

Cargo Movement Update #190¹

Date: 14 June 2024

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)	28 631	38 494	67 125	20 188	19 969	40 157	↑67%
Air Cargo (tons)	4 124	2 290	6 413	3 958	2 073	6 032	↑6%

Monthly Snapshot

Figure 1 – Monthly⁴ cargo volume, year on year (% growth)

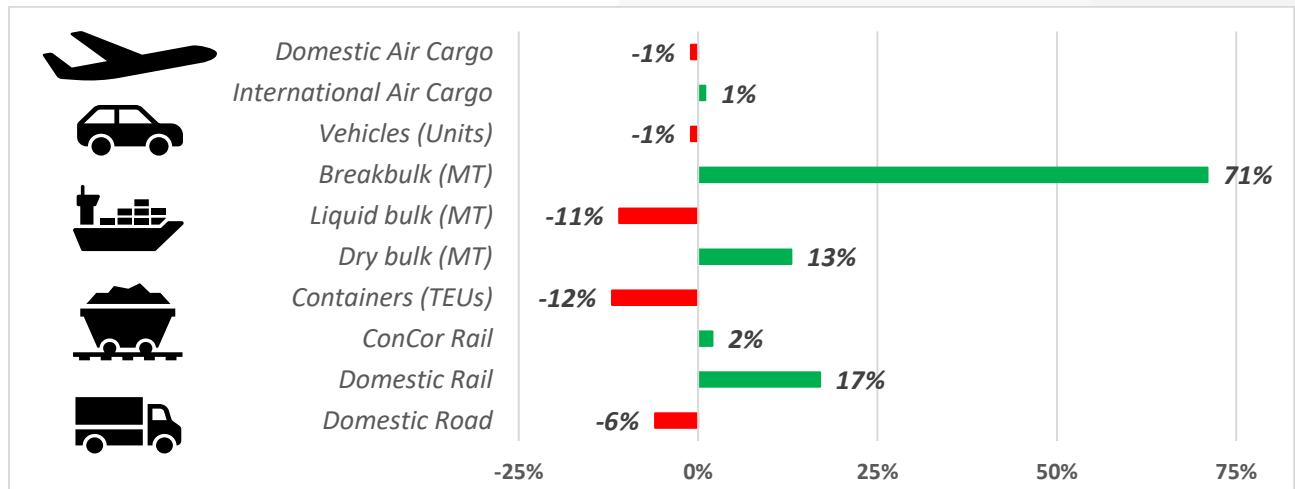
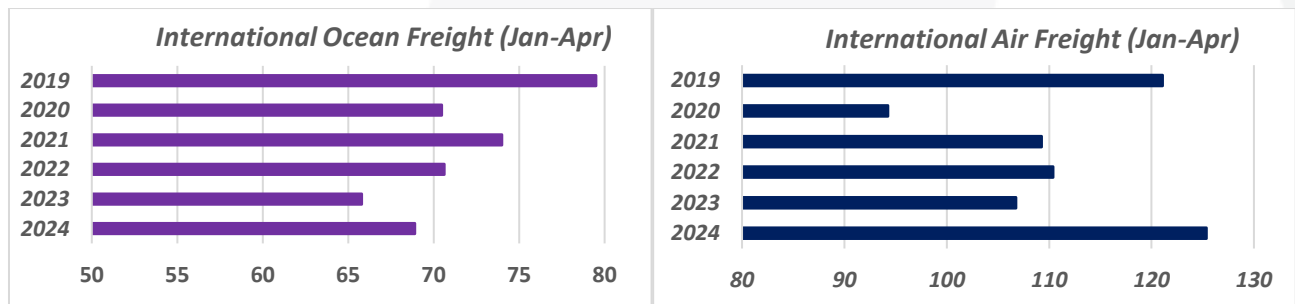


Figure 2 – Year-to-date flows 2019-2024⁵: ocean, y/y (million metric tonnes) & air freight, y/y (kg millions)



Key Notes

- An average of **~9 589 containers** was handled per day, with **~8 893 containers** projected for next week.
- Cross-border queue: **↑1,3 hrs**; transit: **↓6,7 hrs**; SA borders: **9,6 hrs (↓21%)**; SADC borders: **2,5 hrs (↓74%)**.
- Rail cargo handled out of Durban was reported at **3 313 containers**, up **↑2%** from last week.
- Global container volume (dry & reefer) is down by **↓4,5%** (m/m) and up by **↑6,3%** (y/y) in April.
- Freight rates continue to increase, albeit slower, and are up by **↑1,8%** (or **\$85**) to **\$4 801/40-ft container**.
- Global air cargo is slightly down (**↓1%**) but remains up annually (**↑12%**), with rates stable at **\$2,52/kg**.

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 190th update.

² 'Current' means the last seven 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 months' worth of available data compared to the same month in the previous year. For most metrics: Apr vs Apr.

⁵ Total YTD; ocean = bulk cargo in million metric tonnes, as reported by TNPA; air = cargo to and from all airports in million kilograms.

Executive Summary

This update contains a consolidated overview of the South African supply chain and the current state of international trade. After a poor week throughput-wise, commercial ports bounced back and handled an average of **9 589 containers** per day, significantly up from **5 737 containers** last week. Port operations were primarily impacted by inclement weather conditions, equipment breakdowns, and shortages. Adverse weather conditions and equipment breakdowns constituted the majority of delays in Cape Town, while strong winds and high swells prevented optimal performance at the Port of Durban this week. Crane breakdowns and strong winds ensured operational delays at our Eastern Cape Ports. Minimal reports were received from TFR this week; however, one report indicated that no major incidents occurred on the rail network.

April container throughput figures reveal a monthly decline after record increases across the industry in March. Nevertheless, annual throughput has grown by **↑6,3%** despite reductions across all trade lanes in April, notably with Far East imports and Australasia & Oceania exports dropping by **↓7,2%** and **↓9,5%**, respectively. The global price index for containers remained stable month-on-month but showed a year-on-year decrease of **↓5,7%**. Total throughput for the month was approximately **14,8 million TEUs**, with decreases recorded in all seven regions for imports and exports. Despite a monthly and annual decline in Sub-Saharan Africa (SSA) trade, exports saw a notable increase of **↑8,8%**. Despite recent throughput and efficiency setbacks, South Africa, which accounted for **25% of SSA imports** and **39% of SSA exports** in April, still plays a dominant role in regional container trade. Port congestion, particularly at the Port of Durban, has worsened, contributing to global supply chain disruptions. Lastly, the introduction of new shipping services and an uptick in freight rates suggest a dynamic market reminiscent of the 2021 COVID-driven surge. Other developments included **(1)** green hydrogen projects earmarked for South Africa and Namibia, **(2)** Samsung lodges biggest complaint yet for 96 000 'erroneous' D&D charges, **(3)** MSC faces another hurdle in its bid to operate a terminal at Hamburg port and **(4)** labour issues continue to disrupt port operations throughout the world.

In our international air market, the daily average of air cargo handled at ORTIA in the previous week amounted to **589 081 kg** inbound (**↑4%**, w/w) and **327 081 kg** outbound (**↑10%**), resulting in an average of **916 162 kg per day**. Consequently, the industry remains up versus last year (**↑18%** versus June 2023) and has handled more volume compared to pre-pandemic times (**↑1%** versus June 2019) for the first time since our records began, which is a positive sign. Internationally, air cargo demand and rates from Asia Pacific and the Middle East & South Asia origins continue to experience significant surges, particularly in Europe, driven by disruptions in sea freight and elevated spot prices.

In the regional cross-border road freight trade, it was a good week for trade, as the average queue increased by an **hour and a half** from last week, but the transit times significantly decreased – by **nearly seven hours** from last week. The median border crossing times at South African borders decreased by **two and a half hours**, averaging **9,6 hrs** (**↓21%**, w/w) for the week. In contrast, the greater SADC region (excluding South African controlled) decreased by **more than seven hours** and averaged **~2,5 hours** (**↓74%**, w/w). On average, no SADC border posts took more than a day to cross; however, significant queues were evident at Kasumbalesa, Martins Drift, and Ressano Garcia. Other developments included **(1)** system maintenance by SARS, **(2)** administrative changes in fee structures at Nakonde, and **(3)** duty suspensions update by ZRA.

In concluding this week's edition, another word is necessary on the World Bank's CPPI report released last week. As a reminder, the report critically evaluated South Africa's port operations as being the worst in the world, highlighting areas of inefficiency during 2023, a period before several corrective measures and

management changes at Transnet. While the report's timing may cast doubts on the current improvements, it should not be dismissed outright but used constructively to enhance port performance. The report adopts a single-dimensional ranking method, which oversimplifies the complex port systems and may inaccurately reflect actual performance due to omitting vital data. Despite criticisms of its methodology, the WB report acknowledges significant delays in vessel waiting times at outer anchorages, a metric that doesn't fully capture a port's operational efficiency. Performance measures like the container handling rates at Durban's Piers show a below-average output but are not the worst globally, suggesting potential areas for improvement. However, this was not mentioned of throughput volume by the report, which this week's overview on global containerised throughput significantly highlights – South Africa still enjoys the lion's share of Sub-Saharan containerised throughput, which further shows that comparisons with ports such as those in Maputo, Nacala or Sudan are almost meaningless – despite those ports ranking way higher than ours. But that is largely a factor of their small size. If those ports had similar capacities to ours, things could be very different.

Nevertheless, we must use the narrative to our benefit, as the report from the World Bank serves not just as a critique but as a crucial building block for the future. We must harness these findings constructively, joining hands across sectors to elevate our container port performance significantly. Despite the critique, as highlighted this week, the industry is fully aware of the long-term decline in port productivity, particularly in metrics such as gross container handling per hour and vessel dwell times. These trends have been well-documented and are a severe concern to us. However, we believe we have reached the lowest point in this downturn. We are actively working to stabilise performance and reverse the trajectory of this decline. With concerted efforts and strategic interventions currently being implemented, we are optimistic about changing this course and steering our port operations toward a sustained improvement. That is where we must focus. The path ahead is focused on recovery and enhancement, aiming for a positive direction in our productivity metrics, as was the case this week. Ultimately, as emphasised frequently, the importance of specialised investment and intra-port competition is underscored, aligning with national goals for economic growth through enhanced trade and logistics.

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1. Ports Update

This section provides an overview of the flow of containerised cargo through our commercial ports.

a. Container flow overview

The following tables indicate the container flows reported for the last seven days and projections for the next seven days.

