

COVID-19: Cargo movement update¹

Date: 24 September 2021

Weekly Snapshot

Table 1 – Port volumes and air cargo flows, week on week

Flows	Current ²			Previous ³			Growth
	Import	Export	Total	Import	Export	Total	
Port Volumes (TEUs)	28 726	29 375	58 101	27 194	29 354	56 548	↑3%
Air Cargo (tons)	4 873	3 120	7 993	4 995	2 716	7 711	↑4%

Monthly Snapshot

Figure 1 – Monthly⁴ cargo capacity levels, year on year (100% = baseline)

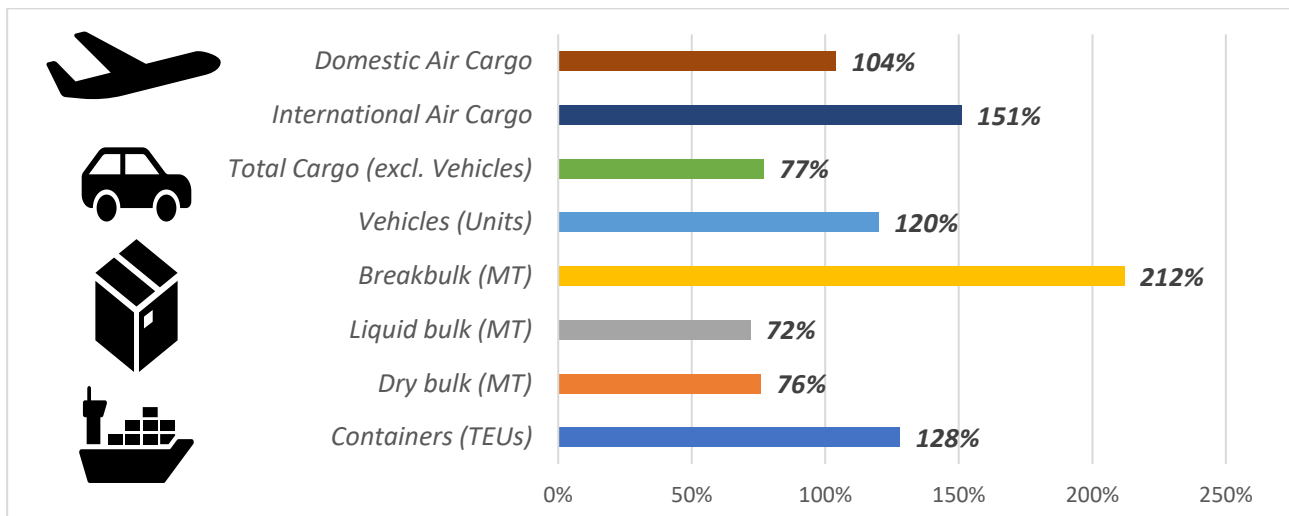
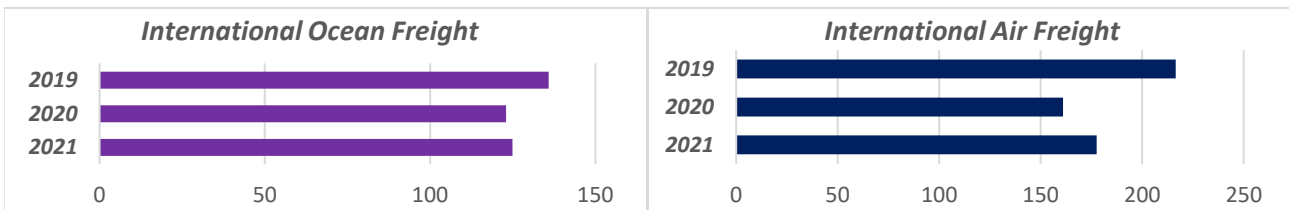


Figure 2 – International year-to-date flows 2019-2021⁵: ocean, y/y (metric tonnes) & air freight, y/y (kg millions)



Key Notes

- An average of ~8 300 TEUs was handled per day this week, **↑3%** from last week.
- Local freight transport (in volume) decreased by **↓4,7%** in July 2021, compared with July 2020.
- Average cross-border queue time rose by **↑0,5 hrs**, with transit times also rising (**↑2,5 hrs**, see [below](#)).
- Rail cargo moved through Durban this week amounted to **3 489** containers, **↓24%** from last week.
- The "WCI" remained stable for the first time in 23 weeks, currently at **\$10 377** per 40-ft.
- Industry-wide cargo tonne-kilometres (CTKs) rose by **↑24,9%** in the three months ended July 2021

¹ This update contains a combined overview of air, sea, and road freight to and from South Africa in the last week. This report is the 56th update.

² 'Current' means the last 7 days' (a week's) worth of available data.

³ 'Previous' means the preceding 8-14 days' (a week's) worth of available data.

⁴ 'Monthly' means the last full month's worth of available data compared to the same month in 2020. For air, Aug versus Augy. The rest compared Jul 2021 versus Jul 2020.

