

September/October 2021

LOGISTICSNEWS

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- *SAPIC's Conference*
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CALL FOR ENTRIES

The global pandemic has posed significant challenges for supply chains across the globe, disrupting the flow of raw materials and finished goods as well as highlighting vulnerabilities in many operations.

South African companies are certainly no stranger to disruption, yet it is in extraordinary times like we currently find ourselves in, that the need to adapt, innovate and respond effectively to the changing environment shines a brilliant light on the importance of our profession and the practitioners that meet these challenges daily.

We are looking for the supply chain game changers, the practitioners and innovators who have made a tangible difference within their supply chains to share their story with the rest of our industry. The Logistics Achiever Awards has showcased, recognised and celebrated excellence in logistics and supply chain management for over 30 years.



Recognise
Excellence

Encourage
Innovation

Entries close on the 18 February 2022!

We live in a truly digital age with the ability to take advantage of a variety of media. In an industry first, each winning entry will still be highlighted in the LAA Case Study Annual and now a 30-minute docu-style case study video will be produced for each entry, offering greater insights into the projects through discussions with the entrants, on-site footage as well as final commentary from our judging panel.

All of these videos will be promoted to, and shared with the industry. Our aim is that these insights will both inform and inspire our industry and reflect in more detail what our local organisations are capable of.

What's New?

Logistics Achiever Awards Objectives

RECOGNISE EXCELLENCE

To recognise professionalism and excellence in the effective application of strategic, tactical, and operational logistics and supply chain management principles, concepts, and practices in Southern Africa.

ENCOURAGE INNOVATION

To encourage all companies and organisations in Southern Africa to review, evaluate and upgrade their current logistics and supply chain management practices.

CREATE AWARENESS

To create a greater awareness and understanding of the value of effective logistics and supply chain management.

LOGISTICS ACHIEVER AWARDS



Logistics Achiever Awards **Rewarding Excellence** in Logistics and Supply Chain Management

If you have a story to share,
submit your entry today, visit
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or contact Karl Murray on
karl@logisticsachieverawards.co.za for further information.



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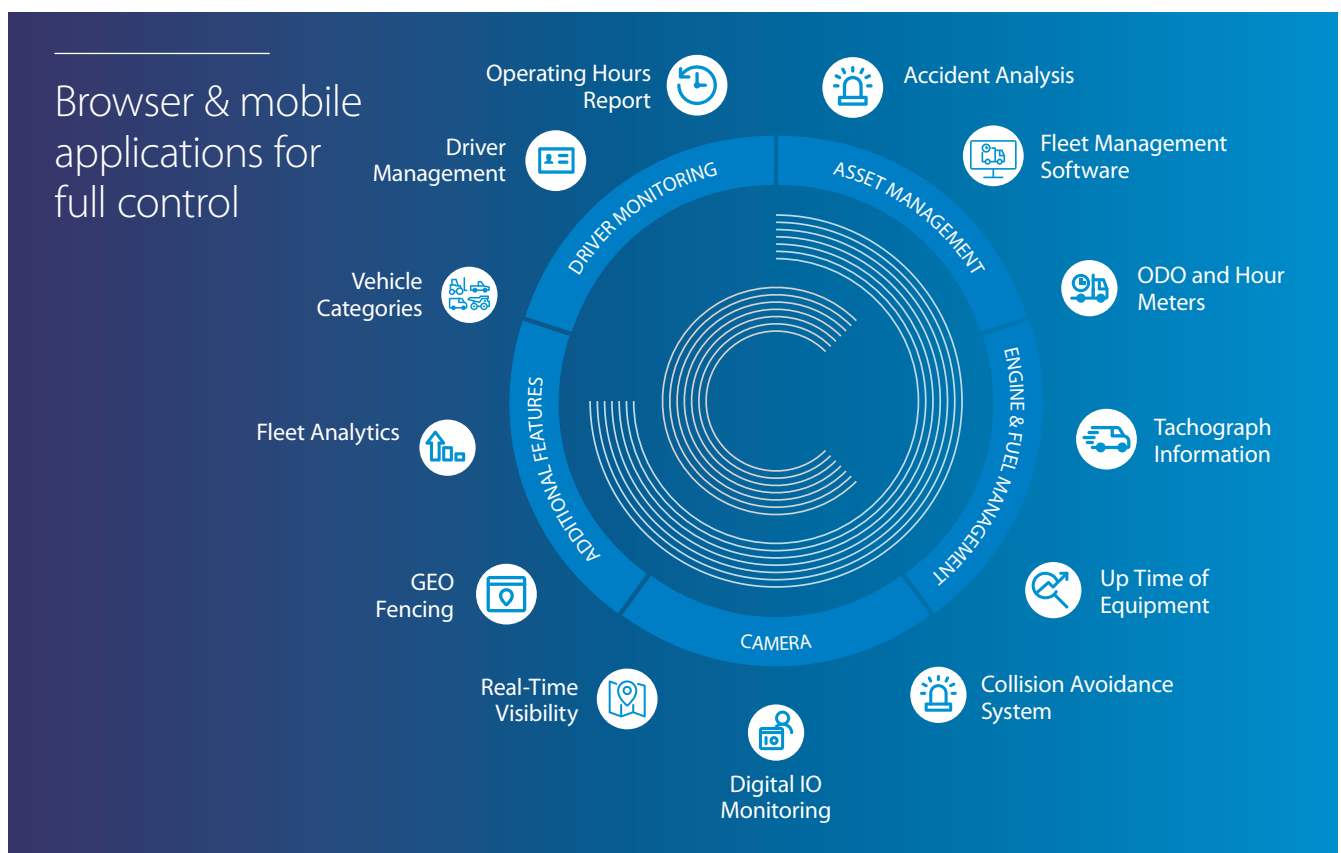
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Ctrack has solutions for an ever-changing business environment

Ctrack is a global leader in vehicle tracking, fleet management and insurance telematics solutions, in the business of keeping vehicles, fleets and their occupants 'Always Visible'.



The global business environment is changing, and at a rapid pace, especially in the wake of the COVID-19 pandemic. To survive during these troubling times, businesses and their partners must continually adapt to survive and give themselves an edge over their competitors.

Owning and operating vehicles efficiently, no matter the industry, is reliant on information. Having the correct information in a tangible format is imperative to making the right decisions. A

comprehensive fleet management solution ensures that safety and security risks, such as dangerous driving, safety, driver fatigue, theft, hijackings and area management, can be mitigated. "No matter what industry your business operates in, if you use vehicles or moveable assets, then Ctrack can help. During Ctrack's 30-year history, we have developed cutting edge tracking and fleet management hardware and software solutions. We can also tailor-make analytics to aid with short-and long-term decision-making," comments Hein Jordt, Managing Director of Ctrack SA.

Improved productivity is guaranteed when business owners know how their vehicles are being used. Efficient fleet management will ensure the avoidance of unnecessary costs incurred by factors such as speeding, accidents, fuel consumption and harsh driving.

Bespoke solutions for every industry

Ctrack has developed and perfected bespoke tracking and fleet management solutions for a wide variety of industries, whether it be a fleet of motorcycles or mining and yellow equipment, within airports or the agricultural sector. Compact, battery-operated tracking devices mean that anything can be tracked, from combine harvesters to small packages.

“Ctrack’s continued emphasis on researching and developing next-generation products ensures that we remain ahead of the market, meeting demands for value-added, flexible, feature-rich and cost-effective technology that keeps everything ‘Always Visible’ no matter your industry of operation,” says Jordt.

Testament to this is the fact that Ctrack also provides integrated solutions with third parties and products that are not normally seen as true tracking products. This one-stop shop for fleet managers provides solutions such as a state-of-the-art camera solution, Ctrack Iris, where transport and asset managers can view live camera footage from dash cams and up to six cameras fitted to trucks, trailers and inside cargo bodies. In-cab devices that assist drivers with multitasking and route management – a result of years of development – are easily accessible via mobile devices and cloud-based platforms.

Using data effectively

Cutting edge hardware relies on rock-solid software to operate effectively and to provide users with the necessary information in a tangible format. Ctrack can help any business, big or small, take the guesswork out of running fleets. Real-time, weekly

or monthly reports analyse the data and highlight where an action or decision needs to be made, whether it is regarding driver behaviour, route optimisation or vehicle maintenance.

Ctrack’s Bureau Service is the complete outsourcing of fleet control room activities, backed by highly proficient hindsight, insight and foresight data analytics and reporting. Furthermore, easy-to-use software solutions such as Ctrack’s Driver Mobi application allow assets to be monitored from almost anywhere using a smartphone or tablet with an internet connection.

In addition to vehicle locations, Ctrack’s real-time visibility software, including mobile applications and website dashboards, provide valuable information on drivers, points of interest, ground coverage, upcoming tasks and even a live productivity dashboard. The culmination of real-time visibility, proactive notifications and infographics ensures optimised and efficient asset utilisation and ultimately a more profitable operation across a variety of industries.

Africa focus

Ctrack believes that the next frontier for growth is Africa as information and communications technology (ICT) is critical to the future of the 1.3 billion-plus people with the youngest population globally. Growth opportunities continue, and, together with digital transformation trends, the youth demographic presents an incredible opportunity for Ctrack.

With a presence in Africa stretching from South Africa as the base to representation in Zimbabwe, Namibia, Zambia, Ghana, Nigeria, Mozambique, Malawi, Senegal, Benin and the DRC, Ctrack is well-positioned to keep assets ‘Always Visible.’

For more information, contact Ctrack South Africa on 086 333 444 or visit www.ctrack.com/za. •



Always
Visible

Transport & Logistics

Keep every aspect of your fleet, **Always Visible**.

With Ctrack's 30 years experience, we can help you unlock better diagnostics, support compliance reporting, as well as provide tailor-made analytics for both short term, and long-term decision making. Ctrack will optimise the right solution for your specific business needs.

Keep your eyes on the road



Iris Camera Solution

Front-Back-Side Facing Camera
Options



In Cab Device

- Job Dispatch
- Navigation
- Messaging
- Driver Behaviour Display



Asset Monitoring



Trailer Tracking



Driver Identification & Driving Behaviour Monitoring



Engine Performance Monitoring (CAN)



Temperature Monitoring



Remote Door Unlocking Door Open/Close Sensor



Fuel Level & Consumption Monitoring



Vehicle & Fleet Tracking



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How reverse logistics software streamlines returns

By Matt Lhormer: Vice President, Solutions at G2 Reverse Logistics

The growth of e-commerce during the COVID-19 pandemic saw online returns double in 2020, underscoring the importance of a solid returns management programme that serves both retailers and their customers.

Reverse logistics is a form of returns management. It tracks products from point of return by the customer and manages where they end up. Once returned, they can be resold, repaired, refurbished, recycled or simply scrapped. The cost of reverse logistics might seem prohibitive, but the money that businesses can save or recover from activities such as 're-commerce' and employing effective returns management more than makes up for the initial cost.

Reverse logistics has a direct impact on profit margins. As sales grow, companies can see margins eroded by the cost of managing the accompanying increase in returns. By employing a returns management strategy, businesses can recoup some of that money.

Many retailers and manufacturers choose to use a third-party logistics (3PL) provider to increase their reverse logistics profit margin. Relying on such a service can streamline the process, save money over managing returns in-house and free up resources so that companies can focus on other areas of the business.

Retailers and business-to-business companies typically deal with high processing costs for handling returns. Expenses are incurred by the need to assess returned goods for damage, repack and send the items to another location for resale and refurbish products, resulting in a loss of resale value. In some industries, recycling can be a costly and time-consuming process that requires companies to follow strict safety regulations to ensure items are disposed of properly. Certain products that can't be resold end up in landfills.

