

Touch the Sky

Issue #15 Our Season of Harvest



Message from our CEO

As the year draws to an end, we want to stand still and take stock of everything that has happened this year, taking the bad in stride, while celebrating the good. Over the past few weeks, I have been thinking about the past year, and instead of focusing on all the challenges and hardships we have faced as individuals, as an association, and as a country, I want to look back at all the good that was done. As we take time to rest for the new year ahead, we should take some time to reflect on all the victories we have achieved, and all the milestones that lay ahead. Wishing all our readers a safe and happy festive season.

“A tree that wants to touch the sky must extend its roots into the earth. The more it wants to rise upwards, the more it has to grow downwards. So to rise in life, we must be down to earth, humble and grateful”

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From our CEO's office

Highlights of 2022

2022 has been a year full of unexpected developments and great successes, too many to count, however, below are some highlights we believe are worth mentioning and sharing with our readers.

- During an engagement under the auspice of BUSA, Juanita attended a meeting with President Ramaphosa where he acknowledged her and the work SAAFF is doing to improve the logistics landscape in South Africa.
- A few weeks ago, Dr Gattorna (author of many Supply Chain books) reached out to Juanita, under SAAFF, to explore potential avenues for collaboration.
- One of SAAFF's key focus areas was to segment our membership database to ensure the correct dissemination of information, the project was recently completed.
- In early 2022 Dr Juanita Maree, along with Devlyn Naidoo and Jacob van Rensburg completed a very successful visit to the KZN region, including a crucial and productive visit to the Durban Port.
- Towards the end of 2022 Dr Juanita, along with Lisa de Jager visited the Central Region to join the Eastern Cape team for their member year-end function.
- Keeping with our promise to continue engaging with our members, SAAFF hosted an intimate breakfast with our top 30 members to continue strengthening relationships.
- To finish the year on a high note, SAAFF co-hosted the Transport Forum's year-end function with FNB. The event was a roaring success with an excellent set of speakers and impressive turnout.
- The Transnet strike that started in late October brought nearly all port operations to a grinding halt, threatening to destroy our economy. The situation was resolved, and the backlog has been cleared.



Message for the new year

"When two elephants fight the only thing that gets hurt is the grass"
African proverb

The public and private sectors should find a way to work together so the people don't suffer

Meet the CEO

The SAAFF team is led by our CEO, Juanita Maree (above), and she is supported by Ms Le'-Ann Singh (below).



Message for the New Year

"When the wind of change blows, some build walls, while others build windmills"
Chinese Proverb

Highlights of 2022

- The strike did come with a silver lining, as SAAFF and various other associations and stakeholders were able to engage with top-level Government officials, where SAAFF was able to advocate for one version of the truth, which was ultimately acknowledged by Government officials.
- New life has been breathed into Operation Vulindlela, with tangible progress and private sector feedback and input.
- SAAFF successfully concluded the EU Monitoring Tool Project
- SAAFF, in collaboration with Crickmay has completed a set of dashboards that provide a holistic overview of South Africa's eight ports as well as the entire supply chain network, linking to neighbouring countries, including the N4 corridor.
- In addition to the dashboards, the CSIR has reached out to SAAFF to collaborate on developing a Logistics Monitoring Network, that allows for further insights into the entire domestic supply chain.

Key Focus Areas for 2023

For 2023 we will be focusing on the following five pillars to add value to our members and industry:

- AEO
- Logistics Monitoring Network
- Training
- Penalty Resolution Tool

Member Engagement - move towards an active engagement model which unlocks sustainable benefits

RLA Onboarding of SAAFF Members

SARS Executive for Registration, Licensing and Accreditation Mr Sydwell Phokane acknowledged SAAFF for their efforts in co-creating excellence in the supply chain, working with and through SARS by going above and beyond and facilitating not just the training but also the actual onboarding and renewal of licenses, a first in history for SAAFF.

SARS Approved Exporter Status

SAAFF progressed the benefit of Approved Exporter Status by empowering clientele with the knowledge and benefit of retrospective issuance of EUR-1 certificates under this arrangement. This allows for value-add to be highlighted to clientele as an innovative suggestion, emphasized by SAAFF.

Launch of CUSTEX Penalty Resolution Tool™

A first of its kind tool for industry, designed to simultaneously support capacity at SARS and Industry and progress support to members, providing information and insights to be reflected under their own (our members') letterhead, guided, and protected by SAAFF, in partnership with CUSTEX consulting. A basic subscription fee will be required for access to the tool. Larger cases which requires extensive work and resources will however be assessed on a case-by-case basis, where all parties involved can come to an agreement.

Single Window OGA & CUSDEC Enhancements

The SAAFF SARS & OGA National Working Group convened a joint structure, working with and through TSPs to craft the co-creation of an efficient rollout of the EDI automation of Duty Drawbacks and Refunds, mapped to the operational realities of the supply chain. Additionally, the enhancements to Single Window OGA are being championed by SAAFF, as the Architects of the Supply Chain, by supporting the linkages between the other government agencies, linked to the timeframes which support the seamless flow of goods through our logistics network with zero bottle necks.

