

# Enhancing Export Competitiveness through Improved Logistics Infrastructure





**DURBAN CHAMBER  
OF COMMERCE AND  
INDUSTRY NPC**

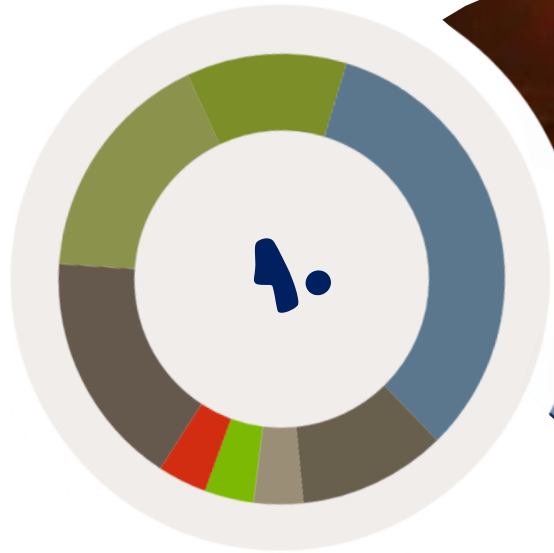
**Masterclass 2024**

**Tuesday, 12 November**

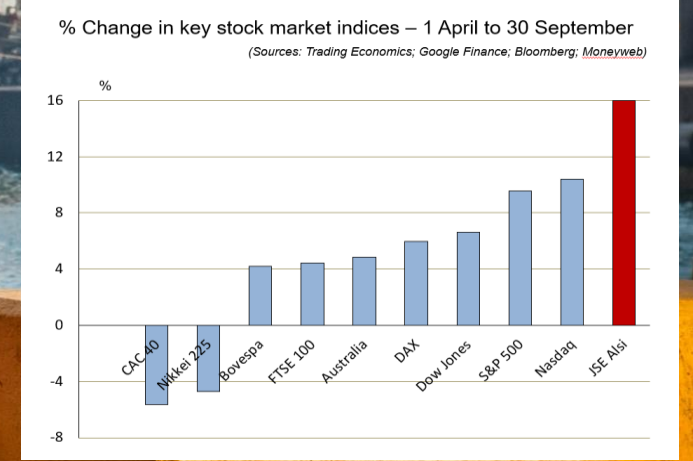
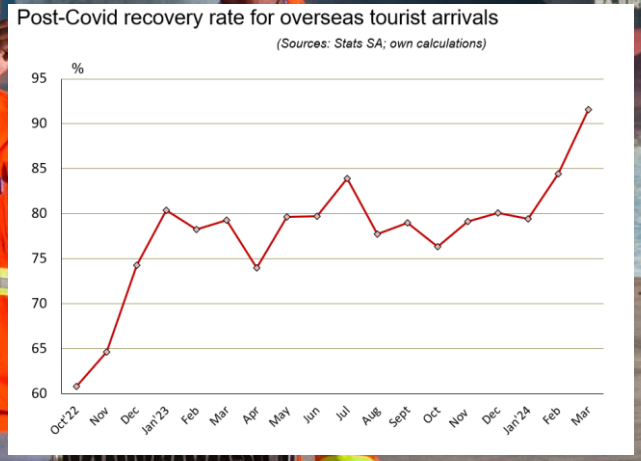