Many companies are unaware of the true cost of product returns. Even if they collect data on returns, they lack the means to analyse it, and spend little time assessing the role of returns in the supply chain. Instead, they focus



on sales growth, leaving them with little visibility into potential revenue losses. Having products tied up in the warehouse can severely impact a company's cash flow and expose credit issues. An inefficient returns process can also affect the quality of customer interactions, costing future sales if customers are left unsatisfied and don't continue to make purchases.

Reverse-logistics software automates the process of identifying the path for returned products that will generate the highest cost recovery. From the time the customer starts the returns process, the software can use machine learning to analyse products, returns rules and sales demand. It can be tailored to the unique needs of the business to meet specific challenges.

Advantages of reverse logistics software include:

- All-in-one returns management portal.
- Automatic returns tracking.
- Cloud-based technology for easy access and sharing.
- Visibility into reasons for returns.
- Data insights to help manage future returns.
- Forecasting data.
- Increased brand credibility and customer retention. •

BPO steps up to meet demand

By Gean Botha, Managing Director of Programmed Process Outsourcing (PPO)

As warehousing booms, business process outsourcing (BPO) becomes critical to optimising processes.



South Africa's retail model has changed dramatically in the last 18 months, partially driven by the pandemic and lockdowns, which vastly accelerated the growth of e-commerce and altered buying patterns. This has put pressure on the warehousing element of the logistics chain, which has had to adapt to these shifts in demand.

Optimising processes lies at the heart of the ability to store, manage and deliver stock at the pace required today, which is where business process outsourcing can play a pivotal role.

A booming industry

As traditional retailers have developed more robust online sales strategies and people have become more accepting of e-commerce in South Africa, we have seen significant growth in this space. This

growth will only continue in the years to come, and the warehousing element of the logistics chain needs to support the shift. There has already been a significant expansion of industrial areas to offer greater warehousing facilities, especially close to airports and major transport routes.

This growth does, however, come with certain challenges, such as effectively managing warehouse storage space and human capital. Managing the people element, especially given limitations on the number of staff permitted due to social distancing requirements, has become a real challenge. Furthermore, warehousing businesses face the challenge of sourcing trained and qualified staff due to occurrences of illness and isolation, brought on by COVID-19. Ensuring levels of output are met while balancing costs requires an intelligent approach.

The management of human resources is further exacerbated by making necessary considerations for COVID-19 regulations, such as social distancing. Ensuring adequately trained and qualified personnel further ensures business continuity should employees fall ill or be forced into isolation due to the pandemic. It is of utmost importance to maintain a delicate balance between input and output costs during this growth period, considering the unforeseen challenges that could arise due to the pandemic.

Optimisation is the key

There is a physical limitation on the amount of work people can do, and increasing headcount is typically the first step in increasing output. However, in the



current situation, this is not always possible and is often not the most effective solution in any case. For an increase or decrease in headcount to be effective, productivity and performance need to be at a level of at least 95 percent. Therefore, improving productivity is the first step that any warehousing provider should take – and this includes training, process optimisation and warehouse capacity utilisation.

If warehouses are too small, and there is too much stock on hand, work areas will be congested. On the other hand, if there is not enough stock, then warehouses will not be able to fulfil orders. Both scenarios result in lost revenue. The key is to maximise volume over minimal time. Having a BPO partner not only ensures that processes are streamlined, but also that staff are trained to the level required to be highly productive. On top of this, should additional resources be required, the BPO provider will assist by scaling their workforce up or down as demand necessitates.

Collaborative partnerships

To meet the drastic increase in volumes required today and in the future, expansion needs to happen rapidly. There are many elements to consider outside of human resources, and the infrastructure needs to support efforts to maximise capacity. In addition, as volumes increase and resources are under pressure, it can become challenging to meet service level agreements.

Transparency and effective planning are critical – this is not a short-term fix, but a long-term view of where the industry is going and how it can be adapted. The more organised and well-run the warehousing provider, the greater their likelihood of survival, because agility around rapid market changes has become a hallmark of success. When BPO providers collaborate with warehousing and logistics suppliers and communicate effectively, the entire process can be strategically planned and executed for maximum mutual benefit. •

Shoot the lights out when global disruption hits

... or shoot yourself in the foot trying

By Doug Hunter, doug.hunter@syspro.com

Supply chain change theories to handle continuous improvement are abundant, but major disruption needs rapid step change that is risk balanced with common sense to stay in business.

We're treating COVID-19 like the first ever global supply chain disruption. Admittedly rare, the Black Death (1346-53), flu pandemic (1889-90), Spanish flu (1918), both world wars (1914-18 and 1939-45), HIV all recorded huge death counts. But we've all experienced local/regional disruptions before, so why did this one cause so much distress? Maybe we just don't learn until it hits us in the face.

Centuries ago, with fewer people and less understanding, fewer global logistics reactions were dealt with locally until it was over. Today, supply chains have opened up, with global supply and transport moving the world on ships and through countries on trains/trucks to consumers worlds away from the supply.

We're on top of global business, ready for anything. Professional and self-proclaimed gurus write and share wisdom through social media and conferences. We attend, we listen and then we go back to sleep because we're too busy doing stuff – often the wrong stuff – because no one's head is above the noise to see what's coming.

We 'know' the theories:

- Food and beverage – fresh distribution, events and tourism are a huge demand contributor.

- National lockdown affects global logistics, specialised products, distant suppliers.
- Labour availability/health must work when contagious disease impacts markets.
- Customer behaviour is fickle – sentiment and demand sway with trends/rumours.
- Delay in activity causes chaos in production schedules, delivery promises.
- Process robotics helps agility, quality, repeatability and environmental monitoring.
- Knowledge management – realise the power of data and prediction.
- Corporate social responsibility – creating opportunity for those who rarely see it.
- Social media – instant dissemination of correct (and fake) news, fueling reaction.

If we know this, how do we mess up our economies and populations so badly when real trouble hits? Bring on artificial intelligence. The human type doesn't work. We can be really smart, but just not clever – knowing is useful/passive, applying is critical/active.

Apply knowledge, common sense, intuition, outside-the-box innovation and speed. Quick response is needed, not committee resolutions but individual responsibility, on-point clarity, solutions not problems – using emotion and care, which is what we'd do for our family in serious trouble.



Doug's disruption remedies:

- Always have someone looking ahead – MDs need vision, but I'm talking sight. Interpret what's in front of you coming fast, like a wave. Be prepared for storms: scenario plan consequences of likely major disruptions to your business – forecast causes/effects/actions not just sales/demand. Be ready to act instinctively to sort it – don't think like a salary man, a cog in a wheel. Jump up, shout, be the rabbit in the headlights – stop the car or, even better, turn the Titanic.
- Not same old, but new different – think customer/worker/supplier, how would you react, what will you do or need, how will you change?
- Thinking cost/margin protection is necessary but reactive. Think revenue creation, new channels, new customers, new products you can make/deliver that will be demanded.
- With supply chain and people lockdown, rethink distribution, share load capacity to fill large trucks. Deliver bulk to new local 'pop-up' cross dock hubs. Then get to handling small deliveries to new destinations – Bottles, Sixty60, Uber meals...
- Move consumers upstream in supply chains – think collection options, not just delivery options.
- Trust the people you deal with, surprise loyal customers, not with stamps/discounts but with useful solutions. Beware of the 'cheap' guys before you lose your shirt and reputation.
- Believe in individual responsibility and ethics.
- Timing – what will hit first, how do you react to that, then the next? Use teams.
- Data – system data accuracy matters, do it or it won't support your actions. Regularly cleanse, check planning/control parameters, so when you need action, it's not 'fake news'.

We're all hindsight experts. But today your organisation must have a Doomsday Prophet – the just-in-case data engineer, the realist, the conscience armed with well-sorted technology, a crystal ball and a heart. •

Social media in supply chains – time to hit the ‘like’ button?

By Arno Meyer, arnom@richfield.ac.za and Aveshin Reddy, aveshinr@richfield.ac.za of Richfield Graduate Institute of Technology

There’s no doubt that social media has changed the world since its mainstream adoption into society, considerably impacting a business’s reputation, sales and even survival.

Dave Willis was quoted saying, “Do not use social media to impress people, use it to impact people.” This bold statement encapsulates the exponential growth of the social media phenomenon.

Historically, businesses implemented regulations prohibiting employees from accessing social media platforms while at work. However, over the last few years, to keep ahead of the competition in today’s market, this belief has shifted to the contrary. Instead of avoiding social media, businesses are

increasingly embracing the platform as a tool to extend their online presence and generate new revenue streams.

Social media is described as online applications and technologies that enable participation, creating relationships, sharing information and collaboration amongst a community of users. Similarly, supply chain management relies on the internet and IT innovations to create virtual communities and networks to collaborate between supply chain partners.



From a supply chain perspective, social media channels give consumers, vendors, suppliers, manufacturers, transportation companies and fulfilment centres a powerful tool for gathering all sorts of feedback. All that data can be put to good use, ranging from positive reviews to something more negative such as a poor customer experience. This is an exigent benefit of social media as supply chain decisions should never be made without considering positive and negative input.

A significant inadequacy of several current SCM solutions is their predilection for an inward-looking approach to data collection. This ideology is based on gathering information about procedures and policies internally without considering the ripple effect that such procedures and policies may have on supply chain partners.

For supply chain professionals wanting to uncover new ideas, monitor commodity and pricing trends, document best practices and communicate with customers, colleagues and suppliers, the following are some examples and opportunities for social media in supply chains:

Improved visibility and coordination: Supply chain partners can use social media to track events and transactions, such as a delivery delay or a carrier's failure to pick up a package. An application like Twitter may be used to notify truck drivers of accidents and road closures, and express the demand for specific types of shipments.

Communication with customers: Businesses can contact their customers directly via social media sites like Google, Facebook, Twitter, Instagram, WhatsApp and LinkedIn to get reviews and feedback about their products and service. Direct contact with the customers saves time, which can be utilised in better processing and optimisation. Also, based on

feedback, the quality of service or product can be improved as per requirement.

Communication with suppliers: Collaboration via social media platforms such as Zoom, WhatsApp, MS Teams and Twitter facilitates advanced scheduling on a real-time basis. It helps all supply chain partners to stay in contact with each other to have a decision-making system that is efficient and transparent. It allows knowledge and data sharing, newsfeed distribution among peers, supervision of processes and tracking the transport and logistics of all vendors and suppliers, which subsequently improves trust and the relationship between supply chain partners.

Forecasting: Using social media platforms, businesses can predict trends in the marketplace and consumer sentiment about products and brands by analysing public posts made on social media platforms. For example, Levi Strauss & Co. and Zara use the insights gained from social media posts to determine fashion trends when creating new clothing lines.

Sourcing: Using social media platforms, businesses can analyse the reviews, feedback and ratings of current and future suppliers as additional metrics when making supplier selection strategies. Additionally, social media platforms such as LinkedIn can be used to find and engage with the best talent in the industry.

Social media invariably aids in disseminating vital information and continues to be a popular and successful means for businesses to convey information rapidly. Businesses that neglect social media will inevitably miss out on these changes, benefits and future business growth opportunities. If your business has not fully embraced the power of social media platforms yet, perhaps it's time to consider hitting the 'like' button. •

Right data critical to clean 'line of sight'

By Andrew Dawson, MD at MACmobile



The right data is critical to clean 'line of sight' into the entire supply chain.

