

road ahead

2nd Edition of 2019
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Truck Launch

All-New Quon
extra heavy range

Fuel for thought

How viable are electric vehicles in South Africa?



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The Crafter

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**Commercial
Vehicles**



road ahead

Transport on the move
2nd Edition of 2019

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On the Cover



The Team



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- editor:** gregory simpson
- art director:** brent meder
- design & layout:** monique petersen
- advertising executives:** bayanda sikiti (project manager)
linda smith
- subscriptions:** lee-ann lawrence
e-mail: leeann@capemedia.co.za
fax: +27 (0) 86 538 6761
local ZAR 115.00
international ZAR 313.00
- distribution manager:** edward macdonald
- circulation manager:** lee-ann lawrence
- client liaison:** phumza mbodlana
- accounts department:** chevonne ismail (accountant),
brigitte eberbach
- debtors department:** nadeema abduallah,
- repro & printing:** FA print
- managing director:** robert arendse
- financial director:** andrew brading

cape media house,
28 main road, rondobosch, 7700
(entrance c/o main and devonshire hill road), cape town
tel: +27 21 681 7000; fax: +27 21 685 4448
info@capemedia.co.za <http://www.capemedia.co.za>



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SCANIA



road ahead

2nd Edition of 2019
Transport on the move

Foreword

Dashcams useful for so much more than just social media

When most people think of a dash cam, they think of a simple set up with a recording device that saves to an SD card which must later be removed from the dashcam so that footage can be downloaded. This might be sufficient for individual use, but when dealing with a fleet of trucks or vehicles, such a simplistic set-up is ineffective.

However, this is no longer the case now that dashcam technology has advanced to the point where it has become effectively an off-site vehicle DVR (Digital Video Recorder) system, combined with front and rear dash cams built with multiple sensors and 4G connectivity to provide real-time cloud-based vehicle tracking and monitoring. Add easy scalability to the mix thanks to a cloud platform, and today's dashcam system is everything that logistics companies, shuttle services, taxi associations and car hire corporations have been waiting for, and more.

Like all other industries, the transport and logistics sector is under huge pressure to reduce the risk involved in moving goods and people, and that's where modern dashcam solutions shine. Now fleet managers and operational managers have access to a live stream on any device, as well as the ability to view multiple vehicles on a single screen.

The latest dash cams are equipped with smart sensors that are capable of registering and recognising trigger events, such as sudden stops, sharp acceleration, or collisions, to automatically send a 10-second video clip of the event to be stored in the cloud, while simultaneously sending email or SMS notifications, allowing operators to respond directly to vehicle incidents timeously.

When it comes to post-event investigation, no longer will fleet managers have to trawl through reams of footage to isolate an incident because all events footage will be easily managed through a central events dashboard that logs events by description, date, time and type. This also means that such footage cannot be

tampered with or destroyed. This makes dashcam footage exceptionally useful for evidentiary purposes in insurance claims and criminal cases. Fleet managers are now able to see exactly what is happening inside their vehicles, and with access to hard evidence of driver behaviour, they're better able to monitor fleet

performance and driver safety. Today's smart dash cam solutions will offer full GPS tracking of single or multiple vehicles, in real-time, to deliver total transparency into each vehicle's trip with deep contextual information. For example, point-by-point location information, time, and travelling speed, all of which make it simple for the operator to locate the necessary footage relating to a specific event. Such solutions have a distinctive edge in that they offer intelligent analytics and automated reporting for true visibility into driver behaviour and vehicle treatment, which is exactly what fleet managers and car rental companies need.

To get the most out of such cloud-based dash cam systems, fleet operators must look for offerings based on low upfront hardware costs and affordable annual subscription fees.

Laurence Smith, Executive at Graphic Image Technologies



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road ahead

2nd Edition of 2019

Transport on the move

Ed's Note

The Springboks and effective leadership



The recent Rugby World Cup in Japan has been a prime example of how South Africans can thrive by working together, and not pulling in different directions. With all the turmoil that this great country has endured of late, from economic freefall to rampant corruption revelations, this win could not have come at a better time.

During the Springboks' warm-up games I sensed that something rather special was in the air and fate would deliver us a much-needed World Cup win. In 1995, Francois Pienaar's men brought a bitterly divided country together for one goal: to beat arch rivals New Zealand, and prove our worth after years of isolation from the international arena.

Biased media and certain political leaders in South Africa often work to divide people for their own gain. We are bombarded with images of hate and distrust. Good news stories are few and far between, which is why the World Cup win was so vital to the news cycle.

Meanwhile, our struggling logistics and truck OEM sector is in dire need of some positive news. Fleet owners have been battered since Jacob Zuma took over as president, and dwindling investor confidence and a lack of infrastructure maintenance means the industry is staring down the barrel, again.

To make matters worse for the logistics sector, the fuel price has been on a steady upward trajectory, which is not helped by the new Carbon Tax. Why, when South Africa has very little economic growth and mountainous debt, would you want to introduce another tax to burden business?

South Africa is not Europe, so why try and adapt European style legislation? Europe is a lot smaller, with more people and less open space. In my opinion, topics like global warming and climate change are used to allow governments to collect more tax. Does it have anything to do with actual environmental shifts? In nature nothing stays constant, so a certain amount of climate change is natural.

Cape Town enjoyed one of its wettest and coldest winters in years. When I'm huddling around a fire, global warming is the furthest thing from my mind.

Let's be honest, the current political system has largely failed us. The entire notion of democracy is built on a weak premise. It is a popularity contest, not a qualification contest. For example, if you want to become a doctor you need to study for six years plus a long internship. Yet, there are no qualifications needed for the most important job in the land.

Take a country like Canada. Many government ministers have real-world experience in the fields they represent. For example, the Minister of Transport was an astronaut. Our ministers are shuffled around from post to post, often with no experience. Until this shifts, meaningful economic change in this country is unlikely.

Effective leadership is vital for any sports team, or country, to survive the test. Just ask Rassie Erasmus and Siya Kolisi.

*Until next time,
Gregory Simpson*



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CHARGING STATION

FUEL FOR THOUGHT: HOW VIABLE ARE ELECTRIC VEHICLES IN SOUTH AFRICA?

Is going fully electric really an option in 2019, or is South Africa still under-equipped?

CHARGING STATION

Electric vehicles have been the talk of the town over the last five years, especially in developed parts of Europe and California, where legislation and Political Will have facilitated the mass roll-out of a variety of different electric variables. From the trend setting and affordable Nissan Leaf, trusted Lexus RX hybrid, to the futuristic Tesla, through to the hoards

of electric scooters that wiz around their urban jungles.

Drivers get a sense of 'doing the right thing' when they decide to purchase a 'green' vehicle. But are electric vehicles really any cleaner and kinder on the environment?



Unless you have a solar panel setup at home or at work, chances are you'll be running your vehicle on electricity that originated from a coal powered power station, which accounts for approximately 80% of electricity production in South Africa.

One just has to look at the air pollution around Mpumalanga's coal power stations, and effect on nearby farming activities to see that you're unlikely to be propelling your car on anything green, not to mention the undesirable toxic waste from the aging Koeberg Nuclear Power Station.

However, the incredible amount energy and electricity involved in mining, refining and transporting traditional fossil fuels leaves a sizable footprint on the environment too, without adding the on-road pollution from the cars. There is no quick answer to the fuel debate.

Thankfully there have been important advances in battery technology over the years.

The lifecycle of the lead-acid battery in earlier electric vehicles was only approximately five years, but with the advancement of lithium-ion technology in the current range of vehicles has seen an important increase in lifespan. Jaguar is now providing a warranty for eight years or 160,000 kilometres on the 90kWh I-Pace battery.

However, the battery is not cheap to replace when it gets to the end of its lifecycle, and you'll need to take the cost into account if you are planning to keep the car for a long period time. Latest

research from the Automobile Association's (AA) indicates that nearly 35% percent of South Africans keep their cars for more than 10 years.

It will be noteworthy to see how the uptick in electric vehicles will affect how long people keep their vehicles. The resale value will diminish faster the closer the battery gets to the end of its warranty. But the price of battery is likely to come down as technology advances and supply increases.

There have also been important advancements in battery recycling and reuse, which was a thorn in the side of the electric car debate in the past.

The introduction of thin solar panels on the next generation of electric vehicles, built into the roof and bonnet, will certainly decrease the cars' carbon footprint, and reliance on the grid. This will be a major tipping point for sales. Instead of having to charge your vehicle, leave it out in the sun for a free top-up. With South Africa's sunny climate, this technology is a no-brainer. Companies like Toyota and Hyundai are busy rolling out models onto the international market place.

Sadly, there is generally not enough roof-space on cars to have enough solar energy to completely charge the vehicle's batteries on the move.

Busses and trucks, with their huge roof-space are far better suited to full solar power, with examples of solar powered busses in China, a country that is in dire need of cleaner transport.



Reliability

In terms of maintenance, fossil fuel engine cars require more regular servicing, maintenance and oil changes. They also have more moving parts, which could lead to issues. The electric vehicle, with its regenerative braking uses the brakes less, meaning longer periods between pad changes and less stress on the discs.

Some protagonists believe that an electric car battery will give fewer issues over an eight year period compared to a traditional combustion engine. But it really depends on what engine you are comparing the life of the battery to.

For example; according to a 2019 What Car long term customer survey from the UK, the BMW 1 Series (2004 – 2011) came out as the most unreliable. You could argue that you'll run into some pricey engine repairs before you hit eight years or 160 000km. So a win for the electric car.

But if you compare a Japanese petrol engine from historically reliable Toyota or Honda, or a South Korean engine from no-nonsense Hyundai, one would expect a minimum of 10 years of trouble free motoring without any sinister engine malfunctions or major electrical work, provided it has been maintained regularly.

Missed opportunity

The surge in demand for lithium bi-products like Cobalt globally should be music to the ears of South Africa's mining sector, which ought to have been in pole position to cash in. Global demand for battery minerals is projected to rise 8.9% per year through 2019 to 49,350 metric tons.

With the fragile state of the mining industry in South Africa there has been little long term planning to meet the demand. It's more about survival for many companies. You can't just flick a switch and the mine comes online. It takes many years of planning, and incredible amounts of capital to re-open an old mine or start afresh.

The current economic landscape and uncertainty is certainly not conducive to new mega mining projects, and South Africa will likely miss out on a golden battery opportunity. Not to mention the downstream business that we are letting slip through the net.