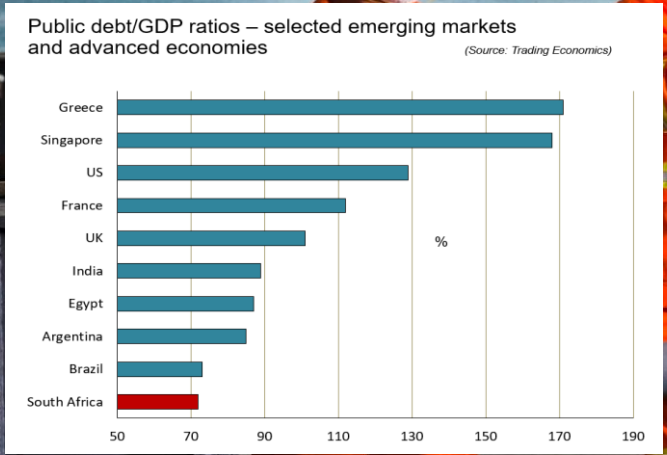
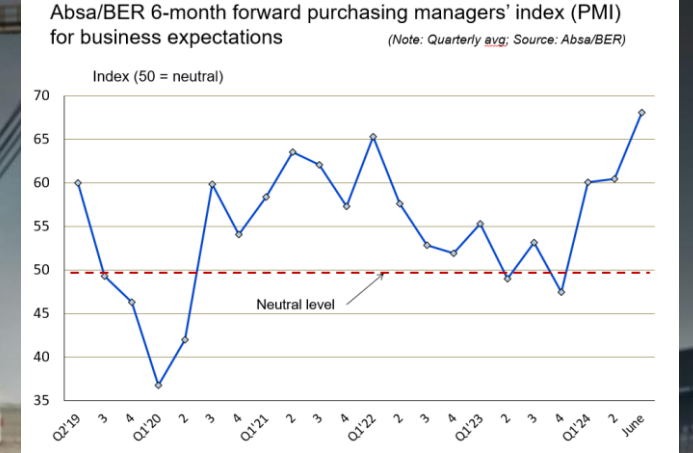
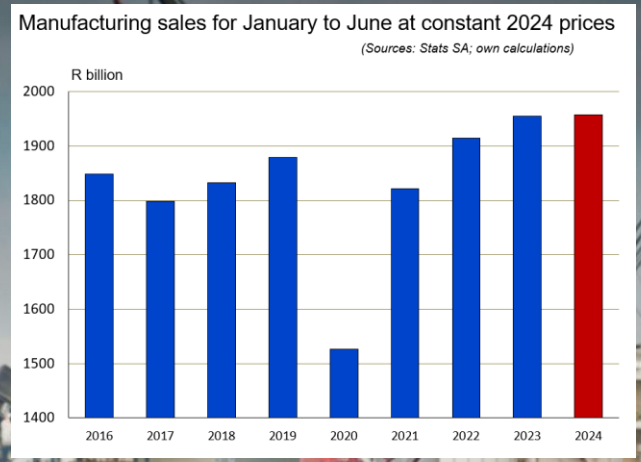
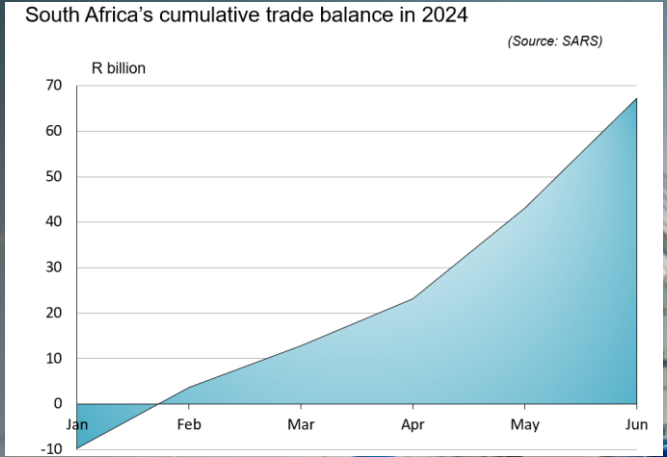
- 1 STATE OF THE ECONOMY
- 2 NATIONAL LOGISTICS CRISIS COMMITTEE
- 3 TRANSNET TURNAROUND
- 4 CONTAINER CORRIDOR RECOVERY TEAM
- 5 CONCLUSION



