

# **Multi-year Expert Meeting on Transport, Trade Logistics and Trade Facilitation:**

**Second session: Trade facilitation rules as a trade  
enabler: options and requirements**

**Geneva, 1–3 July 2014**

**SASC  
South African Shippers Council**

**by**

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CEO of the South African Shippers Council (SASC)**

# S A S C

SOUTH AFRICAN SHIPPERS COUNCIL



Cargo handling, warehousing and transportation by all modes from origin to destination

## Multi-Year Expert Meeting on Transport, Trade Logistics and Trade Facilitation 2nd Session (Trade Facilitation)

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Palais des Nations - Room XXVI - Geneva  
Geneva, 1-3 July 2014

Presented by Brenda Horne-Ferreira  
CEO of the South African Shippers Council (SASC)

sappi  
Inspired by life



COLUMBUS  
STAINLESS

samancor

EVRAZ  
HIGHVELD

FORWARD THINKING  
IMPERIAL  
LOGISTICS

GRINDROD  
INTERMODAL

exxaro  
POWERING POSSIBILITY

ANGLO  
AMERICAN

Group

SASOL



HULAMIN

CINPOR  
NPC

Bidvest

- Background
- Innovative Collaboration
- A Road Map (SASC)
- Structure
- High Level Benefits
- Costs
- Structure
- Conclusion

*The complacent company is a dead company. Success today requires the agility and drive to constantly rethink, invigorate, react, and reinvent.*

— Bill Gates, Chairman, Microsoft

# Background

- The purpose of a recent study I did on shippers councils of the world, as reflected on the internet, was to learn what the world practice was and to determine to what extent the South Africa Shippers Council as well as our Southern African region is geared to offer the same representation to cargo owners (shippers), considering that we are trading and competing in the local, regional as well as global economies, with the view to make a recommendation regarding the way forward for the SASC.
- In this review of shippers councils and related organizations such as associations and federations, which totaled 60+, it was clear that the world practice is for countries to have a advocacy, research, training and development, communication and network organization, with the focus of being the voice of the shippers (cargo owners) in collaboration with the respective governments and supply chain service providers in order to facilitate/improve the supply chain conditions and outcomes for the cargo owners.
- What was clear is that Southern Africa clearly lacks this substantial collective voice, to Integrate, Facilitate, Coordinate, Communicate, and Evaluate across a collaborate group of stakeholders of the country and region, namely the shippers, supply chain service providers, government entities and all other related parties. More so than ever before as the drive for regional integration and greater trade through neighboring countries, and with African countries increases and South African business realizes the opportunities of doing so, hence the decision on the 18<sup>th</sup> of June to transform the SASC from a part time secretariat to a full time one with an office in Johannesburg –
- There are huge benefits but also huge costs and challenges
  - Memberships has to increase from 15 to + 50 by end of 2015
  - Government support and funding needs to be solicited
  - Donor support must be sought
  - Services such as conferences must be organised with sponsorships to increase revenue
  - Innovative other revenue streas must to sought

## Innovative collaboration

It is essential, in order to collaborate on matters such as:

