

Cargo Movement Update #191¹

Date: 21 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)	23 180	34 297	57 477	28 631	38 494	67 125	↓14%
Air Cargo (tons)	4 026	2 163	6 189	4 124	2 290	6 413	↓3%

Monthly Snapshot

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

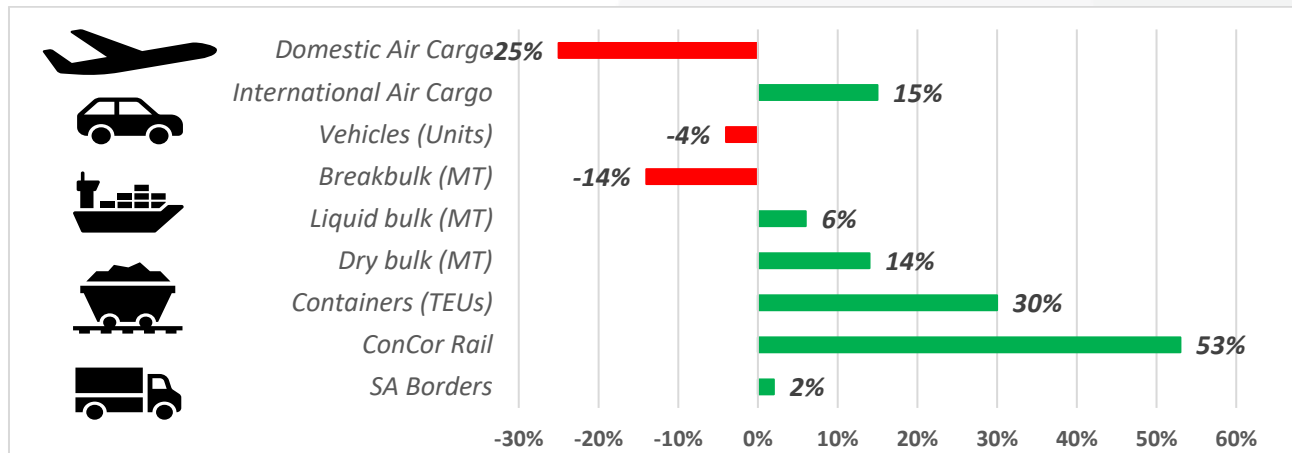
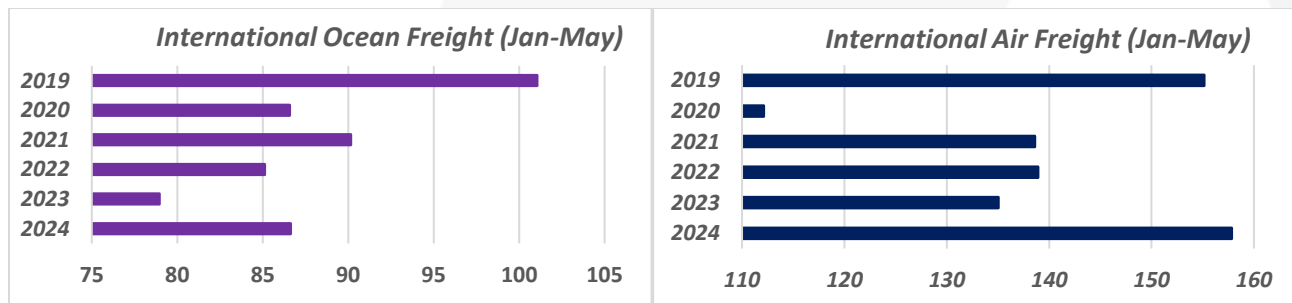


Figure 2 – Year-to-date flows 2019-2024⁵: ocean, y/y (million metric tonnes) & air freight, y/y (kg millions)



Key Notes

- An average of **~8 211 containers** was handled per day, with **~8 462 containers** projected for next week.
- TNPA stats for May: containers are up by **↑30%** (m/m) and **↑8%** (y/y). Total bulk is up by **↑11%** and a considerable **↑35%** – highlighting the improvement. Vehicles are down monthly (**↓4%**), but up yearly (**↑8%**).
- Rail cargo handled out of Durban was reported at **2 916 containers**, down by **↓12%** from last week.
- Cross-border queue: **↓0,1 hrs**; transit: **↑1,2 hrs**; SA borders: **9,9 hrs (↑3%)**; SADC borders: **3,8 hrs (↑52%)**.
- Freight rates continue to surge and are up by **↑6,6%** (or **\$315**) to **\$5 117/40-ft container**.
- Global air cargo tonnages slipped by **↓2%**, as average rates remained 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 191st 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 all metrics: May vs May.

