

COVID-19: Cargo movement update¹

Date: 3 June 2022

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 (containers)	25 548	26 704	52 252	22 012	26 981	48 993	↑7%
Air Cargo (tons)	5 480	3 332	8 812	4 830	2 798	7 628	↑16%

Monthly Snapshot

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

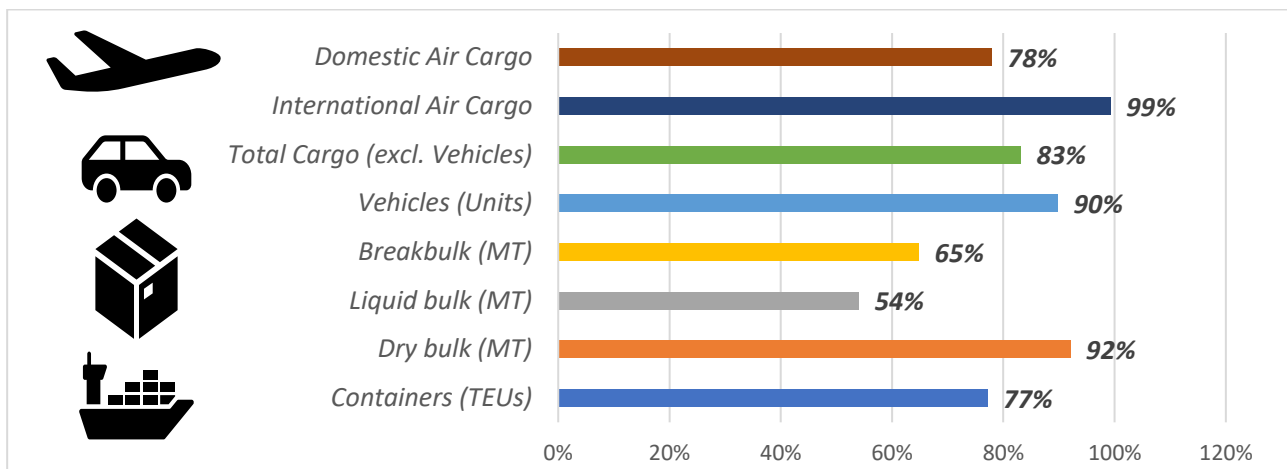
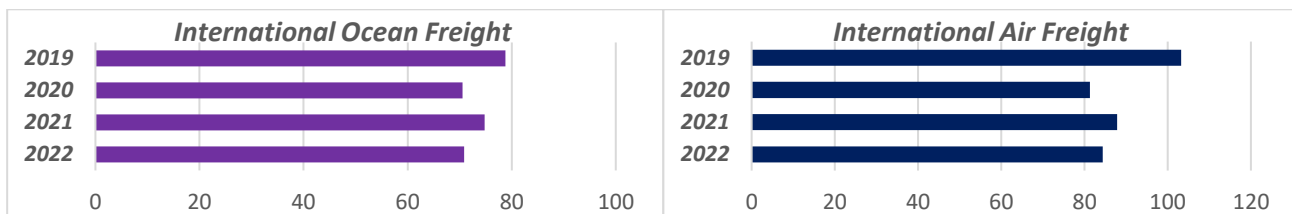


Figure 2 – Global year-to-date flows 2019-2022⁵: ocean, y/y (metric tonnes) & air freight, y/y (kg millions)



Key Notes

- An average of **~7 465 containers** was handled per day, with **~8 580** projected for next week.
- Rail cargo handled out of Durban amounted to **291** containers, **↑15%** compared to last week.
- SARS merchandise trade for April: exports (**↓19,1%**, m/m), and imports (**↓2,9%**, m/m), but still registering a trade surplus of **R15,49 billion**. YTD: exports **↓4,4%** (y/y) and imports **↑24,1%** (y/y).
- This week, cross-border queue times **↓0,2 hours**, with transit times **↑0,4 hours** (see [below](#)).
- The "WCI" continued to decline albeit marginally, with spot rates **↓0,1%** (or \$9) to **\$7 626** per 40-ft.
- The RWI/ISL container throughput index is **↓0,5** to **122,8** in April, as lockdowns in China stifled trade.
- Liner schedule reliability reversed by **↓1,3%** (m/m) to **34,6%**, with average late arrivals at **6,41 days**.