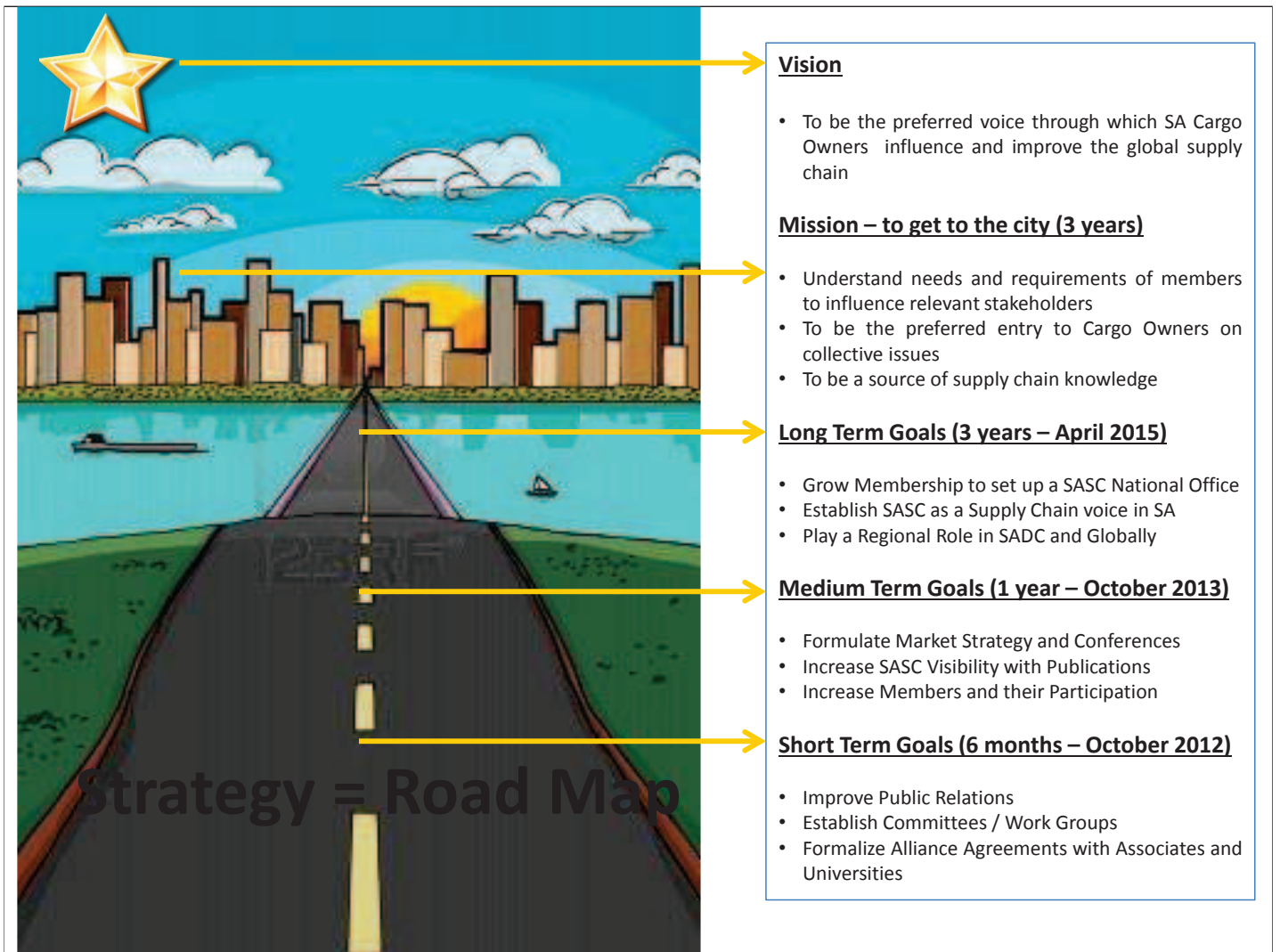


- policy debate, legislation,
- planning,
- infrastructure,
- tariffs,
- safety,
- capacity building,
- research and training