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 the strong recovery of last week, throughput volumes were back to the longer term average, as **8 211 containers** were handled per day, down from **9 589 containers** last week. Port operations were primarily impacted by inclement weather conditions, equipment breakdowns and shortages. This week, operational performance improved somewhat in Cape Town as minimal delays were reported, while equipment shortages and power outages prevented optimal performance at the Port of Durban. Adverse weather conditions and network issues ensured operational delays at our Eastern Cape Ports. Grindrod, a JSE-listed logistics group, has been selected as the preferred bidder by TNPA for developing and operating the first container terminal at the Port of Richards Bay on the northern KZN coastline. Additionally, minimal reports were received from TFR this week; however, the reports indicated no major incidents occurred on the rail network.

International. The global container port throughput is on track to shatter records, projected to hit a staggering **947 million TEU** in 2024. This significant increase, with an upward revised growth rate of **↑4,7%**, is in stark contrast to the stagnant growth of the previous two years. The surge, particularly evident in the first half of 2024, has escalated port congestion to an 18-month high, with major Asian ports like Singapore, Tanjung Pelepas, and Colombo experiencing significant increases in cargo volumes. Despite concerns of a potential downturn due to peace in the Middle East, the container market has remained robust. Chinese freight futures and rate indices show strong recovery and consecutive weeks of double-digit gains. Despite new shipping routes opening between Asia and North Europe, freight rates have not dropped and are predicted to rise due to ongoing schedule disruptions and planned blank sailings. This situation is exacerbated by worsening congestion at German ports, especially following a recent strike which threatens to further delay cargo movement, notably on the Asia-Europe route. Similarly, the Transpacific route is witnessing a spike in demand, with new services operating at full capacity and expected further rate increases. Port congestion continues to disrupt global supply chain efficiency, with the global port congestion indicator exceeding **2,4 million TEU or 8,2%** of the global fleet. In South Africa, the Port of Durban has seen a significant deterioration in congestion, with critical levels of operational capacity further stressing international trade flows.

In our international air market, the daily average of air cargo handled at ORTIA in the previous week amounted to **575 177 kg** inbound (**↓2%**, w/w) and **309 034 kg** outbound (**↓9%**), resulting in an average of **884 211 kg per day**. Despite the weekly reduction, the industry remains up versus last year (**↑14%** versus June 2023) and has handled nearly the same volume as pre-pandemic times (**↓2%** versus June 2019). Domestically, consolidated numbers for May show that all three primary airports handled more cargo than in April (with consolidated figures showing a **↑9%** monthly return). However, annual numbers are down across the board and down by **↑25%** (y/y). Internationally, air cargo rates are holding firm during what is traditionally a quieter period for the market, boosted by strong demand and high spot rates from Asian and Middle Eastern origins. In other aviation news, airlines' profitability stabilised in the first quarter (Q1) of 2024 compared to 2023.

In the regional cross-border road freight trade, the average queue times were **essentially unchanged** from last week, as the transit times increased by around **90 minutes** from last week and the median border crossing times at South African borders increased by around **20 minutes**, averaging **9,9 hrs (↑3%**, w/w) for the week. In contrast, the greater SADC region (excluding South African controlled) increased by **an hour and a half** and averaged **~3,8 hours (↑52%**, w/w). On average, two SADC border posts took more than a day

to cross – Beitbridge and Kasumbalesa. Other developments included **(1)** Coordinated Border Management in Zambia, **(2)** challenges at Beitbridge, and, **(3)** legal developments with Zimbabwean exemption permits.

In summary, the improved monthly figures reported by TNPA give further optimism that the industry is building on the strategic recovery plans, amongst other initiatives, to get port and rail operations back on track. The short-term gains provide some optimism that the collective trade, transport and logistics industry has bottomed out. Realistically, we can realistically hope that last decade's degradation can be curtailed and the decline in throughput volumes and efficiency metrics can at least be stabilised this year. In that case, 2024 will be considered a mild success. Unfortunately, many structural hurdles remain – as do the lack of equipment (and investment in our logistics network). All-in-all, we have a lot of work to do in the short term; however, there continue to be small signs of improvement – something that we desperately need and must continue.

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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 15 to 21 June⁶

7-day flow reported (15/06/2024 – 21/06/2024)			
TERMINAL	NO. OF CONTAINERS ⁷ TO DISCHARGE (IMPORT)	NO. OF CONTAINERS TO LOAD (EXPORT)	CHANGE (w/w %)
DURBAN CONTAINER TERMINAL PIER 1:	3 632	5 878	↑3%
DURBAN CONTAINER TERMINAL PIER 2:	8 139	10 387	↓17%
CAPE TOWN CONTAINER TERMINAL:	5 117	6 899	↓14%
NGQURA CONTAINER TERMINAL:	4 241	8 816	↓25%
GQEBERHA CONTAINER TERMINAL:	2 051	2 317	↑7%
TOTAL:	23 180	34 297	↓14%

Source: Transnet, 2024. Updated 21/06/2024.

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:	4 622	6 507	↑17%
DURBAN CONTAINER TERMINAL PIER 2:	10 009	10 001	↑8%
CAPE TOWN CONTAINER TERMINAL:	5 100	6 363	↓5%
NGQURA CONTAINER TERMINAL:	6 455	7 375	↑6%
GQEBERHA CONTAINER TERMINAL:	1 237	1 565	↓36%
TOTAL:	27 423	31 811	↑3%

Source: Transnet, 2024. Updated 21/06/2024.

