

Industry upbeat – but no quick fixes

Positive developments in the political landscape appear to be generating an overall air of optimism based on input from several industry commentators.

“The outcome of the recent ANC elections has definitely shed a positive light on South Africa as a whole,” said David Liebenberg of D Liebenberg Consulting.

“There is a lot of work still to be done but if the right decisions are made and implemented, we will definitely see growth.”

The only caveat is that the people who “run” the country, do so for the country and not for “self-enrichment”.

Managing director of CFR Freight, Martin Keck, believes it will be a long road for the ANC and its new president Cyril Ramaphosa, with no quick fixes, “but high level signs are much more positive now,” he told FTW.

We are budgeting for growth,” he said, but warned that the tendency of looking for first-class services at very cheap rates would have to

stop. “And that will need to run through the entire supply chain.”

Managing director of Cargo Handling Services, Owen Bottomley, believes better resource prices will stimulate the mining industry while the improving oil price will pump

up the oil and gas industry. “With more projects getting the green light on the back of these factors –together with improvements on the political front – we expect to see more projects getting the go-ahead.

“All in all we expect to outperform 2017

significantly in both revenue and profit.”

But while there may be a lot more optimism in light of current political events, the country is not out of the woods yet, says SA Association of Ship Operators and Agents CEO Peter Besnard. Recent downgrades, the possible restructuring of the cabinet and the need to restore confidence to the country are all critical issues.

“The economy must grind on to re-establish the kind of platform we once enjoyed – but we are not alone as other countries around the world try to enhance growth and opportunity and create employment to grow their economies.”

From a seafreight perspective, with so many vessels mothballed at one stage and only now returning to service, vessel sharing has been prevalent to cut cost. “As such space was at a premium and rates increased to secure bookings but slowly things are thinning out and returning to normal,” said Besnard.

Freight bureau EASYCLEAR has also factored economic optimism into its future planning and is looking forward to growth in 2018 on the back of the introduction of the long-awaited and frequently discussed web based version of its product.

“We anticipate that the key issues for 2018 are likely to be the implementation of the RCG (reporting and conveyancing of goods) by SA Revenue Service (Sars) and its testing with the trade which begins in February,” said sales manager Michael Henning.

The implementation of the “new” Customs Duty and Control Acts is a key issue for the year ahead, according to Liebenberg, who believes success will depend on collaboration between Sars and trade.

– Joy Orlek

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