Line of sight' in the supply chain has taken on a new meaning in the age of artificial intelligence (AI) and machine learning (ML). Rather than simply tracking stock movements and using this data to attempt to influence the end consumer to buy a product, there is now massive investment in trying to 'own' the retailer from a data perspective. The focus has shifted to tracking everything retailers sell and who they sell to, preferably in real time. However, while this may work at a formal retail level, in the main market there are challenges that often obscure 'line of sight' due to missing data. Addressing this 'missing link' and obtaining the right data from throughout the supply chain is key in gaining clear 'line of sight' and realising the true value proposition of data.

The South African challenge

Understanding stock movements at a retail level as well as the behaviour of retailers is valuable data. However, the only real way of achieving this currently is through specialist point-of-sale devices, and this is where the market focus currently lies. The problem is the human factor – in the main (informal) market, spaza shop owners tend to be selective of what they run through these point-of-sale devices, for a number of reasons.

Many spaza customers are unbanked and retailers run on a cash basis, making it easy to bypass these devices. In addition, they may not wish for their true revenue to be identifiable, or they may not want the manufacturer or wholesaler to see their pricing and stock movements. This then obscures 'line of sight', since the data is incomplete and potentially inaccurate. The view into the ecosystem is noisy and the insight into the end of the supply chain is not necessarily a true reflection. Decisions made based on this data therefore cannot be trusted at face value.

The missing element

While trust in point-of-sale data may improve as retailers gain confidence and reassurance around the technology, currently this is not the ideal way of obtaining clear 'line of sight'. Instead, it needs to be reinforced at a distributor and wholesaler level. At this level, it is possible to gain insight into stock holding, rate of sale and 'sales in' numbers for the various retailers, including the informal sector. Through invoicing and delivery data, a comprehensive and clean version of stock numbers moving into main market trade can be obtained.

Efforts to obtain the missing element of 'line of sight' into the main market needs to take on a

new focus. Not only is data from the wholesaler and distributor leg already available, but they also have existing relationships and community engagements within the main market. The key to gaining clear 'line of sight' is through these robust last mile distribution mechanisms, but a multi-fold approach is required. We need to look at embedding systems and platforms, but also at improving the financial literacy at wholesaler and strategic distributor level, as a first port of call in improving smaller retailers, spazas and the communities they serve.

Maximum 'line of sight', maximum value

'Line of sight' in the supply chain takes on a different view when you understand the role of the wholesaler and distributor, particularly in the South African context. When this first step is in place, then AI and

ML can be harnessed to leverage real-time revenue opportunities. This includes understanding when the rate of sale of a product exceeds stock holding, or when the stock holding is in excess, or when the product is not represented across the retail universe. These are all scenarios that translate to revenue opportunities.

The key is that different communities and areas have different requirements and wholesalers and distributors need to be able to cater to this to maximise efficiency and profits. Having an AI platform backed by clean data generated through a clear 'line of sight' can automate this and generate benefits throughout the supply chain. However, it all begins with the data and with identifying opportunities to maximise supply chain 'line of sight'. •



Why ERP projects fail

By Mark Wilson, SYSPRO CEO: EMEA&I

Enterprise resource planning (ERP) systems require a certain level of planning and coordination to build and maintain. Unfortunately, many ERP projects ultimately fail as they are driven by short-term goals that have little relevance to the long-term success of an organisation.



The reason an organisation is implementing a new ERP system in the first place is because there are business benefits to be had. A successful implementation lays the foundation on which companies expand their businesses, launch new initiatives and improve existing operations to grow revenue and reduce costs. ERP systems are used by almost every department in a company, hence a successful ERP implementation is vital.

The fundamental problem in ERP implementation is many organisations think of it as only a one-off project. An ERP implementation is a long-term project whose operational success will have long-term effects on the business.

However, there are numerous stories about failed ERP implementations that were ultimately a loss in time and money. There are several reasons why an implementation may not go to plan, many of them intertwined, but these can be overcome with the right partner and implementation methodology.

Lack of planning around business objectives

ERP implementation requires detailed and coordinated planning. Often, a failed ERP deployment project can be attributed to businesses overlooking the planning stage. Many people dramatically underestimate the level of commitment needed from all levels of staff to implement ERP successfully. Before embarking on an ERP implementation, you need to clearly define your post implementation objectives.

System implementation will also likely fail when a project specification has not been well defined and understood. A project's chances of success are far greater when all the requirements are clearly delineated at the outset. A system that is used throughout the company requires companywide cooperation – and insight from all departments is vital for a well-rounded ERP solution.

Keep testing after implementation

Testing is rarely given the attention it deserves. Failing to test correctly and thoroughly will result in you not truly understanding how the ERP system works and which areas require improvement. It's essential to dedicate time to mapping and cleansing your test data and practising the processes.

Businesses need to be able to adapt to the inevitable future changes in processes, staff, customers and technology. Investing in an annual health check to ensure processes and systems remain aligned, creating a training plan for new starters and taking advantage of ERP system vendor upgrades and enhancements are all vital steps to ensure your system continues to add value.

The IDEAL method of implementation

Most ERP implementation failures have one thing in common, a lack of forethought. Most businesses fail at implementation because they do not have a strategy in place to handle the unexpected. This is why choosing an ERP implementation partner with experience and exposure within several key industries will bring knowledge to the ERP implementation process. SYSPRO's IDEAL implementation methodology uses best practices developed over many years of experience and facilitates a successful implementation and a roadmap to reaping a return on investment on the project for many years to come.

The foundation of IDEAL lies in the project administration, controls and governance activities that are performed throughout the implementation. Best practices in project management ensure that the project is meeting its defined objectives and remains on track within the defined scope. It also ensures costs are kept within budget and that resources are being managed effectively. •

Planned structural reforms will unlock SA's rail potential

Courtesy www.bizcommunity.com

The South African government's proposed structural reforms to the rail sector, which will see private rail operators operating on the country's core rail network, will breathe new life into an industry that is currently under severe pressure, says industry body African Rail Industry Association (ARIA).

The reforms, announced by President Cyril Ramaphosa in October 2020 as part of the country's Economic Reconstruction and Recovery Plan, aim to supplement Transnet's capacity, migrate freight volumes from road to rail and stimulate broader economic growth.

The plan initially proposed a deadline of October 2021 for its introduction. Speaking at the recent ARIA webinar, Dr Sean Phillips, head of the National Treasury's Operation Vulindlela unit, said that the current target date for enabling third-party operators in the freight sector was August 2022, with ongoing efforts underway to accelerate the time frame put on the table by Transnet.

Transferring road freight to rail

ARIA estimates that only 17 percent of South Africa's general freight currently moves by rail. Transnet moved 215 million tons in 2019, down 5 percent from 2018, with vandalism often paralysing the country's electric fleet. However more than 80 percent of the country's 36,000km network has "significant capacity", says ARIA CEO Mesela Nhlapo.

The association's research shows that 190 million tons of intercity freight and 20 million tons of bulk commodities currently move by road every year. Of this, around 58 million tons could move to rail almost immediately, with the sectors that would benefit including agricultural commodities, metals and minerals, cars, containers, hazardous chemicals and liquid bulk.

An estimated R45-billion in rolling stock alone would be required to service this volume requirement, which would



provide a massive boost to the local rail manufacturing industry, with significant locomotive and wagon build programmes on the cards, ARIA says. Unlocking this capacity would also grow the rail services segment, finance markets and the advisory market as specialist advisors would be required across the supply chain.

What 'third-party access' really means

Nhlapo says it was important to note that third-party access in this context does not mean privatisation, but rather the use of the rail network by private-sector rail operators at a fee, similar to how trucks pay toll fees to access roads to move freight across the country. Importantly, no new regulation is required to enable third-party access. Regional trading partners have already moved to this model, supporting interoperability and regional trade for pan-African operations.

"The value of this move to the state and Transnet would be significant. Right now, we have a massive network with excess capacity, which could unlock significant incremental cash flows through access fees from private operators. In addition, the existing infrastructure requires no extra state investment, as track maintenance costs should be largely fixed costs," says Nhlapo. •



Managing the supply chain during disruptive global events

Clarity between logistic service providers and their customer has never been more important as COVID-19, natural disasters and shipping chaos land heavy blows, says Bidvest International Logistics.

Ensuring continuity of supply in light of recent global and national events has been an unprecedented challenge for logistic service providers. The upheavals caused by the coronavirus pandemic have forced entire countries to reimagine how they deliver resources and services while simultaneously overhauling business practice for economic sustainability.

Coronavirus outbreaks among airport ground and cargo-loading crews have necessitated that affected members are placed in quarantine for up to two weeks at a time, leaving fewer staff to handle cargo. Cargo is also backed up as flights are unable to depart with full loads. As a consequence, the uncertainty around schedule availability, workforce on the ground and increased demand can lead to an increase in rates in the market.

The world is also having to contend with the growing threat of climate change, increasingly manifesting as catastrophic disasters including hurricanes such as the ones in New Orleans and Texas, wildfires and flooding events that have destroyed billions of dollars' worth of infrastructure. Typhoons and extreme weather in China have become the latest challenge to global supply chains, as goods stuck at some of the world's busiest container ports are further delayed.

Furthermore, the tensions brought on by COVID-19, destructive natural phenomena and political instability are spilling over into violent acts of civil unrest. In South Africa, an estimated R50-billion worth of damage was caused

by looters in KwaZulu-Natal and Gauteng, obliterating what little gains had been made in the country's economic recovery effort.

There have also been shutdowns to vital shipping lanes and ports, notably the blocking of the Suez Canal by the container ship *Ever Given* in March and the closure of the Chinese ports of Yantian in May and Ningbo-Zhoushan, the world's third busiest, in August due to coronavirus outbreaks.

A cyberattack on South African parastatal Transnet in July paralysed several of the country's ports for several weeks as well, forcing the state-owned company to declare force majeure. Taken together, these events have stretched logistic service providers (LSPs) to the limit.

Congestion, shortage of empty containers, delays, rollovers of shipments and ships bypassing ports are an unintended consequence of these disruptive events, which have created a supply-demand imbalance with demand outstripping supply.

In some instances, an ocean line service operator deciding to cancel a call or skip a particular port, a process known as blank sailing, can have dire consequences. On any given week, there are a number of carriers with blank sailings, reducing tonnage and increasing demand. To put it into context, 4,000 container slots can get lost in one sailing.

But this is only one part of the problem. Trucks still need

to transport the cargo arriving at ports, and when drivers who contract COVID-19 can no longer access harbour terminals, the supply chain is further disrupted.

It is no secret that the US is one of the world's biggest consumer markets, so a boom in shipping volumes is inexorably tied into America's consumer spend. However, the country is notorious for truck driver strikes and rail and ramp delays, to the point that turnaround of containers often exceeds 60 days. The costs involved are also astronomical.

Ship charter rates have multiplied in some cases by anything upwards of 300 percent. Short-term charter rates of between two and three months for a 5,000 TEU (20-foot equivalent unit) ship have topped US\$135,000 (R1.9 million) a day. Longer term charters (3-5 years) are reaching US\$50,000 (R727,000) a day. Currently, carriers are posting record financial results, which places huge pressure on forwarders in the supply chain to manage their clients' expectations.

In the view of Bidvest International Logistics (BIL), where lead times were previously seven days door-to-door, 21 days are now recommended to accommodate unexpected delays. However, LSPs should expect at least some blowback. Because customers are facing their own pressures, perceptions of LSP service failures will mount when supply agreements don't go according to plan. The key, BIL says, is knowing how to approach such situations.