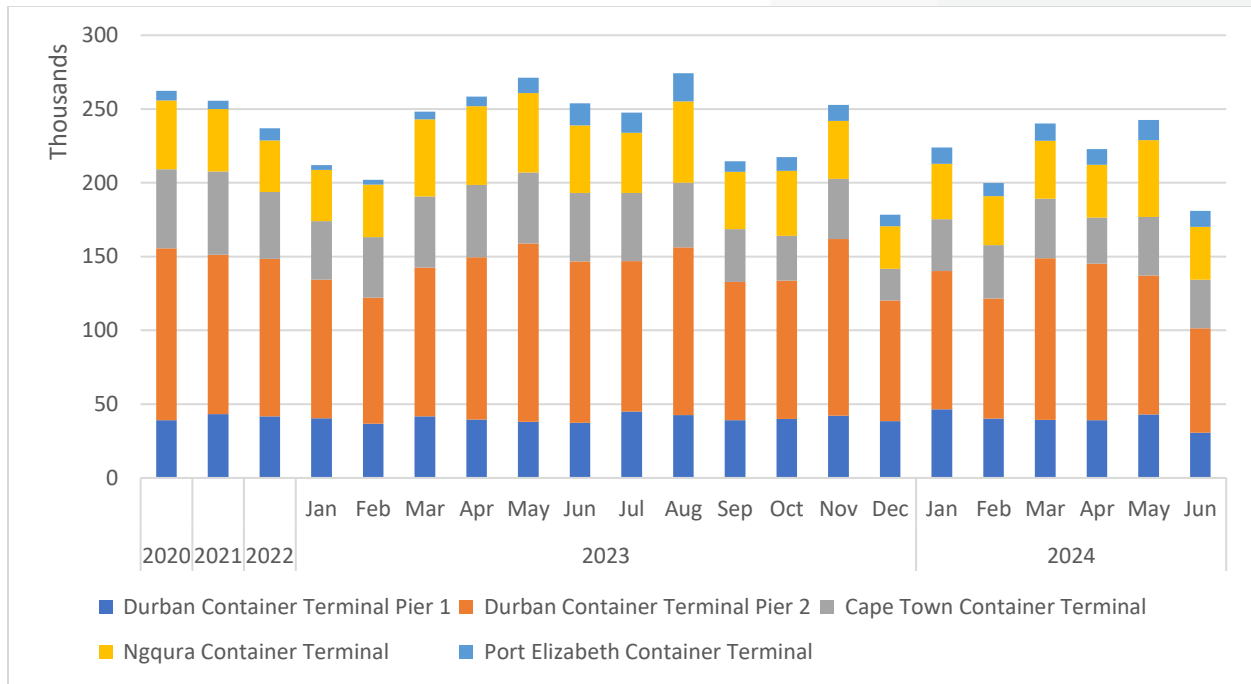
A decreased average of **~8 211 containers (↓14%)** was handled per day for the last week (15 to 21 June, Table 2), compared to the projected average of **~8 893 containers (↓7% actual versus projected)** noted in last week's report. For the coming week, an increased average of **~8 462 containers (↑3%)** is predicted to be handled (22 to 28 June, Table 3) in a best-case scenario. Port operations were primarily impacted by adverse weather conditions, network issues, 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.

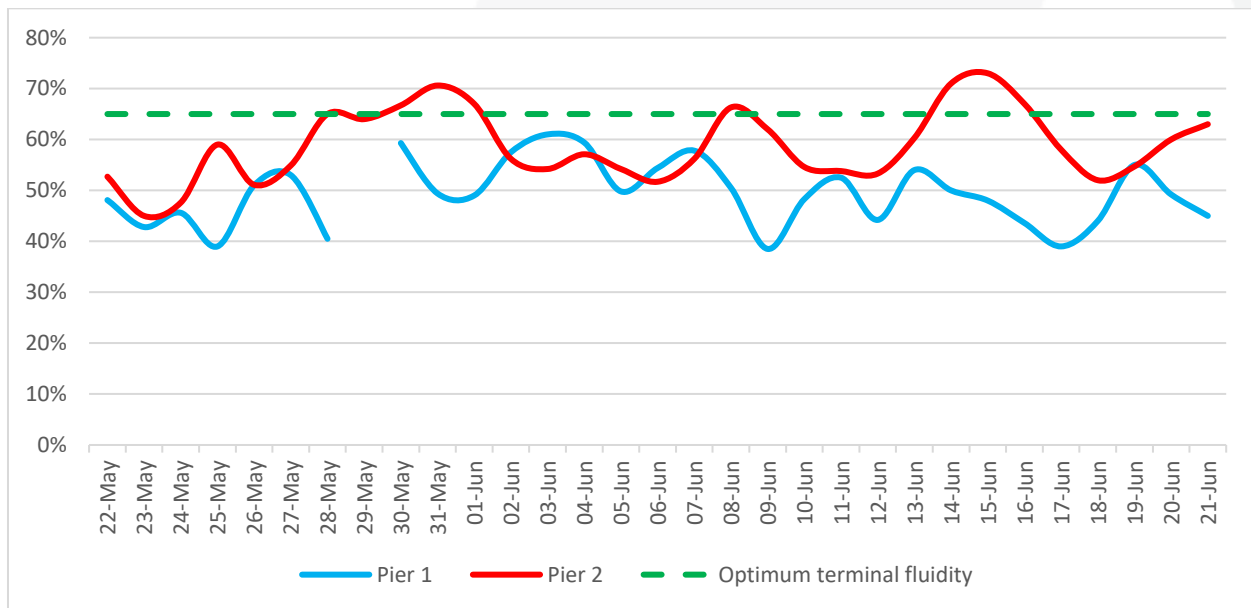
Figure 3 – Monthly flow reported for total container movement (containers April 2020 to present, m/m)