Table 2 – Container Ports – Weekly flow reported for 8 to 14 June⁶

7-day flow reported (08/06/2024 – 14/06/2024)			
TERMINAL	NO. OF CONTAINERS ⁷ TO DISCHARGE (IMPORT)	NO. OF CONTAINERS TO LOAD (EXPORT)	CHANGE (w/w %)
DURBAN CONTAINER TERMINAL PIER 1:	4 343	4 894	↓13%
DURBAN CONTAINER TERMINAL PIER 2:	10 190	12 204	↑112%
CAPE TOWN CONTAINER TERMINAL:	4 397	9 557	↓16%
NGQURA CONTAINER TERMINAL:	8 644	8 820	↑255%
GQEBERHA CONTAINER TERMINAL:	1 057	3 019	↑95%
TOTAL:	28 631	38 494	↑67%

Source: Transnet, 2024. Updated 14/06/2024.

Table 3 – Container Ports – Weekly flow forecasted for 15 to 21 June

7-day flow forecast (15/06/2024 – 21/06/2024)			
TERMINAL	NO. OF CONTAINERS TO DISCHARGE (IMPORT)	NO. OF CONTAINERS TO LOAD (EXPORT)	FORECAST VS ACTUAL (w/w %)
DURBAN CONTAINER TERMINAL PIER 1:	4 876	5 833	↑16%
DURBAN CONTAINER TERMINAL PIER 2:	10 447	12 718	↑3%
CAPE TOWN CONTAINER TERMINAL:	4 232	5 892	↓27%
NGQURA CONTAINER TERMINAL:	6 626	7 983	↓16%
GQEBERHA CONTAINER TERMINAL:	1 456	2 186	↓11%
TOTAL:	27 637	34 612	↓7%

Source: Transnet, 2024. Updated 14/06/2024.

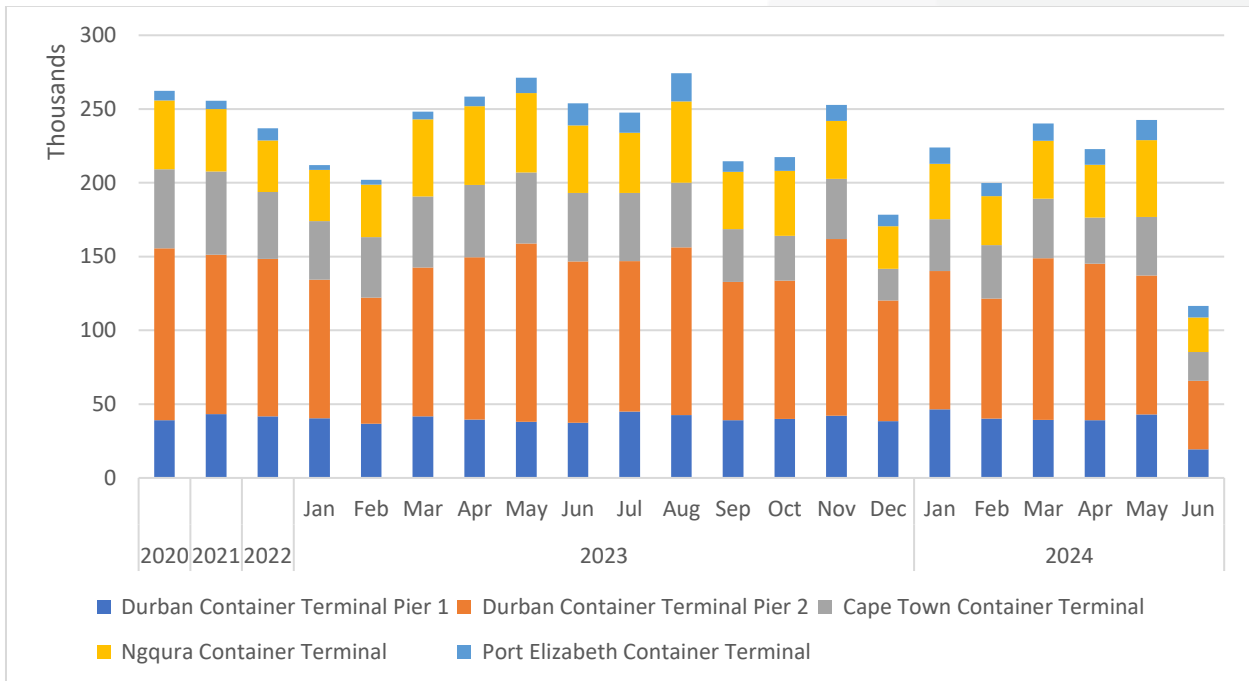
A significantly increased average of **~9 589 containers (↑67%)** was handled per day for the last week (8 to 14 June, Table 2), compared to the projected average of **~8 940 containers (↑7% actual versus projected)** noted in last week's report. For the coming week, a decreased average of **~8 893 containers (↓7%)** is predicted to be handled (15 to 21 June, Table 3) in a best-case scenario. Port operations were primarily impacted by adverse weather conditions, equipment breakdowns, and shortages.

The following figure illustrates the rolling *monthly* average flow of aggregate containerised cargo passing through our commercial ports since our reporting began during the nationwide lockdown.

⁶ It remains important to note that a large percentage (approximately 35% according to the latest year-to-date TNPA figures) of containers is neither imported nor exported but rather consists of empties and transshipments.

⁷ As mentioned before, the measurement is noted as containers (20' and 40'). Incidentally, Transnet works on a ratio of approximately 1,4 TEUs per container, and this figure will probably increase as the shift towards more 40' containers continues. Elsewhere, the US uses 1,5 to 1,8, depending on the port. The privately operated FPT terminal in Cape Town works on 1,6.

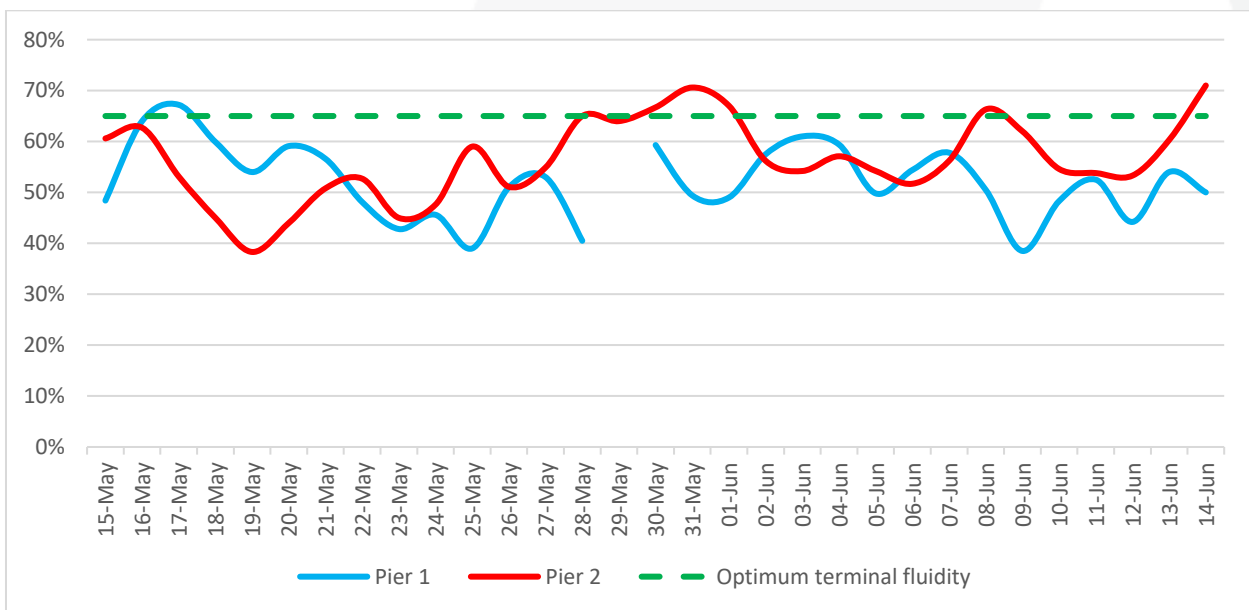
Figure 3 – Monthly flow reported for total container movement (containers April 2020 to present, m/m)



Source: Calculated using data from Transnet, 2024, and updated 14/06/2024.

The following figure shows daily stack occupancy in both Durban terminals over the last five weeks.

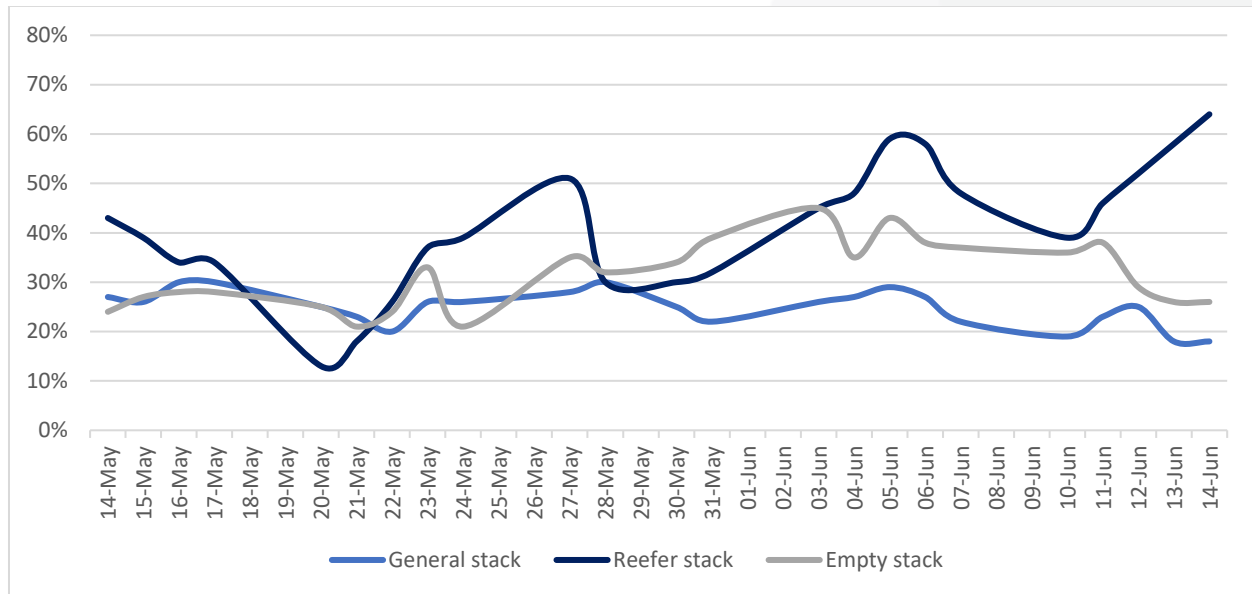
Figure 4 – Stack occupancy in DCT, general-purpose containers (15 May to present; a day on the day)



Source: Calculated using data from Transnet, 2024, and updated 14/06/2024.