Among the options available to LSPs is drawing attention to Standard Trading Conditions, or declaring force majeure if such a clause is included in the service contract. It could be pointed out, for example, that the European summer holidays are coming to an end, or that China is celebrating its annual Autumn Festival followed by Golden Week at the beginning of October, during which time most companies and factories shut down and many carriers announce blank sailings. The dearth of manufacturing during this period automatically means that sale days like Black Friday in South Africa will be affected.

With most carriers already fully booked due to limited space and Chinese ports experiencing backlogs due to the effects of typhoons and COVID-19 outbreaks, it stands to reason that Standard Trading Conditions will be severely hampered.

Yet, as much as these factors may be true, customers will

still only see a failing supply chain, delayed deliveries to clients, penalties, lack of stock and lost sales. BIL says no matter how justified or valid the LSP's reasons, the despairing customer wants solutions, not excuses. There is a solution, however.

According to BIL, these tensions can be mitigated and even avoided, but for that to happen, there needs to be clarity between the LSP and customer from the outset. It starts with the take-on of the Scope of Work (SOW)/service contract, including a thorough interrogation of the customer's business model and specifically the supply chain.

According to BIL, there are three important questions that the customer and the LSP must jointly and honestly interrogate, namely:

- **Is the customer's business model dependent on imports and/or exports for the survival of the business?** If the answer is yes, meaning there is no alternative local supply, then the answers to question 2 and 3 become vital.
- **Does the customer have a robust international supply chain that will sustain its business through 2021 and beyond?** If the answer is yes, test it by considering multiple disruptive 'What if' scenarios. If the answer is still yes, then proceed in overcoming the challenges or draining the swamp, so to speak. If the answer is ever no, remember the end objective is to drain the swamp. It may therefore be time for a thorough review of the customer's supply chain. Consider all alternative options to keep the supply chain moving through disruptive global events.
- **In the event of an unanticipated disaster or disruptive incident, are all parties unambiguously clear on the point where risk transfers from the seller to the buyer?** In the event of a maritime disaster or disruptive incident, the importance of this question lies in the correct use and understanding of the international commercial terms (Incoterms) rules, specifically the point where the seller has fulfilled its final obligation under the sales contract and risk has transferred from seller to buyer. It also pertains to understanding the obligations of the merchant as defined in the transport document to the ocean carrier/consignor (as contracting party) and air carrier.

BIL says there is no question the past 18 months have been daunting and apart from 2008/9, businesses dependent on international supply chains have rarely seen such unpredictable consequences arising from disruptive global events. But the key to success in these times is and will continue to be resilience and knowing how to achieve it. •

Demand for drivers **has doubled**

Demand for drivers, including motor vehicle operators, ambulance drivers and attendants, truck drivers and passenger vehicle drivers, has surged in the last year, according to the jobs analytics database by GlobalData.

GlobalData reveals that job advertisements for these positions more than doubled from 16,417 in August 2020 to 34,515 in August 2021. It notes that simply advertising for drivers is not enough and incentives such as sign-on bonuses and high wages are needed to fill positions. A high number of retirements in recent times and tough working conditions have prompted companies to go the extra mile.

- Ryder System is offering employees thousands of dollars off new purchases of BMW, Jeep, Chrysler, Dodge, Ford, Fiat and GM car models. It is also facilitating discounts on electronics and jewellery.
- Penske Corporation is offering a salary of \$94,000 to \$144,000 for top Class A CDL drivers.
- Core-Mark Holding Company is providing a \$15,000 sign-on bonus for Class A drivers.



Thalluri continues, “While lucrative benefits have become common to attract drivers, companies are also reviewing their hiring strategies. For example, Challenger Motor Freight listed a role for ‘director of driver recruiting’ in August 2021 to implement innovative recruitment and retention strategies.”

“Similarly, XPO Logistics is developing plans to build truck and driver capacity, as well as a recruitment programme to meet driver growth targets. Meanwhile, Anderson Trucking Service listed a role for a ‘vice president of driver recruiting’ to research and explore emerging technology and legislation that may impact or expand the company’s ability to recruit drivers,” he adds.

Ajay Thalluri, Business Fundamentals Analyst at GlobalData, says, “Drivers are in demand now more than ever and many companies have decided to tackle the shortage by providing sign-on bonuses of up to \$15,000, as well as paying salaries of up to \$144,000 annually.”

Looking at the recently advertised jobs, Thalluri highlights some of the most noteworthy examples of various incentives:

- FedEx listed its highest number of jobs so far, at over 9,600 in August 2021, while United Parcel Service listed around 9,000.

DoorDash, which relies on gig workers, is hiring to expand in new geographies. Its listing for a ‘director, driver conversion and international operations’ role will boost drivers and hit lofty fleet growth targets in Australia, Canada, Japan and future launch markets.

“The hiring trend for drivers is expected to be strong in Q4 2021, driven by companies increasing their focus on direct-to-consumer (DTC) product and service delivery strategies and holiday shopping,” Thalluri concludes. •

The New (Ab)Normal: Reshaping Business and Supply Chain Strategy Beyond Covid-19

In this book, MIT Professor Yossi Sheffi maps how COVID-19 impacted business, supply chains and society.

Much has been written about COVID-19 victims, how scientists raced to understand the disease and how governments did (or did not) protect their citizens. Less has been written about the pandemic's impact on the global economy and how companies coped as the competitive environment was upended.

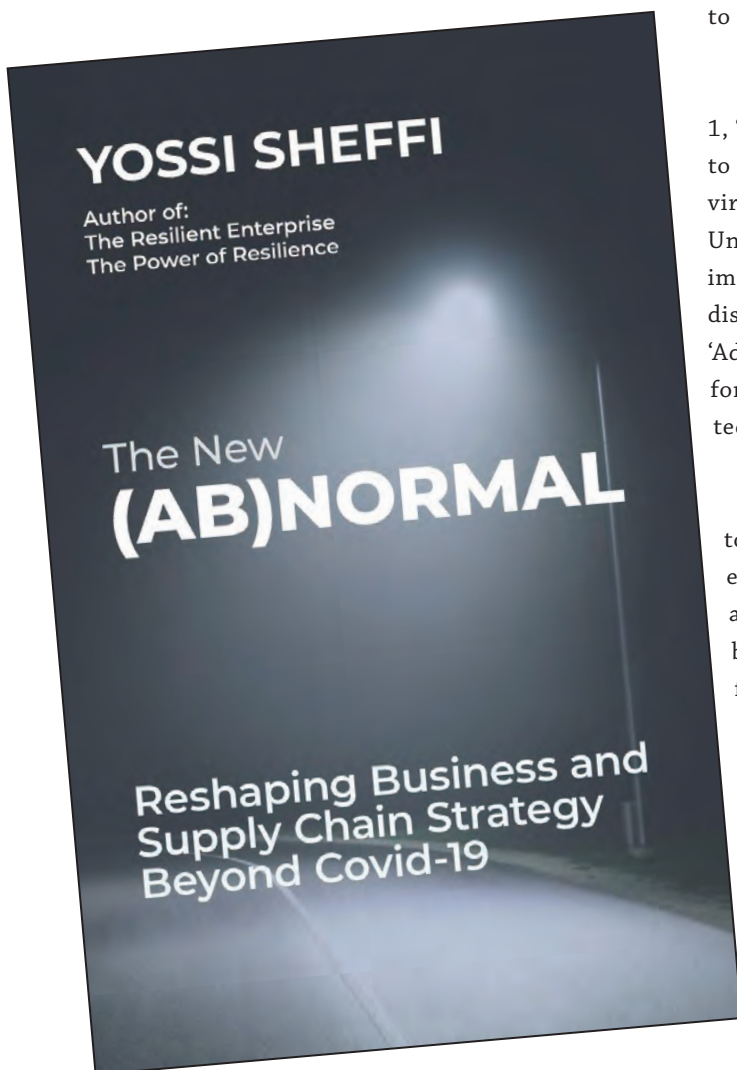
Civilization depends on supply chains to convert the planet's bounty into products and deliver those

products affordably to 7.8 billion human beings. In this book, MIT Professor Yossi Sheffi exposes the critical role supply chains play in helping people, governments and companies to manage that bounty. The book draws on executive interviews, pandemic media coverage, historical analyses and themes from his books, *The Resilient Enterprise* (2005) and *The Power of Resilience* (2015) to suggest how companies become more resilient facing uncertainty. This must-read book helps companies and entrepreneurs adjust to a fast-evolving economic landscape.

The Stage is Set During a Global Pandemic: Part 1, 'What Happened', sees how companies fought to mend the global economic fabric even as the virus ripped more holes in it. Part 2, 'Living with Uncertainty', shows how companies create corporate immune systems to quickly manage large-scale disruptions. The new normal is covered in Part 3, 'Adjustment Required', while Part 4, 'Supply Chains for the Future', discovers accelerated trends in technology adoption.

China was the pandemic epicentre and first to recover. Part 5, 'Of Politics and Pandemics', explains why reports that companies are abandoning China do not reflect reality. The book is about businesses trying to create a better future, which is emphasised in Part 6, 'The Next Opportunities'.

Nimble businesses are using off-the-shelf cloud computing and mobile apps to level the playing field between small and large companies. Research for this book shows that flexibility and agility are vital to managing the chaos of the pandemic and the pivot toward the future. •



Establishing supply chain cybersecurity

By Marc Lewis: Head of Information Security at Visible Supply Chain Management

As global supply chains become increasingly digital, companies are exposed to risks from umpteen indirect sources. Businesses must be proactive and focus on building cyber resiliency to prevent exploitation.

A system is only as strong as its weakest link and hackers will hunt meticulously to uncover a vulnerable component. This exploitation comes at a high price. According to IBM's Security Cost of Data Breach Report, \$5.52 million is the average total cost of a breach for enterprises of more than 25,000 employees and \$2.64 million for organisations under 500 employees.

Most companies pay hackers the ransom they demand. This summer, Colonial Pipeline Co. and JBS SA paid hackers \$4.4 million and \$11 million respectively to recover encrypted data after massive cyberattacks. Other impacts include disrupted customer service, undermined trust and loss of competitive edge.

Cybercriminals are evading barriers and identifying weaknesses to exploit supply chains more effectively than ever before. In the case of Colonial Pipeline, hackers abused a legacy virtual private network (VPN) profile that only required single-factor authentication.

Attacks not only cripple companies, but also hurt customers. Eighty percent of breaches involve personally identifiable information (PII). Hackers use PII and passwords to access an individual's various accounts across the web. Additionally, any break in a supply chain – whether it is your business or third- or fourth-party vendors – impacts the production of goods and services while also driving up prices.

In the CrowdStrike Security Report, a survey of more than 1,000 participants, two-thirds of senior IT decision makers and cybersecurity professionals revealed that their organisations had experienced a software supply chain attack. The same number confessed that their company is not adequately prepared to defend against a future breach.

The National Institute of Standards and Technology (NIST), part of the United States Department of

Commerce, recommends the following steps to properly safeguard IT assets.

Identification

Locate potential threat vectors – routes that malicious attacks may take to get past your defences and infect your network – by conducting internal risk and vulnerability assessments. Consider hiring a company to perform an advanced assessment.

Protection

Take the necessary actions to protect your organisation and prevent threat events:

- **Exposure reduction.** In addition to the basic protection provided by firewalls and antivirus software, it's vital to establish privileged access procedures. Follow the principle of least privilege – only employees who need access to sensitive data are permitted access.

Tools like behavioural analytics, endpoint detection and response (EDR), artificial intelligence (AI) and threat intelligence can strengthen defences. Companies should adopt secure coding practices and refer to the Open Web Application Security Project (OWASP) Top 10 Web Application Security Risks.