Source: Calculated using data from Transnet, 2024, and updated 21/06/2024.

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

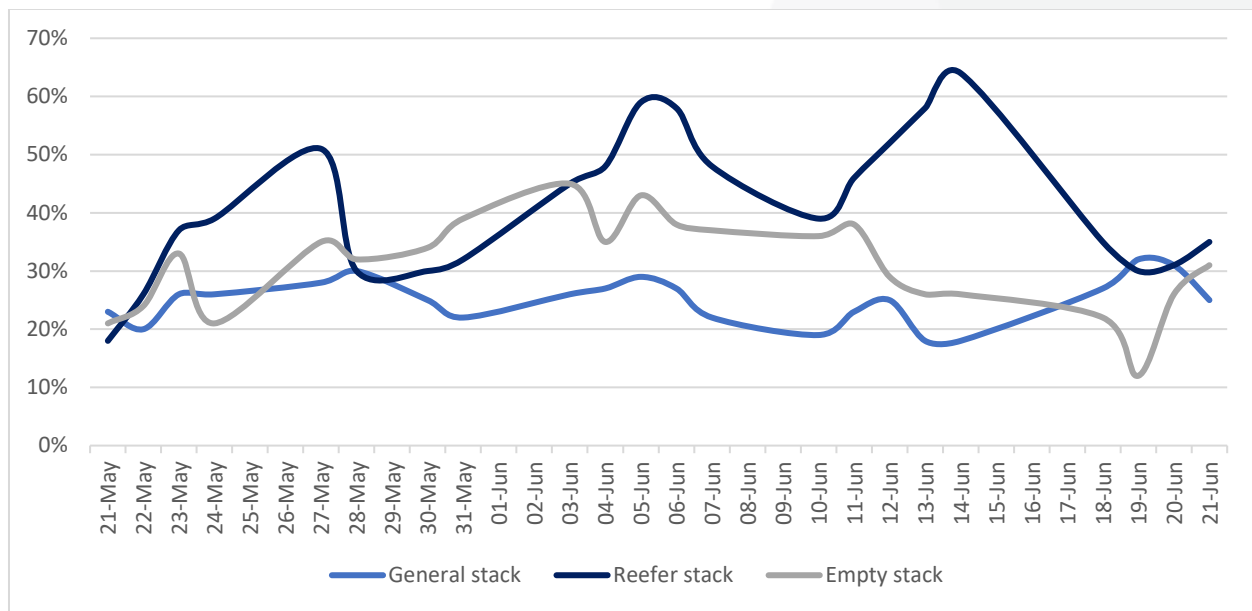
Figure 4 – Stack occupancy in DCT, general-purpose containers (22 May to present; a day on the day)



Source: Calculated using data from Transnet, 2024, and updated 21/06/2024.

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 (22 May to present, day on day)



Source: Calculated using data from Transnet, 2024, and updated 21/06/2024.

b. TNPA: May update

TNPA has released consolidated port statistics for May⁸, with most sub-sectors significantly up on the poor returns registered in April. For May, the two main sectors show that containers are significantly up – by a considerable **↑30%** (m/m), and total bulk cargo shipped is up by **↑11%** as the following table shows the respective changes versus April:

Table 4 – TNPA – Monthly volume and growth: May 2024

	Apr	May	Movement	Monthly growth
Containers (TEUs)	292 747	379 755	87 008	30%
Landed	165 457	194 585	29 128	18%
Shipped	127 290	185 170	57 880	45%
Dry bulk (MT)	12 588 393	14 328 195	1 739 802	14%
Liquid bulk (MT)	2 575 117	2 722 664	147 547	6%
Breakbulk (MT)	786 072	675 299	-110 773	-14%
Vehicles (Units)	61 495	59 146	-2 349	-4%
Total cargo (excl. Vehicles)	15 949 582	17 726 158	1 776 576	11%

Source: [TNPA](#), updated 20/05/2024.