The following figure shows daily stack occupancy in Cape Town over a similar period.

Figure 5 – Stack occupancy in CTCT, GP, reefer, and empty stack (15 May to present, day on day)



Source: Calculated using data from Transnet, 2024, and updated 14/06/2024.

b. Summary of port operations

The following sections provide a more detailed picture of the operational performance of our commercial ports over the last seven days.

i. Weather and other delays

- Adverse weather conditions and equipment breakdowns constituted the majority of delays in Cape Town this week.
- Strong winds and high swells prevented optimal performance at the Port of Durban this week.
- Crane breakdowns and strong winds led to operational delays at our Eastern Cape Ports.
- Minimal delays were reported at the Port of Richards Bay this week.

ii. Cape Town

On Thursday, CTCT recorded two vessels at berth and one at anchor as dense fog and equipment breakdowns disrupted operations at the terminal this week. On the landside, between Monday and Thursday, the terminal managed to service 3 732 trucks, translating to an average of 933 trucks per day (↓8%) while handling 79 rail units (↓16%). On the waterside, the terminal executed 4 657 container moves across the quay during the same period. By the end of the week, stack occupancy for GP containers was recorded at **18%**, reefers at **58%**, and empties at **26%**. Additionally, towards the end of the week, the terminal operated with six STS cranes, 26 RTGs, and 42 hauliers. According to the latest reports, cranes LC3 and LC5 are anticipated to return to service by the weekend.

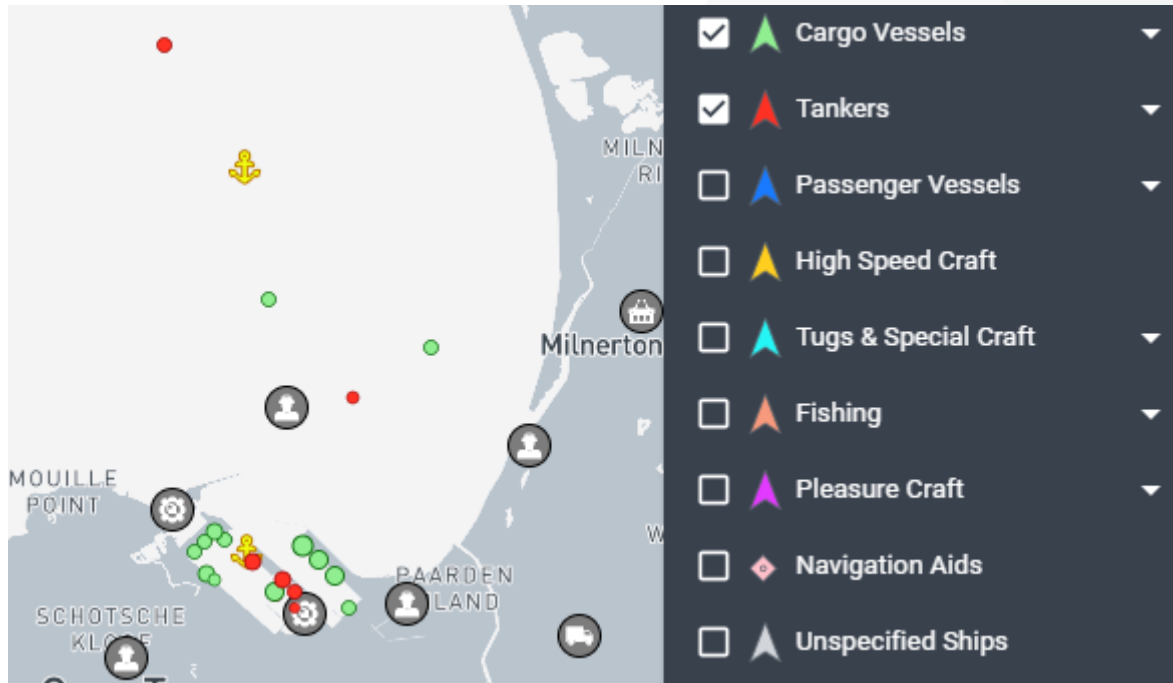
This week, minimal activity took place at CTMPT. After being delayed at an unnamed port, a vessel bypassed the port at the start of the week to ensure she was in time for her slot in Durban. Additionally, the spares for the third spreader are anticipated to arrive by the end of the week, ensuring that the spreader will be back in action next week.

During the week of 3 to 9 June 2024, the FPT terminal serviced seven vessels comprising three multi-purpose vessels, three container vessels, and one break bulk vessel. Berth occupancy during this period was recorded

at 42%. FPT planned to handle ten vessels between 10 and 16 June, with another eight planned between 17 and 23 June. Rainy weather accounted for most of the delays at the terminal this week.

At midday on Friday, four vessels were waiting outside at anchorage in Cape Town, with the following snapshot of the port and vessels waiting to berth:

Figure 6 – Cape Town vessel view (per vessel group)



Source: Marine Traffic. Updated 14/06/2024 at 14:00.

iii. Durban

On Thursday, Pier 1 recorded two vessels on berth, operated by five gangs, and four vessels at anchor. Stack occupancy was **54%** for GP containers and **30%** for reefers. Between Monday and Thursday, the terminal executed 5 148 gate moves on the landside at an average truck turnaround time of **~75 minutes** and an average staging time of **~59 minutes**. Additionally, the terminal moved 4 495 TEUs across the quay on the waterside.

Pier 2 had three vessels on berth and five at anchorage on Thursday, as strong winds and high swells challenged operations this week. In the preceding 24 hours, stack occupancy was **60%** for GP containers and **57%** for reefers. The terminal operated with ten gangs on the waterside, moving 11 465 containers across the quay between Monday and Thursday. During the same period, there were 9 427 gate moves on the landside at an average truck turnaround time of **~85 minutes** and an average staging time of **~87 minutes**. Additionally, 1 568 units were moved by rail in the same period. The number of available straddle carriers fluctuated between 49 and 55 this week, which explains why the throughput volume is not yet at the desired levels.

Durban's MPT terminal recorded three vessels at berth on Thursday and one at outer anchorage. 266 containers and 2 439 tons of break bulk were moved across the quay on the waterside, while 209 container road slots and 25 breakbulk RMTs were serviced on the landside. Stack occupancy for breakbulk was recorded at **10%** and **39%** for containers. During the same period, three cranes, eight reach stackers, one

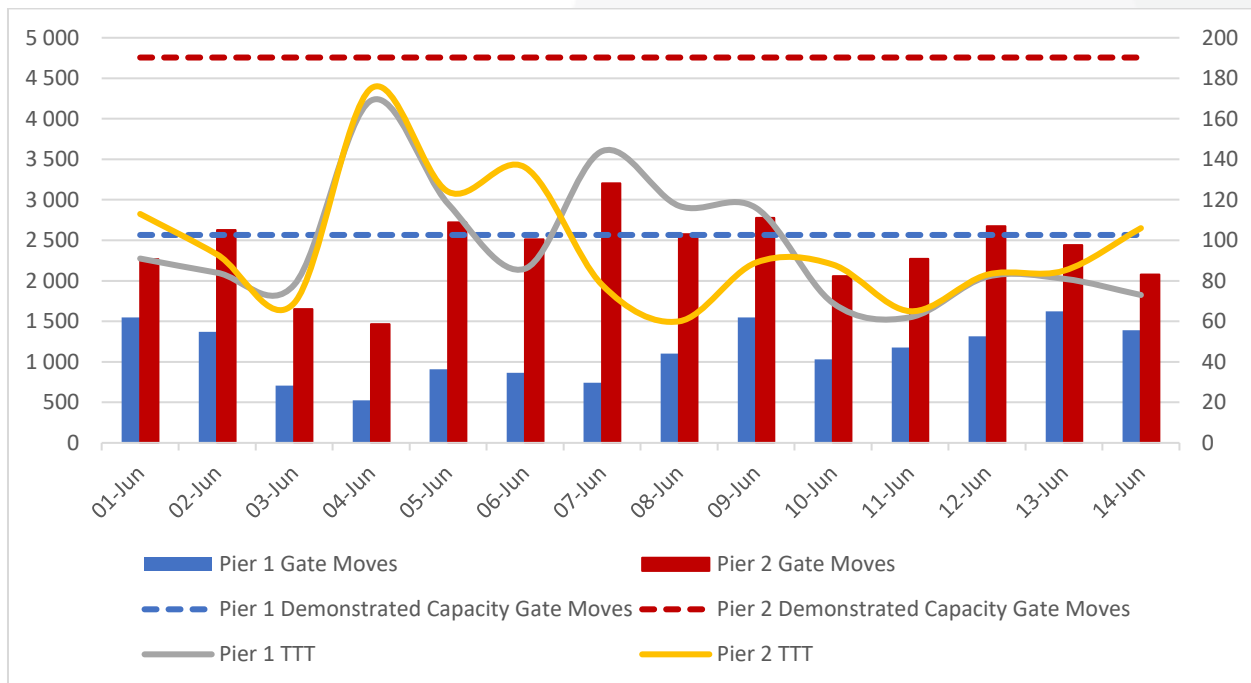
empty handler, six forklifts, and 16 ERFs were in operation. The latest reports suggest crane 04 is still anticipated to return to service early in July.

On Thursday, the Maydon Wharf MPT had one vessel on berth and zero at outer anchorage. 2 814 tons were handled on the waterside, while 98 trucks, containing 3 528 tons, were serviced on the landside. During the same period, the Agri bulk facility had zero vessels on berth and anchorage, and there was no activity at the terminal.

On Wednesday, the Ro-Ro terminal in Durban recorded one vessel on the berth, with none at anchorage. In the 24 hours to Thursday, the terminal handled 1 279 road units and 81 rail units on the landside while handling 670 units on the waterside. During the same period, overall stack occupancy was recorded at 65% (Exports: 71%, Imports: 17%, Transshipments: 12%), 40% at Q&R, and 50% at G-berth. During this period, the terminal had 218 high-and-heavyies (abnormal loads).

The following figure summarises the performance of Durban's container terminals for the last two weeks, focusing on gate moves and time spent in the terminals.

