



**Western Cape
Government**

Department of Economic Development
and Tourism

Port of Cape Town Stakeholder Dialogue

13 FEBRUARY 2025

Workshop Report

Introduction

Rashid Toefy, the Program Director outlined the purpose of the dialogue on Competitive Collaboration for Intelligent Logistics in the Port of Cape Town. He emphasized the significance of this discussion in driving economic growth, job creation, investment, and ease of doing business, not only for Cape Town and the Western Cape but for all of South Africa. Previous dialogues have successfully addressed key concerns, leading to tangible progress. This engagement aims to build on those successes, ultimately creating shared benefits through sustained economic growth, job creation, increased investment, and a more conducive business environment.

Rashid invited HOD Johnston to the podium.

Welcome by HOD Johnston

HOD Johnston welcomed Ministers, dignitaries, and delegates to the 6th Annual Port of Cape Town Stakeholder Dialogue. Special recognition was given to key figures, including Dr. Ivan Meyer, Western Cape Minister of Agriculture, Economic Development and Tourism, as well as other government officials, industry leaders and diplomatic representatives.

Reflecting on the evolution of these dialogues since 2019, the HOD highlighted the shift from mere reporting and accountability to a more collaborative approach, fostering discussions and strategic planning. The dialogue serves as a platform to explore mutually beneficial solutions, particularly in intelligent logistics and digitalization, leveraging technology to address complex logistical challenges.

The HOD expressed her best wishes to all delegates for a successful port logistics dialogue.

G20, Competitive collaboration in logistics and the WCG Growth for Jobs strategy

Minister Meyer opened by reaffirming his role in overseeing the Growth for Jobs strategy and emphasizing the importance of accountability in government. He outlined key economic growth priorities, including advancing the energy revolution, enhancing water security through municipal hydrological studies, and integrating energy and water governance for improved oversight.

Highlighting the need for innovation and technology to navigate global economic challenges, he called for responsive governance and strong stakeholder collaboration. He also stressed the efforts



of provincial government to promote investment.

Minister Meyer also reinforced the Government of National Unity's commitment to inclusive economic growth, poverty reduction through export expansion, and job creation, including plans to increase internship opportunities. Concluding his remarks, he acknowledged key partners, specifically appreciating the responsiveness of Transnet executives. He stressed the role of business confidence and structural economic reforms, and the support from Agbiz and its associated bodies in this regard.

Operation Vulindlela Phase 2 and its approach to logistics development

Mr Musker, Director of Strategy and Delivery Support in the Private Office of the President, provided an update on South Africa's economic reform efforts under Operation Vulindlela, highlighting the urgency of structural changes to drive growth. He outlined key achievements, including unlocking R500 billion in new investments, enhancing energy infrastructure, and streamlining regulatory processes. However, he noted that the freight logistics system remains a significant constraint due to declining rail performance, financial instability at Transnet, and inefficiencies in ports, all of which contribute to economic losses. To address these challenges, the government is implementing a Freight Logistics Roadmap, encouraging private sector participation, and introducing regulatory reforms to enhance competition. The National Logistics Crisis Committee (NLCC) was established in 2023 as a coordination structure. The ultimate objective is to establish a more efficient, competitive, and resilient logistics system that supports export growth and broader economic development. Port reform is one of the priority focus areas for the second phase of Operation Vulindlela, commencing in 2025. This will include the harnessing of digital public infrastructure in support of growth. A dedicated private sector participation unit is to be established, that will include ports in its mandate. The port reform focus will initially be on container logistics.

Implementing the OV reforms can boost real GDP growth by 1.5% above the baseline of 2%. The largest driver of this improvement is fixed investment, which is 4% higher by 2029. Given improved energy availability and access to ports and railways, exports perform significantly better, reaching growth of almost 5% in 2029 vs. 3% in the baseline.