⁵ For ocean, total Jan-Jul cargo in metric tonnes, as reported by [Transnet](#) is used, while for air, Jan-Aug cargo to and from ORTIA is used.

Executive Summary

This update – *the 57th of its kind* – contains a consolidated overview of the South African supply chain and the current state of international trade. As an ongoing initiative created because of COVID-19, the industry is pleased to see the back of the third wave, as this week saw another decrease in positive cases. Newly reported COVID-19 infections averaged approximately **2 667** per day (↓**39%** from last week's average **4 339**). As a result, the total number of cases recorded in the country now stands at **2,92 million**⁶, with the death toll at **86 655** (up by **876** – which has reduced markedly over the last couple of months). Indeed, South Africa is moving closer to normality, as indicated by an increase in the *normalcy index*⁷ (up by **5,7** to **67,7** in the last two weeks). Globally, COVID-19 infections total more than **231 million**, with the death toll nearing **4,7 million** people.

On the vaccination front, more than **6,06 billion** vaccine doses have now been administered worldwide⁸. For South Africa, this figure stands at **~16,7 million**, with a daily average of **~140 000** doses administered in the past seven days, falling well short of the daily target. Fortunately, as we have reported previously, access to vaccines is no longer an issue, which is regrettably not the case for the rest of Africa and the developing world. This issue has become contentious globally, with many fully vaccinated individuals in the developed world now receiving booster shots. In contrast, others in the less developed world still have little prospect of being vaccinated. As UN Secretary-General Antonio Guterres said this week, "*This is a moral indictment of the state of our world. It is an obscenity. We passed the science test. But we are getting an F in ethics*"⁹.

Operationally, our ports registered a satisfactory week number-wise. Bar some delays at CTCT on Monday, the weather also played its part throughout the week, as there were few weather-enforced delays. The seemingly ongoing issues with equipment were also less prevalent this week, as the industry received few reports of operational disruptions because of equipment breakdown and maintenance schedules. These issues were especially noticeable at the Port of Cape Town. The industry is hopeful of continued improvement in this regard. But as we have said previously, there needs to be a concerted drive to streamline the procurement and maintenance of equipment, as the constraints are often outside the control of the departments using the equipment. Lastly, discussions took place this week regarding the establishment of a container terminal at the Durban Point Precinct.

On the rail cargo front, cable theft continues to be an issue, as TFR reported 38 cable theft cases on the Container (formerly NATCOR) line over the previous weekend. In a Transport Forum discussion, Prof Jan Havenga this week pointed out that South Africa could save its rail cargo industry, as there is a significant amount of "rail-friendly" cargo that should transfer from road freight to rail freight. According to Stats SA, the current seasonally adjusted payload split is 21/79 in favour of the road. Optimistically, various stakeholders appear to be determined efforts to get the rail industry running at full throttle once more. The increased possibility of third-party concessions is also encouraging.

Globally, for the first time in 23 weeks, the container industry did not see a rise in freight rates. However, there is no immediate prospect of a reprieve for shippers, as surcharges continue to impact the overall freight cost while carriers seek to handle the crisis in equipment and slot capacity, and these surcharges are unlikely to disappear even as rates start to decline. Other notable developments internationally include **(1)** an update on congestion on the US West Coast (which remains clogged), with extended hours implemented, **(2)** another cyber-attack (CMA-CGM), and **(3)** The IMO 'defrauded' by a North Korean vessel in laundering scheme (see the detailed summary [below](#)).

⁶ Johns Hopkins, Coronavirus Resource Centre. [Coronavirus JHU](#).

⁷ Economist. 13/07/2021. [The global normalcy index](#).

⁸ Our World in Data, Coronavirus (COVID-19) Vaccinations. [Our World in Data](#)

⁹ Guterres, A. 21/09/2021. [U.N. chief grades world on vaccine rollout: 'F in Ethics'](#)

COVID-19: Cargo movement update

In the aviation sector, domestic and international volumes increased by **↑4%** this week, which has continued the recent overall trend. Internationally, the upward trend in air cargo volumes continued in the past three months, even though seasonally adjusted numbers show the growth has slowed compared with early 2021. At the same time, the industry continues to experience a capacity crunch, with high load factors and limited belly hold capacity due largely to the primarily grounded passenger fleets. Nevertheless, growth drivers support air cargo in the near term, which will be boosted once passenger flights return to the sky – currently at **42%** capacity levels compared to 2019.

Finally, in concluding this edition, the extended supply chain keeps hovering in positive territory statistically, even if only slightly. It seems that we are continuously operating only marginally ahead of the next looming disaster. The concerted efforts of most parties active in operations continue, as do the moves to expedite and harmonise border processes and facilitate international trade. For example, on the truck booking system at Durban, there is work being done by BUSA, SAAFF, Transnet and other stakeholders to address the high level of cancellation of truck bookings. We cannot afford to lose focus in these challenging times. As the Chinese proverb has it, "*when the winds of change blow, some people build walls, others build windmills*". Most industry role players are working overtime to build windmills. However, it remains critical to ensure that any improvements made in securing our supply chain are maintained across the board.