Government often talks of local beneficiation. With the level of technical expertise and natural resources, South Africa should really be making more Proudly South African batteries, from the initial mining stage, all the way to design, manufacturing and distribution. Metair is the sole South African company with lithium-ion battery production facilities.

So why go electric?

In a European setup, with an abundance of charging stations, it does become considerably cheaper to run fully electric vehicles. In terms of 'on the road' CO2 emissions they are clean, reducing smog in congested cities.

At the moment, the range of electric vehicles is the most limiting factor, especially in a South African context where



people love to take long road trips down to the coast over the holidays.

Meanwhile, there has been an uptick in demand for mild-hybrid technology over the last 12 months, which is a combination of full sized petrol/diesel engine which is supported by an eclectic motor. Once the car is up to cruising speed, braking or stopped, the eclectic motor takes over and uses no fuel.

This is an option for South Africans who want to go electric, but still have the benefit of long cruising ranges. The electric motor provides greater efficiency by replacing the starter and alternator with a single device which assists the power train. It needs less battery power but is less economical to run than full hybrid models like the Toyota Prius, which uses its electric motor to help accelerate at slower speeds.



Appetite for electric

The European situation is far different from South Africa, or Australia, who have also had a sluggish uptick in demand for electric vehicles. With wide open spaces and clean air, there is less demand for electric vehicles in Australia, with the electric/hybrid car market claiming three percent of overall sales. Solar PV and batteries for home use are still not cheap enough for the man in the street to afford, which would be a game changer for fully electric vehicles. If you can charge your vehicle from solar PV or wind power, and don't plan on going on long road trips, it does make sense going electric.

Alternatively, buy an electric car for town commuting and a second traditional vehicle for longer trips if your budget allows.

It's all in the charge

Charging time is another moot point in electric car ownership, with an average of four hours. As you know with your phone, it still takes a good two hours to fully charge from flat with apps on. You can get a device that charges your phone in 30 minutes, but that is potentially at the cost of your battery's expected life span.

Some experts say that the three minute charge will see the end of non-electric vehicles in cities. Basically, when you can charge your car in the same amount of time that it takes to fill your tank with fuel. However, this convenience may shorten the life of the current day battery. We have only seen a smattering of electric cars in South Africa, usually BMW i3s parked outside of trendy coffee shops in upmarket areas. There are currently 85 charging points in South Africa, with interest from filling stations to install more. But with government sticking to the 43% import tax on vehicles produced abroad, to protect our local car manufacturing interests, there is no price incentive for electric vehicles at this stage. In Europe, governments provide tempting financial carrots for people to change over. Developed countries don't have to worry about load-shedding either, another factor that might put people off electric locally.



Bio-fuel blunder

South Africa has missed a beat in not blending environmentally friendlier bio-fuel into the market place

for older diesel engines, which were originally designed to run on it by inventor Rudolf Diesel. For years there has been legislation to ensure that two percent of South Africa's diesel is bio-fuel, but these meagre targets have never been met sadly, with the shrinking sugar cane industry a prime candidate to benefit from increased production.

South Africa has missed a beat in not blending environmentally friendlier bio-fuel into the market place for older diesel engines

There is a misconception that bio-fuel is bad for engine life due to its more viscous nature. If made to international standards, bio-fuel can be safely used on older diesel engines, in conjunction with a fuel conditioner. South African logistics companies have been adding the AdBlue formula to diesel trucks for years to help with better emissions and removing harmful pollutants.

So when you're scrolling through the many vehicles for sale, don't be overwhelmed by the sheer choice of fuel options. There is a place for hybrid electric technology in South Africa, with a growing number of manufacturers like Toyota/Lexus and Mercedes producing some excellent vehicles, but we are still a few years away from fully electric cars being a viable option for your average cash-strapped South African.

This will all change when there are numerous charging stations in our cities, solar panels are integrated into more vehicles, and better financial incentives for buyers. Going electric will become a no-brainer for urban commuting. Until such stage I'd recommend buying a small petrol engine car with high emissions standards, and give it some time for the price of electric cars to come down further, while battery technology also improves, making electric cars a mainstay.

Gregory Simpson

Crafted for your craft: The Crafter



Elevate your business with the Crafter. With its generous loading capacity and vast electronic safety systems, the Crafter will make sure you get the job done no matter what.

Built for the toughest jobs

Volkswagen Commercial Vehicles understands you need to make sure your business is always taken care of. Essential safety systems such as ESP (Electronic Stabilisation Programme) combined with Brake Assist and Crosswind Assist, MCB (Multi-Collision Braking), TCS (Traction Control System), and EBD (Electronic Brake-force Distribution) all come standard with the Crafter. So whether you're moving people, cargo or both, the Crafter works hard to keep them safely and securely on the road.

Lighten the load

With its 75 litre fuel tank, sturdy frame and generous loading capacity, the Crafter delivers no matter what. Boasting a capacity ranging between 9.9 m³ and 17.5 m³, it can handle any load thrown at it. The Crafter also has one of the longest loading spaces in its class (up to 4.6m), meaning you'll never have to leave anything behind. Furthermore, it will make even the heaviest load feels light with a payload of up to 2.5 tons* and torque of up to 340Nm.

*Additional/specialised equipment added to/removed from the vehicle can result in an increase/decrease in the unladen

weight and consequently affect the payload. The payloads listed have been established using factory options or other tailored solutions that are not included in the standard scope of delivery and services. The actual payload of a vehicle, which is calculated by the difference between the gross vehicle weight and the curb weight, can only be established by weighing the individual vehicle.

Comfortably drive your business forward

Every detail in the Crafter has been meticulously crafted to ensure the comfort and safety of both driver and passenger.

The cabin ergonomics have been enhanced to ensure higher levels of practicality to support your crew.

Improvements include robust seat upholstery for durability, a revised instrument cluster and control panel as well as plenty of storage compartments.

All-in-all making sure the Crafter looks every part as professional as it performs.

To explore what the Crafter can offer your business, contact a Crafter Dealership today.



UD Trucks debuts all-new Quon range

UD Trucks Southern Africa has introduced its high-level technology All-New Quon extra heavy range.

Featuring eight derivatives, the Euro 5 level range is aimed at bringing leading-edge innovation that makes sense in the local operating environment. The new range includes four 6x4 rigid models, and four 6x4 truck-tractor options, and is especially suited to the distribution, petro-chemical and FMCG market segments.

“UD Trucks has a proud heritage that has brought many innovative products and features over the years,” said Jacques Michel, President of UD Trucks International Sales. “But at UD Trucks, innovation goes beyond new technologies. For us, innovation is a commitment to deliver the trucks and services the world needs today, adding value to our customers’ businesses, as well as society at large.”

UD Trucks Southern Africa’s area of responsibility includes both developed and developing economies. The truck market dynamics mirrors this and all-new Quon represents the company’s commitment to excel at the essentials, in line with customers’ expectations.

The Quon meets the needs of transport solutions in the modern age by “putting people first” in every fine detail and pushing boundaries further than ever before through leading edge innovations.

“To serve our customers in an even better way, UD Trucks has over the past few years invested more than during any other period in our history in facilities, in services, in our people, and not in the least, in our products,” said Gert Swanepoel, managing director of UD Trucks Southern Africa. “The Quon now moves us into a stronger position in the South African truck industry.”

Combining optimum fuel efficiency with drivability, the Quon offers a driveline that delivers a smooth, stress-free and comfortable ride. Quon is equipped with advanced safety features that protect the driver and cargo, but also cares for the safety of the vehicle’s surroundings.

Drivability

The cockpit has been redesigned around the way it feels to use it, with operability and visibility ergonomically reengineered from the ground up.

It features conveniently placed steering wheel switches, new meter panel, improved visibility and a 12V power socket.

The new ESCOT-VI electronically controlled automatic transmission adopts a simple, easy-to-use straight shift pattern, further advancing the Quon’s operability while also enhancing its ability to navigate muddy conditions. All models feature disc brakes as standard.

The disc brakes provide a swift, smooth response and outstanding braking performance. Through these features, the all-new Quon provides a comfortable driving environment allowing drivers concentrate on the road ahead.

GW 26 460 TT 6x4 AMT HR 26t Ret
GW 26 460 TT 6x4 AMT HR 26t Ret (Air suspension)
CW 26 460 FC 6x4 AMT SR 26t Ret
CW 26 460 FC 6x4 AMT SR 26t Ret (Air suspension)
GW 26 460 TT 6x4 AMT HR 26t Ret (ADR Prep)
GW 26 460 TT 6x4 AMT HR 26t Ret (ADR Prep) (Air suspension)
CW 26 460 FC 6x4 AMT SR 26t Ret (ADR Prep)
CW 26 460 FC 6x4 AMT SR 26t Ret (ADR Prep) (Air suspension)

Fuel Efficiency

The new Quon range boasts a fuel-efficient, powerful and clean 11-liter GH11 engine.

It generates powerful torque from low revs up through a wide RPM range, making the Quon a pleasure to drive. To further support fuel-efficient driving, the Quon also features UD Trucks’ Nempi Fuel Coach – a system that displays driving advice to help drivers achieve further improvement the vehicle’s fuel economy.

Additional contributors to Quon’s fuel efficiency are a weight reduction in the physical truck, as well as low air resistance. Advanced Euro 5 technology, in all the new Quon models,

also contributes to better fuel efficiency and environmentally friendlier emissions through UD's SCR technology.

Safety

Quon utilises a range of basic, passive and active safety features to keep the driver, the cargo, as well as other road users as safe as possible.

The UD Trucks Traffic Eye Brake system (collision mitigation braking), which uses high-precision radar and a cabin-mounted camera for dual-monitoring of the road ahead.

The new Quon range boasts a fuel-efficient, powerful and clean 11-liter GH11 engine

A Lane Departure Warning System alerts the driver when they are straying across lanes and is especially intended to keep drivers from falling asleep at the wheel. An additional Driver Alert Support alerts the driver by sound and a message in the display, if the system detects any symptoms of inattentive driving or drowsy driving.

Adaptive Cruise Control is an extension of standard cruise control as it adapts the distance to the target vehicle in accordance to a selected time-gap and the speed of the subject vehicle by controlling the engine, powertrain and brakes of the Quon. UD stability control, or UDSC sensor, detects conditions in which the truck could become unstable, such as curves or slippery road surfaces, the system applies control appropriate to engine output and braking power to each tire to maintain stability.

