**National Assembly**

**Question No: 1541**

**1541. Mr P Mey (FF Plus) to ask the Minister of Transport:**

(1) Whether there have been any delays at South African ports with the unloading, processing and transport of imported goods out of the harbours during the Covid-19 lockdown period; if so, (a) what are the relevant details, (b) what are the reasons for such delays, (c) what is the estimated loss to the economy, (d) what measures are being put in place to address the delays and (e) how long does he envisage will the delays still occur;

Response:

There were some delays at South African ports with the unloading processing and transportation of imported goods out of the harbours during the hard Covid–19 lockdown which would fall under Level 5 however it must be stressed out that only the Port of Durban that was heavily affected due to the type of cargo it handles and the role it playes not only in South Africa’s economy but also in landlock countries in the SADC region.

1. During the first two weeks of the lockdown it was only the essentiasl cargo that was allowed to leave the port terminals and this was only for container terminals as most of the cargo being handled in such terminals is largley for manufactured goods. It was immdedialy discovered that approach was counter productive because the terminal stacking capacity was getting fuller and it was difficult to pick and choose which cargo that should be prioritsed. As a principle of efficiency in terminal managment the terminal must always be kept 50% full so that flow of cargo in and out of the terminal is optimised. There was therefore a decision taken to allow non essential cargo to leave the container terminals as bonded cargo to Customs approved warehouses and also to Shipping Liner’s warehouses in an effort to decongest the container terminals and that proved to be the best decision
2. The delays were caused by the arrival of the non essential and essential cargo at the same time sometimes both essential and non essential goods would be in the same container which proved to be catastrophic in trying to separate the imported goods. Another challenge the number of employees that were operational during the hard lockdown was heavily reduced for example in the Port of Durban only two gangs (gang is the shift or a number of people on one shift) were operational at any given time compare to five gangs and only two berths thatt were allocated to the shipping lines.
3. What is the estimated loss to the economy, the question should not be looked at in isolation with overall economic impact that came with COVID-19. But Transnet National Ports Authority is projecting not less 20% of revenue loss due to COVID-19. It will however be important to do an indepth study on the impact of COVID-19 within the maritme value chain.
4. Transnet National Ports Authority as a landord of the South African port system is now providing all supporting services at full capacity to support the activities in the ports such as marine and pilotage services and Transnet Ports Terminal which is the main the terminal operator especially of containers sector and is still ramping up the operations especially in the Port of Cape Town where the latest most delays have been prevalent which is the indication that what is happening in this country on the number of COVID-19 infections has also affected the port employees
5. The recent delays have largely been in one port which is the Port of Cape Town and these delays have been in two folds:
6. The port workers have heavily been affected by high infection rates particulary in Cape Town which affected the number of employees coming to work and subsequently the poor productivity
7. The state of Transnet Ports Terminal equipments has been a major concern for the port users and Transnet has adviced that it is a matter that is given urgent attention. It is however advisable that Department of Public Enterprises is the right Department to present those plans and interventions.

(2) whether he will make a statement on the matter?

The Ministry does not deem it necessary at this stage. The Minister is however amendable should the house deem it appropriate