State of the Economy:  
Macro-economy is in  
fairly good shape  
- Dr Roelof Botha





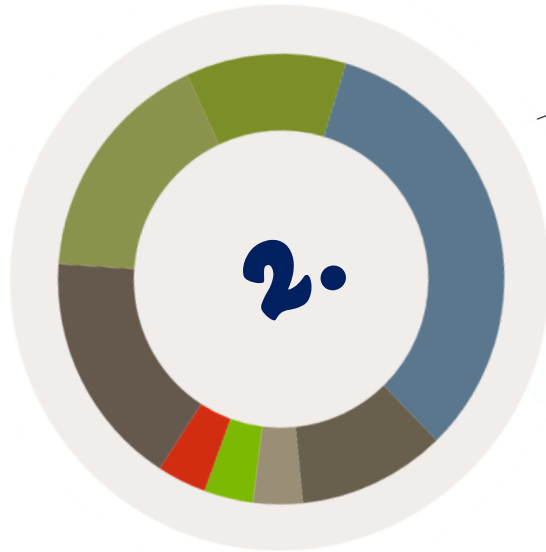


Signs are there that South Africa is heading for 3.3% GDP Growth by the end of 2025

# Transport & Logistics

National Logistics Crisis Committee and Business

October 2023







# DURBAN CHAMBER OF COMMERCE PORT FORUM

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FNB Akasia House

31 October 2024

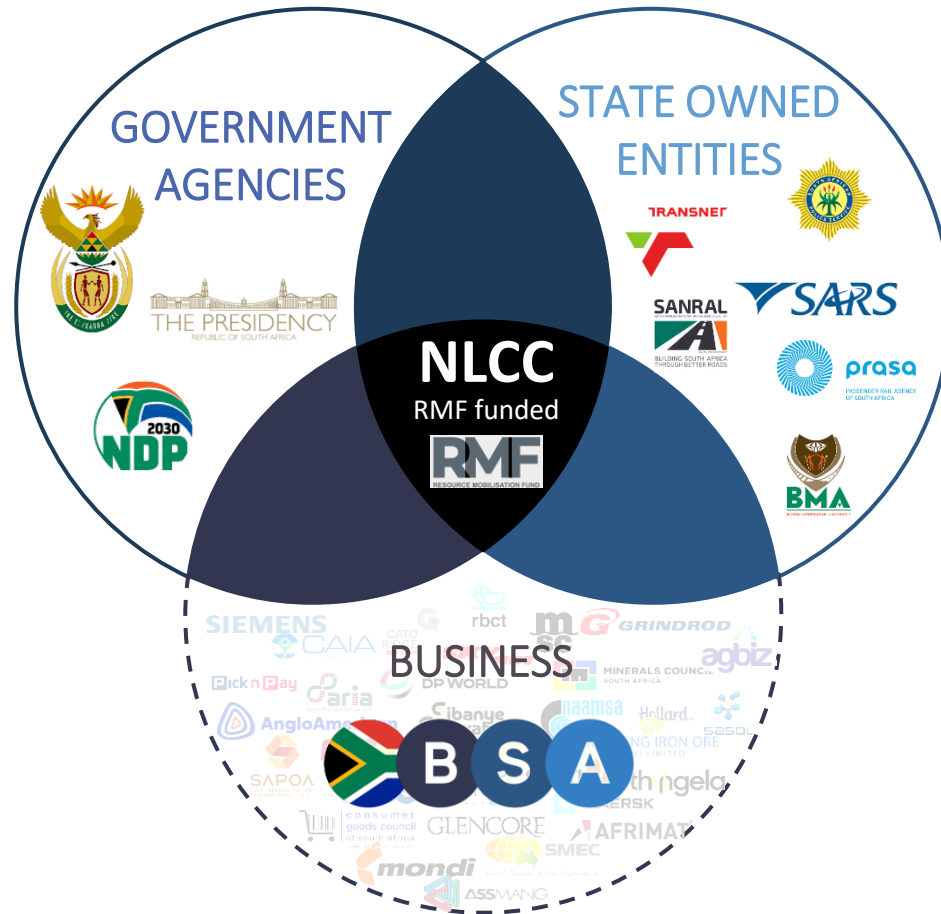


**DURBAN CHAMBER  
OF COMMERCE AND  
INDUSTRY NPC**

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**PORT FORUM**

# The National Logistics Crisis Committee (“NLCC”) was convened in response to support and course correct toward economic recovery