- **Employee commitment and training.** Employees are the last line of defence in cybersecurity and one of the most common threat vectors. It is critical to engage every employee; the executive suite is not exempt. Establish a culture of healthy suspicion among employees. This approach may seem overly paranoid, but the stakes can be high.

Institute awareness training and internal phishing campaigns to expose employees to the newest spam and social engineering techniques. Any employee who falls for a

phishing campaign should immediately be required to undergo training. Instil a strong password culture in which employees have varying and secure passwords. Ensure that they understand that if a password is breached in one place, it is possible and relatively simple for hackers to use it on other accounts associated with the same email.

There are countless helpful (and free) cybersecurity resources available to supplement employee learning and keep employees updated on the latest industry trends, such as the virtual training modules provided by the U.S. Department of Homeland Security.

- **Insurance.** Make sure you have adequate insurance in the event of an attack. Some insurance providers include ransomware protections. Inquire about what things are not covered in a cyberattack.
- **Physical security.** Protect personnel, hardware, software, networks and data from physical trespassing and actions. Consider solutions like surveillance cameras, security guards, security systems, barriers, locks, access key cards, fire alarms, sprinklers and other systems designed to protect employees and property.

Beware of piggybacking. Holding the door open for someone walking into the office with their hands full may seem polite, but it poses a security threat. Make sure everyone who enters company premises is authorised personnel.

- **Selective business relationships.** Cyberattacks through supplier networks are becoming increasingly common. According to the 2020 Cyber Resilient Organization Study by the Ponemon Institute, 56 percent of organisations report that they have experienced a cybersecurity breach caused by a third-party supplier. In determining an acceptable level of risk, be selective when choosing contractors or partners to work with your company.
- **Incident reporting.** Instil a good culture and education for reporting incidents. IT professionals are more capable of reducing potential damage if they know about it sooner.

Detection

It has been said that a home without smoke detectors is the same as a network without monitoring. Continuous

monitoring for security events should include physical environments, networks, service providers and user activity. Vulnerability scans are a great tool and should be performed regularly on systems containing sensitive information.

Response and recovery

A correlation is evident between response time and the cost of an attack. Industries that take the longest to detect, react, respond and remediate incur the highest costs. A fast response can help mitigate the impact. Still, it cannot eliminate the possibility, so there is always an emphasis on prevention.

A disaster recovery plan is critical to restoring data access and IT infrastructure after a disaster. Recovery depends on the scope of the damage.

Chart out a response plan and a remediation road map for all potential incident scenarios in the form of a business continuity plan. Include tactics that will keep the business operational during a disaster. Determine vendor criticality and a course of action if key vendors are attacked. Enlist backup suppliers and backups for your backups in case you need to shift to another provider to accommodate customers.

As part of an effective disaster recovery plan, it is recommended to simulate a cybersecurity breach at minimum once a year. Through these drills, relevant personnel understand their role and the procedures to be followed.

Cybersecurity will be a prominent obstacle for businesses of all sizes as supply chains become more complex. Identify weak links in the supply chain to ensure vulnerabilities are minimised and to prevent threat events. Building cyber resiliency will prepare your company for a worst-case scenario that would otherwise be more expensive and damaging. •





CALL FOR ENTRIES

ENVIRO AWARDS

**Recognise
Excellence**

**Encourage
Innovation**

Entries close on the 18 February 2022!

Have you implemented a solution which reduced your impact on the environment and realised tangible benefits for your supply chain?

We are looking for your green supply chain story...

The LAA Enviro awards have been a well-supported awards category of the LAA awards, recognising the impact that supply chains have on our environment and showcasing the innovative case studies that have resulted in significant reductions in waste, CO₂ emissions and improved operational efficiencies.

The global pandemic has posed significant challenges for supply chains across the globe, disrupting the flow of raw materials and finished goods as well as highlighting vulnerabilities in many operations.

South African companies are certainly no stranger to disruption, yet it is in extraordinary times like we currently find ourselves in, that the need to adapt, innovate and respond effectively to the changing environment shines a brilliant light on the importance of our profession and the practitioners that meet these challenges daily.

We are looking for the supply chain game changers, the practitioners and innovators who have made a tangible difference within their supply chains to share their story with the rest of our industry. The Logistics Achiever Awards has showcased, recognised and celebrated excellence in logistics and supply chain management for over 30 years.

Enviro Awards Objectives

RECOGNISE EXCELLENCE

To recognise professionalism and excellence in the effective application of strategic, tactical, and operational logistics and supply chain management principles, concepts, and practices in Southern Africa.

ENCOURAGE INNOVATION

To encourage all companies and organisations in Southern Africa to review, evaluate and upgrade their current logistics and supply chain management practices.

CREATE AWARENESS

To create a greater awareness and understanding of the value of effective logistics and supply chain management.

Logistics Achiever Awards Rewarding Excellence in Logistics and Supply Chain Management

*If you have a story to share,
submit your entry today, visit
www.logisticsachieverawards.co.za
or contact Karl Murray on
karl@logisticsachieverawards.co.za for further information.*



The 2022 Logistics Achiever Awards

Entries are now open for the 2022 Logistics Achiever Awards, which has showcased, recognised and celebrated excellence in logistics and supply chain management for over 30 years.

The global pandemic has posed significant challenges for supply chains across the globe, disrupting the flow of raw materials and finished goods as well as highlighting vulnerabilities in many operations.

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We are looking for the supply chain game changers, the practitioners and innovators who have made a tangible difference within their supply chains to share their story with the rest of our industry.

If you have a story to share, submit your entry today. Visit www.logisticsachieverawards.co.za or contact Karl Murray at karl@logisticsachieverawards.co.za for further information.

Logistics Achiever Awards objectives

• To recognise excellence

To recognise professionalism and excellence in the effective application of strategic, tactical and operational logistics and supply chain management principles, concepts and practices in southern Africa.

• To encourage innovation

To encourage all companies and organisations in southern Africa to review, evaluate and upgrade their current logistics and supply chain management practices.

• To create awareness

To create a greater awareness and understanding of the value of effective logistics and supply chain management.

ENTRIES CLOSE 18 FEBRUARY 2022

What's new?

We live in a truly digital age with the ability to take advantage of a variety of media. In an industry first, while each winning entry will still be highlighted in the *LAA Case Study Annual*, a docu-style case study video will also be produced for each entry, offering greater insights into the projects through discussions with the entrants, on site footage as well as final commentary from our judging panel.

All these videos will be promoted to and shared with the industry. Our aim is that these insights will both inform and inspire our industry and reflect in more detail what our local organisations are capable of.

This year's SAPICS Conference the best yet

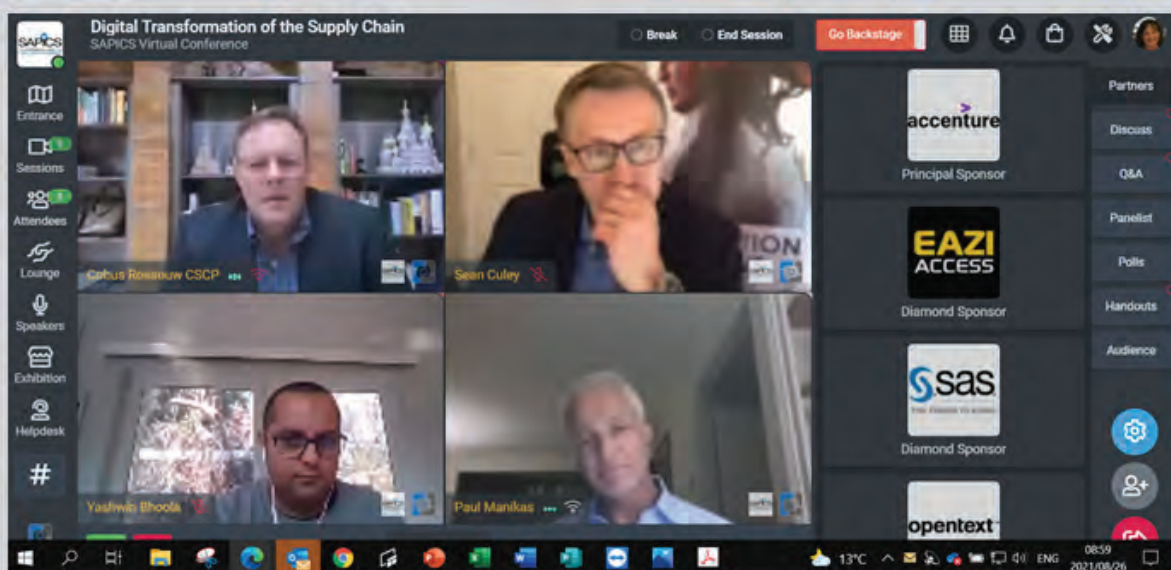
The 43rd annual SAPICS Conference was one of the most important ever amid the COVID-19 crisis and resulting unprecedented pressure on supply chains.


Hundreds of supply chain professionals from Africa and around the world came together last week to learn, share knowledge and network at the 2021 SAPICS Conference, hosted by South Africa's Professional Body for Supply Chain Management (SAPICS). With supply chain management thrust into the spotlight by the COVID-19 pandemic, and increasingly recognised as one of the world's most vital professions, this 43rd SAPICS Conference was one of the most important ever, says SAPICS president MJ Schoemaker.

"Supply chain professionals have been the heroes behind the scenes in these unprecedented times, striving to ensure that supply chains for food and essential goods, including lifesaving medicines, kept moving. They have supported our frontline workers and helped to keep people safe and healthy by getting personal protective equipment (PPE) to where it was needed, when it was needed. Supply chain management is playing a vital role in the rollout of COVID-19 vaccines. It has never been more important for supply chain professionals to

43RD ANNUAL
SAPICS CONFERENCE
24 - 26 August 2021

SAPICS
THE PROFESSIONAL BODY FOR
SUPPLY CHAIN MANAGEMENT



refine rebuild  reconnect

Panel discussion on the digital transformation of supply chains.

keep learning, growing and sharing knowledge; so that we can get through COVID-19 and the associated supply chain challenges that still lie ahead, and to ensure that we are ready for whatever other disruptions and crises the future holds,” Schoemaker stresses.

The SAPICS Conference is Africa’s leading event for supply chain professionals, and according to Schoemaker it has gone from strength to strength since the very first conference was organised for 35 delegates in 1975. “This year’s conference was a virtual one due to the ongoing pandemic, but that did not detract from its importance and the value of the powerful presentations from 85 local and international speakers.”

In addition to the conference, the event featured an exhibition where multiple exhibitors showcased products and services. The state-of-the-art conference platform used by SAPICS enabled delegates to spend time with the exhibitors and to connect with like-minded professionals in the networking lounge.

The principal sponsor of this year’s SAPICS Conference was global technology consulting firm Accenture. The event’s Diamond sponsors were OpenText, Eazi Access and SAS Institute. Fleet and asset tracking specialists Locus and Imperial supported the conference as Gold sponsors, while the 2021 Silver sponsors were CHEP, Goscor and the Demand Driven Institute.

“We are enormously grateful to our sponsors, whose support enabled us to bring the supply chain community together at this critical time to share knowledge and experience, and to learn from each other to ensure that global supply chains are perpetually resilient and able to keep the world turning,” says Schoemaker.

This year’s SAPICS Conference proved that online does not have to be boring. In addition

to the learning and networking, there were fun activities, competitions and quizzes. A selfie competition was sponsored by Goscor Lift Trucks, OpenText arranged a caricaturist and CHEP used the event as an opportunity to give back to those less fortunate, donating 500 fruit trees to a school for underprivileged children.