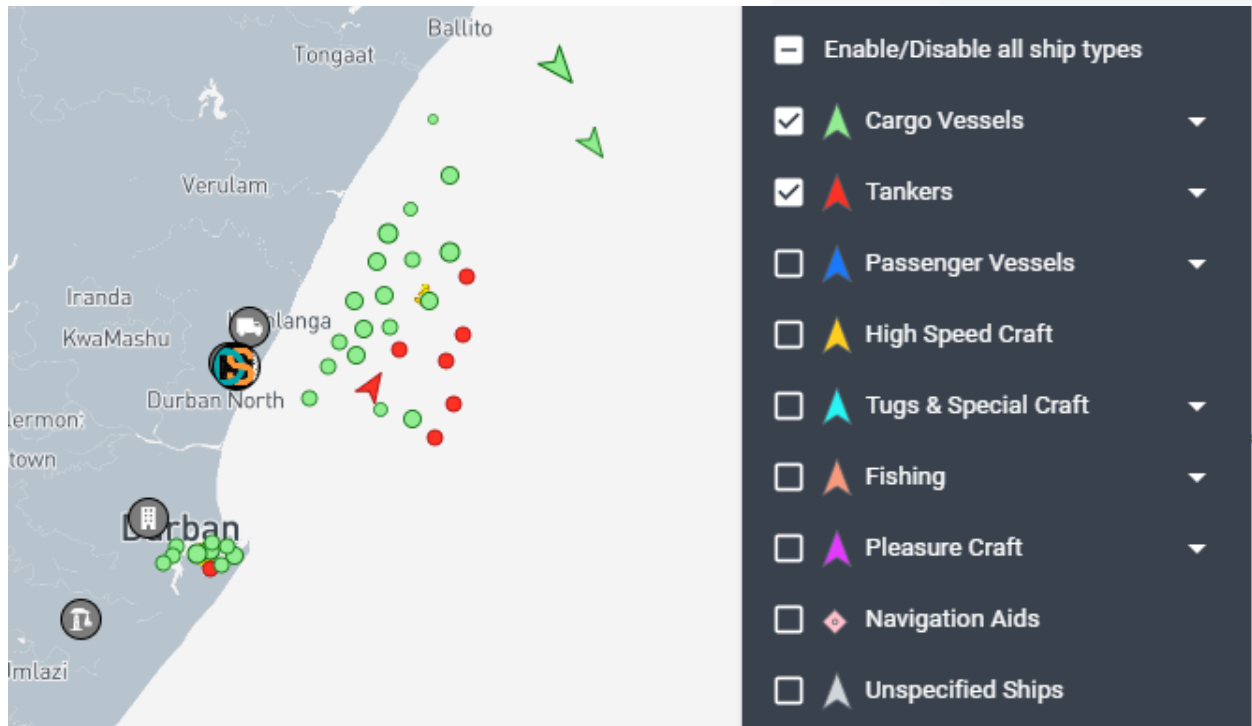
Figure 7 – Gate moves (left axis) and time spent in the terminal (in minutes, right axis)



Source: Calculated using data from Transnet, 2024, and updated 14/06/2024.

A queue of vessels waiting outside Durban has built up and remains. At midday on Friday, five vessels were waiting for Pier 2, four for Pier 1, and two for Point terminal, with the following snapshot of the port and vessels waiting to berth:

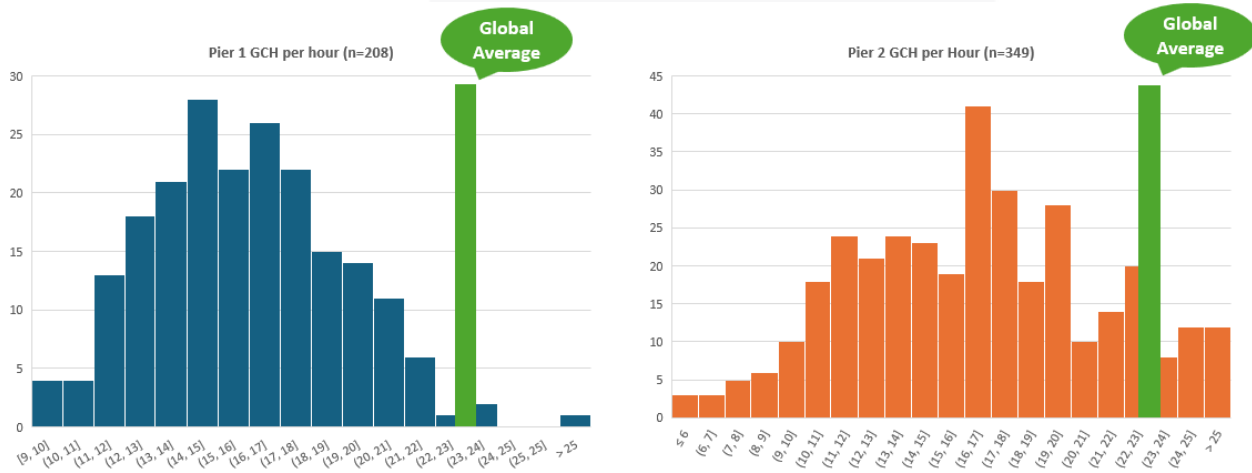
Figure 8 – Durban vessel view (per vessel group)



Source: Marine Traffic. Updated 14/06/2024 at 14:00.

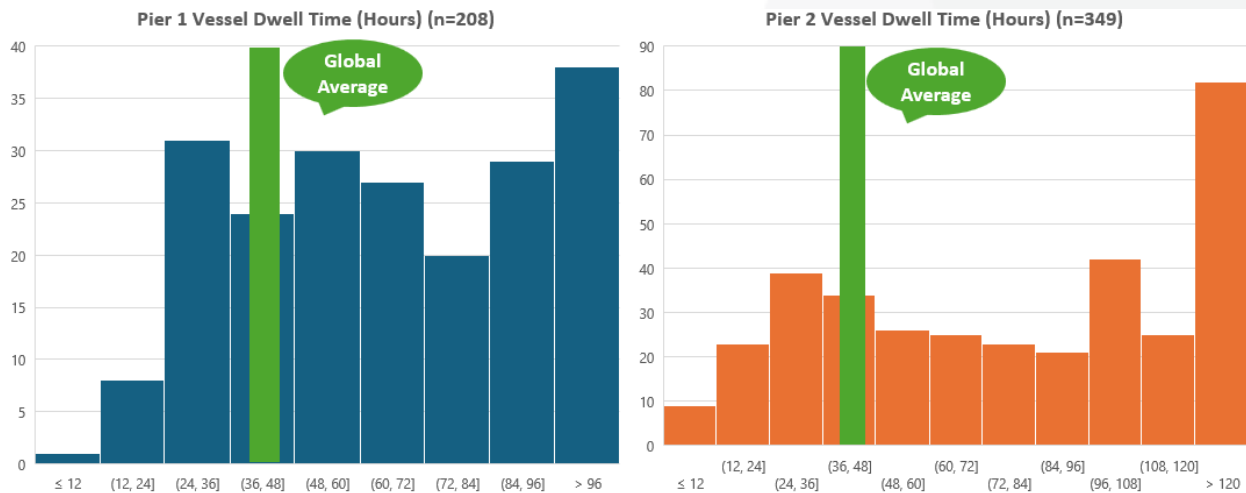
Lastly, in response to the World Bank’s Container Port Performance Index (CPPI), it is worth documenting the decline of our container handling metrics and vessel dwell times at our main container terminals in Durban. The following side-by-side figures indicate the respective distribution for all containerised vessel calls for the 2023 period:

Figure 9 – Durban container handling, 2023 (distribution of gross container handling per hour)



Source: Calculated by SAAFF from TPT data

Figure 10 – Durban vessel dwell time, 2023 (distribution of hours)



Source: Calculated by SAAFF from TPT data

In Durban Pier 1, our GCH was around **15,8 moves per hour**. At Durban Pier 2, our GCH was around **16,4 moves per hour**. This is **↓33%** and **↓30%** below the global average, respectively, but by no means “the worst” in the world. Some examples show that the terminals reached **32 GCH** in isolated cases, nearing global best practices. Vessel dwell time for Durban during the period was **83,2 hours** at Pier 2 and **67,4 hours** at Pier 1, respectively. This was against the global average of **40,5 hours**. This shows that time spent at South African ports is too much, but arguably not the worst in the world.

iv. Richards Bay

On Thursday, Richards Bay recorded 15 vessels at anchor, while 11 vessels were berthed, consisting of five at DBT, three at MPT, three at RBCT, and none at the liquid-bulk terminal. Two tugs, one pilot boat, and one helicopter were in operation for marine resources. Towards the end of the week, the coal terminal had seven vessels at anchor and two at berth while handling 73 832 tons on the waterside. On the landside, 16 trains were serviced, against the target of 22.

v. Eastern Cape ports

On Wednesday, NCT recorded three vessels on berth and zero at anchor, with one drifting. Marine resources of two tugs, one pilot boat, two pilots, and one berthing gang were in operation in the 24 hours leading to Thursday. Stack occupancy figures were recorded at 61% for reefers, 87% for reefer ground slots, and 59% for the general stack. The terminal handled 1 914 TEUs on the waterside despite experiencing some challenges with the RTGs and STS cranes. On the waterside, 493 trucks were processed at a truck turnaround time of ~39 minutes.

On Wednesday, GCT recorded one vessel at berth and one at outer anchorage. Marine resources of two tugs, one pilot boat, two pilots, and one berthing gang were in operation in the preceding 24 hours. On the waterside, 508 TEUs were handled across the quay, while 233 trucks were processed at a truck turnaround time of ~22 minutes. Stack occupancy figures were recorded at 55% for reefers, 58% for reefer ground slots, and 54% for the general stack.

No reports were received for the Port of East London this week.