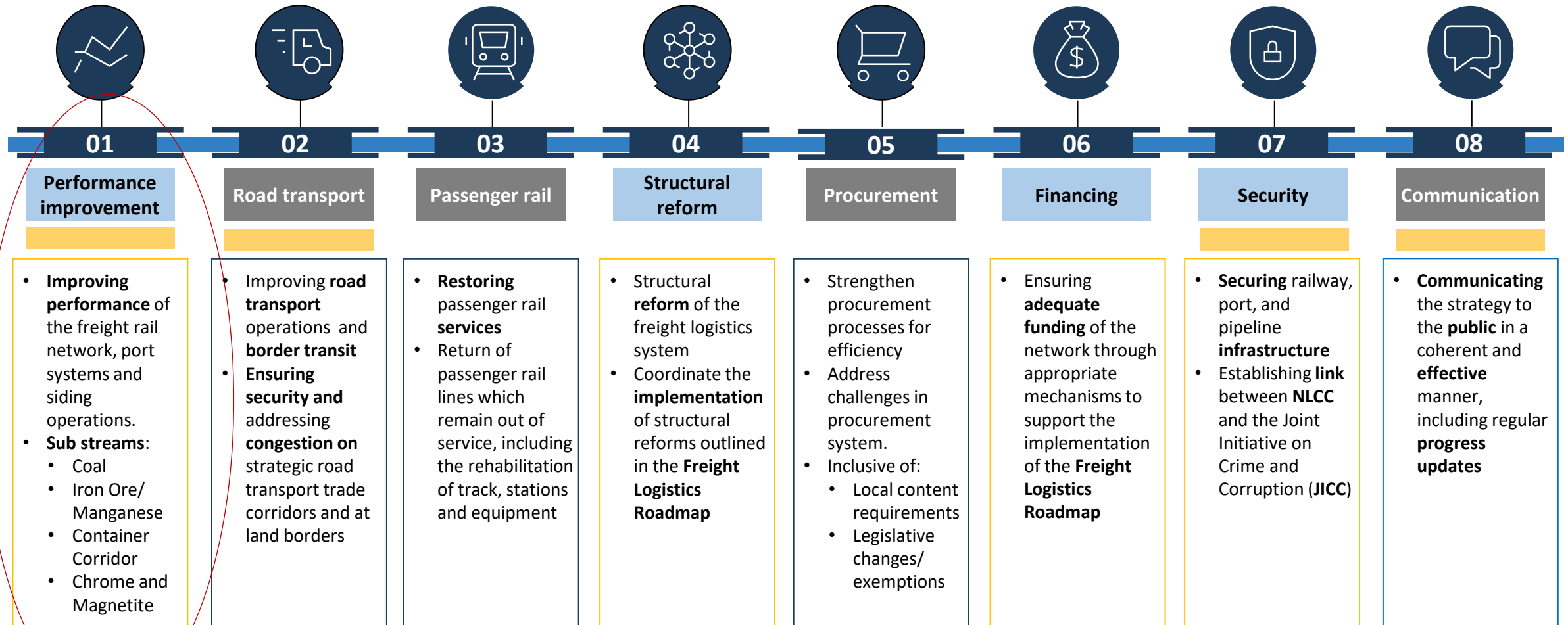


### Transport and Logistics

- Procurement & operations expertise provided
- > 500** Security personnel deployed for Transnet freight rail
- Support for maintenance at ports
- +R700m** Investments on key corridors
- Increased collaborative efforts with NLCC