Quon is also fitted with disc brakes featuring heat-release properties for superb and industry benchmark anti-fade performance. In combination, these advanced systems deliver enhancements on both active and passive safety.

Productivity

Every component has been refined to realise an overall lighter vehicle, while achieving gains in load-carrying capacity of up to 200kg, depending on the model.

Improved ease of loading, bodybuilding efficiency and smoothness at creeping speed for approaching loading docks also reflect UD Trucks' commitment to boost productivity for fleet owners.

"The all-new Quon offers a highly productive range of vehicles optimised for our customers' business needs," explained Swanepoel. "Our customers' definition of the essentials needed in a truck, has changed. Our focus therefore is to give customers reduced operating costs as related to things like fuel efficiency,

payload ability and uptime. Secondly, we are concentrating on the people factor within the transport business, making our trucks even safer and environmentally friendly."

Uptime

The all-new Quon represents a further upgrade in vehicle reliability and durability. It is easier to maintain, with a reduced number of parts requiring regular replacement and longer service intervals on genuine parts.

Advanced features like LED lights, disc brakes, rust prevention and sealed hub bearings all contribute to Quon's uptime.

Moreover, comprehensive UD Extra Mile Support including UD Genuine Parts and Service, the UD Trust service agreement, and UD Telematics utilising the latest in connectivity – keeps customers' vehicles in the best possible condition to maximise uptime.

Telematics enable fleet owners to keep track of their vehicle's productivity and fuel efficiency through various functions like geofencing, driver reports and manual navigation.

Laureen Stock



Gert Swanepoel MD UD Trucks Southern Africa



Dachser Logistics – going green in the city

New emission-free logistics solutions are being pioneered by global logistics company Dachser in cities across Europe.

The pilot projects build on new electromobility concepts and adapts city logistics processes to tomorrow's needs, offering bright prospects for emissions – and traffic-plagued city centers across the globe, including in Africa – where Dachser is building a strong network from South Africa.

Dachser's project in Stuttgart sees highly manoeuvrable cargo bikes serving the last mile. Bright yellow branded Pedelecs built by cargo bike specialist veloCARRIER, a Dachser partner in the pilot project, are specially designed to carry palletized groupage shipments and can transport a euro pallet with a load of 250 kilograms. Heavier-duty work is done by a compact, all-electric FUSO eCanter 7.5-ton truck.

This will soon be joined by Daimler's eActros, an all-electric 18-ton truck, which Dachser will integrate into the existing test operations. The cargo bike riders manage deliveries from the microhub to areas of the city where traffic is restricted, while the eCanter delivers heavier loads to shopping centers, malls, and retailers' branches.

Dachser went for the FUSO eCanter because it's the first all-electric truck to enter full-scale production, and so it will add momentum to this entire class of commercial vehicle. Depending on its design and purpose, the all-electric light truck offers a range of some 100 kilometers and a load capacity of up to 3.5 metric tons. Its electric powertrain comprises six high-voltage lithium-ion batteries, each one with 420 V and 13.8 kWh.

Test operations are underway not only in Stuttgart but also in Berlin, Tübingen, Freiburg, Paris, and Málaga. Dachser is not looking to take a one-size-fits-all approach. Rather, it wants to come up with a range of solutions, each of them focused on optimizing deliveries, routes, and times.

"Anyone looking to shape the city deliveries of tomorrow must couple tried-and-true logistics systems with new ideas," says Michael Schilling, COO Road Logistics at Dachser. "We liaise closely with universities, research institutes, business associations, and start-ups to spot innovations early on and implement them quickly."

However, Schilling says the scale of Dachser's research and development work in this field makes it clear that sustainable city logistics will not come for free. "We are investing today to ensure our customers benefit from pioneering zero-emissions supply chains. It will take a great deal of effort to get the technology and the processes right, and logistics companies will have to factor in these additional costs in the future."

Based on solid learnings from Europe, other networks may be able to leapfrog developments as they grow and move quickly to applying Dachser's modular toolbox for handling the last mile in city centers.

Dachser South Africa perfects the art of picking and packing. As a fundamental part of the supply chain, picking and packing is fast growing into a sophisticated, intelligent process. This is due to client demands that necessitate logistics companies in having detailed understanding of complex product specificities

New emission-free logistics solutions are being pioneered by global logistics company Dachser in cities across Europe

and requirements when storing and moving these goods across geographical distances.

Managing Director of Dachser South Africa, Detlev Duve, says of this trend. "Logistics companies have become an extension of the client's operations in terms of having specialist knowledge of the product and ensuring that delivery capabilities meet the client's supply chain requirements."

Many times, clients need tailor-made solutions which means that the logistics company's warehousing capabilities, internal

processes and technological platforms should be able to support diverse requirements. Situating staff onsite who have in-depth knowledge of the products is often a necessity, most critically with products that are sensitive to climate and movement.”

Picking and packing is a surprisingly complex task. As an example, Duve points to one of Dachser South Africa’s long-standing clients, a supplier of medical equipment. Rigorous logistics management must ensure that their products reach

Dachser, a family-owned company headquartered in Kempten, Germany, provides transport logistics, warehousing, and customized services in two business fields: Dachser Air & Sea Logistics and Dachser Road Logistics. The latter is divided into two business lines, Dachser European Logistics and Dachser Food Logistics. Comprehensive contract logistics services and industry-specific solutions round out the company’s offerings. A seamless shipping network—both in Europe and overseas—and fully integrated IT systems provide for intelligent logistics solutions worldwide. Thanks to some 30.603 employees at 399 locations all over the globe, Dachser generated revenue of 5.57 billion euros in 2018. The logistics provider handled a total of 81.7 million shipments weighing 41.3 million metric tons. Country organizations represent Dachser in 44 countries.

calibrated while in storage. In fact, says, Duve, Dachser teams’ partner with several of the medical equipment supplier’s staff who have been seconded to the Dachser warehouse.

“Having client employees operating in the warehouse illustrates how closely Dachser South Africa works with our clients. Additionally, our picking and packing is supported by a sophisticated IT system which enables the transparent coordination of complex activities as they are being coordinated on the ground. Not only does the system provide the client with transparent, real-time information on their stock, but the system has been designed to enable compatibility with the client’s own supply chain IT systems to enable a continuous and seamless flow of information and high-quality data.”

Products include high-cost, sophisticated technological equipment and error-free picking and packing is critical. In the company’s nine-year relationship with the client, stock has never once had to be written off, which is a massive achievement given that Dachser has moved millions of units of stock for the business over the years.

While the process of picking and packing ostensibly ends once the products have left the warehouse floor, Duve says that Dachser South Africa’s picking and packing forms part of a continuous process that only concludes once the product reaches its final destination. He explains: “The products are picked and packed to particular specifications that include temperature control and movement reduction. Our responsibility is to ensure that this must remain consistent in transit until the product has been handed over at the final point.”

Duve concludes, “We understand that our clients entrust us with what is fundamentally their revenue generator. As a logistics company, our business is to understand this trust and to grow it into a successful logistics partnership.”

medical rooms, hospitals and clinics in the perfect condition, and at the right time, in both urban centres and rural areas. This includes products from basic syringes to specialist cardiopulmonary equipment and patient monitoring systems.

Dachser South Africa provides expert onsite knowledge at its warehouse where certain medical products must be correctly

Sibongiseni Ngamile





Stop-start technology – make sure your battery keeps up



Within the next few years, almost all newly manufactured cars (90%) will have built-in functionality that can contribute to a cleaner environment.

Stop-start technology reduces fuel consumption and harmful emissions by reducing the amount of time the engine spends idling, especially when sitting in gridlocked traffic. And idling is a huge waste of petrol (and money). In the United States alone, idling can waste as much as 3.9 billion gallons of petrol. Gains from the stop-start technology can be anywhere from 3 to 10 percent, potentially as high as 12 percent; the longer you sit, the more you gain.

Most of the newer car models driving on South Africa's roads today include stop-start technology, which it's however important for drivers of cars equipped with this functionality to use the correct type of battery in order to avoid battery failure, says expert Rick Rovelli of Probe, SA's leading importer of batteries.

"The purpose of stop-start technology is to automatically shut down and restart the internal combustion engine. When the car is stationary or out of gear, fuel delivery is halted and the spark to the engine is lost. The ignition begins again when the car starts moving or the clutch is pressed. This process happens automatically, but some car models enable the driver to choose whether the system is active or disabled by pushing their car's stop-start button," Rovelli explains.

Rovelli says that the high demands of stop-start systems require a specific type of battery such as enhanced flooded battery

(EFB). However, drivers and especially second-users of cars with stop-start systems can be tempted to opt for a regular flooded battery (lead-acid battery) because the EFB is more costly, across all battery brands. Using a standard battery instead of an EFB can cause battery failure within 2 to 4 months of installation.

"As we can switch on our cars so effortlessly, we tend to forget the enormous amount of power required to ignite the engine. This is the single most demanding thing that your battery will ever do. So if you're repeatedly doing this over short bursts and in low-speed drives such as when you're sitting in a traffic jam,

Probe is South Africa's largest distributor of premium, maintenance-free, fit and forget batteries and a leader in rotating electrics, with over 55 years of experience in distributing and providing aftermarket support for many international brands. Probe serves the heavy and light duty automotive, mining and construction equipment industries through a national dealer network with a comprehensive range of services, including sales and distribution of world-class batteries, alternators, starters and associated spares for American, European and Asian vehicles.



you will need a heavier-duty performer than a standard lead-acid battery.”

EFB batteries are an evolution of the lead-acid battery to deal with the extra power and thermal requirements in a stop-start environment. The main benefits of EFB technology include an improved charge acceptance and greater cyclic durability when operating in a reduced state of charge which is typical of stop-start applications.

Rovelli explains, “In a stop-start system, the EFB battery will have to provide approximately 85,000 engine starts compared to the standard 30,000 starts from a lead-acid battery. This means that in this application, the lead-acid battery would overheat, which significantly shortens its service life.”

Rovelli adds that besides the stop-start system requirements, cars today are equipped with many power-consuming items. He says, “Consider all the additional devices that you may have operating in your car – your GPS device, your smartphone interface and even a DVD screen. New technologies demand a robust, long-wearing and powerful battery to get the job done without fail.”

