



Annexure 1

THE SOUTH AFRICAN FORWARDING AND CLEARING INDUSTRY

The Forwarding and Clearing Industry (F&C) comprises economic activities and supply chains that relate to all imports and exports of goods entering or leaving South Africa as well as those transiting this country.

The F & C Industry serves as an input to nearly every industry in the national economy as well as many of those in the African continent.

The F & C Industry utilises all modes of transport involved in the carriage of cargo, be it ocean, air, rail or road. The industry is also a service provider of warehouses, transit sheds and the associated management of shipment tracking, costing and accounting data.

It is estimated that the global F & C industry handles around 75% of general cargo moving between all continents. The statistic for South Africa will be equal to that if not higher.

One of the most critical areas of service provided globally by freight forwarders is the provision and management of through-transport to import, export and transit clients. As more and more companies turn to outsourcing their non-core activities the role of forwarders in providing over-arching supply chain services becomes increasingly critical to both national and international economic development.

The F&C Industry is critical to the ongoing performance of South Africa as an international trading nation. Its activities facilitate all forms of physical trade. Though there are many areas of commerce and industry critical to the long-term performance of the economy there are few more so than this industry.

The Industry is populated by both large companies with substantial resources and associated international networks and smaller operations, the majority of whom operate with less than 50 employees but constitute approximately 80% of total industry participants.