- Economic Regulation of Transport Bill signed

Primary focus is on ensuring competitive supply chains

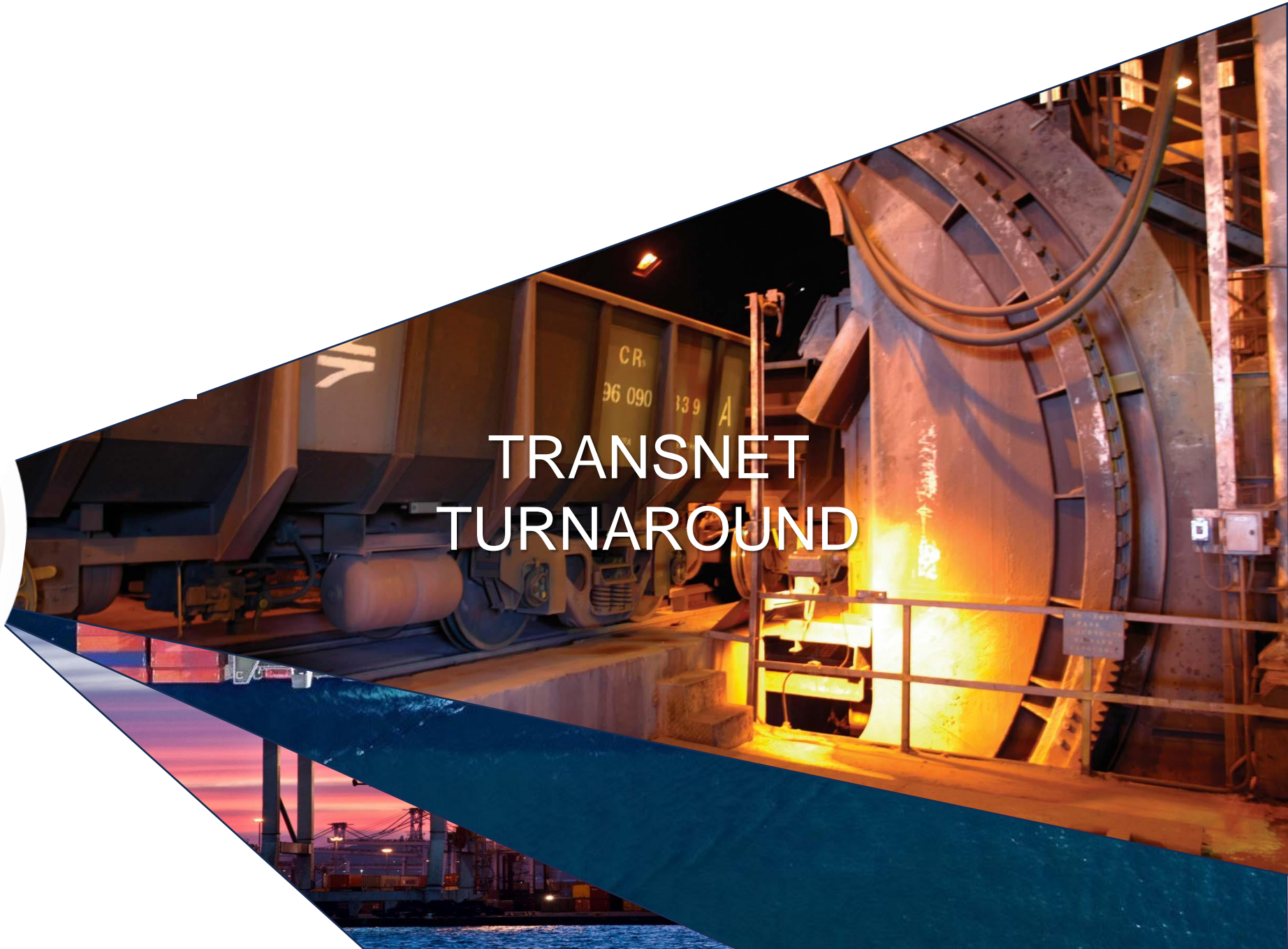
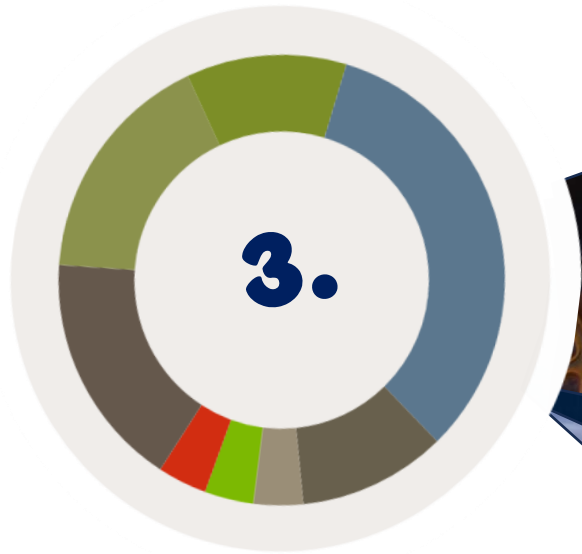
# The NLCC has defined several workstreams for which it provides oversight and accelerates execution