Stop-start with Probe for light duty vehicles:

- The EFB 646 (60 amp hour)/ 652 (70 amp hour)/ 668 (80 amp hour)/ 658 (90 amp hour)
- Excellent for conventional stop-start systems
- High cycling performance
- Improved charge acceptance
- Long service life

- Probe promise of true fit-and-forget

Stop-start with Probe for heavy duty vehicles:

- The EFB 696 (180 amp hour)/ 695 (225 amp hour)
- Suited for heavy vehicles which require deep-cycling characteristics
- Excellent vibration resistance and cyclability
- Technology includes improved cast plates fixed with hot melt resin and polyester scrim and glass fleece to the plates.
- Custom acid circulation system to reduce acid stratification improve the performance and life of the battery
- Longer service life due to extended warranty
- Probe promise of true fit-and-forget, maintenance free batteries

EFB batteries are an evolution of the lead-acid battery to deal with the extra power and thermal requirements in a stop-start environment



Heavy transport industry urged to drive used oil recycling

The South African trucking industry is estimated to generate in excess of seven million litres of used oil every year. This is a vast amount of harmful contaminant that could potentially make its way into our environment.

A long-distance truck can hold anywhere between 10 to 20 litres of engine oil and, according to Road Traffic Management Corporation (RTMC)'s statistics, there are currently more than 370 000 registered heavy duty trucks on our roads. That is a conservative estimate of approximately four – up to nearly eight – million litres of used oil being generated every year by the road freight industry alone. A significant volume considering that just one litre of used oil can contaminate 1 million litres of water.

The ROSE Foundation (Recycling Oil Saves The Environment) says that with the industry being a significant source of used oil, it is imperative that operators within the sector remain aware of the harmful effects of this contaminant and ensure that it is

properly stored and collected for recycling.

“Many people don't know that used lubricant oil is dangerous as it contains harmful toxins and cancer-causing agents. Dumped, it seeps into rivers and lakes, contaminating our water,” says Bubele Nyiba, CEO of the ROSE Foundation which has been championing the responsible collection and removal of used oil for proper recycling since 1994.

“The heavy transport industry is fairly compliant, especially the large businesses. The smaller independent operators still need more education and support to ensure that they comply with the Waste Act.”

20kg used lubrication oil per day must be registered on SAWIS

“In short if you generate in excess of 20kg of used oil per day, you are required to register on the South African Waste Information System (SAWIS).”

Once registered, the generators need to submit their figures every 90 days (quarterly) into the SAWIS. The information needs to be based on actual volumes and not estimates. The following information needs to be submitted and retained by the waste generator for five years, to be produced for inspection required:

- (a) the month and year to which the information applies;
- (b) Category of waste; HW07 Waste Oils 01 Waste oil
- (c) Source from which waste comes
- (d) The quantity of waste reported in tons.

Hazardous waste generators are required to have a Waste Manifest with every load

As used oil is a hazardous waste, generators are required to maintain the below information on a Hazardous Waste Manifest, a document that will track the used oil from cradle to grave and



“It is essential that each and every transport enterprise ensures that they are doing all they can to protect the environment from this harmful waste.”



offer a clear snapshot on how it has been managed.

- A unique consignment identification number in the form of a bar code;
- The generator’s contact details, including the contact person, physical and postal address, phone and fax number and email address;
- The physical address of the site where the waste was generated;
- An emergency contact number;
- The origin/source of the waste (how it was generated);
- A description of the waste (waste classification and waste category)
- The physical nature / consistency of the waste (liquid, solid, sludge; pump-able, non-pump-able);
- The quantity of waste;
- Packaging (bulk, small containers, tank);
- Transport type (tanker, truck, container);

- Special handling instructions;
- The date of collection / dispatch;
- The intended receiver (waste manager).

“As mentioned above, the safe disposal certificate issued by ROSE registered collectors acts as a Hazardous Waste Manifest, thereby fulfilling the requirements of reporting by law.”

According to Nyiba, most transport and trucking enterprises are compliant when it comes to the proper collection and storage of used oil, but because of the fact that only one litre of oil can contaminate one-million litres of water, it is essential that each and every transport enterprise ensures that they are doing all they can to protect the environment from this harmful waste. “Our water resources are scarce. We cannot allow South Africa’s surface and underground water resources to be contaminated.”

Catherine Pate



New carbon tax is unconstitutional, should be challenged

The constitutionality of the new Carbon Tax Act, signed into law by the President on 1 June 2019, should be challenged on the basis of flawed procedural grounds.

This is according to Matthew Burnell, environmental law expert at law firm Herbert Smith Freehills. Burnell explains that the law's fatal constitutional flaw lies in the fact that, despite its name, the carbon tax is not a tax at all. "Rather, it is a regulatory tool aimed at changing the public's behaviour and nudging South Africa into a low carbon economy. While this distinction may be considered, by some, semantics, it is the chink in the Carbon Tax Act's armour that can be used to successfully challenge its constitutionality."

The flaw in the constitutional process, in respect of the Carbon Tax Act, arose when the Carbon Tax Bill was first introduced into

with each of these classifications varies. As a result, the Constitutional Court has held that any bill that is incorrectly classified and passed by Parliament in terms of the incorrect process will always be unconstitutional and invalid, irrespective of whether or not Parliament acted in good faith.

The Carbon Tax Bill was introduced into Parliament by the Minister of Finance and classified and passed by Parliament as a money bill. Bills, however, may only be tagged as money bills in circumstances where their 'dominant object' is to raise revenue for the State. The Constitutional Court has previously held that a bill is not considered a money bill where its primary object is to regulate behaviour or conduct.

The Act's dominant purpose, however, is not to generate



Parliament. Any new bill must be classified as a national bill, a bill affecting the provinces, a money bill or a bill amending the constitution. The consultation and voting processes associated

revenue. Its sole purpose is to shift consumers into a low carbon economy and reduce pollution in order to meet the Government's undertakings in terms of the Paris Agreement. This is clear from

the Act's preamble and the explanatory memorandum published with the Carbon Tax Bill. As a result, the Carbon Tax Bill was incorrectly tagged as a money bill and has been passed through Parliament in terms of the wrong procedure.

“Whilst the objectives of the Act may ultimately result in a low carbon economy, the timing of the tax is inappropriate given the current state of the economy”

Burnell says, “Whilst the objectives of the Act may ultimately result in a low carbon economy, the timing of the tax is inappropriate given the current state of the economy and the unresolved practical difficulties associated with the tax. Major

issues impacting on the implementation of the Act include the fact that the associated regulations have not been finalised and the conflicts between the Bill and the proposed climate change legislation have not been resolved.

In fact, the greenhouse gas emission levels are well below predicted levels due to a sluggish economy.” Since then, the practicalities of trying to implement, budget and cater for the tax are becoming a reality for many companies. On their behalf, business and industry associations are expressing opposition to the tax for the grounds set out above. However, National Treasury has remained resolute in its decision to implement the tax, indicating that the concerns mentioned will be resolved by the time the tax is payable.

“While these concerns and the effect that they may have on business were raised by various industries during the limited public engagement processes, they appear to have been ignored by Parliament.

A challenge to the Act based on the flawed procedure may afford industry a second chance at having their interests properly considered, and therefore, the constitutionality of the Act should be challenged in court”.

Dani Cohen



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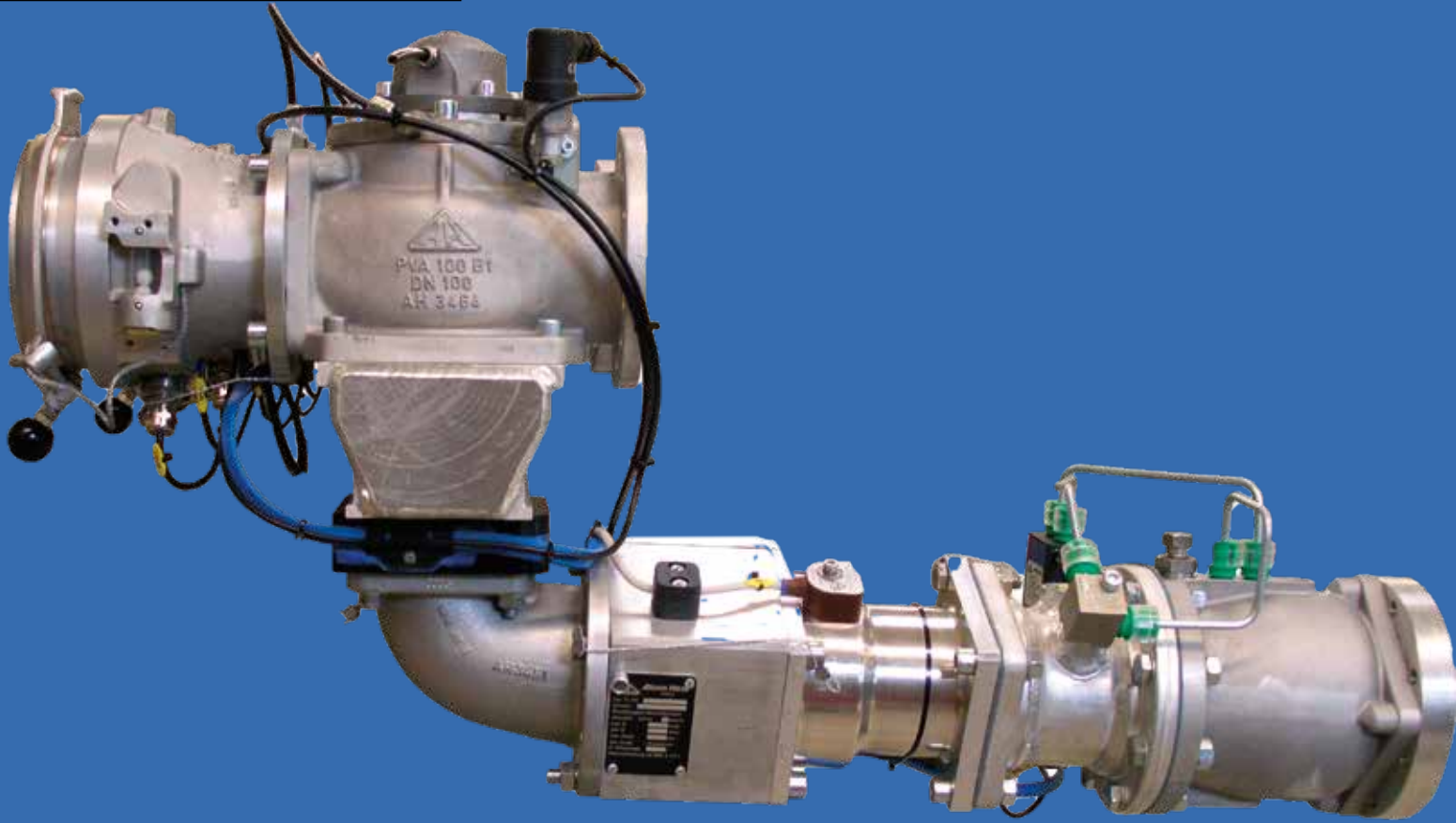
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TAKING CONTROL OF FUEL COCKTAILS

We hope you had an opportunity to read our article in the RA 1st edition 2019. In this 2nd edition we focus on curbing and preventing fuel cocktails and mixtures of auto fuels into target storage tanks.





