

12 January 2024

## Agbiz and Leaders from our export industry meet with Transnet's Acting Group Executive

On the 11<sup>th</sup> of January 2024, a delegation from Agbiz, FPEF, SATI, Hortgro and CGA with Transnet's executive team under the leadership of Michelle Phillips, the Action Group Executive. The meeting follows a letter co-signed by Agbiz, Fruit SA and the FPEF drawing attention to challenges experienced at the Port of Cape Town.

At the meeting, the industry reiterated the need for short, medium and long-term interventions needed to manage the remainder of the summer export season and beyond. As an immediate measure, a 'war room' will be established between industry and Transnet that meets on a day to day basis. The aim is to improve real-time communication between the port and its stakeholders and to monitor improvements in productivity. Such a platform is vital to mitigate the impact of wind closures and to ensure optimal use of recovery times post closures due to wind. From industry's side, these efforts will be co-ordinated by FPEF and include all relevant stakeholders in the value chain.

In parallel, quarterly meetings will be held to co-ordinate and collaborate on long-term strategic issues. Despite numerous platforms and previous attempts, we still lack a clear process by which the industry and Transnet can seek solutions to prevent each season from descending into crises management. There are factors that simply cannot be controlled, namely wind delays and the urgency around volumes coming from the industry. To sustain our export-led industries, we need a long-term recovery plan whereby sufficient productivity is achieved to recover after wind delays have taken place. There are several factors to consider, including the need to sweat all existing capacity at public and private terminals, the creation of additional capacity, technological advancements, new equipment and contingency plans with clear triggers in the medium-term.

There is simply no way that our export-led industries can continue to crises-manage each season in the absence of a long-term turnaround strategy. For this reason, a commitment was made to quarterly meetings where Agbiz will play a leading role and insource additional skills from other organisations and stakeholders. As always, the proof will be in the pudding but we welcome the quick response provided to our letter as well as the acting Group Executive and her team's commitment to resolving challenges in the short, medium and long-term horizons.