Transnet Port Terminals handled **17,7 million metric tonnes** of bulk cargo during May, up by nearly **1,8 million metric tonnes** from last month and around **↑2,3%** compared to the two-year average, but still down by **↓2,7%** compared to the ten-year average before that. Consequently, it is evident that we are making some strides over the short term; however, we are still considerably down over the long run. The story is similar for containerised trade, as May’s levels are around **↑8,1%** compared to the two-year average but

⁸ Transnet. 2024. [Port statistics](#).

only up by **↑1,1%** compared to the ten-year average before that. The following table shows the comparative overview for May versus last year, including the view versus the same month in the pre-pandemic year of 2019:

Table 5 – TNPA – Cyclical volume and growth: May 2019, 2023, and 2024

	2019	2023	2024	Growth: '19-'24	Growth: '23-'24
Containers (TEUs)	368 223	351 383	379 755	3%	8%
Landed	194 968	176 357	194 585	0%	10%
Shipped	173 255	175 026	185 170	7%	6%
Dry bulk (MT)	16 945 481	9 800 585	14 328 195	-15%	46%
Liquid bulk (MT)	3 939 730	2 838 592	2 722 664	-31%	-4%
Breakbulk (MT)	674 743	523 299	675 299	0%	29%
Vehicles (Units)	59 886	54 645	59 146	-1%	8%
Total cargo (excl. Vehicles)	21 559 954	13 162 476	17 726 158	-18%	35%

Source: [TNPA](#), updated 20/05/2024.

With the improved monthly throughput volumes, annual figures for the primary industries show significant improvement on last year's May in total containers (**↑8%**), dry bulk (**↑46%**), breakbulk (**↑29%**), and vehicle trade (**↑8%**). There has, however, been a slight drop in liquid bulk (**↓4%**). Despite the annual increases, some sectors (notably dry – and liquid bulk at **↓15%** and **↓31%**, respectively) are still way down versus pre-pandemic times – indicating the work left in front of our industry.

c. Summary of port operations

i. Weather and other delays

- Operational performance improved somewhat in Cape Town this week as minimal delays were reported.
- Equipment shortages and power outages prevented optimal performance at the Port of Durban this week.
- Adverse weather conditions and network issues ensured operational delays at our Eastern Cape Ports.
- Minimal delays were reported at the Port of Richards Bay this week.

ii. Cape Town

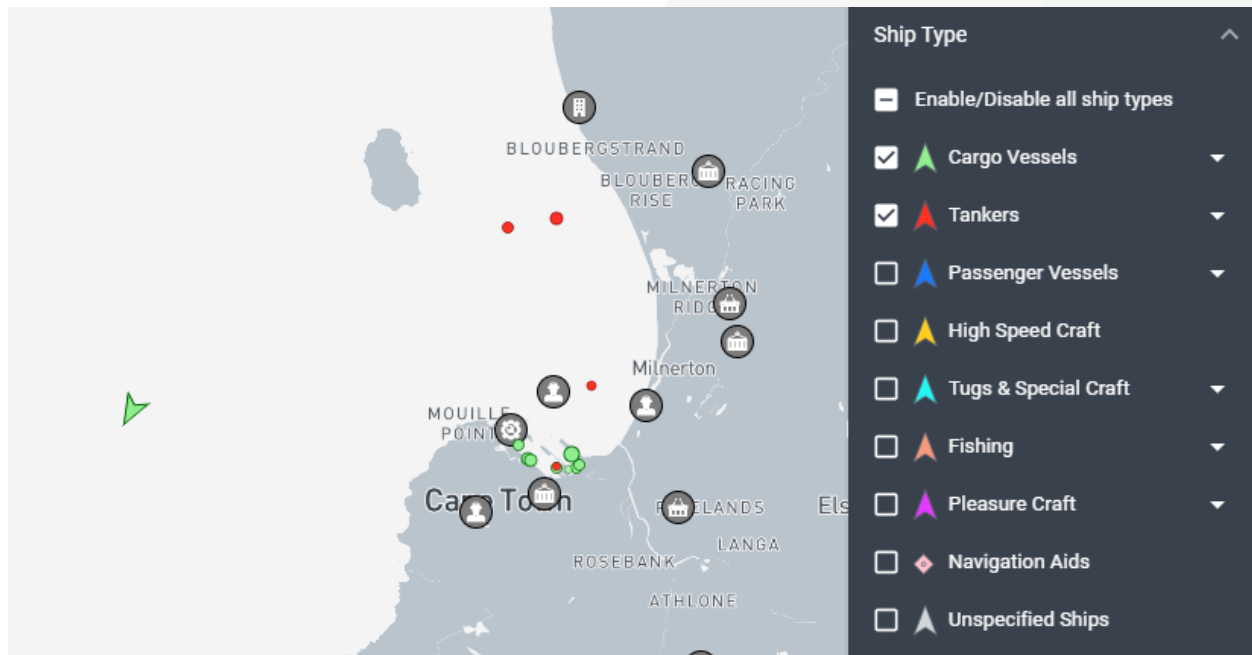
On Thursday, CTCT recorded three vessels at berth and none at anchor, as operational performance at the terminal improved this week. On the landside, between Monday and Thursday, the terminal managed to service 3 123 trucks, translating to an average of 1 041 trucks per day (**↑12%**) while handling 132 rail units (**↑67%**). On the waterside, the terminal executed 5 131 container moves across the quay during the same period. By the end of the week, stack occupancy for GP containers was recorded at **31%**, reefers at **31%**, and empties at **26%**. Additionally, towards the end of the week, the terminal operated with eight STS cranes, 23 RTGs, and 42 hauliers. According to the latest reports, crane LC3 remains out of service with no ETR available yet.