The Brain of the ASCA Nation Quiz was won by Brad Davies, who received a complimentary registration to the 2021 Smart Procurement World Indaba, which took place in September, registration for the Africa Supply Chain in Action (ASCA) 2021 event on 20 and 21 October and a free EQ (Emotional Quotient) Assessment from People Shop.

The conference received a unanimous nod of approval from delegates. Business transformation expert and author Sean Culey commented: “Well done Team SAPICS! Smashed it out of the park once again!”

“This year was really amazing,” said Annette Naude, general manager, Pharmaceuticals & Healthcare at DSV Panalpina.

This year’s virtual event made it possible for some delegates who may not have been able to travel to an in-person conference to benefit from an exceptional programme, Schoemaker says. “This was a COVID silver lining for some delegates. Content wise, I believe this was one of the strongest programmes we have ever put together. The 2021 SAPICS Conference exceeded all expectations, and we have received extremely positive delegate feedback.”

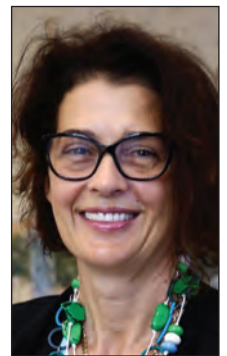
The topics covered included digital transformation, supply chain risk and resiliency, leadership development, sustainability and the circular economy, healthcare, public sector supply chains, transformation and gender diversity.

The 2022 SAPICS Conference is planned for 12 to 15 June at Century City, Cape Town. •



Compelling content at the SAAFF Summit

The South African Association of Freight Forwarders' (SAAFF's) first online summit took place on 16 and 17 September 2021.



Dr Juanita Maree.

With over 40 speakers and panellists from six countries (including Brazil, Hong Kong, Kenya, Singapore, South Africa and Zambia), delegates of the South African Association of Freight Forwarders' (SAAFF's) first online summit enjoyed compelling content, insights from global industry experts and valuable networking opportunities.

The SAAFF Summit is the most comprehensive and influential online business platform for the freight forwarding, logistics and supply chain sectors in southern Africa, bringing together almost 300 decision-makers, experts and industry leaders. The theme for the 2021 event was 'Creating Industry Connectivity'.

"The freight forwarding and supply chain industries have been through a series of intense disruptions and challenges over the past year," says SAAFF's Chief Executive Officer, Dr Juanita Maree. "The SAAFF Summit provided a valuable opportunity for the industry to reconnect, gain

new perspectives and learn lessons from recent events."

Maree added that collaboration and private-public partnerships were crucial in the quest to improve efficiencies in the supply chain and remove blockages that were hampering the smooth flow of trade. "Working together is the only way that we are able to address logistics bottlenecks and implement strategies that will help the economy grow for years to come. Collaboration is key – it's all about connecting and connectivity!"



SARS Commissioner
Edward Kieswetter.

SARS Commissioner Edward Kieswetter delivered the keynote address, followed by a series of panel discussions and presentations which included:

- Reality Redefined for Smart Borders: Strategy, Design and Implementation.



- Complexities around the COVID-19 Vaccine Delivery Roll-out.
- The Mass Lootings and Prospects for Political Realignments in Ramaphosa's Cabinet.
- The Africa Continental Free Trade Agreement – Challenges and Opportunities for Global Value Chains: Regional and International Perspectives – Customs Compliance and Improved Trade Facilitation: Best Practices.
- E-commerce.
- Ethical Leadership.
- Ethics and the SARS WCO Integrity Diagnostic Mission.
- The Aviation Centre of Gravity – a Look at the Next 10 Years.
- Navigating the world's uncertainties – the Upside of Down.
- Educating To Empower Tomorrow.

Lombard Insurance was the Platinum sponsor for this year's Summit and Shipshape Software Solutions was a Silver sponsor. •

About SAAFF

SAAFF was established in 1921 and is a national association with members throughout South Africa. While it attends to matters of national interest, its constitution permits regions to form chapters of the association to deal with local issues. Five regions have qualified to establish their own chapters:

- Gauteng
- KwaZulu-Natal
- Eastern Cape
- Western Cape
- Border

The association is a non-profit organisation governed by a constitution, which provides for a board of directors, with a chairperson and vice chairperson. Its directors are highly experienced,

senior executives from member freight forwarding companies, who are nominated and voted for by these members. A CEO reports to the Board of Directors and manages and directs the association.

Freight forwarding plays an essential role in international trade and SAAFF members are dedicated to facilitating this activity through their involvement in the management of transportation, customs clearing, documentation, third-party payments and many other elements of international supply chains. The association calls the freight forwarder the 'architect of transport'. Globalisation and the need to reduce cost over the entire supply chain have refocused the freight forwarder in ways that are innovative and functional.

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IMBIZO 21 – the Southern African Infrastructure Summit – looking at priority projects in transport, water and energy sectors and presenting a number of these projects for investment considerations

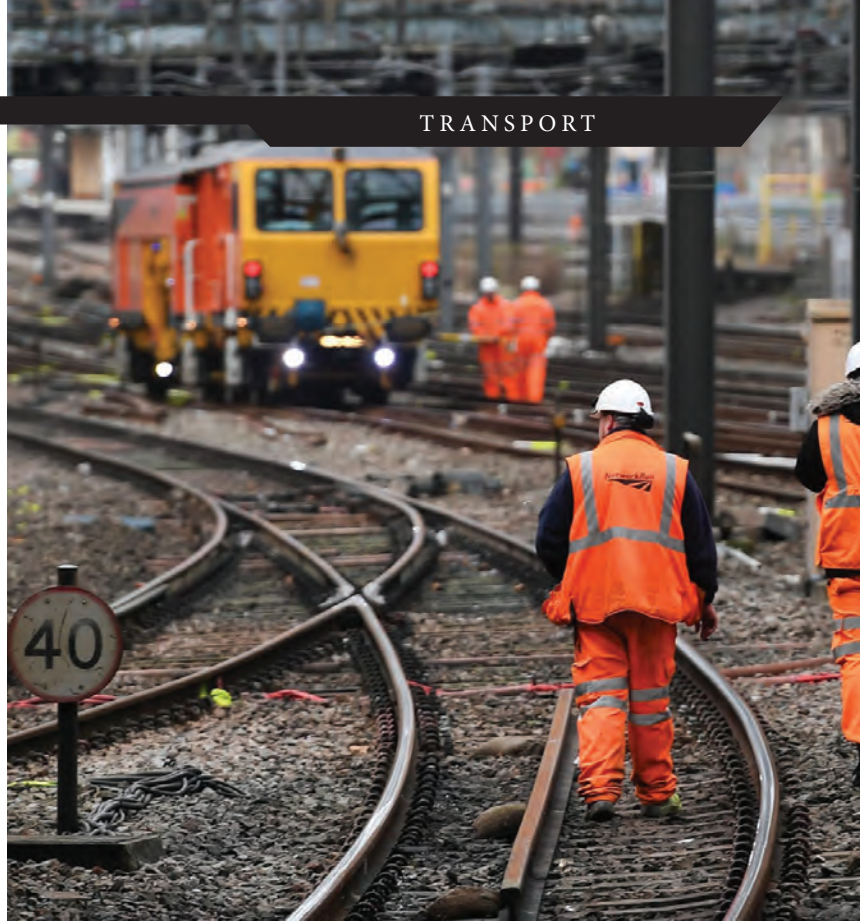
TRANSPORT EVOLUTION AFRICA FORUM – a one-day high level conference focused on the AfCFTA, project updates, port and transport corridor expansion plans and global shipping expectations/trends

ROADS EVOLUTION AFRICA FORUM – focusing on the expansion of the road networks, maintenance, and design of road infrastructure

Don't miss the opportunity to re-connect with your industry peers! To book your seat at Transport Evolution Africa Forum, contact Natalie Kruger on +27 21 700 5506 or email: NatalieKruger@dmgevents.com

Transport Evolution Africa – reimagined

The Transport Evolution Africa Forum is taking place from 29-30 November this year at the Inkosi Albert Luthuli ICC Complex in Durban.



2021 has proven to be a challenging year for the transport sector globally, and it has highlighted areas of vulnerability and inefficiencies in the African transport network. This has ignited the need for fast-tracking upgrades and growth plans for ports, rail and roads. Now, more than ever, with the urgent call for investment, collaboration and the implementation of African Continental Free Trade Area (AfCFTA) requirements in the African transport sector, a meeting space for the sector in 2021 is needed.

With this in mind, the Transport Evolution Africa Forum will focus on infrastructure investment, country transport expansion plans, and the AfCFTA agreement and the challenges and opportunities it brings for the sector.

The following elements will be included in the Forum:

- **IMBIZO 21** – the Southern African Infrastructure Summit will look at priority projects in the transport, water and energy sectors and present a number of these projects for investment considerations.
- **Transport Evolution Africa** – a one-day high level Forum focused on AfCFTA, project updates, port and transport corridor expansion plans and global shipping expectations and trends.
- **Roads Evolution Africa Forum** – will focus on the expansion of road networks, maintenance and design of road infrastructure.

- **Women in Transport Awards** – a dinner to give women in the industry the acknowledgement they deserve, which is much needed after the past two years.

Attendees can also expect:

- Panel discussions: the African transport sector's role in facilitation and implementation to support the African Continental Free Trade Area (AfCFTA) agreement; ports authorities discuss the World Bank Report and improvement and expansion projects towards building a robust global competitive strategy; and rail network in Africa: privatisation, third party agreements and concessions.
- The global Container Port Performance Index (CPPI) update – World Bank Report.
- M7 round up on greening goals for shipping lines.
- Updates from shipping organisations on their greening strategies and expectations from ports and supply chains.
- Information on the Living Ports Project in Spain, the requirements and vision to build a robust southern African rail network and the East African rail masterplan for east to west access.

Contact Natalie Kruger on 021 700 5506 or email nataliekruger@dmgevents.com to discuss your involvement at this year's event. For more information, visit www.transportevolution.com.

The woman behind the rollout of vaccines

Speaking to The Professional Body for Supply Chain Management (SAPICS) for a Women's Month initiative, Bridget Barnard – Pfizer's Supply Chain Director for sub-Saharan Africa – reveals that her most recent success story was facilitating the logistics and supply of the COVID-19 vaccine into sub-Saharan Africa.

To date, more than 8 million doses of Pfizer's life-saving vaccine have been administered in South Africa. "SAPICS is proud and honoured to have Bridget as a member of our supply chain community, and to have the opportunity to share her story with supply chain professionals," comments SAPICS President MJ Schoemaker.



Bridget Barnard, Pfizer's Supply Chain Director for sub-Saharan Africa.

As a member of the South African chapter of the International Association of Public Health Logisticians (IAPHL), which SAPICS has partnered with, Barnard is also making a vital contribution to professionalism and community in South African public health supply chains, with the objective of improving the availability of health care supplies and medicines.

Reflecting on her role in the vaccine rollout, Barnard says,

"The key to success was one team, a clear strategy and an aligned, focused vision. That vision is bringing breakthroughs to patients' lives. It was a new learning experience for a cross-functional team in a complex matrix environment to work collaboratively and with speed to ensure efficient supply on time. While the challenges were many, the outcome is so fulfilling – to impact and make a difference in patients' lives."

Since starting out in the supply chain field in 1993, Barnard has seen some significant changes in the industry over the years, from its increasing importance and recognition as a strategic business function to more women being employed in the profession. "At the start of my career, supply chain management was accepted as an operational function. Today, particularly in the pharmaceutical industry, the supply chain function is a key contributor to shaping organisational direction, impact and success, and supply chain executives sit at the leadership table."

