, the tempo will increase from 1 200 to 1 500 containers a day.

Initiatives on the cards to ensure that the recovery plan to clear the backlog succeeds include the acquisition of 16 rubber tyred gantry cranes for Pier 1 by the second half of 2025 and acquisition of four ship-to-shore cranes for South Quay for Pier 2 in FY2025/26. Work is also underway to refurbish and maintain critical port equipment to improve asset utilisation at Pier 1 and Pier 2 and this will be completed by August 2024.

While additional cranes and equipment are being sourced to make the port function more effectively, Transnet employees have been urged to put in extra efforts so that the backlog is broken.

“An internal task team of specialised disciplines recently concluded an exercise to eliminate waste and introduce rapid improvements in the system,” says Transnet Acting Group Chief Executive, Michelle Phillips.

“They collected performance data across all shifts, analysed each vessel and the workings of all cranes to note arising problems, identify limiting factors and quantify improvement levers. Management at our port terminals are working around the clock with industrial engineers from the task team to maximise berth performance.

“With all these initiatives in place, we expect it will take a maximum of seven weeks to clear the backlog at Pier 1 and 15 weeks for Pier 2. This will make a significant difference to the flow of container traffic through the port.

“It is crucial that we stabilise our operations through these short-term interventions while we continue with the broad Recovery Plan to improve Transnet operations. The plan is exactly what it says it is: a plan to turnaround the business and ensure significant and sustainable improvements in all our operations, and in particular in rail and ports.”

At Durban Port, these longer-term improvements include a new container management system to improve efficiencies and the acquisition of new equipment. New contracts will be in place by the end of the year for the service of ship to shore cranes, rubber tyred gantry cranes, straddle carriers, reach stackers and empty container handlers, and existing equipment is being refurbished or replaced.

“We appreciate the understanding shown by our customers and are in constant contact with shipping lines on releasing the congestion fee surcharge for import containers,” says Phillips.

When it comes to Richards Bay, Transnet and other stakeholders will be holding an emergency meeting on Tuesday to find solutions to the ongoing problem of road congestion.

Transnet Port Terminals (TPT) has implemented a truck booking system as a mechanism to create order; however, the solution does not include trucks destined to back-of-port facilities. As a result, even when trucks have been booked, the tempo at which the trucks arrive at port gates sometimes far exceeds the pace at which trucks can be processed at the permit offices, as well as at the terminal.

Short and long-term solutions are required, and Transnet looks forward to developing these solutions, in partnership with other stakeholders, at its meeting on Tuesday.

Issued on behalf of Transnet SOC Ltd.

For media enquiries please contact:

mediadesk@transnet.net