Port of Cape Town Digital Logistics Planning Platform and SATI Cargo Planning Model

Mr Steyn provided an overview of the Port of Cape Town Digital Logistics Planning Platform, developed to enhance visibility on container arrivals at the Cape Town Container Terminal (CTCT). Originally part of the Agrihub project for fruit export integration, the platform evolved into a prototype in collaboration with SAAFF and Crickmay. Global benchmarking has informed a three-year roadmap for phased upgrades, with the goal of fostering cooperative competition in container logistics through data-driven insights to prevent delays and drive economic growth. There is close co-operation with Transnet and other agencies in the container logistics ecosystem. The platform does not have a commercial model yet.

Jayce Lane from Crickmay emphasized the objective of moving from hindsight to insight and foresight as a means to promote fluid and competitive logistics. He mentioned all the agencies that are partnering to provide and receive information. He then demonstrated the work in progress on several sections of the platform. This included vessel turnaround time at all container terminals in Port of Cape Town during the last four months of 2024, as illustrated in the figure below.

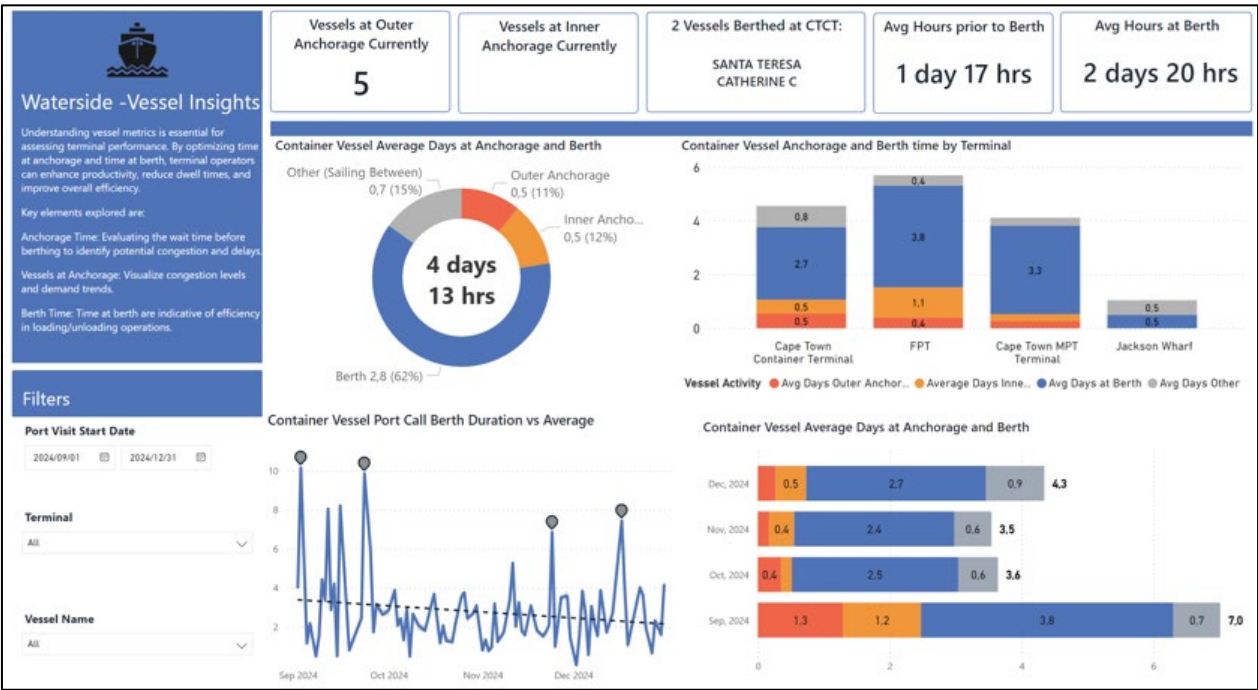


Figure One: Vessel Turnaround Time at all Port of Cape Town Container Terminals from 1 Sept to 31 December 2024. Source: Port of Cape Town Digital Logistics Planning Platform

Mr. Ferreira acknowledged Transnet and industry partners, presenting a high-level logistics model developed over the past year, which integrates data from multiple stakeholders to optimize export logistics, particularly for the table grape industry. The model demonstrated resilience in worst-case scenarios, ensuring minimal disruption to exports while providing real-time insights on port performance and cost efficiency. Findings highlighted Cape Town as the most cost-effective export route, though strategic planning for alternative ports like Port Elizabeth could improve long-term profitability. Mr. Ferreira stressed the importance of industry collaboration, data integration, and expanding the model's scope to include other perishable commodities while strengthening public sector engagement for improved supply chain resilience. The model facilitates optimal decision-making on port of loading under different conditions as reflected in the image below.