Meet the team

Our SAAFF-SARS and OGA team is headed up by Mr D Devlyn Naidoo (see the image to the right), who is supported by Baitumedi Molekoa.



Message for the New Year

"Work with passion and purpose, walk in the Spirit of selfless service"

Multiple SARS Policy Amendments

In 2022, SAAFF submitted a total of 41 proposals to SARS, the majority of which have been accepted and implemented.

- The external policy on Valuation Method 1 SC-CR-A-05 was updated, ensuing a letter submitted to SARS by SAAFF regarding several dispute cases in respect of the presentation of freight statements. SAAFF circulated the updated policy to members, reiterating the option to declare the CIF price where freight statements aren't available and then claim back the O/E if any via the CR1.
- SAAFF is pleased to share that SARS has considered our motivation regarding the SC-DT-C-13 external policy and an amendment allowing for a fifth instance wherein VAT can be claimed back is expected to be added to the current policy.
- The external policy on deferments SC-DT-B-02 is also to be updated following the acceptance of a SAAFF proposal to SARS in respect of a zero guarantee on Customs VAT.
- SARS have also agreed to share a policy log update via the addition of a new standing agenda item videre licet: *"Customs Policy Update"*.
- SARS also extended the RCG transgression period to support members who were struggling to enhance their compliance levels, thus avoiding the need to settle penalties pre-dated 1 August 2022 in alignment with the trigger period.

Key Focus Areas for 2023

- Strengthening our Position as the Lead Facilitator of Legitimate Trade Facilitation
- Enhancing coordination between SAAFF, SARS, and Other Government Agencies

Other Government Agencies



Meet the team

Our SAAFF-SARS and OGA team is headed up by Mr

Devlyn Naidoo who is supported by Baitumedi Molekoa (see image to the left).

Message for the New Year

"Opportunities don't happen, you create them", therefore, let us create golden opportunities in the year 2023

Gauteng Trade Facilitation Highlights

- SAAFF convened a meeting with Dr Jayawant Irkhede and Dr Evelyn Masotja, successfully proposing the verification of compliance requirements at origin stages, before to the departure of the shipment and this is successfully rolled out to benefit our members.
- SAPS continue to share monthly stats with SAAFF and the SAPS digitalisation pilot SAPS has successfully passed the Beta testing stages at City Deep, reducing the room for corruption to zero.
- The NRCS LOA database has been reinstated on the NRCS website.
- SARS are in the final stages of automatic liquidation of Schedule 2 PPs not imposed as well as automatic liquidation of PPs under the amount of R 200.00, taking away the administrative burden from you, our most valued member.
- SV turnaround times have improved significantly, and we now have a direct channel to the office of the technical directorate as well as the Head of SV in KZN and Pretoria.
- The SARS OSC is supported by SAAFF in terms of the 4 Tier Escalation protocol, and we remind members to include just the case number in the subject of their e-mail to the OSC mailbox. Ultimately, SARS congratulated SAAFF for the stellar work in managing escalations.

SAPS Pre-Verification Stop Mechanism and Alignment of Shipping Lines

A massive win for legitimate trade facilitation is the agreement by SAPS to accept the proposed methodology regarding pre-verification, providing certainty and clarity to traders. SAAFF also ensured that the shipping lines timeously communicate releases and detention notices to all members with the aim of avoiding unintended consequences such as costs and delays, further helping the industry to achieve a quicker delivery lead team.

SAAFF Online Portals and Acknowledgment from State Vet

We are proud of the less than 24-hour turnaround time with regard to the updates of the P&R index made possible through the P&R Index issues experienced portal, which delivers seamless legitimate trade facilitation, following the detentions logged by our members, similarly, through the SARS Issues Experienced Portal a less than 24 hour turn around on all SARS and OGA stops, following the escalation received from you our most valued member. State Vet recognized the work done by SAAFF on the Cargo Movement report and reached out to SARS to assist with a concept note on approved facilities as well as integration of processes on dual regulated commodities. The data collected through the tool affords an opportunity to present tangible evidence to SARS.

SAAFF and Non-Proliferation Council for Weapons of Mass Destruction

An efficient pre-verification mechanism has been realised wherein regulated items, not subject to permits are inspected and verified by the issuance of a letter of periodic validity, signed by the council which results in an immediate release of CUSRES Status Code 4 messages to CUSRES Status Code 1 as opposed to the usual 3 to 4 day turn around time when requesting for an e-mail verification, thus saving the supply chain time and costs.

Key Focus Areas for 2023

SAAFF celebrates the successes of 2022 and embraces the challenges that 2023 has in store. Our commitment to work with you continues unabated. 24/7 we are here to serve you and in so doing serve SA Inc as a Supply Chain, the Heartbeat to our Economy.