"Over the past decade, Pfizer has actively ensured that women are well represented in its employee pool. Presently, of the more than 200 people employed by Pfizer South Africa, 149 are female. Pfizer South Africa has ensured that women are well represented at the executive management level. To date, of the 15 executive managers at Pfizer South Africa, 10 are women, so we also have 67 percent female representation among executives."

Barnard is optimistic about the future of supply chains and the profession beyond the COVID-19 crisis. "We have already adapted to an environment where we needed to review our network for risks that became more evident due to the many constraints we saw, such as trade restrictions, shortages of medicines, switches in the medicines needed and the slowdown of economies. Resilience is and will continue to be a key focus area for supply chains in the future."•

Baoli electric forklifts for brick manufacturer

Conframat Bricks has become one of the first brick manufacturers in South Africa to deploy electric forklifts in its brickyard. This follows the company's recent purchase of three 3.5-ton Baoli electric forklifts from Smith Power Equipment.

"Traditionally, an electric forklift would not be used in a brickyard due to the rough nature of the terrain. However, Conframat's brickyards are fully paved, which allowed the company to put an electric forklift through its paces – with great success," explains Vivian Gravett, Salesperson at Smith Power Equipment.

To prove the viability of running an electric forklift in a brick handling application, Conframat initially rented a 2.5-ton Baoli Electric from Smith Power in February last year to test if the electric version could perform at similar levels to its diesel counterparts.

Hannes Bolleurs, Maintenance Manager at Conframat, explains that the 2.5-ton electric forklift was pitted against a 3.5-ton diesel forklift with great results. "The electric forklift surprisingly managed up to 90 percent of the workload that the 3.5-ton diesel unit could handle. This prompted our decision to purchase three Baoli 3.5-ton electric forklifts," says Bolleurs.

With a complement of 12 diesel forklifts in its fleet, Conframat went the electric route as part of its quest for a cost-effective materials handling option, given soaring diesel costs and the costs of running diesel engine forklifts. Electric forklifts come with far fewer moving components, thus lowering maintenance and servicing requirements. Electric equipment also eliminates many operating costs in terms of the fuel and additional lubricants needed for internal combustion equipment. Thus, electrical forklifts provide a net capital saving to the customer over their lifetime.

Leading-edge electric components were used in the development of the Baoli electric range, with the traction and lifting motors as well as the electric controller manufactured by Italian company SME. •



BIC SA claims 100% green renewable energy

BIC South Africa has announced its declaration of 100 percent green electricity use for its stationery manufacturing plant in Johannesburg. The announcement comes four years ahead of schedule and is a first for BIC factories on the African continent.

With foresight of the urgent need for renewable energy within South Africa, BIC pre-emptively took action to ensure that its business operations be declared a proud user of 100 percent green electricity. "As of 2021 and into 2022, through the use of procured Renewable Energy Certificates (RECs), BIC South Africa can declare that it is using 100 percent green renewable electricity. The purchase of these RECs allows us to track the energy we consume all the way back to the renewable energy source," shares Marc D'Oliveira, General Manager of BIC South East Central Africa.



Jan-Paul Spangenberg, Carbon and Energy Advisory at Delta Carbon, who has assisted BIC in achieving this status, reveals that in the matter of renewable energy, "BIC is regarded as a pioneer, as most South African companies have a carbon-neutral strategy that will only see them becoming users of 100 percent renewable by 2030,

and in some cases even 2050, while BIC is already achieving this as of 2021."

"In 2018, BIC, on a global level, made a commitment to using 80 percent renewable electricity by 2025. Earlier this year, that target was updated to 100 percent renewable electricity by 2025. We are proud to have accomplished our target four years ahead of time for our South African operations," concludes D'Oliveira. •

DPD Laser acquires Fast + Furious

DPDgroup and its South African partner, Laser, recently announced DPD Laser's acquisition of Fast + Furious, subject to final approval from the Competition Commission. The move was driven by the demand to service South Africa's e-commerce growth, which has exploded since March 2020.



Anton Visagie, CEO of DPD Laser.

"In the last 16 months, we have worked incredibly hard at supporting our customers and their customers through the various COVID-19 waves and subsequent lockdowns. Consumers need products to live and work, and they need safe, 'contactless' delivery, and we focused our attention there. Now we are doubling up on customer-centricity and reaching deeper parts of South Africa via the network expansion and capability brought by Fast + Furious," says Philip Hayes, Director of DPD Laser and CEO of The Laser Group.

Fast + Furious, starting in a home garage in Johannesburg in 1997, is a South African success story that placed an intense focus on customer interface and support, delivering 300,000 parcels a month and building a network that can reach the far corners of South Africa.

The acquisition augments DPD Laser from 900 to 1,500 people, sees 700 vehicles increase to nearly 1,100 and expands 15 national branches to a presence of more than 25 areas nationally, with an estimated 12 million parcel deliveries in the next 12 months.

Anton Visagie, CEO of DPD Laser, says, "We wanted to deliver increased transparency, flexibility and control over large parcel volumes and to interface real-time with the customer. To do this effectively across all of South Africa, we required further network expansion, scale and density in the rural and regional areas to give customers a greater cost and service benefit. This acquisition is a win for customers and a win for us."

Jason Lombard, CEO of Fast + Furious, adds, "Now my customers can have access to everything they want in every street in this country, not just because we can go there, but now we can go there more frequently, and that changes the dynamic. We are bringing real access and inclusion with this deal and at a critical time." •



From driver to logistics manager

Andries Motswaledi Ntlatleng's career path has been on an upward trajectory – when he joined WeBuyCars in 2006, he was a driver. He is now Logistics Manager of the group's Centurion showroom, with responsibilities ranging from helping to oversee several WeBuyCars drivers, managing carrier companies from all nine provinces and the supervision of fitting the cars into the Centurion showroom.

As a logistics manager, detail and organisation are key factors to Ntlatleng's day-to-day responsibilities. He is in charge of planning daily routes for WeBuyCars drivers and making sure that WeBuyCars buyers are allocated the appropriate number of drivers. It's also his responsibility to make sure that the carrier companies collect cars from outlying storage areas and bring them back to their main warehouses or when they collect newly purchased cars, all operations happen with maximum efficiency.

When asked about the logistics around fitting hundreds of cars in a showroom, Ntlatleng says, "While we rely very much on technology, it is definitely not as easy as it looks having to fit 1,500 cars on a showroom floor. I allocate bays for new arrivals and once they have been priced and photographed, they are assigned a QR code. After parking the car, the driver will then associate the car by scanning the QR code on the parking bay and link it with the QR code on the windscreen of the car. This allows the salespeople to see which car is parked at which parking bay and at which warehouse."

"I am forever grateful to Faan and Dirk van der Walt for believing in me and giving me this opportunity. I am just as much a car fanatic as Faan, so working in an industry that I love definitely makes the job easier," says Ntlatleng. •

New National Sales Manager for Toyota Industrial Equipment

Vuyokazi Bangazi has been appointed National Sales Manager for Toyota Industrial Equipment, a division of EIE Group. Her appointment forms part of the company's strategy to inject new energy into the business and pay even greater attention to sales.

The role will see Bangazi promote customer-centricity at every level of the business – from receptionists and technicians to senior managers and the executive team. As the former General Manager of the Toyota Business Unit in the Eastern Cape, Bangazi has earned her stripes at the coalface and brings a wealth of sales and leadership skills to her new role.

She says her new role means making sure the business gets to the market as quickly as possible with its products. "It also means capturing 40 percent of the market, promoting innovative thinking, making sure our customers always choose the Toyota Industrial Equipment brand and fostering excellent relationships with our OEMs."

Bangazi says a great leader inspires and shows the path, but does not dictate. "I've always adopted an open-door policy when leading teams. I believe it's important to listen, collaborate and elevate. After all, human capital is any business's greatest asset."

She joined EIE Group after graduating from the University of Port Elizabeth (now Nelson Mandela University) with a

BCom in accounting in 2002. After a short stint at EIE Group in the Eastern Cape, she was transferred to head office in Johannesburg in 2005

as an administrator in the rental division.

In 2007, she was transferred back to Port Elizabeth (now Gqeberha) as Rental Manager for the region and was promoted to Assistant General Manager in 2014 and General Manager in 2016.



Toyota Industrial Equipment's new National Sales Manager, Vuyokazi Bangazi.

Bangazi will focus her efforts on growing the Toyota brand, positioning the business as an employer of choice and ensuring customers are 100 percent satisfied with its offerings. "We will measure for customer-centricity via the Customer Service Index (CSI). If we score above 95 percent, we will know that we are doing a phenomenal job with our customers from an operations and sales point of view."

"My short-term goal is to make sure I do my job perfectly over the next six months. I want to ensure the business remains relevant, that all stakeholders are happy, and I want to bring solutions to challenges as quickly as possible to facilitate smooth sailing."

IATA CEIV Lithium Battery certification for CEVA Logistics

The International Air Transport Association (IATA) announced CEVA Logistics as the world's first company to receive its new CEIV Lithium Battery (CEIV LiBa) certification during the recent annual World Cargo Symposium (WCS) in Dublin, Ireland.

CEVA's Amsterdam and Hong Kong air freight stations are now CEIV certified in the handling of lithium batteries. The certification confirms each facility's ability to properly handle and store lithium batteries, as well as validates the necessary training and expertise of on-site employees.

Peter Penseel, COO of air freight for CEVA Logistics, says, "Our experience in transporting a wide range of batteries made us an ideal partner with IATA in piloting their new CEIV certification. IATA continues to lead the way in providing standards, regulations and guidelines to improve overall quality and safety in the air transport industry."

Shipments of lithium batteries (alone or with finished products) must comply with well-established global safety

standards for how they are manufactured, tested, packed, marked, labelled and documented. These requirements are a key element of the IATA Lithium Battery Shipping Regulations (LBSR) and of the IATA Dangerous Goods Regulations (DGR), which combine regulatory and operational input from industry and government experts.



IATA's Director General, Willie Walsh, says, "Lithium batteries are critical power sources for many consumer goods on which we all rely. And it is vital that we can ship them safely by air either with finished products or as components in global supply chains. That's why we developed the CEIV Lithium Battery certification. It gives shippers and airlines assurance that certified logistic companies operate to the highest safety and security standards when shipping lithium batteries."

FAW Trucks and BHL a winning team

The partnership between FAW Trucks and Buks Haulage Limited (BHL) stretches back over almost a decade, starting with the purchase of 85 first-generation 26.380 units in 2012. Today, BHL owns around 200 units from FAW Trucks and plans to expand its fleet as its business on the African continent continues to grow.

Since that initial purchase in 2012, Buks van Rensburg, CEO of BHL, says that the products from FAW have played a significant part in the success of the company, which was

established in Zambia in 2004. “We own a fleet of 300 trucks from various brands, but the robust products from FAW Trucks have consistently proven that they can cope in even the harshest conditions,” says Van Rensburg.

BHL found that FAW trucks are robust and engineered to handle these conditions because they undergo stringent testing before being brought to market. In addition, the electronics on these Euro 2 compliant trucks are perfectly suited to the unique challenges of the African working environment.

“Innovation is an important pillar of the BHL business model and here, too, FAW Trucks has been able to cater to our unique needs.”

“FAW Trucks believed in the potential of BHL and took us on as a pilot customer, helping us to build our market share. One could say that the two companies built their brands together. We look forward to a bright future and a continued partnership with FAW Trucks,” Van Rensburg concludes.



