

Notice to Shippers

Date:

02/07/2019

Subject:

EUROPE - SOUTHERN AFRICA TRADE

Dear Clients,

Unfortunately, over the last few months we are experiencing substantially increased delays to the SAECS vessels in the South African ports.

The reasons for these increased delays in the 3 main ports of Cape Town, Port Elizabeth/Coega and Durban are manifold, for example:

- Cape Town Unusual seasonal high winds and resulting swells & under-water currents. In addition the Terminal operator has had IT System problems both of which have resulted in congestion, berthing delays & reduced productivity levels on the terminal.
- Port Elizabeth/Coega Following the collapse in October 2018 of one of the remaining 2 ship/shore gantries the old terminal in Port Elizabeth has no longer been able to operate effectively and handle with only one crane the SAECS Northbound voyage call.

This required the SAECS vessels to divert (along with others which normally called at Port Elizabeth) to the port of Coega. The port and terminal had become excessively congested (both berths and landside) with long berthing delays and low productivity due to resulting capacity constraints on the terminal. Adding to this there have been labor disputes and electricity supply outages which have resulted in work stoppages which have resulted in further delays to the vessel operations.

 Durban - Berthing delays and reduced operational productivity levels due to an increasing lack of functioning landside equipment as a result in lack of qualified staff, replacement parts for badly maintained equipment and delayed investments in new equipment.

The combination of all these very unfavorable operational issues have negatively impacted on the SAECS vessels weekly schedules.



Cont.:

Even with otherwise sufficient buffers being in included in the SAECS schedule to compensate for delays in the South African ports, the delays currently being experienced have resulted in vessels leaving Cape Town (the last port of loading) up to 9 days behind schedule. To compensate for these delays numerous contingencies such as a continual speeding up of the vessels to maximum speed with substantial increased fuel consumptions and port omissions have been implemented. In addition, an extra vessel has even been injected at very short notice by the partner Lines for one round voyage to maintain the weekly sailings from Europe.

Despite all the prevailing problems and resulting additional costs we will continue to do all possible to maintain the weekly sailings both from Europe and South Africa and limit any necessary measures such as port omissions to a minimum.

However, we expect the challenges which confront us in the South Africa ports and container terminals to continue for some months until the South African ports operator TPNA and terminal operator TPT initiate sufficient measures to improve the operational efficiencies in the ports and on the terminals.

Thanking you for your understanding and continued support.

Kind Regards, DAL Deutsche Afrika-Linien GmbH & Co. KG