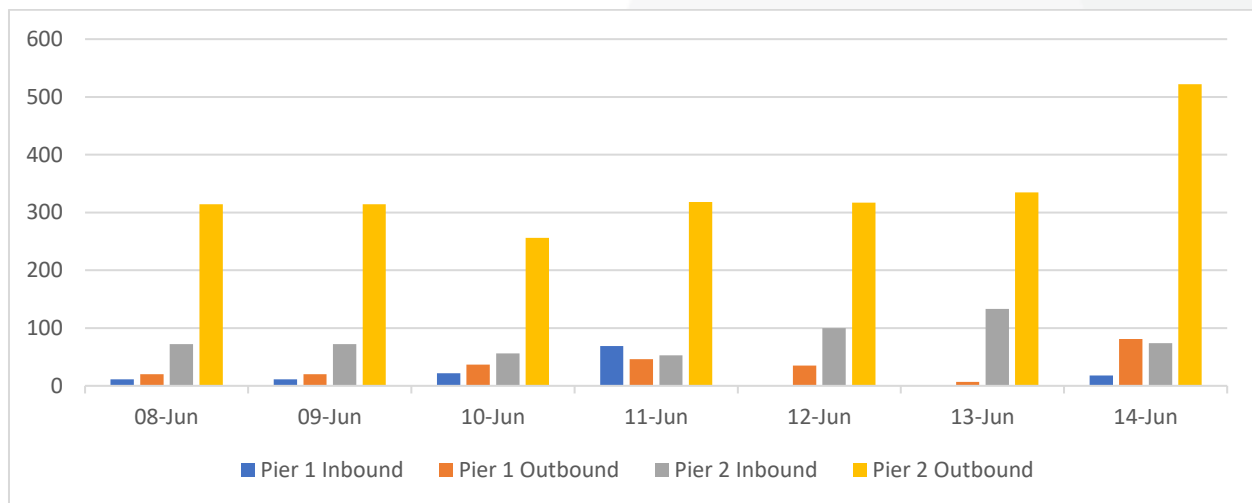
vi. **Saldanha Bay**

On Thursday, the iron ore terminal had two vessels at anchorage and two on the berth, while the multi-purpose terminal had two vessels at anchor and three on the berth. The vessels at anchor have been waiting outside for approximately 1-10 days, while the vessels in port have been on the berth for 2-3 days.

vii. **Transnet Freight Rail (TFR)**

TFR received minimal reports this week, although the report indicated no major incidents occurred on the rail network. Towards the end of the week, DCT Pier 2 had 190 over-border units on hand with a dwell time of 14 days and 149 ConCor units on hand with a dwell time of 96 hours. Rail containers on hand in Durban were reported as follows: Pier 1: 62, Pier 2: 361.

Figure 11 – TFR: Rail handled (Pier 1 and Pier 2)



Source: Calculated using data from Transnet, 2024. Updated 14/06/2024.

In the last week (8 to 14 June), rail cargo handled out of Durban was reported at **3 313** containers, up by **↑2%** from the previous week's **2 924** containers.

2. Air Update

a. International air cargo

The following table shows the in- and outbound air cargo flows to and from ORTIA for the week beginning 3 June. For comparative purposes, the average air freight cargo (inbound and outbound) handled at ORTIA in June 2023 averaged **~777 221 kg** per day.

Table 4 – International inbound and outbound cargo from OR Tambo⁸

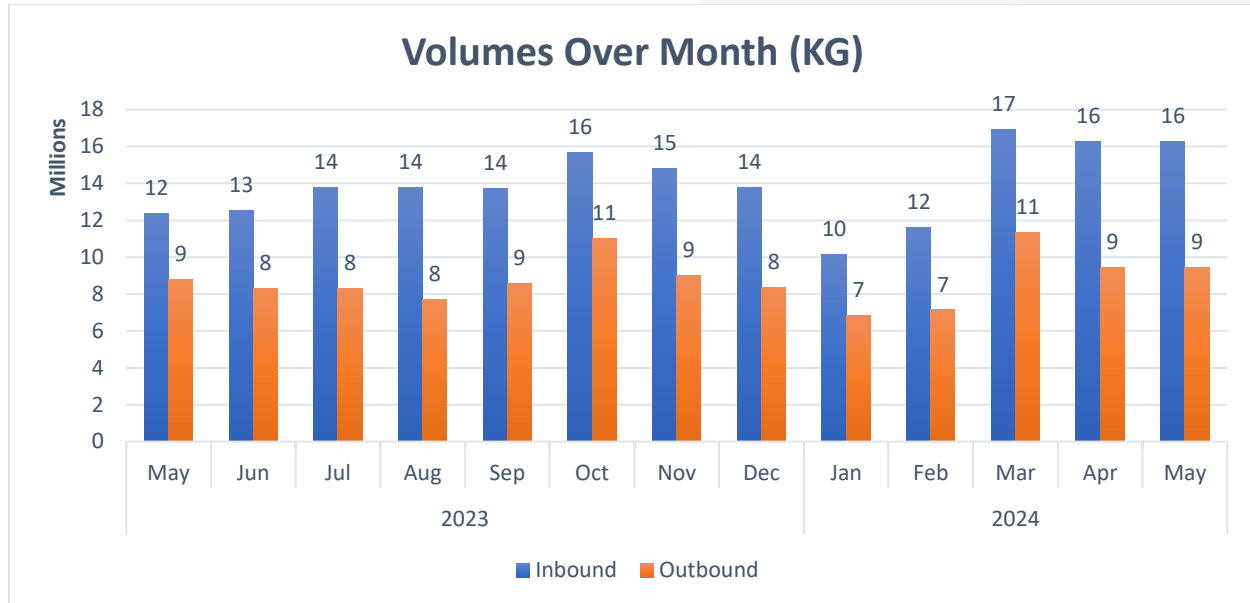
Flows	03-Jun	04-Jun	05-Jun	06-Jun	07-Jun	08-Jun	09-Jun	Week
Volume inbound	387 846	289 929	406 728	282 457	518 456	333 800	1 904 352	4 123 568
Volume outbound	99 613	170 648	172 020	186 982	210 353	168 068	1 281 883	2 289 567
Total	487 459	460 577	578 748	469 439	728 809	501 868	3 186 235	6 413 135

Courtesy of ACOC. Updated: 12/06/2024.

⁸ Only ORTIA's international volumes are shown. ORTIA handles ~87% of international cargo to and from South Africa.

The daily average of air cargo handled at ORTIA in the previous week amounted to **589 081 kg** inbound (**↑4%**, w/w) and **327 081 kg** outbound (**↑10%**), resulting in an average of **916 162 kg per day**. Consequently, the industry remains up versus last year (**↑18%** versus June 2023) and has handled more volume compared to pre-pandemic times (**↑1%** versus June 2019) for the first time since our records began, which is a positive sign. The following graphs show the movement since the start of last year:

Figure 12 – International cargo from OR Tambo – volumes per month (kg millions)



Courtesy of ACOC. Updated: 12/06/2024.

3. Road and Regional Update

a. Cross-border and road freight delays

This week, the following points should be noted regarding challenges and delays on roads in South Africa and the surrounding SADC region.

- The median border crossing times at South African borders decreased by **two and a half hours**, averaging **9,6 hrs** (**↓21%**, w/w) for the week.
- In contrast, the greater SADC region (excluding South African controlled) decreased by **more than seven hours** and averaged **~2,5 hours** (**↓74%**, w/w).
- **SARS Customs processing disruptions:**
 - SARS reported intermittent disruptions in their Customs Processing Platform, specifically delays in CUSRES responses.
 - Traders were advised not to resubmit any declarations, as the disruptions persisted through Thursday, with planned maintenance scheduled for Friday from 18:00 to 22:00.
- **ZRA Updates:**
 - **New Procedure Code 523:** Zambia Revenue Authority (ZRA) introduced Procedure Code 523, effective 5 June, to suspend duties on importing maize. This applies to holders of valid import permits.
 - **Payment of Motor Vehicle Council Levies:** Starting on 8 June, all Motor Vehicle Council Levies previously paid to the Chirundu Town Council can now be paid directly to ZRA after initiating Coordinated Border Management Operations.

- **Nakonde Customs Clearing Agents Fee Revision:**
 - **Effective 1 June:** The Nakonde Customs Clearing Agents Executive Committee revised agency fees for imports, exports, transits, and temporary import permits.
- Transporters, traders, and cargo owners are encouraged to use the non-tariff barrier (NTB) [online tool](#) developed by UNCTAD and the AfCFTA Secretariat. However, given this platform's questionable effectiveness, transporters are encouraged to contact FESARTA and join their TRANSIST Bureau⁹, arguably providing better and more reliable information.

The following table shows the changes in bidirectional flows through South African borders, with the subsequent table showing the consolidated corridor movements:

Table 5 – Delays¹⁰ summary – South African borders (both directions)

Border Post	Direction	HGV ¹¹ Arrivals per day	Queue Time (hours)	Border Time – Best 5% (hours)	Border Time – Median (hours)	Est. HGV Tonnage per day	Weekly HGV Arrivals
Beitbridge	SA-Zimbabwe	484	8,4	4,5	23,1	14 520	3 388
Beitbridge	Zimbabwe-SA	433	7,0	2,1	10,4	12 990	3 031
Groblersbrug	SA-Botswana	236	0,9	1,2	10,4	7 080	1 652
Martins Drift	Botswana-SA	208	24,0	0,3	2,1	6 240	1 456
Kopfontein	SA-Botswana	226	0,6	1,1	8,2	6 780	1 582
Tlokweng	Botswana-SA	22	0,4	0,2	0,4	660	154
Violsdrift	SA-Namibia	30	0,3	1,2	3,5	900	210
Noordoewer	Namibia-SA	20	0,4	0,4	2,1	600	140
Nakop	SA-Namibia	30	0,6	1,5	4,2	900	210
Ariamsvlei	Namibia-SA	20	0,3	0,4	1,1	600	140
Skilpadshek	SA-Botswana	243	0,9	2,0	11,2	7 290	1 701
Pioneer Gate	Botswana-SA	45	1,6	1,1	2,0	1 350	315
Lebombo	SA-Mozambique	125	24,0	0,3	1,5	3 750	875
Ressano Garcia	Mozambique-SA	1 446	1,0	1,2	6,5	43 380	10 122
Weighted Average/Sum		3 568	5,0	1,2	6,2	107 040	24 976

Source: TLC, FESARTA, & Crickmay, week ending 09/06/2024.

Table 6 – Delays summary – Corridor perspective

Corridor	HGV Arrivals per day	Queue Time	Border Time – Best 5%	Border Time – Median	Est. HGV Tonnage per day	Weekly HGV Arrivals
Beira Corridor	320	0,1	3,2	13,2	9 600	2 240
Central Corridor	798	0,0	0,0	0,0	23 940	5 586
Dar Es Salaam Corridor	1 819	43,6	0,3	4,1	54 570	12 733
Maputo Corridor	1 571	12,5	0,7	4,0	47 130	10 997
Nacala Corridor	127	0,0	0,0	0,0	3 810	889
North/South Corridor	3 681	16,2	0,9	6,2	110 430	25 767
Northern Corridor	2 817	0,0	0,1	1,4	92 520	21 588

⁹ FESARTA TRANSIST Bureau.