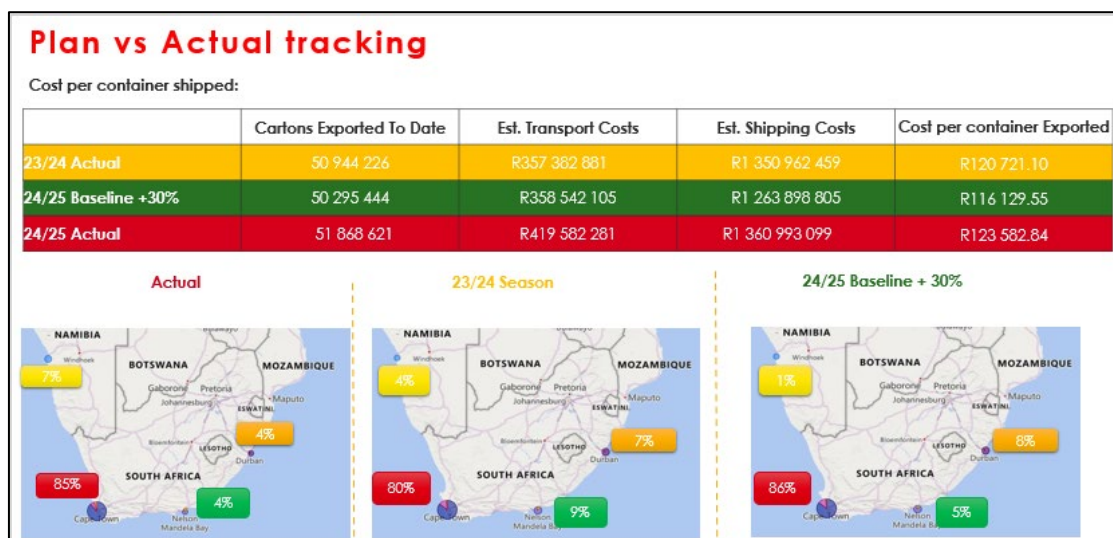


Figure Two: Optimal Planning regarding Port of Loading for Table Grapes

First Discussion Session

The discussion session emphasized the need for continued collaboration in logistics among all agencies. Dr Juanita Maree indicated that the CSIR could be of considerable assistance to peer review the logistics development work that is being done and enhance data credibility. Stakeholders acknowledged the value of the stakeholder dialogue. Key concerns raised included investment challenges due to policy uncertainty, such as announcements on land expropriation, as well as the slow pace of decision-making. Corporatization of TNPA and delays in the development of the permanent truck staging area were mentioned in this regard. There was also a suggestion that options be explored to augment public and private sector funding for research and development in the logistics industry.

Additional discussions focused on regulatory efficiency in port operations, labour productivity improvements, and the representation of organized labour at the stakeholder dialogue.

Dr Meyer confirmed the alignment between national and provincial economic strategies. The provincial investment conference will from 5-6 November 2025. It will focus on sector-specific growth opportunities and will promote public-private sector collaboration. The importance of regulatory reform to boost investment confidence was underscored, with assurances that Section 25 of the Constitution remains unchanged, which reduces expropriation risk for investors. The discussion concluded with a strong emphasis on the urgency of driving economic growth despite political challenges, reinforcing the need for collaboration and a business-centric approach.