Priority Workstreams

Business Participation





# TRANSNET TURNAROUND

CHAMBER OF  
COMMERCE BI-  
ANNUAL  
ENGAGEMENT WITH  
TRANSNET GCE

FNB AKASIA HOUSE

21 October 2024

**Webinar:**  
**Update to Customers**

**Agenda**

| Mr Mxolisi Mgojo - B4SA and  
Mr Rudi Dicks - NLCC

Business update: | Adv. Michelle Phillips

Q&A

Future and Way Forward

October 2023 | **Time:** 17h00 |

INVITE



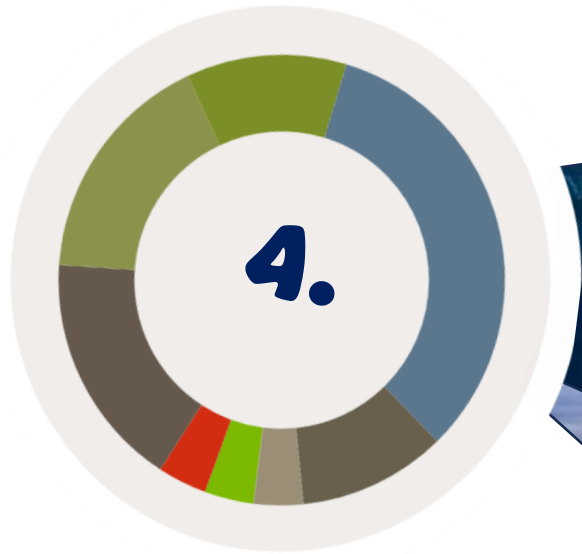


# THE TRANSNET RECOVERY PLAN COVERS SEVERAL KEY OBJECTIVES

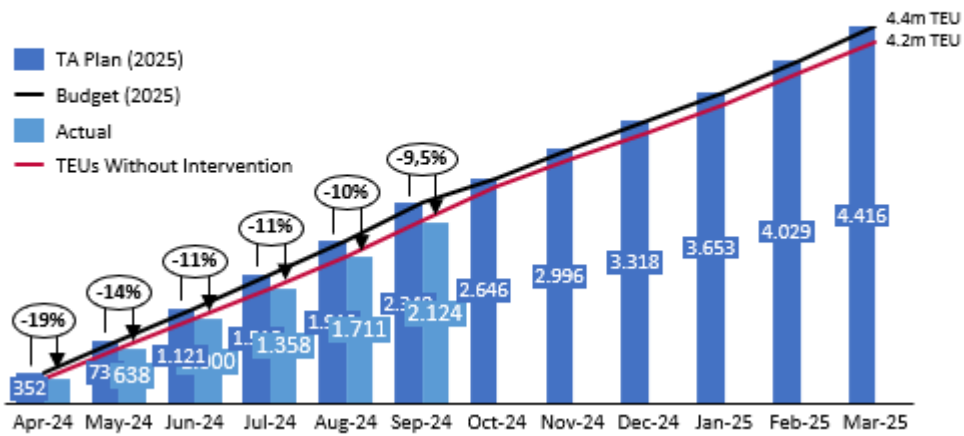


	<b>Key initiatives</b>	<b>Expected outcome</b>
<b>1</b>	<b>Operational stability and sustainability</b>	<ul style="list-style-type: none"> <li>• Greater value chain coordination</li> <li>• Visible volume recovery in operations</li> <li>• Improved operating efficiency</li> <li>• Enhanced customer service</li> <li>• Improved security across network</li> </ul>
<b>2</b>	<b>Financial stability and sustainability</b>	<ul style="list-style-type: none"> <li>• Cash injection through the sale of properties and scrap</li> <li>• Improve the cost to income ratio</li> <li>• Increased revenue from improved volumes</li> <li>• Cost savings on personnel and travel costs</li> </ul>
<b>3</b>	<b>High-performance culture</b>	<ul style="list-style-type: none"> <li>• Review organisational design, cost structure and manage people costs</li> <li>• Transnet Recovery Incentive Scheme</li> <li>• Enhanced Bargaining Unit incentive schemes for Operating Divisions</li> </ul> <ul style="list-style-type: none"> <li>• Ideal headcount and management of overtime costs</li> <li>• Improved employee motivation, productivity, engagement and morale</li> </ul>
<b>4</b>	<b>Equipment safety, efficiency, reliability and availability</b>	<ul style="list-style-type: none"> <li>• Partnerships with OEMs for technical support</li> <li>• Negotiations with OEMs for container equipment</li> <li>• Maritime fleet recovery plan</li> <li>• Predictive/preventative maintenance schedules</li> </ul> <ul style="list-style-type: none"> <li>• Improved equipment availability and reliability within rail operations and the ports</li> <li>• Enhanced turnaround time for maintenance of operating assets</li> </ul>
<b>5</b>	<b>Third-party access, PSPs and investments</b>	<ul style="list-style-type: none"> <li>• Establishment of Transnet Rail Infrastructure Manager (TRIM)</li> <li>• DCT NEWCO will be established as a wholly-owned company</li> <li>• Leasing of the Container Corridor</li> </ul> <ul style="list-style-type: none"> <li>• Enablement of third-party access to train operating companies on the rail network</li> <li>• Access to skills, industry knowledge and capital to improve capacity and operations</li> <li>• Improved efficiency of key supply chains</li> </ul>
<b>6</b>	<b>Philosophy: Transparent commitment to partnerships</b>	<ul style="list-style-type: none"> <li>• Customers and industry collaboration</li> <li>• Utilise NLCC platform to draw-in expertise and resources from the private sector</li> <li>• Contributions from customers and Government (security agencies) to improve network security</li> </ul> <ul style="list-style-type: none"> <li>• Joint ventures</li> <li>• Fosters innovation</li> <li>• Improved efficiency of key supply chains</li> <li>• Enhances surveillance, intelligence and response capabilities</li> </ul>





# 4,4M TEU planned for 2024/25



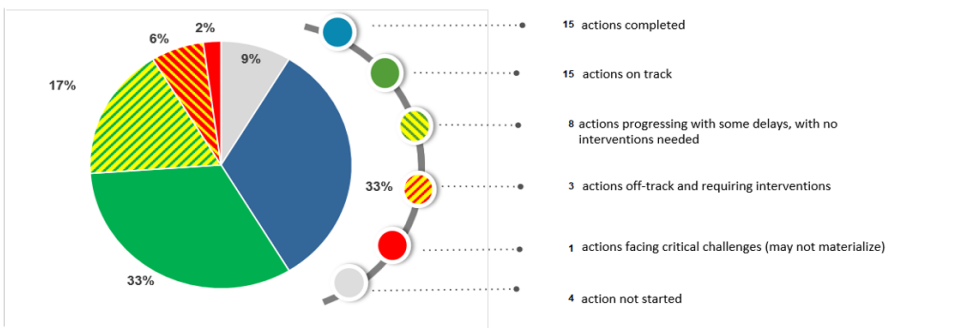
# SUSTAINING PERFORMANCE THROUGH BREAKTHROUGH INITIATIVES TO MEET 87,000 TEU RUN RATE