¹⁰ It should be noted that the root cause of the reported delays is uncertain and variable at this point. Moreover, the delays may be multiple and widely distributed. Therefore, they cannot be exclusively attributed to a specific common cross-border problem since we do not have a transparent view of the entire border process in granular detail. The causes of these bottlenecks typically include poor infrastructure, road congestion, and a lack of coordination between neighbouring countries and Customs (or OGA) stops, among other trade obstacles—data provided by the LMS (Logistics Monitoring System), which Crickmay produces in collaboration with SAAFF.

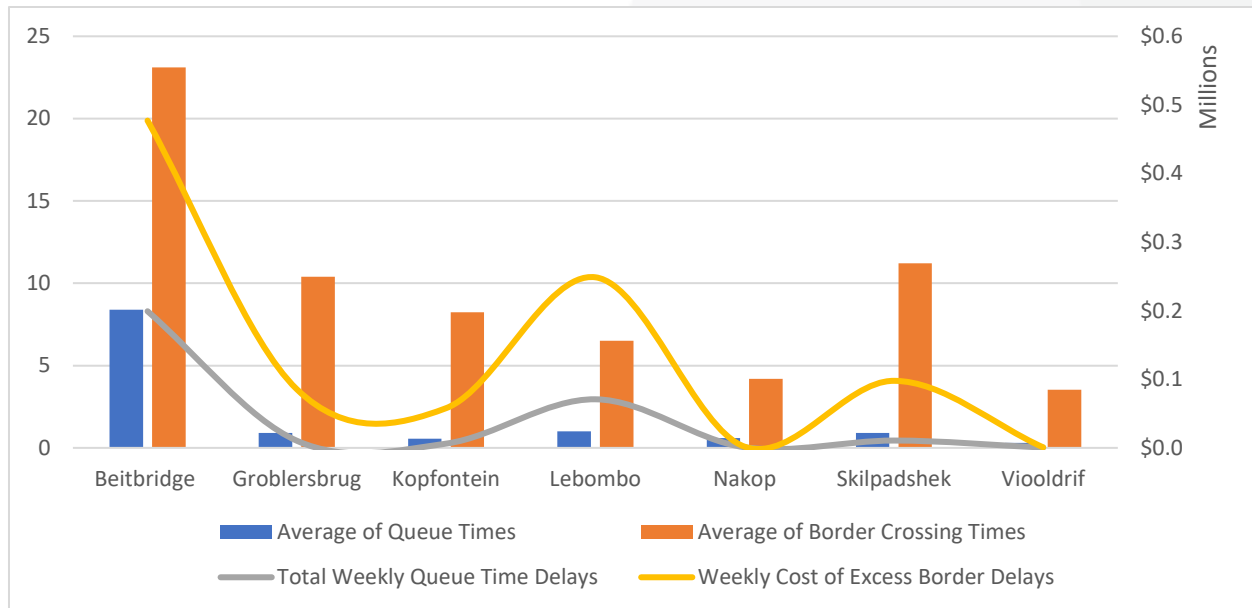
¹¹ Heavy Goods Vehicles. Note: These statistics are rolling averages; therefore, they would not typically change weekly but rather monthly.

Corridor	HGV Arrivals per day	Queue Time	Border Time – Best 5%	Border Time – Median	Est. HGV Tonnage per day	Weekly HGV Arrivals
Trans Caprivi Corridor	116	0,6	0,0	0,0	3 480	812
Trans Cunene Corridor	100	1,9	0,0	0,0	3 000	700
Trans Kalahari Corridor	318	1,2	1,2	4,6	9 540	2 226
Trans Oranje Corridor	100	0,4	0,9	2,7	3 000	700
Weighted Average/Sum	11 767	8,7	0,5	3,2	361 020	84 238

Source: TLC, FESARTA, & Crickmay, week ending 09/06/2024.

The following graph shows the weekly change in cross-border times and associated estimated costs:

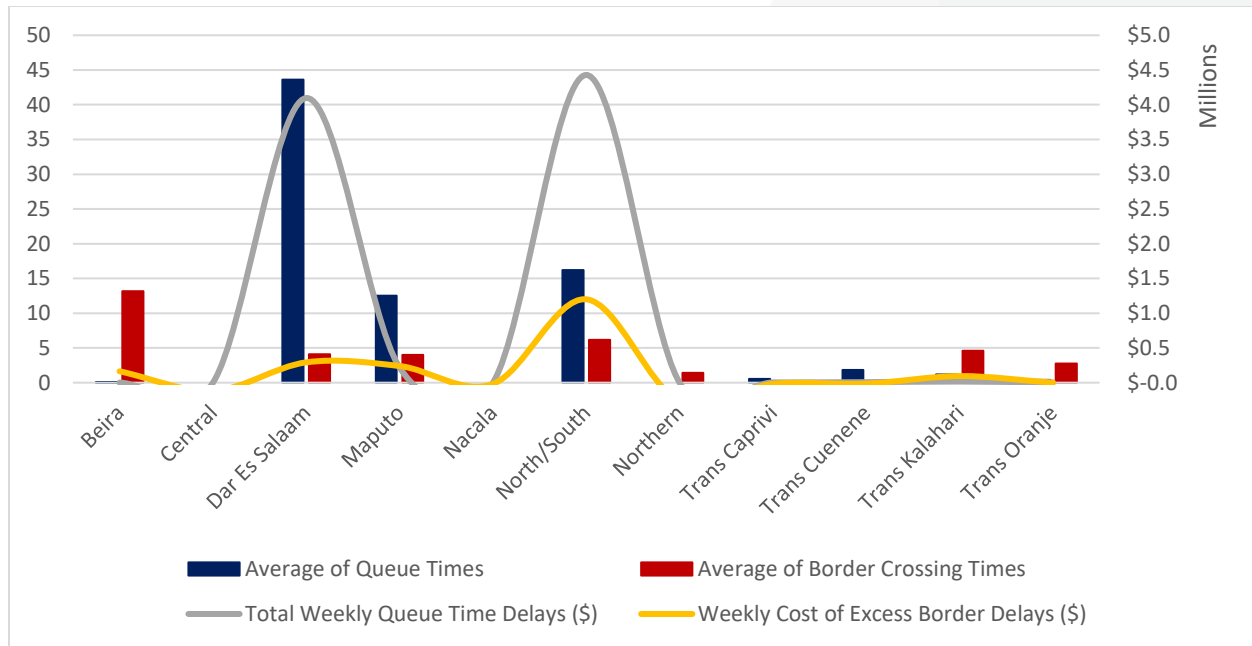
Figure 13 – Weekly cross-border delays & est. cost from an SA border perspective (hours & \$ millions)



Source: TLC, FESARTA, & Crickmay, week ending 02/06/2024.

The following figure echoes those above, this time from a corridor perspective.

Figure 14 – Weekly cross-border delays & est. cost from a corridor perspective (hours & \$ millions)



Source: TLC, FESARTA, & Crickmay, week ending 02/06/2024.

In summary, cross-border queue time averaged **~8,7 hours** (up by **~1,3 hours** from the previous week's **~7,4 hours**), indirectly costing the transport industry an estimated **\$8,7 million (R164 million)**. Furthermore, the week's average cross-border transit times hovered around **~3,2 hours** (significantly down by **~6,7 hours** from the **~9,9 hours** recorded in the previous report), at an indirect cost to the transport industry of **\$1,6 million (R29 million)**. As a result, the total indirect cost for the week amounts to an estimated **~\$10,3 million (R190 million)**, down by **~R78 million** or **↓29%** from **~R268 million** in the previous report).

4. International Update

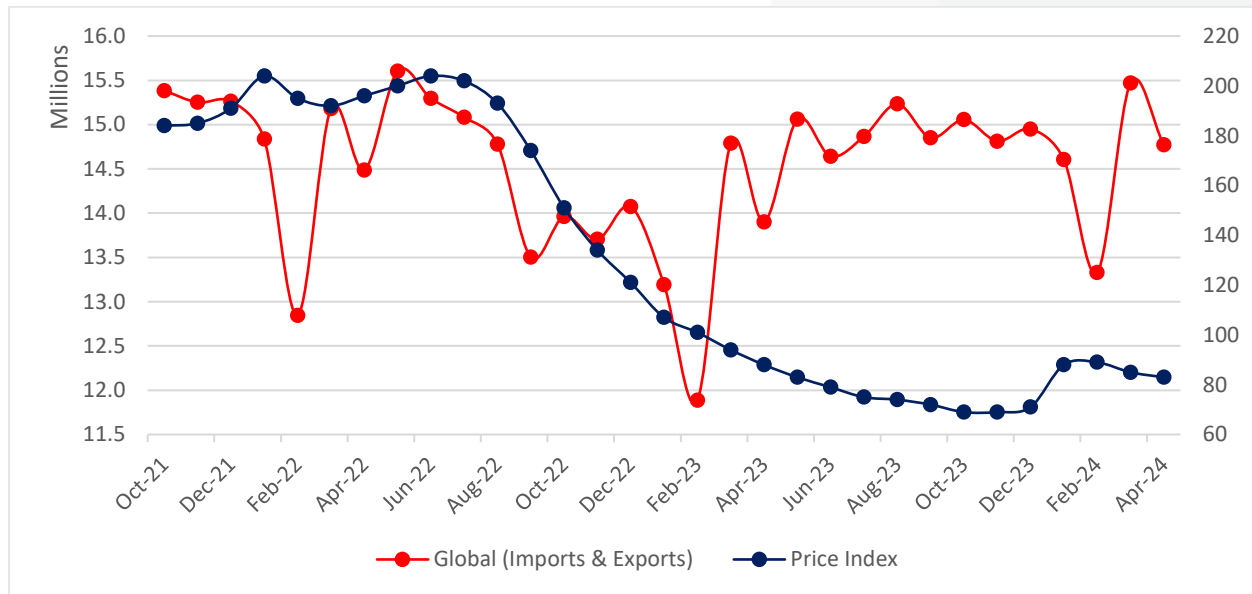
The following section provides some context around the global economy and its impact on trade, mainly an update on **(a)** the global shipping industry and **(b)** the global aviation industry.