On Thursday, CTMPT had one vessel on berth and zero vessels at anchor. During the preceding 24 hours, the terminal managed to move 6 413 tons across the quay with the next container vessel's arrival anticipated for 22 June. On the landside, zero trucks were handled. Stack occupancy towards the end of the week was recorded at **1%** for general cargo, **0%** for reefers, and **1%** for empties.

During the week of 10 to 16 June 2024, the FPT terminal serviced eight vessels: four multi-purpose vessels, three container vessels, and one dry bulk vessel. Berth occupancy during this period was recorded at 73%. FPT planned to handle eight vessels between 17 and 23 June, with another seven planned between 24 and 30 June. Rainy weather and the late arrival of fruit accounted for most of the delays at the terminal this week.

At midday on Friday, zero vessels were waiting outside at anchorage in Cape Town – a first in a while, 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 21/06/2024 at 14:00.

iii. Durban

On Thursday, Pier 1 recorded two vessels on berth, operated by five gangs, and five vessels at anchor. Stack occupancy was **49%** for GP containers and **59%** for reefers. Between Monday and Thursday, the terminal executed 3 224 gate moves on the landside at an average truck turnaround time of **~63 minutes** and an average staging time of **~39 minutes**. Additionally, the terminal moved 4 557 TEUs across the quay on the waterside.

Pier 2 had three vessels on berth and seven at anchorage on Thursday, as equipment breakdowns and dredging prevented optimal operational performance this week. In the preceding 24 hours, stack occupancy was **60%** for GP containers and **51%** for reefers. The terminal operated with seven gangs on the waterside, mainly due to dredging operations at Berth 202. On the landside, the terminal moved 7 855 containers across the quay between Monday and Thursday. During the same period, there were 7 904 gate moves on the landside at an average truck turnaround time of **~90 minutes** and an average staging time of **~99 minutes**. Additionally, 1 235 units were moved by rail in the same period. The number of available straddle carriers fluctuated between **48** and **52** this week.

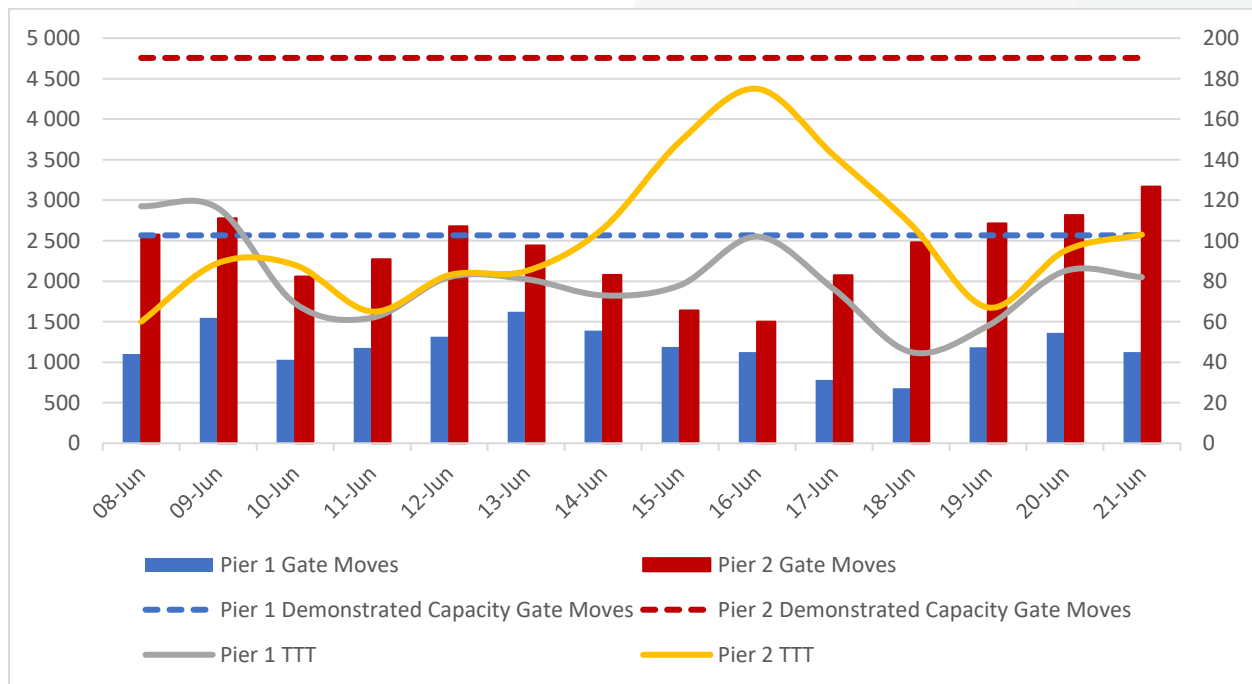
Durban's MPT terminal recorded three vessels at berth on Friday and one at outer anchorage. Stack occupancy for breakbulk was recorded at **18%** and **66%** for containers. During the same period, three cranes,