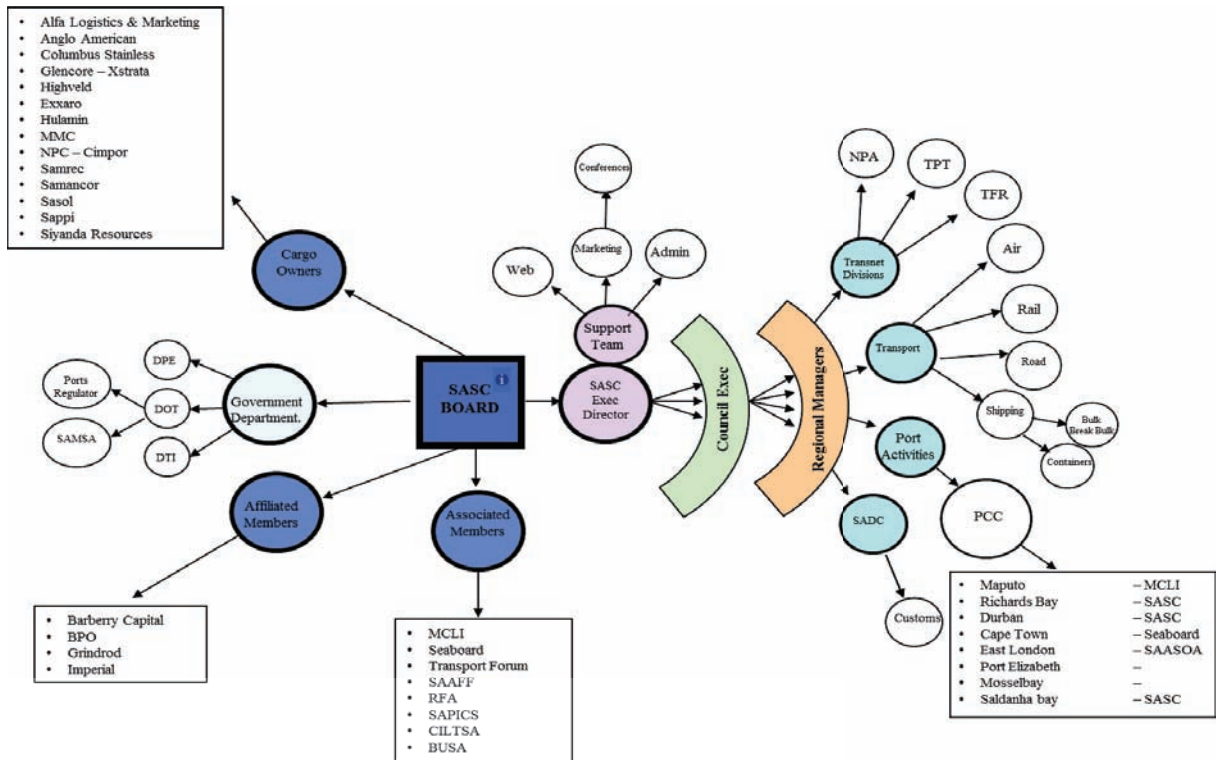
- In areas of roads,
  - Transport services and toll road fees,
  - Rail infrastructure, rolling stock and equipment
  - Rail operational efficiencies
  - Moving rail friendly cargo back from road to rail,
  - Port capacities and services,
  - Shipping and related services
  - Tariffs, surcharges and principles of rate
  - Cross border trade facilitation,
  - Overall operational efficiencies of all transport infrastructure and services
- to have such a national and regional shippers council.

Another matter of consideration is the importance of the willingness of the various government departments, SOC's and parastatals to cooperate with and support shippers councils both financially and institutionally, such a collaboration platform.





# Structure of stakeholders of South Africa Shippers Council



## High Level Benefits





## • First line of call

- Being the source of knowledge, institutions should see SASC as the preferred voice of the cargo owners, affiliates and associates when it comes to projects planning and implementation.

## • Stakeholders Expectations

- The stakeholder's expectation is improved value creation in servicing customers. Creating and managing consumer expectations and creating network platform for sharing information among others, how to reduce supply chain cost. Collaborate with Transnet to assist in realizing its Market Demand Strategy through private sector participation.

## • Sustainability

- Delivering customer service that has a sustainable performance by building SASC that has integrity to survive and prosper in this tough competitive environment. Instill high level of professionalism to elevate the image of shipper's council in the public domain. Involve in human resources transformation through offering opportunity for learner ship program.

## • Operational Excellence

- Provide improved customer service and tackle operational issues to smooth supply chain impediment. Develop regional representation throughout the country to enhance participation and resolve issues that affect members' operating environment.