a. Global shipping industry

i. Global container trade statistics - April

The latest container throughput figures for April from Container Trade Statistics (CTS) show that container volume has decreased by **↓4,5%** (m/m) after a record increase of **↑16,1%** in March. Annual throughput is up by **↑6,3%** (y/y), as all trade lanes saw a reduction in throughput during April, with the Far East imports seeing the most significant drop in containers discharged at **↓7,2%** (m/m), and Australasia & Oceania exports seeing the most significant drop in containers loaded at **↓9,5%** (m/m). The global price index (dry and reefer combined) was stable over this period and is slightly down by **↓2,4%** (m/m) and **↓5,7%** (y/y); however, this trend is expected to be reversed (see the latest pricing analysis below). The following figure illustrates the global container throughput and price index since October 2021:

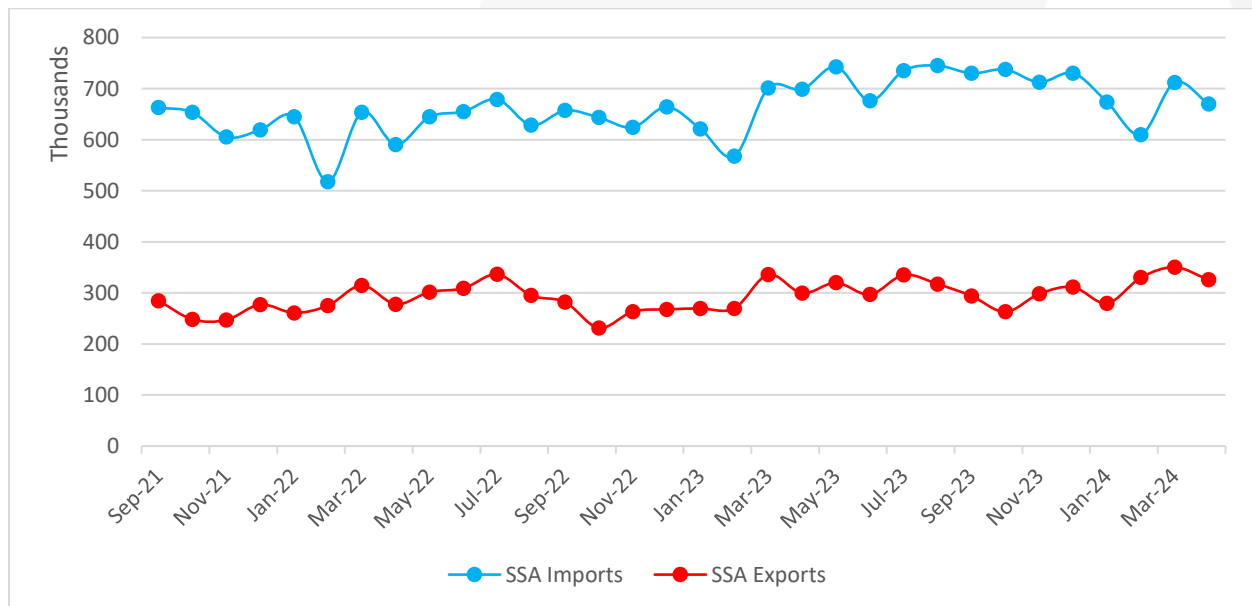
Figure 15 – Global Containerised Throughput (TEUs) and price index



Source: Calculated from [CTS](#)

As illustrated, container throughput dropped slightly in April, with a throughput of around **14,8 million TEUs**. Geographically, all seven regions registered decreases in imports and exports (ranging from **↓1,3%** to **↓9,5%**). The following figure shows Sub-Saharan African trade over the same period:

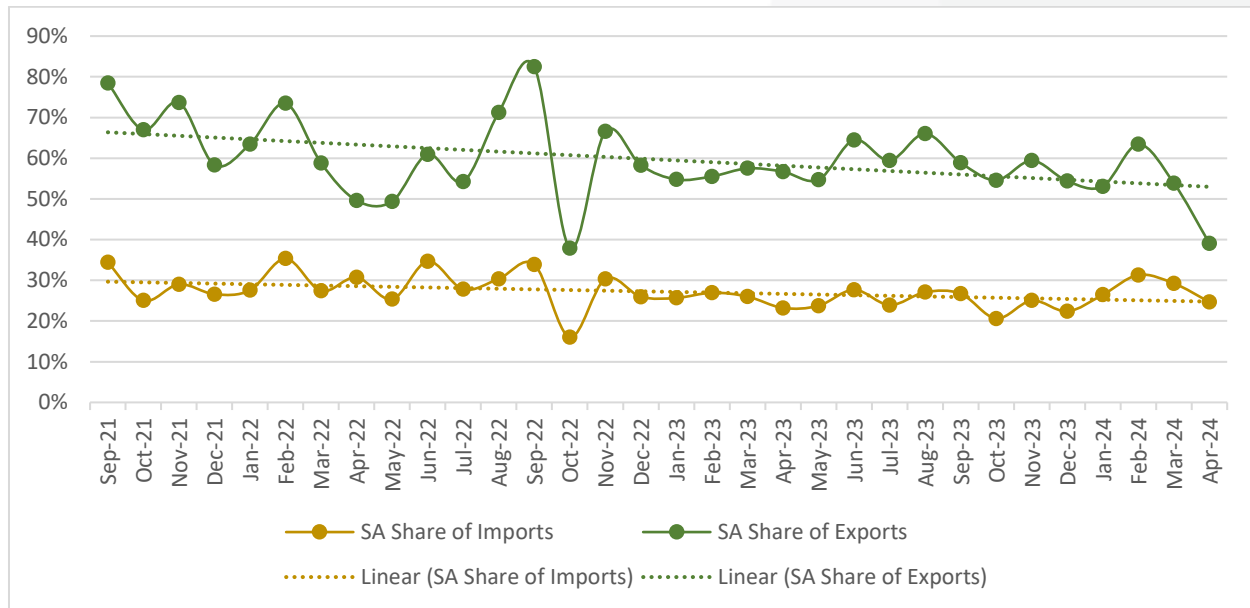
Figure 16 – Sub-Saharan Africa Containerised Throughput (TEUs)



Source: Calculated from [CTS](#)

Monthly SSA trade is significantly down, as are yearly imports (**↓4,1%**); however, curiously, yearly SSA trade exports are significantly up – by **↑8,8%** in April. When adding South Africa’s share to SSA trade, we see a continuation of the downward trend:

Figure 17 – South Africa's share in regional containerised throughput (% share)



Source: Calculated from [CTS](#)

When measuring these, South Africa accounted for **25%** of SSA imports and a record low of **39%** of SSA exports in April, according to TNPA figures. These respective shares are significantly less than the highs of **35%** in February 2022 for imports and **82%** in September 2022 for exports. However, a reality not captured by the recent CPPI report is volume and service frequency. Despite recent downturns in container throughput and efficiency metrics at South African ports, the nation continues to manage the bulk of regional container trade due to a lack of immediate competitors capable of challenging its status as the gateway to Sub-Saharan container trade. Once again, we refer to the competing ports’ inability to provide the necessary capacity (yet), and we should also factor in the effect of reduced economic activity in general. However, reversing these negative trends is crucial for sustaining this dominance

ii. Container market summary

Rising port congestion continues to affect international supply chain fluidity, as the global port congestion indicator continues to hover above the **2,2 million TEU mark**, accounting for **7,3% of the global fleet** (which is the highest level this year). In South Africa, port congestion at the Port of Durban worsened slightly in the last week, as Durban remains on the first page of Linerlytica’s “*Port Congestion Watch*”. On Wednesday, the queue-to-berth ratio at Durban was **0,56**.¹² Elsewhere globally, several new long-haul services were launched in June, including the notable return of SeaLead to the US and BAL to Mexico that followed Ellerman’s return on the Asia-Europe route last month. COSCO and Hapag-Lloyd have added new services on the transpacific and Asia-Europe routes. Market sentiment is rising, as seen by the IPO filing by TS Lines, while Maersk’s revision of its full-year profit guidance only affirms what the market already knew. All these are reminiscent of the COVID bull run of 2021, but this time, it’s all due to the Red Sea crisis that has upended the supply-demand balance while spurring the return of port congestion and box equipment shortages.¹³ Lastly, almost no capacity is sitting idle (only **~0,3%** of the total fleet), as the “*Cancelled Sailings Tracker*” remains stable (but slightly high) this week at **7%**.¹⁴

¹² Linerlytica. 29/05/2024. [Port Congestion Watch](#).

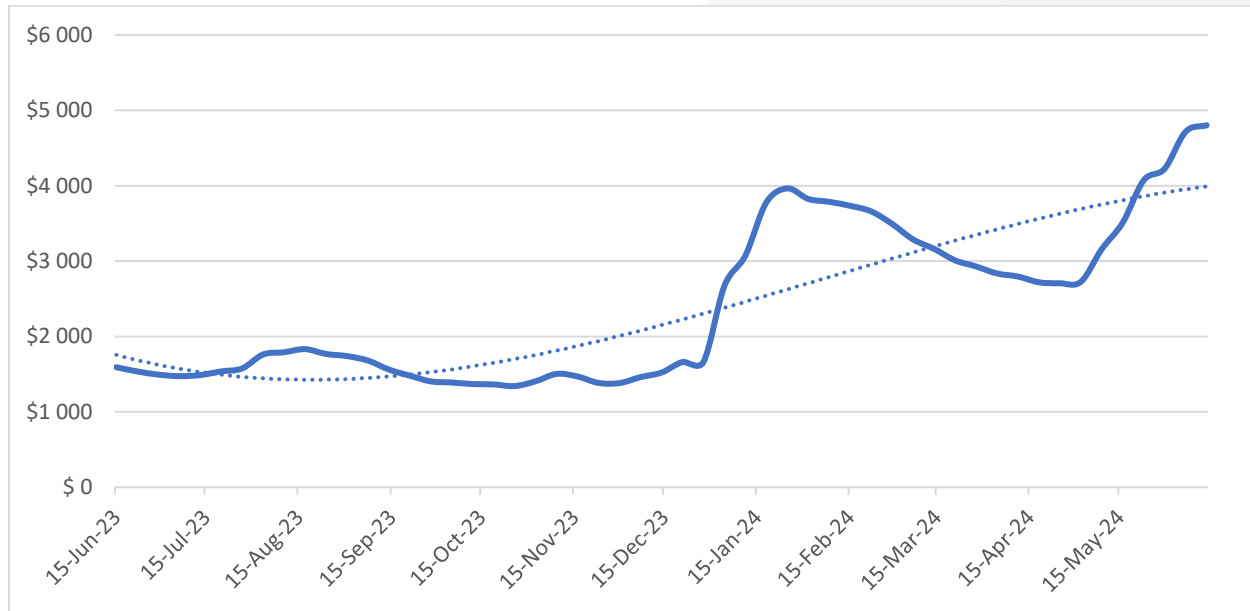
¹³ Linerlytica. 11/06/2024. [Market Pulse 2024 Week 24](#).