Logistics Monitoring Network

Victories in the TMS and Big Data Analytics

The **Transport Monitoring System**, developed by Crickmay in collaboration with SAAFF, was launched towards the end of this year, with a free version that was made available to all SAAFF members. The TMS was born out of the work that SAAFF has been doing with Transnet, especially following several shocks to the industry, including the flooding, looting, and cyber-attack. The Work builds on the work that Crickmay has done with the World Bank on corridor movement tracking.

- The free version provides in-depth information and insights into operations within and around the Durban Container Terminal
- The reports cover seven of South Africa's ports (covering all different terminals and vessel types, not limited to container vessels and operations), along with data for Maputo, Beira, and Walvis Bay.
- The team is in the process of developing route comparisons, the first phase is currently being tested with individual stakeholders, where the N3 and N4 corridors are being compared along with the Durban and Maputo ports, to create an extended view of the entire supply chain, including neighbouring countries.

Over the past year, several SAAFF members reached out to the team with specific business cases where we were able to use big data analytics to identify and resolve several unique issues.

In the spirit of collaboration, SAAFF has reached out to Transnet on various issues raised by Private Sector, yielding some positive resolutions. Through data analytics and honest communication SAAFF has developed a strong relationship with members within Transnet, which is strengthened by SAAFF's desire for "One Version of the Truth". The most evident case was the recent strike action, where SAAFF was present at the meetings between Private Sector and Government officials to discuss the situation at the port and the experience from Private sector. The result of this was the Daily Supply Chain Movement report, which was a key focus point in these discussions, and has since grown into a combination of Transnet and Private Sector data that gives a holistic view of the entire South African port system.

Meet the team

SAAFF's drive to collaborate on a Logistics Monitoring Network is in the care of Ms Lisa de Jager. This includes initiatives such as the TMS dashboards, and has the special attention of our CEO, Juanita.



Message for the new year

"You can't go back and change the beginning, but you can start where you are and change the ending."

- C.S. Lewis

Victories in Ocean Freight

Durban Port:

- **Container Terminal:** There have been real improvements in both landside and waterside performance over recent weeks as the Terminals recover from the impact of the strike. An improvement in truck turnaround times is evident however, consistency has yet to be reached.
- **Abnormal Loads:** Point, Ro-Ro, and MPT terminals have been experiencing an increase in import abnormal loads. The Transnet team is open to engagement with Private Sector on the matter.
- **Bayhead:** Congesting along Bayhead Road impacting on the various facilities in the Island View precinct will be positively impacted by the opening shortly of the bypass road running parallel with Bayhead Road.

Transnet Freight Rail: The impact of the damage of the Container Corridor (NATCOR) following the Durban floods, seems to have been resolved to a great extent, with the line running around four trains per day in each direction. Cable theft continues but is reduced with limited impact on operations.

Cape Town: CTCT has returned to a three-berth operation, following the return to operation of crane LC7, which was partly the cause of the December delays of 2021. Furthermore, the first set of shore-tensioners are currently in use, with the second set hopefully operational before end of 2022, which will significantly reduce the delays experienced due to weather conditions.

Central Region: NCT received their first set of shore tensioners which will hopefully reduce the weather delays experienced in the terminal.

Key Focus Areas for 2023

- To build on the available data and develop it into a forward-looking planning tool
- To continue adding value to the supply chain users and especially our member

Research and Development



Meet the team

SAAFF's Research and Development team is headed up by Mr Jacob van Rensburg (see the image to the left).

Message for the new year

"If everyone is moving forward together, success takes care of itself."

Highlights for November

Manufacturing Circle Export Forum

- On 28 November, SAAFF was invited to speak at the Manufacturing Circle's Export Forum. The purpose of the two-day event was to bring together industry and financial, research and advisory institutions, trade specialists and negotiators, government representatives, and policymakers.

Global liner market uncertainty continues amid balancing acts between services and rates

- Globally, the relative health of the container shipping industry keeps deteriorating, as the rate structure capitulation has occurred as rapidly as it ascended. To the relief of shippers, the same is true for South African rates; however, rates to and from South Africa remain doggedly high due to seasonality and equipment shortages.

NTBs continue to plague cross-border trade in Africa

- In the last few weeks, the cross-border road transport industry has continued to grapple with a continuation of irrational non-tariff barriers (NTBs). Transporters, traders, and cargo owners are encouraged to use the NTBs online tool developed by UNCTAD and the AfCFTA Secretariat.

Victories in R&D

As the Research and Development team, we are often confronted with tackling wide-ranging industry problems - big and small - some we know a lot of, and some we know little of. The space has provided us with a significant opportunity to gain knowledge that we know little of and to finetune the skills we already have!