Alfons Haar

Road fuel tankers fitted with meters can be classified into two types – “Wet” and “Dry” systems.

Simply explained “Wet” meters always retain a certain volume of liquid after completing a delivery. Whereas, “Dry” meters empty the contents completely.

Historically the fuel transport industry has used “wet” meters. Typically, vane or gear type in design.

Normally fuel tankers transporting petrol and diesel on the same load have two meters – One dedicated to petrol and the other for diesel for the obvious reason to keep the two products separate. Even then there is no guarantee that a product cross-over accident can be avoided. These dual systems are equipped with a multitude of valves which the vehicle operator needs to deal with, often with unfortunate mishaps.

Of late there are single “wet” meter systems on our roads, transporting Petrol and Diesel in the same tanker. The motive behind having only one meter in this case is purely cost saving (fair enough). However, the opinion or misconception out there, is that the residual amount of fuel left behind in the meter can be ignored. As bizarre as this sounds, it seems acceptable for some to deliver a different product on top of that left behind in the “wet” meter system.

How much is allowed?

Ask any Oil company to agree on an allowable % mixing of Petrol in Diesel or vice versa. The last official amount I managed to find was 0%.

Depending on the type of “wet” meter a left-over of 10-15Litres can remain. Then one needs to consider the product left behind in the pipelines, let’s say conservatively another 8-10Lts. So, we now have about 20Lts residual petrol or diesel left behind in such a system. Assuming a compartment load of about 6000Lts petrol. That equates 0,33% diesel into petrol. The problem becomes worse considering the opposite if you have residual petrol. Since diesel is heavier than petrol the same compartment loaded volume is now less at approx. 5300Lt = 0,377% petrol in diesel. And, a 0.1% contamination of petrol into diesel, lowers the flashpoint of the product by 3degC. Diesel into petrol lowers the octane rating – Get the picture?

Off-spec fuel with these types of systems is thus a reality.

However, the real issue lies when the fuel transporter has partly loaded volumes or leftovers, which are a normal occurrence.

A gravity delivery is normally 1000Lts minimum allowed.....we are now 2% mixed. A pumped delivery can be lower – For 500Lts Diesel pumped over 20Lts Petrol residual, you will have a whopping 4% mixture.

The point is, there is no way to control

the percentage mix in these single “wet” meter systems, unless additional complex and costly draining systems are installed. The above analyses assumes only the minimum product leftover. Nothing prevents higher volumes of leftover in such systems, since it requires the operator to ensure full drainage. Do they even know the residual volume leftover to make a responsible decision? – I doubt.

Enter PreciPURE, TURBINE metering system

– The TURBINE is a “dry” meter, thus emptying itself completely before a changeover of product type is started. This design provides the benefit of having only one meter installed instead of two as commonly used. Now with only one meter, the system becomes lighter, simpler and lower on maintenance and ownership costs.

PreciPURE takes care of the “cocktail problem”. It provides a complete solution to metering and fuel handling with a level of automation included. By its design, the PreciPURE system takes care of many of the functions and decisions the fuel truck vehicle operator normally must deal with.

All operations and system functions are handled via a single human interface, called the CountMASTER. The CountMASTER is an electronic register through which the operator loads and unloads the bulk tank vehicle. No additional buttons or levers are needed while operating a PreciPURE, leaving the operator safely focused on the task at hand.

PreciPURE is equipped with a hydraulically driven pump and can thus take care of gravity as well as pumped deliveries of fuels to site.

Additional optional features available include;

- Security sealing of loading points and access manlids.
- “Retained Product Monitoring System / RPMS” – RPMS checks for any left on board inside the compartment before loading. The first step in preventing mixtures.
- Engine management system control – Reducing truck idling times, Lowering fuel emissions and fuel costs.

Bernard Burgess,

Managing Director – Alfons Haar South Africa

(T) 021 945 1191

www.info@alfonshaarsa.co.za





PLANT TO PORT IN 11 HOURS

It's 05:30 at Ford's vehicle assembly plant in Silverton, east of Pretoria, and veteran Motorvia driver Samukelo Mthethwa is preparing to hit the open road. He's just spent around three hours loading and securing seven brand new Ranger pickups onto the double-deck open trailer attached to his truck.

As a driver, Mthethwa is responsible not only for driving the truck, but also for the loading and unloading of its cargo. The rig uses hydraulically operated ramps, which can be tilted to maximize the available space by tucking the end of one vehicle under another. Some vehicles are backed onto the trailer while others are driven in nose first. With more than 10 years of experience under his belt, Mthethwa has this routine down to a fine art. These seven Rangers are destined for export to the UK.

The 640 km journey to Durban Harbour will take him around 11 hours, with compulsory stops on the way. Once he has unloaded all seven pickups into a secure parking lot in the harbour precinct, he'll be able to call it a day. Delivery to one of Ford's 140 dealerships in South Africa, Swaziland, Namibia, and Botswana is a bit more complicated. Dealers order specific vehicles from the plant, and these are loaded in reverse order based on the planned delivery schedule, which includes each dealership en route to the truck's final destination.

Much of Mthethwa's trip will be along the N3 highway, which is one of the country's most important economic arteries. He will have to make a compulsory stop at the Heidelberg Traffic Control Centre, where all south-bound trucks are checked for overloading and roadworthiness before getting further down the route. Van Reenen's Pass is the most notorious and dangerous section of the N3. The long, steep descent is harsh on braking systems, and according to N3 Toll Concession, the company responsible for managing this section of the highway, wind can reach speeds of 141 km/h up the pass and start blowing trucks over at 126 km/h, and snow can render it impassable. During his trip, dispatchers in Motorvia's central monitoring office and control centres around the country will be tracking the movement of his truck via GPS technology to ensure it doesn't deviate from its route.

In the event of a hijacking, which is a serious concern in this industry, a control centre will immediately activate response teams for recovery.

"Around 720 vehicles leave our plant every day, about 80 per cent of which are destined for export," says Ockert Berry, VP Operations, Ford Middle East and Africa. "While domestic vehicle sales are still an essential component of our business, we have strategically mapped our revenue pipeline to target exports and drive export-oriented growth." Ford exports vehicles to more

than 100 left-hand drive and right-hand drive markets in Europe, the Middle East, Africa, and Mexico. The locally-built Ranger is the top-selling pickup in Europe, and South Africa's top-ranking light commercial vehicle export. Due to unprecedented demand for the Ranger globally, and an increase in production capacity on the back of a recent R3-billion investment, Ford, together with Transnet, evaluated how a multi-port strategy could benefit both parties by improving the use of current assets and reducing costs, as well as addressing the ongoing congestion in Durban Harbour, by utilising other ports. "Up until the first quarter of 2019, all incoming and outbound Ford vehicles were shipped through Durban Harbour," says Berry. "It has South Africa's largest Roll-on Roll-off terminal and is the best equipped in the Southern Hemisphere. However, it has become increasingly congested, and so, in April, we broadened our outbound logistics portfolio by adopting a multi-port strategy to support increased export volumes.

We are now also shipping Rangers to markets in Europe twice a month from Port Elizabeth Harbour." In total, Ford charters 15 to 20 incoming and outbound vessels a month. These dedicated car carriers, also known as Ro-Ro ships, have built-in ramps which allow vehicles to be easily driven on and off. Vehicles are driven directly into the ship via an internal ramp system to multi-level decks, where they are securely lashed to the floor so they can't budge an inch during their long ocean voyage. Traditionally, Port Elizabeth-based automakers transported their vehicles to Gauteng by rail, and these rail assets returned to Port Elizabeth empty. Ford has engineered backhauls – using the return leg of the rail journey to transport export Rangers from Gauteng to Port Elizabeth – which both improves efficiencies and shortens delivery times. Rail is a practical and cost-effective solution for moving large numbers of vehicles using specially designed rail cars called auto racks. "The cost of vehicle transport logistics, including pressure from rising fuel prices, is substantial enough to warrant constant attention and innovation," says Berry. "We are continuously looking at ways to increase efficiency and drive costs down, to mitigate whatever happens in the economy and the supply base." It's now 05:45 and Mthethwa climbs into the driver's seat, honks the horn – a sound he's loved since he was a little boy – and hits the gas, pointing the nose of his 18-wheeler to the main gate, towards the asphalt ribbon beyond. He takes a last swig of coffee, selects a favourite playlist, and looks forward to filling his lungs with balmy sea air when he reaches his destination.



South Africa's economic crisis fuelled by struggling power utility





South Africa's state power utility Eskom is the biggest challenge facing the country. Mess up Eskom, and you mess up the country. And it looks as though key players are doing just that.

The past two weeks will be remembered as the start of a cataclysmic economic crisis caused by the failure of three powerful men to spend enough time in a room to find a comprehensive solution that would turn the current crisis facing the utility into a great opportunity for South Africa's energy and economic future. And to finally break from the country's past. By refusing to align their policies and strategies, the three ministers – from energy, finance and public enterprises – are responsible for triggering a crisis that will be resolved on the streets.

What we see in Chile, where public anger has spilled out onto the streets, is what can be expected to emerge as ordinary South Africans experience the true implications of this failure to decisively resolve the crisis.

What's at stake is not just the short-term crisis and how the country keeps its lights on. At the core, the crisis is about finally transcending the powerful minerals-energy sector (coal mines plus Eskom), which is a major pillar of the South African economy – a sector that has survived the end of apartheid.

The ministers, with decisive leadership from President Cyril Ramaphosa, had a golden moment to take the first step by releasing South Africa from the stranglehold of a debt-laden Eskom in an unstoppable death spiral. But three opportunities were missed. They were: a new energy plan led by the Minister of Minerals and Energy; a roadmap for the power utility led by the Minister of Public Enterprises; and the medium term budget led by the Finance Minister.