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 90th 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 the previous year. For all: Apr vs. Apr.

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

Executive Summary

This update – *the 90th of its kind* – contains a consolidated overview of the South African supply chain and the current state of international trade. Newly reported COVID-19 infections continued to subside this week, averaging approximately **2 541** per day (**↓40%** against last week's average of **4 270**). South Africa has recorded **3,96 million⁶** positive cases, with the death toll up to **101 250** this week (up by **158**). Globally, the case tally stands at **531 million** infected by COVID-19, with **6,3 million** deaths recorded. Around **11,9 billion** vaccine doses have been administered globally⁷, with the South African increasing very slowly, now at **36,2 million**.

Port operations this past week took place within generally good weather conditions, with the somewhat lower than usual volumes starting to pick up. The long-awaited LC8 crane is back in operation at Cape Town Container Terminal, and one of Durban's cranes has also been returned to operation. Overall, there were a few days of low volumes and a decrease in reports of congestion as a result. Intermittent equipment breakdowns continue to plague our ports, but lower volumes have hopefully created an opportunity for some much-needed equipment maintenance throughout the week.

On the international shipping side, international metrics such as throughput numbers and schedule reliability worsened in April after some optimism that significant momentum had been gained in March. The primary determinant on both counts appears to be the lockdowns in China, which are finally coming to an end. However, port congestion, equipment shortages, and elevated demand continue to feature in the struggle to get back to some sort of normality. Our trade, port and air freight statistics show that South Africa remains vulnerable to external events, with a typical knock-on effect some weeks later. Further developments of note included **(1)** North European ports already at capacity even before the peak season starts and **(2)** FMC update on the investigation into charges (see [below](#)).

After a strong month in March, South Africa's domestic air cargo market experienced a significant downturn in April (**-20%**, m/m), followed by a slight increase in May (**+5%**, m/m). The same is approximately true for the international side, with April (**-7%**, m/m) and May almost unchanged (**-1%**, m/m). Some of the contributing factors include the ongoing operational issues revolving around fuel shortages, load-shedding bouts, cargo security access, and the push for the implementation of the IVS System. Internationally, there has been a noticeable return to passenger travel, as the gap between domestic ticket sales – the primary post-pandemic driver of passenger growth up until now – and international ticket sales have significantly decreased. The increased passenger flights are added some much-needed cargo space to a long-constrained air cargo market. Before the pandemic, **~40%** of the international cargo was carried on passenger flights.

On the road freight front, cross-border transporters experienced various challenges in the last couple of weeks. These revolved around strike and protest action, water shortages in and around Musina, and prolonged clearing times for Beitbridge, Kasumbalesa, Lebombo, and Skilpadshek. For South African borders, clearing times in May average around **21 hours**, which is far too long for an economy relying on flourishing trade with its neighbours. As a result, the urgent need to simplify and streamline border activities – incorporating one-stop border posts and trade single windows - is once again strongly emphasized. This week, other developments for road transport included **(1)** ZRA appointing a new Assistant Commissioner at Kasumbalesa to oversee the move to a 24-hour operation, and **(2)** ZRA has ramped up wood seizures.

In summary, as the yearly consolidated SARS merchandise trade statistics show and the consolidated port figures demonstrated last week, South Africa is struggling to register any real growth in the trading sector. Even though these figures captured the devastation of the floods, those floods only highlighted the systemic issues already prevalent in our greater logistics and supply chain network. Although the country continues to be the dominant regional economic powerhouse and the "gateway" label still sticks, in recent times, our position has

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

⁷ Our World in Data, Coronavirus (COVID-19) Vaccinations. [Our World in Data](#)

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steadily been eroded and come under more significant threat by advances made by our comparators. These include the reported growth and investment in Beira, Mombasa, Dar-es-Salaam, and Walvis Bay – and accompanying trade flowing through the respective corridors. If we are to have any hope of recovering lost ground, we need to drive growth and investment in our ports. In addition, we need to ramp up our infrastructure upgrades and improve our logistics performance and efficiency. These responsibilities do not rest only with one stakeholder but will require the collective input of all involved. These include Transnet, the shipping lines, private transporters, Customs and OGAs, freight and clearing agents, and all other parties involved.