A new addition to SAAFF - we are proud to give the Research and Development department momentum and serve our industry, colleagues, and one-of-a-kind CEO, with aplomb. As such, several highlights stand out:

- We are achieving excellence by providing uncontested, factual content for the SAAFF Membership through research on the largest global - but smallest local levels.
 - Upscaling analytics - in an industry with many data generators but minimal data uptake - has been a significant highlight in this regard!
 - The weekly Cargo Report - an industry staple in collaboration under the leadership of BUSA - has emphasised the need for frequent logistics commentary from a South African perspective.
- We are educating the general public (and achieving success) on the intricate nature of all role-players in the extended logistics and supply chain.
 - SAAFF significantly increased its crucial role as a public intellectual in our industry.
- Seeing the small team at SAAFF achieve such memorable
 - South Africans are resilient, intelligent, and hard-working. As the SAAFF Secretariat, we saw it first-hand. We can achieve great things as a country if we stick together.
- Being humbled by the many extraordinary individuals we've had the privilege to meet in the last 12 months.
 - Many of the barriers arising due to the pandemic have fortunately been broken down, allowing for the opportunity to meet and spend time with exceptional individuals in person.

Key Focus Areas for 2023

- Our drive to restore logistics to its rightful place in public and private economic discord in South Africa.
 - Efficient logistics is an unchallenged pillar of economic performance efficiency. Therefore, we need to restore the extended logistics system - with all its interconnectedness, complex functioning, and plethora of role-players, not to maintain a minimum threshold of performances; but instead strive for excellence! South Africa has previously been the world leader on this front! However, with collaboration between all public and private stakeholders, we can achieve this feat once more!
- Personally, I would like to focus on finishing my PhD so I can finally cut my hair!

Authorised Economic Operator

Victories in AEO

The World Customs Organisation (WCO) introduced the Customs-Business (C-2-B) partnership programme called the Authorised Economic Operator (AEO) Programme in 2007, recognising the role and significance of partnerships between Customs Administrations and the business community. It is now acknowledged as a key driver in promoting a secure, transparent, and predictable trading environment. The AEO programme achieves this through the voluntary demonstration of compliance and safety and security provisions in trade-related business. Fundamental to the AEO programme are the measures introduced in the WCO SAFE Framework of Standards and the World Trade Organisation (WTO) Trade Facilitation Agreement (TFA). The AEO Programme has been introduced in many of the WCO member countries in varying stages of implementation.

SARS, as a member of the WCO, successfully implemented the AEO programme in May 2017, and is highly commended for the excellent progress in legislating and embedding two levels of AEO accreditation - Level 1: AEO-Compliance and Level 2: AEO-Security programme for supply chain role-players.

Due to the global and national disruption, which has adversely affected both Customs Administrations and the business community, it was an opportune time to bring all role players in the supply chain on board for the AEO accreditation journey. This approach will assist Customs Administrations by enhancing compliance and security in the supply chain and provide the trading community with the impetus to attain and maintain their AEO status.

The AEO programme has demonstrated its relevance to the South African business community which is evidenced by the number of clients who have acquired AEO accreditation status. The business community have been waiting in anticipation for SARS to open the programme to all role-players in the international supply chain.

Meet the team

Mrs Rena Singh provides the SAAFF Authorised Economic Operator team, and relevant stakeholders with valuable insights and guidance throughout all phases of the AEO programme.



Message for the new year

"Leave the familiarity of your comfort zone and go into the wilderness of your intuition to discover yourself and all that is wonderful"

The AEO Pilot Project in conjunction with SARS was implemented in July 2022, and included Freight Forwarders, Customs Brokers, Licensed Depots, Airlines, Shipping Lines, Importers and Exporters, Warehouse Operators, and Transporters. A well-designed, customised programme was developed and implemented to meet the specific needs of prospective applicants. Economic Operators who are conferred with accreditation status will experience a number of benefits, aligned to provide financial and trade facilitation relief. SAAFF is committed to working both with SARS and prospective AEO applicants to identify barriers, submit recommendations to SARS, and endeavor to make the accreditation process a simple and easy one. Since the implementation of the AEO Pilot Project, eleven applications for AEO accreditation were received and processed.

The process of engaging with various role-players in the private sector regarding AEO applications is anticipated to increase in the new year. The accreditation of the pilot project applicants by SARS is expected to gain momentum early in the new year as the first applicants acquire accreditation status.

Key Focus Areas for 2023

- Increase the uptake of private sector involvement in the AEO.
- Fine-tune the AEO validation criteria according to the international best practices, which the WCO leads.

Marketing and Members

Victories with Members

In line with the SAAFF theme for 2022 *"Our Season of Harvest"*, this was the season to start digitalising processes in SAAFF and implementing the automation of the member database to disseminate information quickly and effectively. The new website - with a fully interactive member portal - received favourable responses from our members. *Touch the Sky* newsletters continue to deliver insightful updates to the members on a monthly basis.

This year, the SAAFF team took a new approach to our members, taking time to visit more members at their offices, while engaging with others on our premises and online. We have also embarked on a number of new value-adding projects, along with better communication and engagement on existing projects. Positive feedback was received from most of our members to congratulate us on the work that we are doing.

We have seen previously terminated members returning to SAAFF wanting to be part of the newly developed Association and that is a big win as it shows that the work, we are doing are reaching bigger audiences.