They failed to combine their respective policies into an integrated framework for transitioning to renewables, transforming Eskom and managing the utility's ballooning debt.

In the final instance, it is the President who needs to call his ministers to order. The open question is whether Cyril Ramaphosa can act decisively to coordinate them to clearly and unambiguously address the Eskom crisis.

This will require managing competing interests. The assumption in South Africa is that nothing can be done unless everyone is on board. But in a crisis of this magnitude, big decisions need

to be made that will make vested interests equally unhappy so that the best can be done for the nation as a whole.

The breakdown

On October 18 Minister of Minerals and Energy Gwede Mantashe announced a new energy plan (the Integrated Resource Plan) for the country. This was an opportune moment to set the country on a new trajectory in terms of energy generation. But that's not what happened.

The lowest cost option – only renewables plus gas – was rejected. In addition to unlocking renewables and gas, the plan provides for 1500 MW

of coal-fired power despite the fact that nearly all the biggest financial institutions in the world have said over the past 18 months they are divesting from coal.

On Tuesday October 29 the Minister of Public Enterprises,

What's at stake is not just the short-term crisis and how the country keeps its lights on

Pravin Gordhan, announced a new Roadmap for Eskom. Here the focus was on unbundling. The mooted plan is to create a "transmission entity". There was also reference to a "just transition" – without saying how it will be funded – to manage the consequences of decommissioning most coal-fired power stations.

Mostly importantly, there was no reference to how the utility's R450 billion debt will be managed. Nevertheless, at least the Roadmap reinforced the notion of lowest cost option, repeatedly.

Next up was the Minister of Finance, Tito Mboweni, who delivered his medium term budget on October 30. The expectation was that he would set out how the National Treasury planned to manage the power utility's debt. The matter is urgent

given that a restructured entity is expected to handle, at most, R200 billion worth of debt. But the Eskom debt is north of R450 billion. That leaves R250 billion worth of unserviceable debt.

Without clarity on how the unserviceable debt will be managed, the Roadmap for the utility cannot be effectively implemented because of complex cross-guarantees and the burden of running a utility that cannot service its debt obligations.

Expectations among South Africans, investors, businesses threatened by power cuts and international funders were high that Mboweni would relieve Eskom of R250 billion worth of debt so that it could be freed up to restructure.

But he didn't. Mboweni said he wants to see the restructuring plan implemented before he considers debt relief.

It needn't have been this way. There were alternatives.

On the debt front, as recommended by the Eskom Sustainability Task Team appointed by the President, the R250 billion should have been ring-fenced into a special purpose vehicle with agreements on funding flows to ensure that it is "ratings neutral". It was recommended that the funds for this would come from a number of sources, including the budget, revenues from the utility itself and carbon finance conditional on accelerated decommissioning.

This would have enabled Eskom to refinance itself. Without this kind of arrangement, Eskom is redirecting funds for maintenance and operations into servicing debt. If this continues it will face system collapse.

On restructuring, the Roadmap recommends a "Transmission Entity" that will be a subsidiary of Eskom Holdings. This is a good idea, but the unions will suspect it is the first step towards privatisation and will object.

On the energy plan, the lowest cost option to meet future energy needs should have been selected. The fact that it was rejected will cost South Africa an extra R100 billion just at the point when it needs the cheapest energy with maximum security of supply. This includes a rapid build programme which coal and nuclear cannot provide.

This means that – unlike most other countries which have accepted the inevitability of the energy transition – accessing climate finance (mainly grant funds, but also concessionary loans) to finance the transition becomes impossible. Again, this comes exactly when the country needs the cheapest possible finance.

Broken promises

The misalignment between the three ministers responsible for shaping the country's response to the Eskom crisis has produced an outcome that is out of line with the statement that President Cyril Ramaphosa sent to the UN Climate Summit on September 23, 2019. In it he made it clear that South Africa takes climate change seriously and that a just transition fund will be established. In his words:

In shifting to a low-carbon, inclusive, climate change resilient development path and embracing the global energy transition,

we must ensure that we leave no-one behind.

Granted, the Roadmap echoes this by acknowledging that a global energy transition is underway and that the lowest cost option is preferred. And the energy plan does provide for 23,854 MW of additional renewables (wind and solar) by 2030.

But the failure of the medium term budget to provide for a ring-fenced facility to manage the debt Eskom cannot handle effectively reinforces the stalemate.

Mark Swilling, Distinguished Professor of Sustainable Development, Stellenbosch University





Volvo launches electric trucks and buses for urban transport

Volvo Trucks announces the start of sales of its Volvo FL and Volvo FE electric trucks in selected markets within Europe, meeting the increasing demand for sustainable transport solutions in city environments.

In the absence of exhaust emissions and with reduced noise levels from electric trucks offer huge potential in urban areas. First, the reduced noise levels make it possible to carry out deliveries and refuse collection in early mornings, late evenings or even at night, helping to improve transport logistics and reduce congestion during peak hours.

Second, with better air quality and less noise, electric trucks create new opportunities for city planning and road infrastructure. An electric truck can, for example be used in indoor loading areas and environmental zones.

“Global urbanization requires urban logistics and truck transport with zero emissions and less noise with increasing urgency. With the Volvo FL Electric and Volvo FE Electric we are able to meet both the strong environmental demands as well as the high commercial requirements of our customers,” says Jonas Odermalm, VP Product Line Electromobility.

One challenge is to maximize the payload at the same time as optimizing the driving range.

“Volvo Trucks’ solutions will be based on individual business needs that consider a number of parameters, such as driving cycles, load capacity and route analysis, to use the battery capacity in the most efficient way possible,” continues Jonas Odermalm. Volvo FL Electric and Volvo FE Electric were developed in close collaboration with selected customers operating in Gothenburg, Sweden. Feedback has been very positive, and the drivers involved in the collaboration are particularly impressed by the responsive driveline, seamless acceleration and how quiet the trucks are.” While customer feedback has been positive,” explains Jonas Odermalm, “we do recognize that charging infrastructure

is still under development in most cities and we are working alongside both public and private partners to agree on a long-term strategy for the expansion of charging infrastructure. But it’s clear that the pace of development of charging infrastructure needs to increase.”

Addressing climate change will require the availability of several driveline technologies.



“Electric vehicles, charged with electricity from renewable sources, are indeed a powerful step towards more sustainable city distribution.

However, there will not be one singular energy source that addresses climate change and all other environmental issues.

Different types of transport require different types of driveline solutions,” concludes Jonas Odermalm.

Facts about Volvo FL Electric and Volvo FE Electric

- The Volvo FL Electric and Volvo FE Electric trucks have been developed for distribution, refuse handling and other urban transport applications.
- Sales will start in Sweden, Norway, Germany, Switzerland, France and the Netherlands.
- The start of serial production is planned for March 2020.
- The Volvo FL Electric has capacity for a GVW (gross vehicle weight) of 16 tonnes, while the GVW of the Volvo FE Electric is 27 tonnes.

Volvo receives Europe’s largest order for electric buses

Meanwhile, Volvo Buses has received the largest single order for electric buses in Europe. Volvo Buses will deliver 157 electric articulated buses to Transdev starting in 2020. The buses will operate on a number of routes in Gothenburg. With their introduction, emissions and noise will be significantly reduced, and the electric buses will be able to operate in sensitive areas or zones with special restrictions.

“It is immensely gratifying that we have secured Europe’s largest ever single order for electric buses – no less than 157 buses. Volvo is a pioneer in electromobility and sustainable public transport. We have a holistic system perspective for cities that encompasses vehicles, services and charging infrastructure. We focus on solutions that offer high reliability and high service levels for route operators and passengers. This large order confirms that electric buses are already recognised as a sustainable and financially viable solution for demanding high-capacity public transport needs,” says Håkan Agnevall, President of Volvo Buses.

“Transdev is today Europe’s leading operator of electric buses and we know what challenges there are with the transition to electric propulsion. “We’ve therefore been extremely thorough in choosing a partner with a holistic approach, a partner that will be able to deliver both buses and charging infrastructure on time and with excellent uptime. Being able to announce that we have chosen Volvo as our partner for city bus operations in Volvo’s home city of Gothenburg is of course particularly satisfying,”

says Gunnar Schön, CEO of Transdev Sweden.

All of the buses will be of the recently launched 7900 Volvo Electric Articulated model. The Volvo Electric Articulated can carry 150 passengers with an energy consumption that is 80 per cent lower than that of a corresponding diesel bus. The Volvo Electric Articulated combines high passenger capacity with low operating costs. The buses will be charged at quick-charge stations along the route, using the industry common charging interface OppCharge™, in order to ensure the most efficient operation possible. In addition to the electric buses, the order includes 27 Euro VI buses for regional operations, running on biodiesel.



“For us as a mobility supplier, it is vital to always be able to offer passengers good service and functional vehicles, but it is also important that our drivers have a good working climate. New buses, in particular quiet electric buses, not only result in cleaner cities – they also improve the everyday working environment,” explains Gunnar Schön. “Electromobility creates new exciting opportunities for urban planning since we now get emission-free and quiet public transport that can operate closer to the city’s residents.

Volvo aims to be a leader in increased electrification and to be a partner for cities that wish to implement long-term sustainable public transport solutions for their inhabitants,” concludes Håkan Agnevall.

Joakim Kenndal



Sjanine Tanner

Environmentally Exposed?

Aside from the environmental impact, are clients aware of the financial and legal implications following an environmental incident?

Time is of the essence and every second counts in terms of pollution containment following an environmental incident. Immediate response is crucial as the cost of the claim rapidly escalates should the product migrate. The clean-up costs and rehabilitation procedure are based on the environmental impact caused, which includes public health and proximity to sensitive receptors.

There is actively enforced legislation governing environmental incidents. In terms of Section 30 of the National Environmental Management Act (NEMA), the polluter is required to notify the authorities including national, provincial or municipal Emergency Services. An initial Alert Report also needs to be submitted to the Department of Environmental Affairs and within 14 days, the polluter must compile an Emergency Incident Report to be submitted to the environmental authorities.