¹⁴ Drewry. 31/05/2024. [Cancelled Sailings Tracker](#).

iii. Global container freight rates

Container freight rates continue to increase, albeit at a slower pace. Drewry's "World Container Index" increased by **↑1,8%** (or **\$85**) to **\$4 801** per 40-ft container.¹⁵ The following figure shows the movement in the last year:

Figure 18 – World Container Index assessed by Drewry (last 12 months)



Source: Calculated from [Drewry](https://www.drewry.com)

The composite index is now more than double versus this time last year (**↑202%**) – with most trade up around **↑2 to 3%** versus last week. The continued resurgence in spot rates means that container freight rates are again heading into pandemic territory, as many trades continue to surge with quotes more than five times their respective levels of earlier in the year.¹⁶ In the charter market, rate increases have slightly cooled after last week's massive increase but still jumped by **↑5,2%** (w/w). The Harper Petersen Index (Harpex) is currently trending at **1 712 points**, up by **↑39%** (y/y) compared to this time last year.¹⁷

iv. Further developments of note

Apart from the overview provided above, there were some additional noteworthy developments this week:

1. Green hydrogen projects earmarked for South Africa and Namibia:

- Europe's largest ports, Rotterdam and Antwerp-Bruges, alongside major Japanese companies like Itochu, are exploring green hydrogen shipping routes from new terminals in Namibia¹⁸ and South Africa.¹⁹
- These nations offer ideal conditions for renewable energy, crucial for producing hydrogen and ammonia for future fuel sources in shipping and industry. These routes could efficiently connect to Europe and East Asia, avoiding critical chokepoints like the Suez or Panama Canal.
- Despite the significant investment potential, with projects like the \$11 billion Hyphen in Namibia and the \$5,9 billion first phase of Hive in South Africa, the economic viability of green hydrogen remains uncertain. Advancements in technology and increasing fossil fuel

¹⁵ Drewry. 13/06/2024. [World Container Index](https://www.drewry.com).

¹⁶ Van Marle, G. 12/06/2024. [Container trades back in 'pandemic-level territory' – with rates still rising](https://www.drewry.com).

¹⁷ Harper Petersen Index. 14/06/2024. [HARPER PETERSEN Charter Rates Index](https://www.harperpetersen.com).

¹⁸ Sguazzin, A. & Burkhardt. 06/06/2024. [The Audacious Plan to Seed a Global Green Hub in Namibia's Desert](https://www.reuters.com).

¹⁹ Sguazzin, A. 12/06/2024. [South Africa's Biggest Hydrogen Project Woos Japanese Investors](https://www.reuters.com).

penalties are essential for making these projects feasible and effective in reducing greenhouse emissions and enhancing energy security.

2. Samsung lodges biggest complaint yet: for 96 000 'erroneous' D&D charges:

- a. Samsung Electronics America (SEA) has filed a significant complaint with the Federal Maritime Commission (FMC) against HMM, alleging the imposition of 96,000 erroneous detention and demurrage (D&D) charges.²⁰
- b. Samsung accuses HMM of failing to uphold reasonable practices in its inland transportation duties, leading to delayed removal and delivery of containers and subsequent unjust D&D charges. Despite the unprecedented scale of the complaint, which surpasses previous filings against other carriers, efforts to resolve the matter have been unsuccessful, with HMM suggesting a detailed assessment of each charge.
- c. This complaint is part of a broader trend of increasing grievances lodged with the FMC following the implementation of the Ocean and Shipping Reform Act in mid-2022. It spotlights ongoing issues with unfair D&D practices in the logistics sector.

3. MSC faces another hurdle in its bid to operate at Hamburg port:

- a. MSC's plan to acquire a **49,9% stake** in Hamburger Hafen und Logistik Aktiengesellschaft (HHLA), Hamburg's leading port operator, is delayed as local politicians from the Left Party have postponed the decision until after a public hearing, with MSC's entry opposed by local dockworkers and criticised by business leaders.²¹
- b. The completion of MSC's stake purchase, initially expected by the end of June, is now anticipated in the third quarter, amid MSC's plans to boost Hamburg's capacity by an additional one million TEU annually and expand their local infrastructure and staffing.

4. Labour issues continue to disrupt port operations throughout the world:

- a. The International Longshoremen Association (ILA), representing some 85 000 port workers along the eastern seaboard and Gulf coast ports, is displaying a determined stance in its face-off with port employers over a new labour contract.²²
- b. On Monday, the US Maritime Alliance (USMX), representing employers at East and Gulf Coast ports, suspended contract negotiations with ILA leadership because of a dispute over automation. ILA leadership has signalled a hard line on the issue of remuneration in the new labour agreement due to begin on 1 October.
- c. In Europe, port workers affiliated with German trade union ver.di have threatened strike action at the country's key hubs, adding to North European shipper stress as labour tensions also rise in France.²³
- d. Ver.di is organising a series of dock strikes in Bremerhaven, Hamburg, Bremen and Emden after talks with the Central Association of German Seaport Operators (ZDS) last week ended without success.

b. Global air cargo industry

After significant recent volatility, the international air cargo industry has settled in the last two weeks. Nevertheless, the latest weekly overview of the international air cargo industry indicates significant developments, particularly in the Asia Pacific and Middle East & South Asia (MESA). Air cargo demand and rates from Asia Pacific origins, especially Vietnam to Europe, have continued to soar, with spot rates now more than double last year's levels, driven by disruptions in sea freight and port congestion. MESA origins

²⁰ Whiteman, A. 10/06/2024. [Samsung lodges biggest complaint yet: for 96,000 'erroneous' D&D charges.](#)

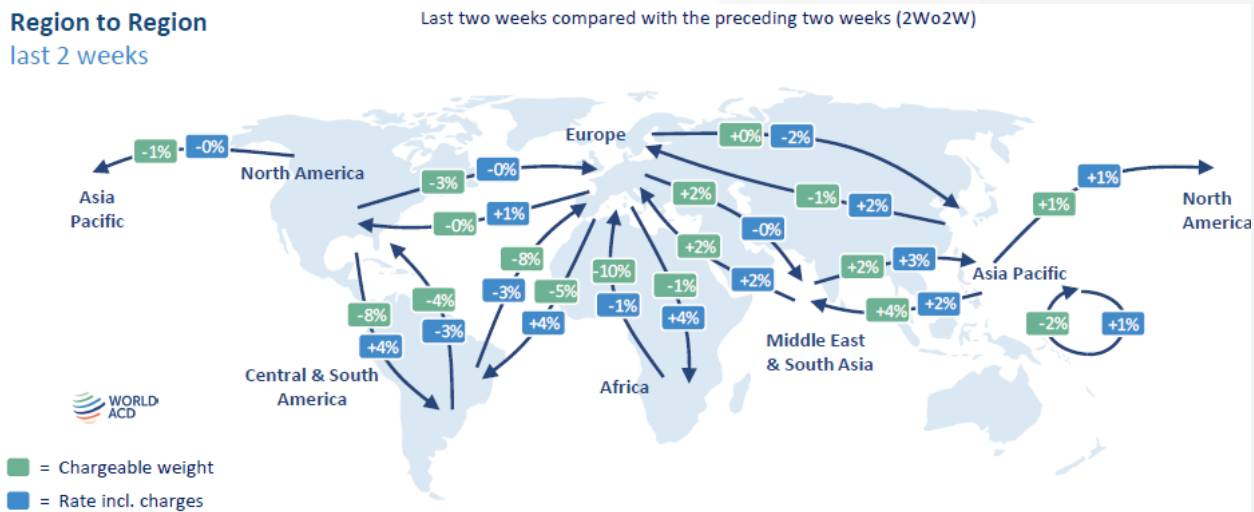
²¹ Chambers, S. 13/06/2024. [MSC faces another hurdle in its bid to operate at Hamburg port.](#)

²² Putzger, I. 14/06/2024. [East Coast port strike looms larger as union takes a tough stance on wages.](#)

²³ Goldstone, C. 14/06/2024. [More strikes at German and French ports could bring congestion and delays.](#)

are also experiencing a surge in demand and rates to Europe, with spot rates more than twice their level from the previous year, mainly due to high spot prices from India and Bangladesh. The following image illustrates the movement of chargeable weight and rates across the last two weeks:

Figure 19 – Chargeable weight and rates (2w/2w)



Source: World ACD

Overall, while the total worldwide chargeable weight flown showed a slight decrease week-over-week (↓1%), year-on-year tonnages increased by ↑12%, maintaining elevated global rates – currently trading at an average of \$2,52 per kg, which was up around ↑1% (w/w) and up around ↑7% (y/y).

ENDS²⁴

²⁴ACKNOWLEDGEMENT:

*This initiative – **The Cargo Movement Update** – was developed collectively by Business at large to provide visibility of the movement of goods during the COVID-19 pandemic. The report is authored by the South African Association of Freight Forwards (SAAFF) and distributed by Business Unity South Africa (BUSA). SAAFF acknowledges the input of several key business partners in compiling these reports, which have become a weekly industry staple. This edition is proudly sponsored by Turners Shipping.*



FERI CERTIFICATES FOR IMPORTED AND TRANSITED GOODS TO OR THROUGH THE DRC



Procedure

Turners Shipping has been designated as an official Freight Certification sub-Agent for the Democratic Republic of Congo (DRC), mandated to issue the FERI (Fiche Electronique de Renseignement à l'Importation) Certificates.

1

Submit the required documents by email or online.

2

Complete the application form and provide supporting documentation.

3

You will receive an invoice with attached draft, typically within 24 hours of all documents/information received.

4

When payment reflects, the draft approved and a copy of the final bill of lading received; the validation will be requested.

5

To avoid fines, the FERI must be validated before the vessel arrives at the destination.

Introduction

The FERI Certificate is an essential requirement for all cargo entering the Democratic Republic of Congo (DRC). It is designed to streamline customs processes and ensure compliance with the DRC's import regulations.

Turners Shipping plays a pivotal role in facilitating smoother trade flows and enhancing the efficiency of cargo movement into one of Africa's most significant economies.

The FERI Certificate is an electronic document required to clear imported and transited goods to or through the DRC.

Simpler, Safer, Faster

- We **reduce your administrative burden** by completing the application on your behalf.
- We abide by a strict **Non-Disclosure Agreement** and information shared with us will never be used for any other purpose.
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