	1 Operations Process Optimisation	2 Technical, Material Management & Procurement	3 Planning across the Logistics Chain	4 Back of Port Operations																
<b>Durban</b>	<p>Initiatives to meet run rate</p> <table border="1"> <tr><th>Status</th><th>Scoping</th></tr> <tr><td>Responsibility</td><td>Transnet / NLCC</td></tr> </table> <p>Pier 3 from 17 to 18.7 moves within 7 weeks</p> <ul style="list-style-type: none"> <li>Manage Lashing/Unlashing delays</li> <li>Reduce crane waiting for hauler/RTG</li> <li>Reduce crane breakdowns</li> </ul> <p>Pier 2 from 15.5 moves to 18.5 for next 10 weeks</p> <ul style="list-style-type: none"> <li>Ramp up from 10 to 11 gangs (300 moves pd by week 34)</li> <li>Reducing TPT driver change and shift change-over delays (24 moves pd)</li> <li>Reduce equipment breakdowns (cranes &amp; straddles by 50% = 24 moves)</li> </ul> <p>CTCT Ramp up from 32 to 31 mph</p> <ul style="list-style-type: none"> <li>Reduce the Shift driver's change over time from 15 minutes to 10 minutes</li> <li>Reduction of 1 RTG servicing 2 cranes occurrence.</li> <li>Deployment of haulers from 5 to 7 per crane. (2 additional hauler)</li> <li>Close monitoring of DAV's to achieve more 2mph at 5 haulers per crane</li> </ul> <p>CTMPT:</p> <ul style="list-style-type: none"> <li>Reduction of vessel gaps to improve the constant flow of vessels;</li> <li>Collaboration between CTCT and MPT</li> <li>Introduction of hot seat change (Revise with stand still break system)</li> </ul>	Status	Scoping	Responsibility	Transnet / NLCC	<table border="1"> <tr><th>Status</th><th>Scoping</th></tr> <tr><td>Responsibility</td><td>Transnet / NLCC</td></tr> </table> <p>BUP Confinement (ENG-BT-001)</p> <ul style="list-style-type: none"> <li>Reduce volumes of BUP transactions from &gt; 100 to &lt; 10</li> </ul> <p>Additional resources for preventive maintenance - (ENG-BT-002)</p> <ul style="list-style-type: none"> <li>Appointment of 26 additional resources</li> </ul> <p>RTG landside operation (ENG-BT-003)</p> <ul style="list-style-type: none"> <li>RTGs will be deployed at ITZs</li> </ul> <p>BUP Confinement</p> <ul style="list-style-type: none"> <li>Reduce volumes of BUP transactions from &gt; 100 to &lt; 10</li> </ul> <p>Additional resources for preventive maintenance - (ENG-BT-002)</p> <ul style="list-style-type: none"> <li>Conclude the contracting of 10 add. resources sourced via SCM (8 Millwrights and 2 Diesel Mechs)</li> <li>Market analysis</li> <li>2. Consolidation of spares and consumables lists</li> <li>3. Implementation plan with clear responsibilities</li> </ul>	Status	Scoping	Responsibility	Transnet / NLCC	<table border="1"> <tr><th>Status</th><th>Scoping</th></tr> <tr><td>Responsibility</td><td>Transnet / NLCC</td></tr> </table> <p>Vessel Planning Count Down across OD's</p> <ul style="list-style-type: none"> <li>VCO Improvement</li> <li>Vessel Cross-over</li> <li>MPT Capacitating (from Jan 2025)</li> </ul> <p>Improved countdown management. VCO included.</p> <ol style="list-style-type: none"> <li>Manual - full countdown per vessel using 17 point as guide. Automated integrated system to be used. NPA/TPT port data integration and tracking.</li> <li>Centralized CTCT/MPT planning roles to be introduced</li> </ol>	Status	Scoping	Responsibility	Transnet / NLCC	<table border="1"> <tr><th>Status</th><th>Scoping</th></tr> <tr><td>Responsibility</td><td>Transnet / NLCC</td></tr> </table> <p>Ramp up to 3 import trains per day from DCT to Bayhead Terminal</p> <ul style="list-style-type: none"> <li>TPT to subsidise trial period</li> <li>Extension of the Bayhead Terminal free storage for imports from 3 to 5 days</li> <li>Bayhead Terminal Operational Readiness by 4 Oct</li> <li>Execution of 1 train per day for the week 7-13 Oct</li> </ul> <p>2 trains per day ramp up to 3 trains (Mon - Sat peak deciduous Nov - Mar 2025)</p> <ol style="list-style-type: none"> <li>Continuous rail operation during windbound (review)</li> <li>Reduce wagon turnaround time from 4 hours to 2 hours</li> <li>3rd Reeler set to be deployed by TRF</li> <li>Beef up communication between OD's</li> <li>Require 24/7 rail operations during Reeler season at Railroad</li> </ol>	Status	Scoping	Responsibility	Transnet / NLCC
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<b>Cape Town</b>																				