Non-compliance with the NEMA Act has severe consequences, which include potential jail terms and fines that could run into the millions. The department has the authority to issue directives, which can dictate the methodology and scope of work that must be undertaken throughout the clean-up and rehabilitation process. This could greatly affect the cost and the life cycle of the claim. With 10 plus years of experience in claims management, we've noted that the cost of claim is significantly lower when partnering up with the department from the get go as well as using the best response teams and various other experts that would be involved to ensure that the scope of work is followed and the clean-up is managed conclusively in terms of environmental exposures as well as legal compliance. An additional risk that is not defined in the legislation is the potential reputational damages that could be suffered by the client following an environmental incident that is not handled correctly. Incorrect handling of the claims also has an impact

on the client's contracts as most of the large petrochemical companies have very strict regulations as to how clean-ups are managed as various other parties could become liable in terms of the incident. Claims management must be as per their specifications in conjunction with the legislation. If incorrect claims management is noted, clients may lose their contracts. This has a knock-on effect which could lead to cancelling insurance policies, selling of vehicles and ultimately closing the business. It is vital that brokers understand that there is a potential risk exposure to them too as clients could potentially be underinsured or inadequately insured altogether. We have seen over the years with the rising cost of claims that most policies that are in place do not have adequate limits of insurance and the brokers need to address this on an ongoing basis. Environmental claims management is highly complex and should be handled by a specialist. Some things call for a specialist and Environmental Impairment Cover is definitely one of them. At Envirocare we recognised the importance of providing comprehensive cover through our Spill Protect Plan™ which takes the headache out of three key areas related to a spill: risk management, claims management, and insurance. An industry-first, this product is a complete environmental impairment management solution designed to simplify and expedite all clean-up, legislative requirements and insurance claim aspects related to an environmental spill. Envirocare will assist with all compliance requirements including compiling of reports and handling of authorities' queries. The Spill Protect Plan™ also includes Risk Management to prevent incidents from happening in the first place, together with various planning, preparation and training initiatives for when they do occur. Due to our recent merger with Spill Tech, the Spill Protect Plan™ ensures that clients enjoy all the benefits of best-in-class spill response – from guaranteed, rapid dispatch, arrival and clean-up to a national 24-hour call centre linked to ISO certified skilled responders. It also offers accurate incident record keeping ensuring compliance with NEMA's requirements. An environmental incident is more than just an insurance claim, are your client's correctly insured and prepared? As a broker do you have the right insurance partner?

Sjanine Tanner: Managing Director, Envirocare

Delivering innovation and technology to meet local truck and bus radial needs

In a highly competitive and “always on” trucking industry, stakeholders are under pressure to meet challenging delivery targets, navigate traffic and challenging road conditions while ensuring on the road safety of vehicles at all times.

Manufacturer of the iconic Dunlop, Sumitomo and Falken Tyre brands, Sumitomo Rubber South Africa (Pty) Ltd (Sumitomo Dunlop) recognises these challenges and constantly seeks to address them in the manufacture of high quality, durable and technologically advanced truck and bus radial tyres. Sumitomo Dunlop CEO, Riaz Haffejee says that the history of innovation and proven pedigree that the iconic Dunlop brand holds in the tyre business, together with the latest Japanese technological and engineering insights from its parent company, Sumitomo Rubber Industries, make for a formidable combination in the Truck Bus and Radial tyre industry.

The state-of-the-art purpose-built 180 000m² Truck Bus and Radial (TBR) factory in Ladysmith, KZN was the second phase of an investment of R970 million, which has enabled Sumitomo Dunlop to meet the needs of the truck and bus tyre markets in both South Africa and on the African continent – bringing the total investment into the Ladysmith facility since 2014 to more than R2.1 billion. Following extensive market research into the needs of the truck and bus industry, this investment showcases the commitment Sumitomo Dunlop has to the TBR business.

The locally produced TBR range brings innovation, durability and high performance to the market, with products specifically designed to meet the challenges of African road conditions. A determination to constantly seek out improved solutions for the truck and bus market, with a strong focus on safety, underpins the company’s ongoing research and development activities. Sumitomo Dunlop employs a number of systems – both human and machine driven – that assist in the compilation of data to effectively assist customers in correct tyre application and with improved outcomes in safety, Cost Per Kilometre (CPK) and lifespan. Developed by SRI, the Dunlop Energy Control Technologies (DECTES) bring next generation performance to the market. The combination of design innovation and compounding technologies that DECTES takes to the road has shown results such as an up to 30% reduction in tyre

rolling resistance, reduced frequency of tyre maintenance and rotation and enhanced re-treadability. These enhancements deliver significant CPK savings and result in improved fuel consumption, enhanced abrasion resistance and improved contact patch resulting in a slow, even wear rate and prolonged tyre life, offering truck and bus fleet owners a significant impact to their bottom line. Recognising that human intelligence has great value to customers in assisting with fleet management, Sumitomo Dunlop has an In-field Technical Services (ITS) team based in all regions, and into Africa, to advise customers on tyre-application and performance and analyse monitoring and scrap analysis data. “Our infield technical services division becomes an extension of our customers’ businesses, offering a value-added service and assisting with growth and staff development,

Sumitomo Rubber South Africa (Pty) Ltd is owned by Japanese listed company Sumitomo Rubber Industries Ltd (SRI), situated in Kobe, Japan. SRI is one of the leading premium manufacturers of automotive tyres and industrial rubber products in the world. The existing South African plant in Ladysmith (founded in 1973) currently produces passenger car, sport utility vehicle, light truck and truck and bus radial tyres, which are sold in South Africa and exported across Africa and other countries.

ensuring on the road safety,” says Haffejee. The local production of the TBR range will ensure that customers, both in South Africa and on the African continent, have the right tyre for the country specific application. “Our robust manufacturing processes have led to a range that has exceeded expectations. These tyres are designed using advanced Japanese technology, tested in Africa and manufactured in South Africa. The local TBR products are tested to meet global standards, ensuring that customers, both in South Africa and on the African continent, have the right tyre for the country’s specific application in quality, standard and safety,” says Haffejee.



Golf R: SA's hottest hatch?

The latest Volkswagen Golf R is arguably the hottest thing on four wheels at the moment, with the full spec 228kw version hitting South African (SA) shores with a bang this year, challenging the brash Ford Focus RS for ultimate bragging rights.



For once a downgrade was welcomed, with SA going from a hot climate, in the eyes of the head honchos at VW, to being classified as a moderate climate. So much for global warming, but the change means that the high performance 2 litre TSI turbo engine can be tuned to a beefier spec.

And this translates into a 0-100km/h time of 4.5 second, governed to 250km/h. The AWD system on the R reduces wheel spin dramatically, and allows you to launch off the line quickly. That's similar performance of a ten year old Porsche 911. Impressive for something that costs in the ballpark of R700 000.

If you are prepared to pay extra, one can get it tuned up further to 280km/h top speed, but that is overkill. Let me explain.

At the end of the day it's still a hatchback, with a shorter wheelbase than many full-blown supercars. On anything less than a billiard table like highway surface it feels uneasy over 200km/h, lacking some of the downforce that a rear wing would provide.

But who needs to go faster than that anyway? At regular highway speeds the car is sure footed, helped by the intelligent AWD 4-motion system. I found its younger brother, the regular front wheel drive GTI to be rather unruly. With all of its 200kw of power going to the front tyres, it tends to burn rubber unnecessarily. By distributing the R's impressive torque to all four wheels, its balance is vastly improved, and makes for an exception town and country car.

Being a four door hatchback has its benefits in terms of

practicality, blending exceptional performance with something that you can take all three children to school in, and fit a set or two of golf clubs in for the weekend. With plenty of pulling power on tap, you could easily tow a small trailer for holidays, and not even know it's behind you.

To be honest, I struggled to find anything that was distasteful on the vehicle. The interior is refined German luxury, and shares features from more expensive Audi models. It did feel very similar to drive compared to the bellowing Audi RS3, which has the same engine and basic chassis. You could argue that the Golf R is a RS3 with a boot and different badge, although the R felt a little quicker.

Fuel consumption for the R depends on how you drive. With all that muscle on disposal, you tend to bury it and end up with V8 like fuel consumption figures. VW claim that it can do 7.2l/100km, but with a heavy right foot you'll do twice that. With sensible driving in real world conditions, one should expect 8-9 l/100km in eco-mode, which turns down the turbo and revs.

The styling of the R takes a bit of getting used to, with an Airbus like nose, but grows on you after a while. Even thou some critics have called it bland; the head turning ability of the Golf R was clearly evident. People knew that it was not an ordinary run of the mill GTI; this was something a little special. Having driven the 2.3 litre turbo Ford Mustang, I can say with confidence that the R would have its way on a racing track.

Its main competition comes from the Ford Focus RS. It has the same engine as the baby Mustang, but on a lighter chassis, making for a better power to weight ratio. It comes down to your choice of styling. The RS is loud and proud, and wants to be noticed. The more refined Golf R model knows it's a wolf in sheep's clothing, and gets automatic respect from petrol heads in the know.

All in all, the Golf R is one hell of a package, and will keep well heeled boy (and girl) racers enthralled for years to come.

Until next time,

Gregory Simpson





Route optimisation is key to growth

The Fast Moving Consumer Goods (FMCG) market in Kenya is a unique space that faces challenges seen nowhere else in the world.



The secondary distribution network in particular is where many issues arise, as the space is dominated by an informal main market where visibility and line of sight are extremely limited. Van sales make up a significant proportion of total sales, the success of which is entirely dependent on who gets to the retailer first and how much share of wallet is available at that point. The ability to optimise the route of drivers is thus critical, which in turn requires data that can be analysed for enhanced insight and intelligence.

The challenge in the Kenyan market

The formal FMCG market has a well-established value chain from the primary distribution network of the manufacturer and wholesaler. This market is mapped out, well understood and generally accessible by fleets and delivery trucks, with line of sight easily achieved. There are also numerous solutions available to help optimise logistics, with digital mechanisms to ensure proof of delivery, collection, payment and more. The secondary redistribution model is a different story, however, particularly in this African market.

This network is widely dispersed, with retailers spread from supermarkets in metropolises to small stores in rural areas. The distributor's 'fleet' may consist of large trucks, pickups, regular vehicles, mopeds and wheelbarrow. There are in excess of 60 000 informal retail outlets, where the lack of formality makes tracking, managing and monitoring extremely difficult and creates a significant line of sight gap.

These outlets do not typically deal in presales either, so although the delivery route is generally known and repeated (efficient or not) the consignment of stock placed on a delivery vehicle and sold along the way is not guaranteed to all be sold by close of business. The result of this is that drivers may not always be able to sell their wares at the same locations on every journey, and returning with unsold stock contributes significantly to the cost of sales.