Furthermore, we had fewer terminations in membership compared to the previous years. We have also, as a value-added service, offered our members to print and frame their certificates and courier it to them, with personal delivery should they be in the vicinity.



Message for the new year

"If you talk about it it's a dream. If you envision it, it's possible. If you schedule it, it's real"

Meet the team

SAAFF's members are in the capable hands of Ms Raelean Melaia (above), who is supported by Ms Winnie Molamu (bottom).



Message for the new year

"Good moral values are mostly moulded from a place where love, faith, and hope exist."

-Arsenio V. Manalo Jr

Victories in the Gauteng Region

The SAAFF Gauteng Chapter hosted their first golf day on 26 May with positive results and the charity golf day on 25 August, both at The Benoni Country Club. SAAFF has been supporting the San Michele Home for disadvantaged individuals for several years, bringing some light and joy to those in need at the end of each year.

Focussing on continuous improvements, the Gauteng Chapter established the ocean modality working group to keep abreast of coastal challenges and brainstorm contingency plans to eliminate port congestion. SAAFF ended the year by hosting a very successful Transport Forum at Emperors Palace, co-sponsored by FNB. Therefore, we would like to thank our members you to our members and sponsors who contribute each year to the purpose of SAAFF; to serve our members, and the industry and to advocate for a logistics network that is safe, secure, and compliant to operate in. We value your contribution immensely.

Key Focus Areas for 2023

- To grow the SAAFF brand, add value, and communicate effectively to members, host the 2023 SAAFF Congress and visit members regularly.
- To promote our current paper FIATA Bills of Lading extensively, and to also launch the new FIATA E-waybill by offering webinars to our members on how it works.
- To foster long-term relationship with our members, looking out for their long-term interest, and assisting them as their needs changes.

Training

Victories in Training

SBD Project

- All training interventions have been completed.
- Application for the external moderation for SCM is in progress.
- Part-payment has been made by TETA.
- The skills programme was focusing on small businesses to help them (employed persons) keep up with industry changes, rules, and regulations. Acquiring knowledge and staying up to date with industry (transport) trends.
- Attendance was good and participants reported to be highly satisfied.

SDF & Training Provider Forum

The SDF & Training Provider Forum was held at SAAFF House on 3 November, and was very well received by our members. The world supply chains have seen unprecedented challenges in recent years. South Africa needs to be very responsive to these changes especially in the logistics and forwarding industries. Every effort to skill, empower, guide and support will contribute to South African success. It is in this context that the Skills Forum has been launched that brings together employers, providers, SDFs, the SAAFF as well as the SETAs. Our primary agenda is to facilitate and develop agile processes within supply chains so that as a country we can transcend the various challenges that serve only as stumbling blocks within the forwarding industry. We believe that through positive engagement opportunities, we will build and forge relationships based in trust and respect. This Forum is imperative to get the members and training provider to engage and share their ideas and challenges in our industry. This is a platform to work as collective and provide support and solutions for training and skills development. The Forum also intends to work with TETA to secure funding for our members which is much needed. We will communicate the forum meeting dates for 2023, once confirmed.

Meet the team

The training team is headed up by Ms Debbie Moodley (see above), and is supported by Ms Lerato (bottom left), and Ms Nozibele (bottom right).

Message for the new year

Debbie:

"Leave the familiarity of your comfort zone and go into the wilderness of your intuition to discover yourself and all that is wonderful"

Nozi:

"You don't have to be great to start, but you have to start to be great."

Lerato:

"Never underestimate the power you have to take your life in a new direction."

SAAFTA

- International Trade & Incoterm training was held from September to October.
- Two full qualifications are available and will include Service SETA qualifications.
- We are in the process of QCTO accreditation for two qualifications.
- SAAFFTA has partnered with WiseTech Global and has access their LMS for online training.
- CILTSA: to purchase the material and apply for extensions of scope.

Customs Compliance Manager NQF 7 Courseware

The material was developed, submitted, and approved by TETA. Development of assessment tools by industry subject matter experts together with TETA appointed consultant almost complete.

Key Focus Areas for 2023

- To work with all stakeholder to build capacity in our industry.
- To work with the ICFF to professionalise the industry so that employees obtain a professional designation.

The Regions

Eastern Cape's victories

- There is an improved sense of collaboration within the SAAFF chapters and within the Central Region as the Exco joined different forums, including the PCC, Exporters Association, Business Chamber, and National Sea Modality.
- Weekly internal meetings have created better alignment and collaboration, with uniform documentation and approaches across the Secretariat.
- Our CEO, Juanita, visited the region, while the Coastal teams had the opportunity to visit the head office to get to know the entire team.
- A number of meetings that were forced to go online due to the pandemic have returned to in-person set-ups.
- The Eastern Cape team had a very successful Golf Day.
- Improved information sharing and insights through ports WhatsApp group, allowing for more effective communication
- The Eastern Cape was the initiator/promoter to get the SEZ represented in SAAFF, with the backing of Juanita.