eight reach stackers, one empty handler, five forklifts, and 14 ERFs were in operation. The latest reports suggest Crane 04 is still anticipated to return to service early in July.

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 1 678 road units and 339 rail units on the landside while handling 1 768 units on the waterside. During the same period, overall stack occupancy was recorded at 78% (Exports: 76%, Imports: 20%, Transshipments: 4%), 20% at Q&R, and 40% at G-berth. During this period, the terminal had 166 high-and-heavy (abnormal loads) on hand.

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.

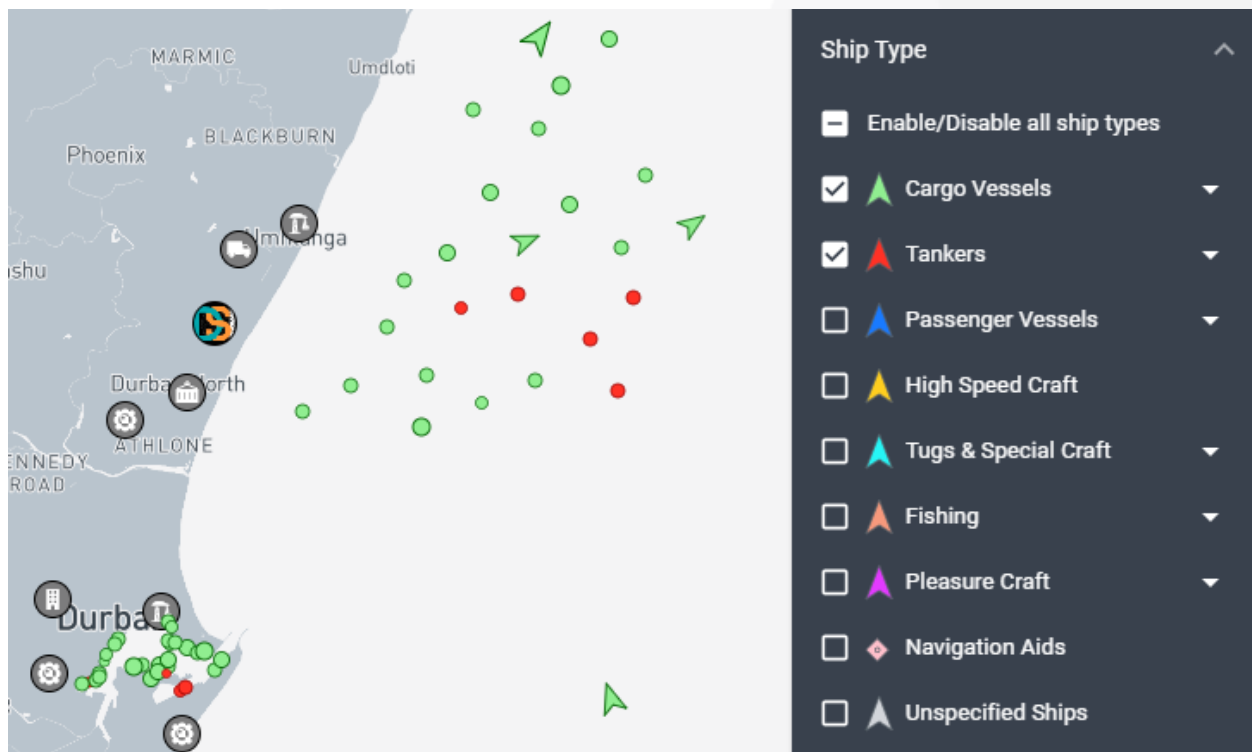
Figure 7 – Gate moves (left axis) and time spent in the terminal (in minutes, right axis)



Source: Calculated using data from Transnet, 2024, and updated 21/06/2024.