Line of sight for route optimisation and competitive advantage

The ability to create line of sight, gather data and analyse it for the most optimised route possible can be a significant source of competitive advantage. If distributors always know where their drivers are, what they have sold, what stock remains and how much cash has been collected, they can use this data in a number of ways. Intelligence and analytics can be applied to build models to plot more effective routes to maximise sales. Algorithms can also assist distributors with building a data set to give key distributors and partners the tools and intelligence they require to make both presales and van sales more efficient.

A technology solution

The key to achieving this lies in intelligent mobile technology. A mobile app can enable drivers to track stock movement and

availability of goods, allowing them to log sales on the go. GPS tagging and tracking helps distributors to manage their fleet regardless of whether they are servicing the formal or informal sectors. Insights can be gained by confirming the time they arrive at a retail outlet, the activities that occur there, sales made and the time they leave. By analysing this data distributors can understand how long it takes drivers to travel between outlets and the duration spent at each in relation to revenue generated. From the perspective of route optimisation, distributors can then plot routes that combine outlets in such a way as to maximise the time spent on the road versus revenue generation. Distributors can also pick up any exceptions such as route deviation or irregularities.

The key to optimisation is data that can be analysed for intelligence. This in turn enables distributors to plot more efficient routes, identify patterns and trends, highlight risks and figure out how to mitigate them for maximum sales efficiency regardless of the market.

Nigeria needs a competent customs and immigration service, not border closure

Meanwhile, About three months ago, the Nigerian government announced the closure of the country's land borders to all goods. According to the country's Comptroller-General of the Customs Service, Hameed Ali, this was done to stem the influx of smuggled goods, especially rice and tomatoes, into the country.

The border closure is an economic aberration as most countries don't usually close their borders for trade-related reasons. They do so, as in the cases of Sudan, Rwanda, Eritrea and Kenya, when their security is jeopardised. They also sometimes do so during disease epidemics, such as Ebola, that have the potential to spread across borders.

So, what does Nigeria stand to gain from this unprecedented measure? Ali pointed out that the border closure has significantly increased revenue from import duties. This increase in revenue is a welcome fillip for a country struggling to close the 2019 budget deficit of a whopping 2.18 trillion Naira. This represents about 2% of the country's 2018 nominal GDP of 127.8 trillion Naira (about US\$397 billion). In touting the gains from the border closure, however, its latent costs should not be ignored. There are reports that the closure has set the country's inflation rate on an upward trajectory. The inflation rate, which has been declining since April 2019, rose to 11.24% in September, driven mainly by sharp increases in food prices, the highest since June. If the closure persists and causes sustained increases in food prices, Nigeria could see more people driven into poverty. This would result in an increase in the country's poverty rate of about 50%. The potential to disrupt the economic lifelines of many traders who depend on legitimate cross-border trade is real. For these and other reasons, Nigeria has no choice but to address the real problems of cross-border smuggling rather than its symptoms. At the heart of the problem is a network of wealthy smuggling cartels facilitated by corrupt border officials.



Poor paying the price

Thousands of Nigerians, especially women, engage in buying and selling of consumer goods around the border areas. They buy at low prices in one country and sell at higher prices in another. Black market foreign exchange dealers thrive at border posts.

For a country with limited employment opportunities in the formal sector, the informal activities along the borders are instrumental for the survival of many poor Nigerians.

The inability of the formal sector to absorb a growing labour force, coupled with a freeze in public-sector employment under recent economic reforms, has resulted in a bloated informal sector. This is estimated to be about 65% of the country's GDP – the largest informal sector in sub-saharan Africa. Informal trade along the borders is carried out by hawkers of assorted goods such as textiles, footwear, alcohol and non-alcoholic beverages. There is also trade in food, fuel, transport services and foreign currencies. The poor in Nigeria typically don't engage in large-scale smuggling. They lack the means of acquiring, transporting and warehousing large volumes of smuggled goods. Some poor unemployed Nigerians may engage in petty and innocuous smuggling, as a means of survival. But they are paying the price for the border closure, while those responsible for the worst cases of smuggling live comfortably. Apart from its domestic implications, the border closure is also inconsistent with the spirit of regional economic integration. Nigeria spearheaded the establishment of the Economic Community of West African States (ECOWAS) 44 years ago with the major goal of a "free trade area" among member countries. Nigeria's unilateral decision reinforces the general notion that the regional bloc has not been successful at freeing up the movement of goods, services and even people within the sub-region. If that were the case, Nigeria would have coordinated its efforts at curbing smuggling with other member states.

Inept customs and immigration machinery

The border closure is an implicit admission of the ineptitude and incompetence of Nigeria's customs and immigration officers. To thwart smuggling, the country should strengthen the capacity of customs and immigration officers to administer the country's trade policies and laws. To combat smuggling, for instance, Hong Kong's strategy includes profiling all goods vehicles and private cars crossing the border. Detailed inspections are only carried out on high-risk vehicles. X-ray scanners are used to detect concealed compartments of vehicles. But all this technology is of little help without a professional and incorruptible cadre of customs officials, which Nigeria lacks. Anyone who has travelled through Nigerian land borders would be perplexed by how unprofessional the Nigerian officials are. When I travelled in a bus from Accra to Lagos a few years ago, we were stopped at Seme on the border between Nigeria and Benin Republic. After a brief inspection of the bus, customs officials accused the driver of transporting contraband goods. The same bus had

been inspected a few hours earlier by Ghanaian, Togolese and Benin customs officers on our way from Accra, who found no contraband. Instead of impounding the contraband, the officers instead asked the driver to "settle" the matter. Apparently, the "settlement" offered by the driver was not sufficient, and the bus was not allowed to proceed to Lagos. While waiting for alternative transport, I saw many goods-laden lorries pass through the border uninspected by the customs officials. I was informed by a resident of the border town that the lorry owners had "settled" the customs officials in advance. Apart from this, the country's land borders are very porous. There are many illegal paths through which smuggled goods can be transported. No travel documents are required on these routes and there are no checks. Without addressing the problems of an inept customs and immigration machinery, as well as the porosity of Nigerian borders, one would only be treating the symptoms of the disease. Solutions might include the recruitment of a new cadre of customs officers, who would be trained to combat smuggling and abhor corruption. Otherwise, when the borders are eventually reopened, the government would be handing them back to the same officials who have profited for years from smuggling.

Andrew Dawson, Commercial Director at MACmobile and Stephen Onyeiwu, Professor and Chair of the Economics Department, Allegheny College



Andrew Dawson

TIME TO RAISE THE BAR

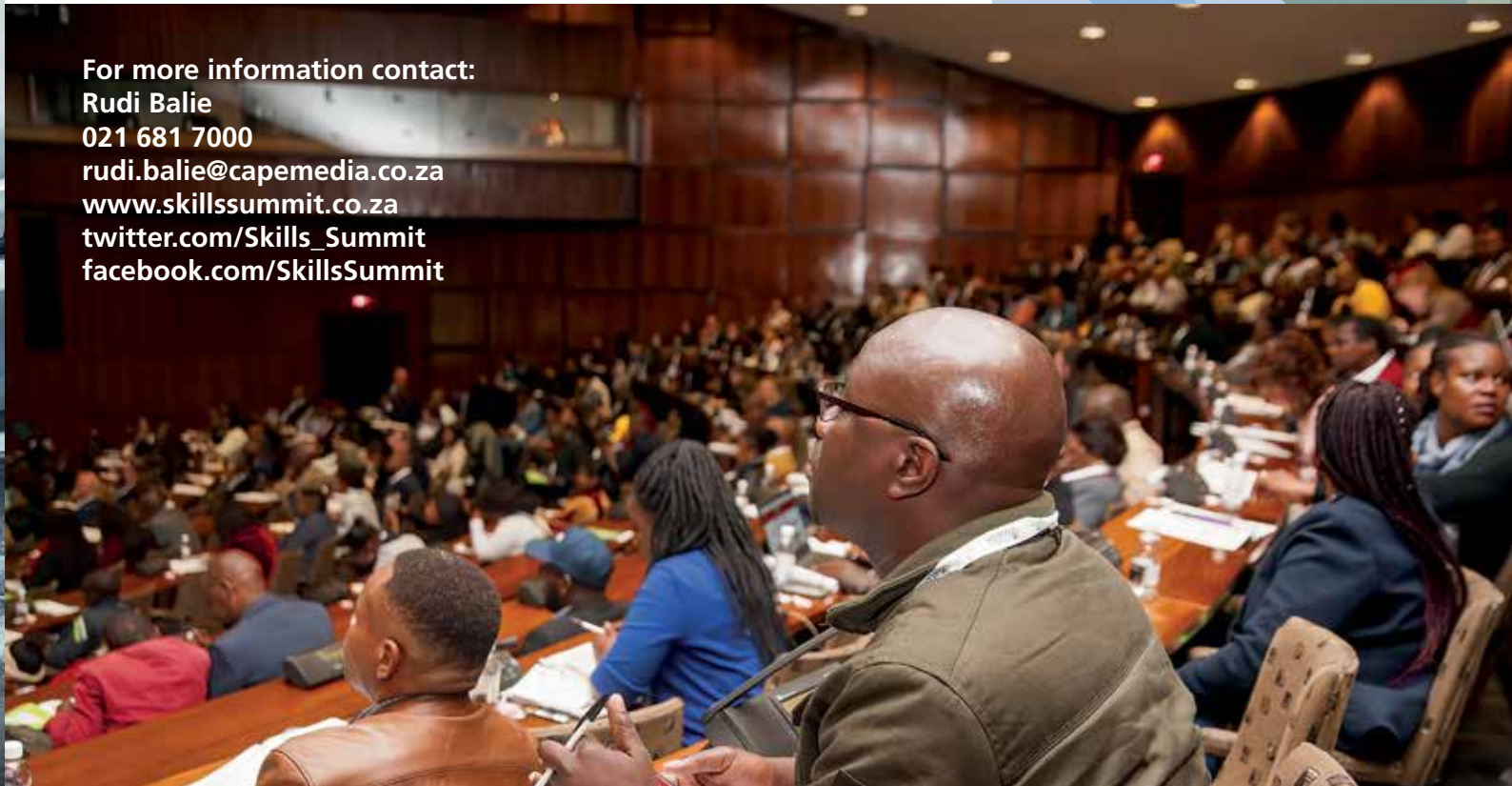


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Rudi Balie
021 681 7000
rudi.balie@capemedia.co.za
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