Meet the team

In the Eastern Cape, SAAFF is represented by Ms Shirley Heydendrych (left), who engages with members in the Eastern Cape, and attends various port, SARS and OGA-related meetings along with Mr Rossouw Botha. This year was Shirley's last year with SAAFF, and her responsibilities will be taken over by Ms Sherrol Lacey (right). Shirley will be greatly missed by both the SAAFF team and SAAFF members in the region, and we wish her all the best in this new season of her life and journey. We are also excited to begin a new journey with Sherrol in the new year.



Message for the New Year:

Shirley:

"Human knowledge is never contained in one person. It grows from the relationships we create between each other and the world and still, it is never complete."

Sherrol:

"Stay positive, work hard, have a little fun along the way and make it happen."

Meet the team

In the Western Cape, SAAFF is represented by Mr Basil Hanival (left) and Ms Juliett White (right), who attend port

meetings and engage with various stakeholders around the port and customs-related matters. We are sad to announce that Juliet will be leaving us to further pursue her studies. Although the team is sad to see her go we are excited with her to see what new opportunities the future holds for her in this new and exciting phase of her journey.

Message for the New Year

Juliet:

"The possibilities are numerous once we decide to act and not react."

Basil:

"Individual commitment to a group – that is what makes a team work, a company work, a society work, a civilisation work"

Western Cape's victories

- In July, the Western Cape team hosted the much-anticipated annual Fun Quiz, which was last hosted in 2019. The event was a great success with almost 240 attendees joining in on the fun.
- The Western Cape Executive Committee has been very active on a national level and instrumental in raising many of the agenda items that are escalated to the CENOSF.
- The team has led the way in creating a collaborative cluster working group to address issues at the Port of Cape Town alongside various industry role-players.
- Two of our Executive Committee members, Julian Bester and Pamela Munro, serve on the newly formed Ocean Working Group as of September 2022.
- The Air Freight Portfolio continues to run smoothly in the capable hands of Faldie Kamaar and we are kept regularly updated on port matters thanks to our Sea Freight portfolio head, Johannes Fouche.
- The relationships with the Cape Chamber of Commerce are being strengthened as a way of promoting and supporting the industry for 2023.



The Regions



Meet the team

In the KwaZulu-Natal region, SAAFF is represented by Mr Bobby Mottian and Mrs Hilary Augustus, who frequently engage with members in the region, and attend port meetings, along with Mr Dave Watts who takes care of trucking and port-related matters, especially at the Durban port.

Message for the New Year

Focus for 2023:

Responding to members queries. Escalating to various section heads for urgent response.
Keeping members informed.

"If you always do what you've always done, you'll always get what you've always got."

*"Always deliver more than expected.
Soar like an eagle, fly like a bird"*

KwaZulu-Natal's victories

- The RLA Road Show in Durban was led by Norah Lethuka, Samuel Mosala, Kagisho Mokoena, and the team. Our KZN team was stationed at SARS for two weeks assisting members. Members really appreciated this hands-on step-by-step intervention with the onboarding exercise. Explaining the system in detail so members could encourage their clients to onboard timeously so that they could submit for their licenses.
- The team's relationship with SARS Customs Durban is growing strong. Our members' issues are dealt with promptly when escalated.
- On the social side, KZN held a very successful Golf day in aid of NSRI, and an amount of R30 000 was handed to them at our Annual Lunch.
- The Transnet Strike did take a toll on members and cargo owners, with costs incurred due to delays, however, there are some encouraging signs of recovery.
- The SAAFF team has in many instances facilitated conversations between Private Sector and Transnet to discuss issues, such as the Recovery Plans post-strike, to ensure quick resolutions and transparency.

In the same boat



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The Regions

The Border's victories

- Decongested Beitbridge Border Post (October 2021) in collaboration with SARS, ZIMRA, and ZIMBORDERS through a hands-on evaluation of the border post late in October of that year.
- FESARTA and ZIMBORDERS drew up an SOP to decongest the border which resulted in the border being decongested within five days.
- FESARTA TRANSIST Bureau has had numerous trucks released (without penalties) that were impounded by Customs in Zambia and Zimbabwe.
- Developed a new format for reporting on cross-border delays and the cost thereof using the Crickmay TMS platform
- Facilitated the use of the COMESA Yellow Card Insurance by South African registered trucks.
- Ongoing engagements with Revenue Authorities and Government Agencies to clear the congestion at land borders on the North-South Corridor.
- Ongoing engagement with law enforcement agencies along the North-South Corridor to stamp out corruption.
- FESARTA has had many other small daily victories that are just too many to mention.

The Maputo Corridor's victories

The biggest win for the Maputo Corridor during 2022 was the implementation of 24-hour operations at the Lebombo-Ressano Garcia border post on 1 April 2022, following 18 years of continuous lobbying.

The change has enabled continuous flow through the border post and aligns the border post operating hours with that of the Port of Maputo.