Treger Group and Pargo team up for click and collect delivery

One of the biggest hurdles standing in the way of widespread adoption of online shopping in South Africa is last mile delivery. The majority of South Africans live and work in areas that are traditionally difficult to reach, such as townships, small towns, agricultural areas or even gated security complexes.

To service this wealth of customers, e-tailers are looking for alternative methods of delivery that are more suited to the lifestyles and living conditions of South Africans. It is this line of thinking that led to the recent partnership between the Treger Group and smart logistics company Pargo.

The Treger Group is a fourth-generation family business specialising in the distribution of premium lifestyle brands. Thanks to its partnership with Pargo, customers can shop for watch and jewellery items from Police Lifestyle, Hallmark Watches, Daniel Klein and other brands distributed by the Treger Group and have them safely delivered to the Pargo Pickup Point of their choice. Once delivered, the parcels are safely stored by the pickup point for eight days for customers to collect.

Loren Dakes, Director at the Treger Group, explains,



“Partnering with Pargo allows us to easily fulfil orders across the country. Instead of planning their day around delivery, our customers can now collect their orders from secure Pargo Pickup Points when it suits their schedule.”

Pargo Pickup Points act as click and collect delivery hubs that are strategically located in popular chains like Clicks, FreshStop at Caltex and Lewis stores, as well as independent stores nationwide. These pickup points are better positioned to receive parcels from couriers than many South Africans’ homes, eliminating the risk of failed deliveries due to inaccessible areas, unmarked addresses or safety concerns.

Click and Collect is becoming increasingly popular among South Africans. In 2020, Pargo reported 153 percent growth in Click and Collect orders, indicating the growing demand for alternative delivery methods as e-commerce takes off.

Airside facility assures speed and safety for vulnerable cargo

CRIME STATISTICS for the first quarter of 2021/2022 confirm a steep 107.6 percent increase in truck hijackings, while cash-in-transit heists have accelerated by a massive 142.1 percent, according to SAPS. This has added another challenge to the logistics of vulnerable and high-value goods, en route as well as on arrival. The need for secure airside facilities with quick turnaround times is becoming increasingly important.



Martin Taylor, Risk Manager at Rhenus Logistics South Africa.

“These numbers bear out our concern that the safety of cargo in transit is one of the biggest challenges for the logistics industry in South Africa,” says Martin Taylor, Risk Manager at Rhenus Logistics South Africa.

Despite the fact that the international airports in South Africa are deemed National Key Points, the brazen theft that occurs after airline touch down has rendered such airports as happy hunting grounds for syndicates.

With the Rhenus airside facility at OR Tambo International Airport (ORTIA), these risks are largely eliminated, as the

facility is particularly suited for the secure handling of high-risk cargo, including electronics, pharmaceuticals, currency and other high-value items. Rhenus Logistics acquired the facility to create an end-to-end solution for vulnerable air imports and exports, enabling it to draw cargo directly from the airside and control the full handling process from the moment of landing. The Rhenus team is onsite and handles the process in its entirety.

“Our facility includes material handling equipment, racking and bulk storage, as well as a category 5 vault on site. We provide the highest level of security with 24/7 camera surveillance, armed guards, as well as advanced access and perimeter security that is completed with a generator,” continues Taylor.

“We are well-positioned at ORTIA as our facility enables direct access, bypassing third-party handling, to eliminate costly delays and risky exposure. This means faster transit times from ORTIA to our warehouses, improved transparency, better communication and lower risk, due to reduced waiting times. From arrival at the airport to goods loading and out the gate, we only need two hours, cutting down the transit time to a minimum,” explains Taylor. •

WLP welcomes Nigeria as strategic hub in West Africa

Nigeria has joined the World Logistics Passport (WLP) as a hub, with the Council for the Regulation of Freight Forwarding in Nigeria (CRFFN) as the coordinating partner.

Nigeria is the largest economy in Africa, with a vibrant and diverse industrial base and rapidly expanding regional and global trade interests. In 2019, product exports totaled \$63.8 billion, with trade accounting for 25 percent of GDP.

With access to the WLP network, Nigerian traders will have the opportunity to enhance the connectivity and efficiency of their cargo operations. This, in turn, will open up trade routes, allowing for faster, cheaper access to new markets particularly in Asia, Latin America and across Africa.

HE Sultan Ahmed bin Sulayem, Group Chairman and CEO of DP World, says, “We view West Africa as a long-term growth market, with Nigeria spearheading growth in the region. The WLP helps deliver economic growth and create jobs by boosting trade, principally by making a country’s products more competitive through more efficient supply chains. For Nigerian traders, this means discovering new opportunities through our

network across the African continent and beyond.”

Nigeria has joined the WLP alongside other African nations including South Africa, Senegal, Morocco, Kenya, Ethiopia, Botswana, Zimbabwe, Mozambique, Burkina Faso and Guinea.



HE Rotimi Amaechi, Minister of Transportation in Nigeria, says, “Joining the WLP is about bolstering global trade opportunities for Nigerian businesses and accelerating Nigeria’s already fast-paced growth. The WLP will help deliver this by providing benefits to businesses such as priority handling and faster clearance, helping to reduce supply chain costs and increase trade volumes.”

The continued expansion of the WLP across Africa will help to deliver on the vision of the African Continental Free Trade Agreement by reducing end-to-end costs across the logistics chain in Africa, boosting intra-regional trade and opening up competitive access to new international markets for African companies. •



Trained and certified truck drivers create safer roads

AS MANY as 9,969 South Africans lost their lives on South Africa's roads in 2020, according to the latest Road Traffic Management Corporation (RTMC) figures. As traffic volumes continue to increase with eased lockdown restrictions, these fatalities are likely to skyrocket again – unless companies and professional drivers play their part by investing in better driver training, warns Innovative Learning Solutions' (ILS) Managing Director, Arnoux Maré.

Significantly, an increasing proportion of accidents are the result of human error as opposed to environmental or vehicular factors. Notably, RTMC statistics reveal that human factors were responsible for 73.6 percent of all fatal crashes in 2014, before steadily rising to 85.6 percent in 2020, pointing to the need for urgent intervention and expert training in curbing the number of fatal crashes.

In its National Road Safety Strategy 2016 – 2030, the Department of Transport therefore notes, "The current K-53 system being taught to new drivers is deemed outdated and an improved solution must be developed cognisant of the changes due to modernity, and responsive to producing better drivers."

"This is where companies should be leading by example, by investing in their drivers' training and skills development to safeguard their assets and to prevent loss of life," notes Maré. "Every motorist is responsible for contributing towards safer roads, but for professional drivers, it is also paramount that they understand how to get the best out of their vehicle and can ensure the safe and timely delivery of their cargo while mitigating road accidents. This mammoth task is attained through abiding by the law and the consistent application of training."

Seeking to address companies' need for professional drivers, Innovative Learning Solutions offers drivers professional training and testing in accordance with international best practices. Africa's largest truck driver training centre provides truck, bus and taxi drivers with expert CODE 10 and 14 training and assessment programmes that empower and equip these drivers with the necessary skills to mitigate road accidents, and drastically improve their reliability and productivity. •

FedEx Express completes electric vehicle trial

FedEx Express has announced the completion of an electric delivery vehicle trial in Johannesburg. The trial consisted of testing electric vehicle technology within operations, assessing the effectiveness to run a delivery vehicle on a standard route, fully loaded with customer packages on a typical workday. Following the positive trial results, FedEx Express is now finalising plans to introduce permanent electric vehicles to its vehicle fleet in South Africa.

"We're encouraged by the results we've seen from the initial vehicle test," says Natasha Parmanand, Managing Director, Operations at FedEx Express in southern Africa. "Not only did the vehicle perform well when travelling to and from customer sites, but it handled our local streets and conditions."



FedEx employee Lefa Halahala was the first team member to test the electric vehicle on his delivery route. "The car was great to drive. It has a lot of space and I drove the whole day on one battery charge. I'm happy to be a part of South Africa's sustainable future and proud that FedEx has committed to making sure this technology works for our customers, our drivers and our conditions."

"The South African trial aligns with our goal to achieve global carbon neutral operations by 2040," continues Parmanand. Vehicle electrification is one of the key steps toward reaching the carbon-neutral goal and by 2040, the entire FedEx global parcel pickup and delivery (PUD) fleet will be zero-emission electric vehicles. By 2025, the aim is for 50 percent of FedEx Express global PUD vehicle purchases to be electric vehicles, rising to 100 percent by 2030. •

Coega welcomes DHL in the Special Economic Zone

The Coega Development Corporation (CDC) welcomes DHL as an investor in the Coega Special Economic Zone (SEZ), says Khwezi Tiya, CDC's Chief Executive Officer. "We believe that the decision that was taken by DHL to locate its investment in the Coega SEZ was a correct one and highlights the importance of SEZs in South Africa as key enablers for growth and development."

The Coega SEZ is a trans-shipment hub and a leading investment destination in Africa, and it provides a location with modern infrastructure for sustainability and businesses to thrive.

The timing for the opening of the DHL facility is especially significant because of the current devastated economy as a result of the COVID-19 pandemic. The DHL investment at Coega has contributed to socio-economic development in line with Coega's vision, making a significant impact on the local economy.

During the construction of facilities, more than 255 construction jobs were created and a total of 24 SMME contractors benefitted from the project. DHL now employs more than 50 people at its Coega SEZ facility, which is important during these difficult economic times. It is hoped that DHL's success at Coega will be sustainable in order to create more jobs during operations to boost the local economy for many years to come and that this lays a foundation for further DHL investments. •



The new DHL facility consists of a 11,198m² DC and 718m² of offices. The total site is 20,000m² in Zone 1, Coega SEZ, Gqeberha.

Imperial and Sasol to formalise partnership

Imperial Logistics and Sasol South Africa have entered into an agreement to collaborate in exploring options and solutions for improving freight sustainability and efficiency in southern Africa. The two companies will also be evaluating potential cross-border collaboration.

South Africa's transition to a low carbon future requires bold innovation and investment in transformative technologies. A green hydrogen sector holds promise for growth and development in the country's primarily coal-based economy and will contribute to South Africa's international climate change commitments.

Sasol's aspiration is to play a leading role in the co-creation and development of hydrogen ecosystems, which aims to decarbonise hard to abate sectors such as transportation, using green hydrogen produced at its operations facilities leveraging existing process equipment and proprietary technology. Decarbonising heavy-duty, long-haul trucking using fuel cell electric (FCE) trucks is an area of interest to both Sasol and Imperial.

Imperial plans to reduce its carbon footprint by exploring a range of alternative truck technologies. For heavy commercial vehicles travelling long distances, FCE trucks hold promise as a viable zero-carbon solution. Sasol's expertise in hydrogen production and refuelling infrastructure combined with Imperial's expertise in fleet management, its extensive transport footprint and superior end-to-end supply chain solution capabilities, are expected to deliver good synergies from the collaboration.

Mohammed Akoojee, Imperial's Group CEO, says, "This strategic partnership with Sasol helps cement our commitment to a just transition to a low carbon economy and is another step towards positioning Imperial at the forefront of alternative energy fleets. We also welcome the opportunity to work together with Sasol to develop viable and sustainable greener supply chain solutions that will not only benefit our clients and principals, but the broader logistics and supply chain industry."

Priscillah Mabelane, Executive Vice President of Sasol's Energy Business, adds, "Green hydrogen can help tackle various critical energy challenges and is positioned for rapid global growth as the pathway of choice to decarbonise, amongst others, the long-haul transport sector. This partnership is yet another milestone in Sasol's aspiration to play a leading role in the development of the green hydrogen economy of South Africa." •



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