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REDSUN RAISIN REPORT #8 – 2020 SOUTH AFRICAN RAISIN CROP JUNE 2020

Highlights of this report

Delays at the Cape Town Harbour

Solutions offered by the shipping companies

Is there a solution in sight?

Redsun solutions

Delays at the Cape Town Harbour

For the first time we are experiencing a problem caused by COVID-19. Shipping delays out of Cape Town Harbour. The delays are extending up to 14 days from the schedule. The effect is dramatic, especially since the citrus crop from South Africa is now being harvested, resulting in large numbers of reefer containers being blocked in the port holding perishable cargo.



Table Bay showing the unusual sight of seven giant container ships waiting for entry to Cape Town harbour (first come first serve basis). 22 June 2020

Redsun has had containers “bumped off” two consecutive ships to Europe because of the priority given to the reefer containers. Clearly, we have objected in the strongest terms, as we consider our loads to be just as important, and our bookings were made in good time.

The result is that we now have 25 containers booked on the MSC Sasha/NZ025R ETD 1 July. We have been given the assurance that all 25 will stay on this ship. The containers packed at our factory from 22 June will have to be booked on the Osaka/XA026A departing 9 July.

Solutions offered by the shipping companies

MSC have now introduced dedicated ships to Cape Town harbour which will then sail direct from Cape Town to Europe. The Osaka /XA026A is the first such sailing.

The good news is that some of the vessels that have delayed for some time outside Cape Town were loaded and left Cape Town over the weekend. These vessels are

Santa Isabel 202B (DAL Line) to Europe ex Cape Town on 21 June

MSC Michaela NZ022R sailed to Europe on 20 June

Hansa Asia UZ021N sailed to USA on 22 June

There seems to be better communication between Cape Town Port authorities and a group representing the shipping companies.

DAL have decided not to call at Cape Town but to move their containers from Cape Town to Port Elizabeth at their own cost. Their ships will then call at Port Elizabeth and Durban only.

Is there a solution in sight?

The cause of the delays at present is exclusively COVID -19. This being

1. Due to the lasting effects of the “lock down”, the number of berths at the Cape Town port remains restricted, with only two berths available for containerised traffic.
2. The Western Cape Province is the epicentre of COVID -19 infections in South Africa with 50,4% of all cases in South Africa. Therefore, the Cape Town Port employees have not been reporting for duty, blaming the fear of contracting Covid-19. The Cape Town is operated by the State-run company Portnet.

The Authorities have said the reductions of the COVID-19 infections happening in Cape Town will be soon. They have quoted 22 July as the turn around date. Hopefully the port will start moving in the right direction to restore full scale operation. We have never experienced labour problems at Cape Town previously. Durban and Port Elizabeth yes, but not Cape Town.

Redsun solutions

Redsun is very aware of the problems that the delay is causing our customers. We are investigating the following,

1. The possibility of taking our containers to Durban port. This port is in Kwazulu Natal Province which represents 5,3% of South Africa’s COVID -19 infections. Furthermore, the weather conditions are not as extreme as in Cape Town. Our problem is the securing of the necessary food safe facilities to handle our product. We are working on it.

2. The possibility of booking the containers on another shipping line (MACS) that uses a small, separate, privately run container terminal in Cape Town Harbour. The shipping line only travels to Europe. The vessels are smaller and over booked. However, this looks like a real potential. Their labour is reliable and reporting for duty.

Please accept our sincere apologies for the inconvenience caused by late deliveries. Our packing in the factory is on schedule. The freight is letting us down. We are continually looking at ways to relieve the problem. We will keep you updated.

Please let us have your suggestions, and questions.

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