The operational challenges, which include the lack of traffic policing, are a significant contributor to border delays and costs of trade. The current crime risk is exacerbated by the lack of lighting and law enforcement agencies who have resorted to unlawful behavior in an attempt to manage driver behavior.



Message for the new year

"You were created for a time such as this"
Esther 4:14

Meet the team

FESARTA is working in collaboration with SAAFF to track and improve the current situation at the various border

posts. The team is headed up by Mike Fitzmaurice and Kage Barnett, who work closely with the SAAFF team to provide valuable insights, including the cross-border insights provided in the BUSA Weekly Cargo Movement Report.

Message and focus for the New Year

Message for the New Year:

"Your current situation is not your final destination, the best is still to come..."

Key Focus Areas for 2023:

- TMS/TRS Studies along the North-South Corridor
- The resolving of NTBs on an ongoing basis using FESARTA's extensive Government Contact Network throughout Southern and East Africa

Continued engagement with all stakeholders are key to address the issues.

We are grateful to TRACN4 for the installation of camera surveillance within the border precinct, which will support law enforcement agencies to provide greater security to the area.

TRACN4 has, alongside ANE, been working on the widening of the exit gate at Lebombo, and the construction of additional lanes. This aims to enable the separation of port-bound transit and general exports which has been a major contributor to delays in cargo movement.

Another highlight was the successful export of 87 million cartons of citrus from the Lowveld and Letsitele region through the Port of Maputo during the 2022 season.

The latest Minerals Council data indicates that volumes of chrome ore and ferrochrome through Richards Bay have declined to approximately 30% of exports, with Maputo taking up much of the volumes. Therefore, there is an urgent need for investment in rail on the Maputo Corridor as the current bulk truck volumes are not sustainable, with an increase in road traffic accidents involving bulk vehicles.

The re-establishment of a Corridor Management Institution on the Corridor is an urgent priority, as is bilateral engagement between the corridor governments.

The WCO-ESA-RPSG



Meet the team

The SAAFF WCO-ESA-RPSG is currently in the care of Mr Jacob van Rensburg and Mr Jannrick Bezuidenhout (see above), along with special attention from our CEO, Juanita.

Message for the New Year

"Always shoot for the moon, because even if you miss you will still land among the stars"

Some Background

The WCO ESA RPSG was established to create an official platform to inform and advise regional Customs administrations, members, stakeholders in trade, and society on customs and trade related matters from the perspective of the private sector in the East and Southern African Region. The RPSG aims to achieve this mission through collaborative efforts between private sector stakeholders and customs administrations, as well as the utilization of modern-day technology. The WCO East and Southern Africa (ESA) Region consists of 24 Member Countries: Angola, Botswana, Burundi, Comoros, Djibouti, Eritrea, Eswatini, Ethiopia, Kenya, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Rwanda, Seychelles, Somalia, South Africa, South Sudan, Tanzania, Uganda, Zambia, and Zimbabwe. The ESA-RPSG was formed for the purpose of verifying the implementation and monitoring with the provision of various instruments in the WCO Instruments and Tools that will make trade easier without comprising or imposing a higher risk profile. The ESA-RPSG structure also allows the private sector to articulate their challenges in the regional integration journey with possible solutions for addressing the known obstacles.

Victories for the ESA

The WCO-ESA-RPSG experienced a fruitful year as several "victories" were achieved during the course of 2022. The most notable victory was achieved on 25 August, as the WCO ESA RPSG hosted their 14th webinar, "AfCFTA: Uptake and Challenges". The event was headlined by two distinguished speakers, Mohamed Ali, Director of Trade in Goods and Competition of the AfCFTA Secretariat, and Trudi Hartzenberg, Executive Director of the Trade Law Centre. The webinar was attended by a total of 235 unique viewers, which represents the largest audience attending a WCO-ESA-RPSG webinar thus far. Among other victories, is the quarterly situation report which provides an economic outlook, as well as a COVID-19 update for the region. These situation reports also provide recommendations regarding possible economic recovery actions that could be explored to alleviate the supply chain disruptions faced over the past three years. Furthermore, the regional private sector group was also granted an opportunity to voice their opinions regarding the implementation of the rules of origin under the African Continental Free Trade Area (AfCFTA) Agreement, which was represented at the World Customs Organization's (WCO) continental kick-off event in Accra, Ghana on 19 and 20 July.

The region has an exciting road ahead in 2023, as the hunt for a Chairperson, and Vice-Chairperson for the next three-year period is underway. The poll for these respective nominations has been shared with the rest of the group where the election process will take place. Although the possibility of a new leadership team exists, the WCO-ESA-RPSG will still strive to issue the quarterly situation report which highlights the economic climate of the region. Additionally, the WCO-ESA-RPSG is also exploring the possibility of providing frequent updates pertaining to the AfCFTA agreement whereby the region could derive value to capitalise on the trade agreement and ensure economic growth in the process. We look forward to continuously adding value to supply chains in the region and look forward to more victories to be celebrated in the coming year.