\* Quantification of benefits still to be concluded by OEC

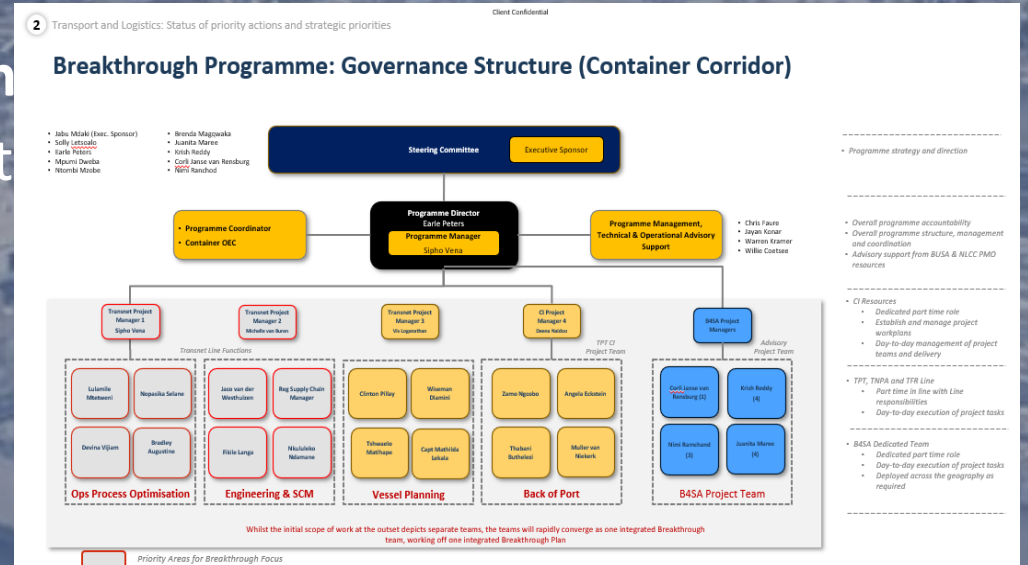
# National Logistics Crisis Committee

## Detailed Project Progress Report: Container CRT



NOTE: The listed projects are in draft and are subject to change/additions. Further testing may be required against their value contribution towards the KPI's.

# Delivery Plan ended 13 Oct







# DURBAN CHAMBER OF COMMERCE ENGAGEMENT WITH PRESIDENT CYRIL RAMAPHOSA

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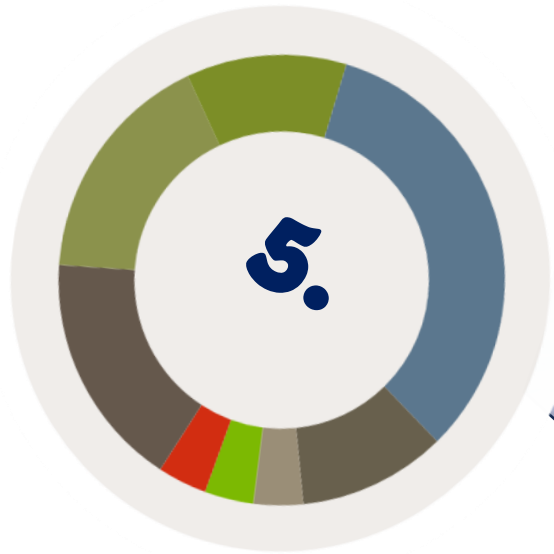
Coastlands

7 November 2024



<https://www.youtube.com/watch?v=Pu9n4el...>









Things are Looking Up



LOGISTICS / ROAD/RAIL FREIGHT

# MSC lauds Phillips for change-making efforts at Transnet

25 Oct 2024 - by Eugene Goddard



Managing director for South Africa, Rosario Sarno, during Mediterranean Shipping Company's annual cocktail function.





EST 1856

**DURBAN CHAMBER  
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INDUSTRY NPC**

# Thank You

**Willie Coetsee**

Chairman: Port Forum