Progress on Belcon Inland Terminal and perspectives on digital logistics planning

Theo Pappas, Area Head of Sales for Maersk South Africa provided an update on the Belcon Inland Terminal, emphasizing its role in addressing logistics challenges, particularly by reducing food wastage through improved cold chain management. He outlined the project's three phases. The first phase container depot construction has been completed. Second phase is a cold store facility, followed by an ambient warehouse, and future expansion plans. Strategically located to ease port congestion, the terminal will feature modern, energy-efficient infrastructure, incorporating solar power, water recycling, and CO₂ refrigerants to enhance environmental sustainability. Additionally, the terminal integrates digital logistics planning, leveraging IoT devices for real-time tracking and improved stakeholder communication, including port authorities and logistics providers. The project is set to create 200 jobs in its first year, with 3.5% of annual revenues committed to community upliftment. With a significant financial investment and a planned opening of the cold store in May 2025, the terminal is poised to become a key asset in the Western Cape's logistics and economic landscape. Opening in May will be in time for the 2025 citrus export season.

The development comprises 16 hectares and the development cost is R1bn. It will convey 70,000 containers by rail at the end of year 4. It will be a multi-carrier facility with a central data sharing hub.



Transnet guidance; updates on terminal recovery plans; & approach to digitization

Second Discussion Session

The discussion raised several key issues regarding logistics operations. Appreciation was expressed for the stakeholder dialogue. One participant expressed concerns about the continued use of manual gate checks for transporters despite advancements in automation options, as well as operational availability of RTG's. Another participant highlighted concerns about data integrity. The MSC representative enquired about procedures for booking private sector helicopters and about berth length at CTCT.

Transnet COO agreed that gate automation is a priority and will be listed as an action accordingly. TNPA is being corporatized and the Transnet Rail Infrastructure Manager is being established. This will bring about change in the Transnet organization structure. Data validation is being addressed through system architecture and integration. This will require more interaction with stakeholders.

Then intention is to trial a process with helicopter leases and to formalize it by June.

Delegates raised documentation challenges at Belcon, particularly the 24-hour notice requirement for exports and difficulties in obtaining empty containers. The need for improved coordination between business, government, and labour to digitize process flows within the terminal was also emphasized. Questions were raised regarding the time lag in commissioning the new RTG's after delivery, with suggestions to involve the private sector to accelerate the process.

Logistical challenges related to container availability were acknowledged, with a call for a shift toward larger containers and enhanced service through digitalization efforts. Inbound and outbound cargo do not match. Teething problems at Belcon have been and are being addressed, including the TFR interface. The Transnet COO confirmed that steps are being taken to address digitalization improvements and encouraged engagement between his team and WCG. He also confirmed that RTG assembly will be managed by Liebherr. He asked the Terminal Manager to connect Liebherr and Hortgro in case any further private sector support was needed with the assembly process.



Mecia Peterson from Table Grape Industry appreciated collaboration with Transnet, which has improved albeit not perfect yet. The industry supports 100,000 jobs. She agrees with Jolene to integrate initiatives and mobilise additional investment in technology development.

Glen Steyn appreciated the transparency from Transnet to share performance numbers and priority lists. Rashid Toefy, the programme director supported that observation.

The Way Forward

Mr Jacobs, Acting HOD for the Western Cape Department of Mobility expressed appreciation for the progress made in discussions, recognizing the significant reforms and collaborative efforts between government and industry to enhance logistics. He acknowledged the presentations from Minister Meyer, the Presidency, and Transnet regarding technological and structural improvements, including a R1 billion investment in the logistics terminal by the shipping industry.

Mr. Jacobs outlined three key focus areas for the future as indicated below.

- expanding the digital logistics planning platform to improve cargo forecasting.
- reducing truck turnaround times, which includes facilitating a transporter representative organization and optimization of the truck booking system.
- enhancing stakeholder collaboration to reduce the cost of logistics, including:
 - mitigating operational risks of disruptive events,
 - reducing double handling of containers,
 - viable inland terminal development, and
 - joint strategy development to promote the logistics industry and the economy.

He commended Transnet's leadership for their accountability and efforts to improve terminal operations, particularly for the deciduous fruit export season. The discussion concluded with thanks to political leaders, speakers, industry representatives, and stakeholders for their participation and commitment to advancing the logistics sector and fostering economic growth.

Glen Steyn



Program Director

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Glen Steyn

Email: Glen.Steyn@westerncape.gov.za

Tel: +214839144

Department of Economic Development and Tourism

Deputy Director: Oil, Gas and Maritime

www.westerncape.gov.za



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