Key Focus Areas for 2023

- Cargo movement monitoring in the region: Align all WB, WCO (TRS), and other land border-related studies to obtain a clearer picture of the cargo movement in the region. These will include linking the time release studies (in conjunction with JICA) with telematics and big-data-related analytics and research.
- Categorising the main industries in the ESA region to link trade with the logistics network of the private sector in the region.



The 117th Cargo Movement Report contains a consolidated overview of the South African supply chain and the current state of international trade. we turn our attention to the latest GDP growth figures for Q3, which this week came in at $\uparrow 1,6\%$. Although the figure is slightly better than expected, we cannot celebrate such meager growth figures, which will not go anywhere towards dealing with our socio-economic challenges of inequality, poverty, and unemployment. On the other hand, it appears that the trade sectors performed well – growing at $\uparrow 4,2\%$ (exports) and $\uparrow 0,6\%$ (imports), respectively – owing to some supply chain improvements of late. Nevertheless, these figures do not include the 11-day strike, which caused havoc to our industry and country as a whole. Ultimately, if we are serious about economic growth and development in our industry, all role players must pull their respective weight in Q4 and into the new year.

Weekly Snapshot

Table 1 – Port volumes and air cargo flows, week on week

Flows	Current ²			Previous ³			Growth
	Import	Export	Total	Import	Export	Total	
Port Volumes (containers)	26 143	30 228	56 371	26 199	25 629	51 828	$\uparrow 9\%$
Air Cargo (tons)	5 225	3 500	8 725	5 799	3 773	9 571	$\downarrow 9\%$

Monthly Snapshot

Figure 1 – Monthly⁴ cargo volume levels, year on year (100% = baseline)

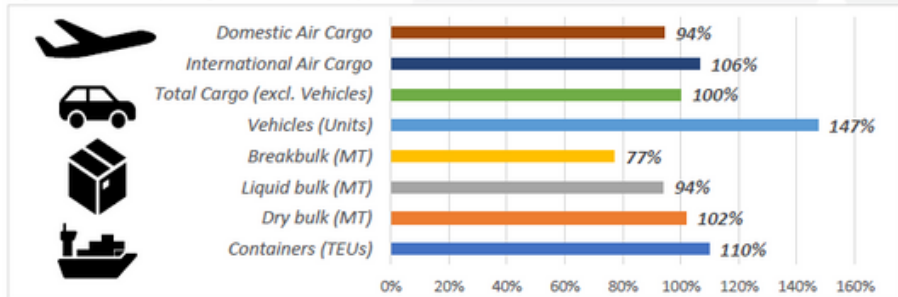


Figure 2 – Global year-to-date flows 2019-2022⁵: ocean, y/y (metric tonnes) & air freight, y/y (kg millions)



Air freight

The South African airfreight industry experienced a slight increase in volumes as the retailers gear up for Christmas. This week, international cargo volumes decreased slightly, as domestic volumes are also slightly down. The drive to improve security and compliance to the cargo precinct at ORTIA and Cape Town International continues with the implementation of the IVS system. Internationally, global air cargo tonnages have continued to slide downwards at the end of November and the beginning of December, with no sign of any last-minute pick-up ahead of the end-of-year holiday season.

Road freight and trucking update

In the cross-border road freight market, several regional border posts continue to experience average border crossings in excess of 24 hours, including Beitbridge, Groblersbrug, Kasumbalesa, Katima/Mulilo, Oshikango, and Santa Clara. In addition, South African borders have experienced an increase in crossing times as the industry braces itself for the increase in passenger traffic during the festive period. In an attempt to deal with this, the BMA has extended the operating hours of several border crossings. Additional regional developments included (1) the adoption of Electronic Certificates of Origin in Malawi, Zambia, and eSwatini, and (2) clearing agent strikes in the DRC.

Port updates and the container industry

Port operations this past week were characterised by adverse weather conditions, frequent equipment breakdowns and shortages, system challenges, congestion, and road shows. The Eastern Cape ports experienced a relatively good week, as the most significant reported delay occurred when the Ngqura port was subject to load shedding. Durban kicked off Friday morning with only two tugs as one experienced electrical faults. Additionally, the Durban helicopter went out of commission earlier this week due to suspected water in the fuel tank. Furthermore, the movement of trains on the container corridor is much improved as the incidence of cable theft is declining. Globally, weekly container capacity deployment keeps on decreasing as carriers suffer from the growing trough in the global economy. Consequently, strategic "schedule management" remains a controversial topic, with cancellations and missed calls once again a feature of the week. In South Africa, we've also had the misfortune of seeing some vessels omit our ports lately. With the drastic reductions in rates, some lines are already operating at a loss in order to maintain reliability and keep what market share they've still got – especially for the smaller liners. Collectively, the outlook remains bleak, as a global economy characterised by high inflation, low growth, and widespread civil unrest (and war) does not bode well for global trade in goods and the maritime economy!



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