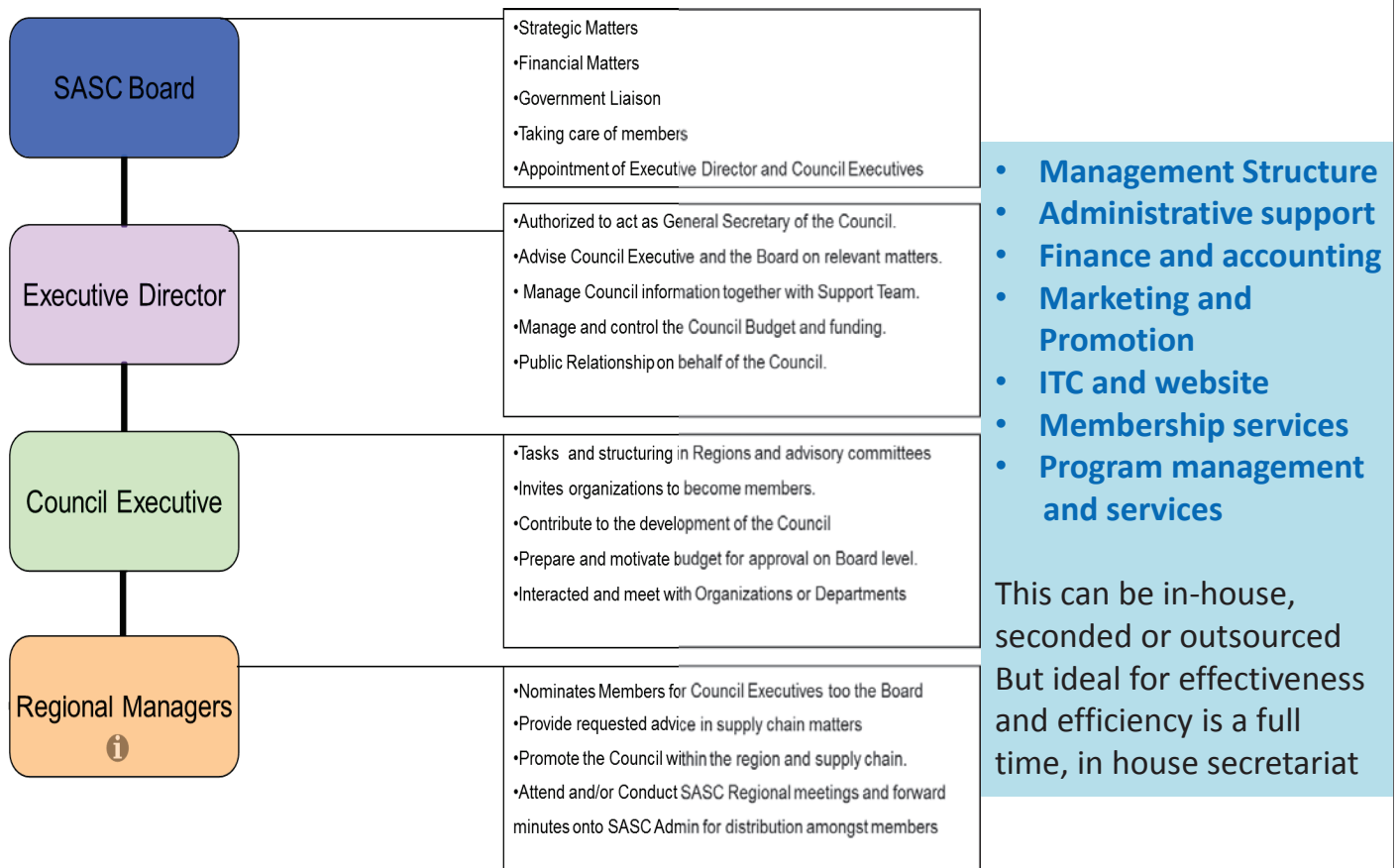
## • Customer Value

- Provide members and customers with quality service to enhance the image of shipper's council. Be the role player in the media by making statements and comments on issues that take place in supply chain space. It is imperative to build collaboration platform with relevant stakeholders to discuss supply chain issues.

# Cost – staff cost, operational cost, program/project costs

- To ensure relevant Governance, Structure and Programs = human capacity + operational cost + program/project costs
- For success and efficiency every collaborative organisation needs a secretariat (full or part time)
- Sustainability is always depending on costs and its funding
- The size of the organisational structure and amount of funding will depend on:
  - The mandate of the organisation – advocacy vs. services
  - The make up of the various stakeholders – i.e. Government and Private sector
  - The amount of sectors and modes covered – road, rail, ports, terminals, shipping, trade facilitation for all shippers or only 1 industry
  - The size of the geographic area it serves/represents
  - The level of outsourcing and consulting work
- The key minimum functional areas:

# The key minimum functional areas:



## Conclusion

- Collaborative engagement in transport and trade facilitation **is a must not a maybe**
- There are huge **benefits** for all
  - Shippers (Cargo Owners)
  - Service Providers – trucking, rail, shipping, logistics, finance, consulting, etc
  - Government – National, Provincial, Local –
  - Country as well as regional, continental, global economy
- There has to be **Structure, Governance, Programs**
- There are **costs**
- All stakeholders must **contribute** towards funding and participation
- All will be losers, individually and collectively in absence of effective and efficient innovative collaboration platform
- **If there are challenges/problems/bottlenecks in your supply chain areas and you are not part of the solution finding collaboration platform, you are part of the problem**





# The End Thank You

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*Aggregator for Collaboration*

*Gateway for Globalisation*

*Driver of Visibility*



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