A queue of vessels waiting outside Durban has built up and remains. At midday on Friday, seven vessels were waiting for Pier 2, six for Pier 1, and four 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 21/06/2024 at 14:00.

iv. Richards Bay

On Thursday, Richards Bay recorded 15 vessels at anchor, while ten vessels were berthed, consisting of two at DBT, four at MPT, two at RBCT, and two 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 ten vessels at anchor and one at berth while handling 167 967 tons on the waterside. On the landside, 14 trains were serviced, against the target of 22. Grindrod, a JSE-listed logistics group, has been selected as the preferred bidder by TNPA for developing and operating the first container terminal at the Port of Richards Bay on the northern KZN coastline.

v. Eastern Cape ports

On Wednesday, NCT recorded three vessels on berth, and one vessel at anchor, with two vessels 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 46% for reefers, 63% for reefer ground slots, and 53% for the general stack. On the waterside, the terminal handled 2 284 TEUs despite experiencing some challenges with the tides. On the waterside, 663 trucks were processed at a truck turnaround time of ~42 minutes.

On Thursday, GCT recorded one vessel at berth and two 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, 947 TEUs were handled across the quay, while 371 trucks were processed at a truck turnaround time of ~64 minutes. Stack occupancy figures were recorded at 55% for reefers, 74% for reefer ground slots, and 62% for the general stack.

On Wednesday, the Ro-Ro terminal had one berth vessel and zero vessels at anchor. In the preceding 24 hours, the terminal managed to handle 1 059 units on the waterside, leading to a stack occupancy figure of 40%.

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

Elsewhere, TNPA has issued a request for proposals (RFPs) for renewable energy and low carbon-intensity projects at its Eastern Cape Ports.⁹ On Monday, the ports authority said it would accept proposals for constructing and operating solar-powered desalination plants and a renewable energy system at the Port Elizabeth and Ngura Ports.

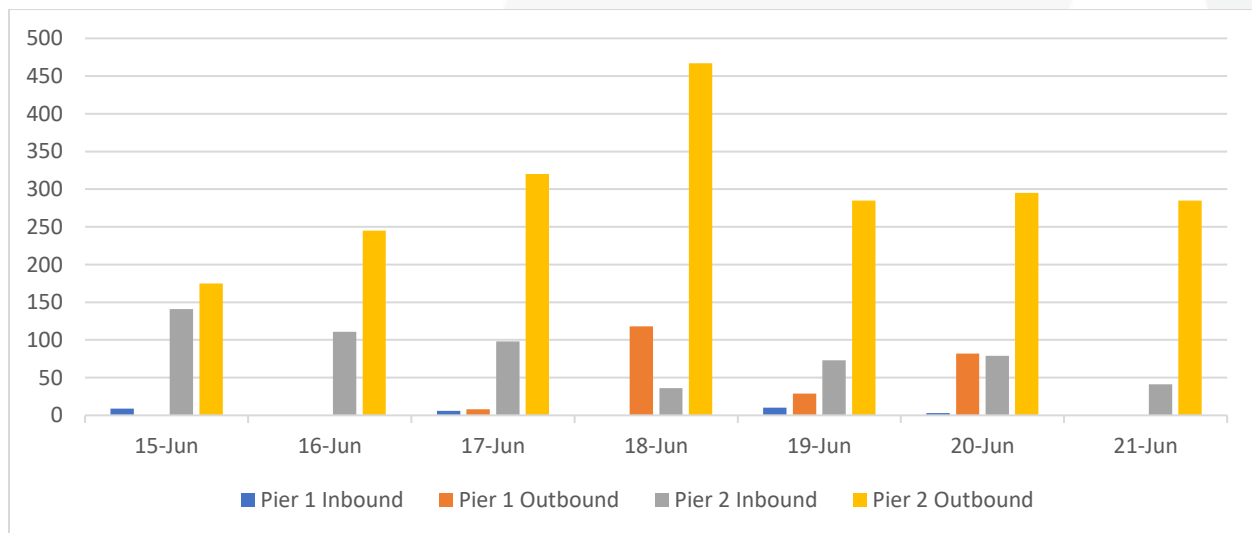
vi. Saldanha Bay

On Thursday, the iron ore terminal had two vessels at anchorage and two on the berth, while the multi-purpose terminal had three vessels at anchor and three on the berth. The vessels at anchor have been waiting outside for approximately 1-7 days, while the vessels in port have been on the berth for 1-3 days.

vii. Transnet Freight Rail (TFR)

TFR received minimal reports this week; however, the reports indicated no major incidents occurred on the rail network. Towards the end of the week, DCT Pier 2 had 85 over-border units on hand with a dwell time of 14 days and 79 ConCor units on hand with a dwell time of 24 hours. Rail containers on hand across the port system were reported as follows: Pier 1: 85, Pier 2: 374, Cape Town: 25.

Figure 9 – TFR: Rail handled (Pier 1 and Pier 2)



Source: Calculated using data from Transnet, 2024. Updated 21/06/2024.

In the last week (15 to 21 June), rail cargo handled out of Durban was reported at **2 916** containers, down by **↓12%** from the previous week's **3 313** containers.

⁹ Ebrahim, N. 18/06/2024. [Transnet gets ball rolling on renewables for Eastern Cape ports.](#)

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 10 June. For comparative purposes, the average air freight cargo (inbound and outbound) handled at ORTIA in June 2023 averaged ~777 221 kg per day.

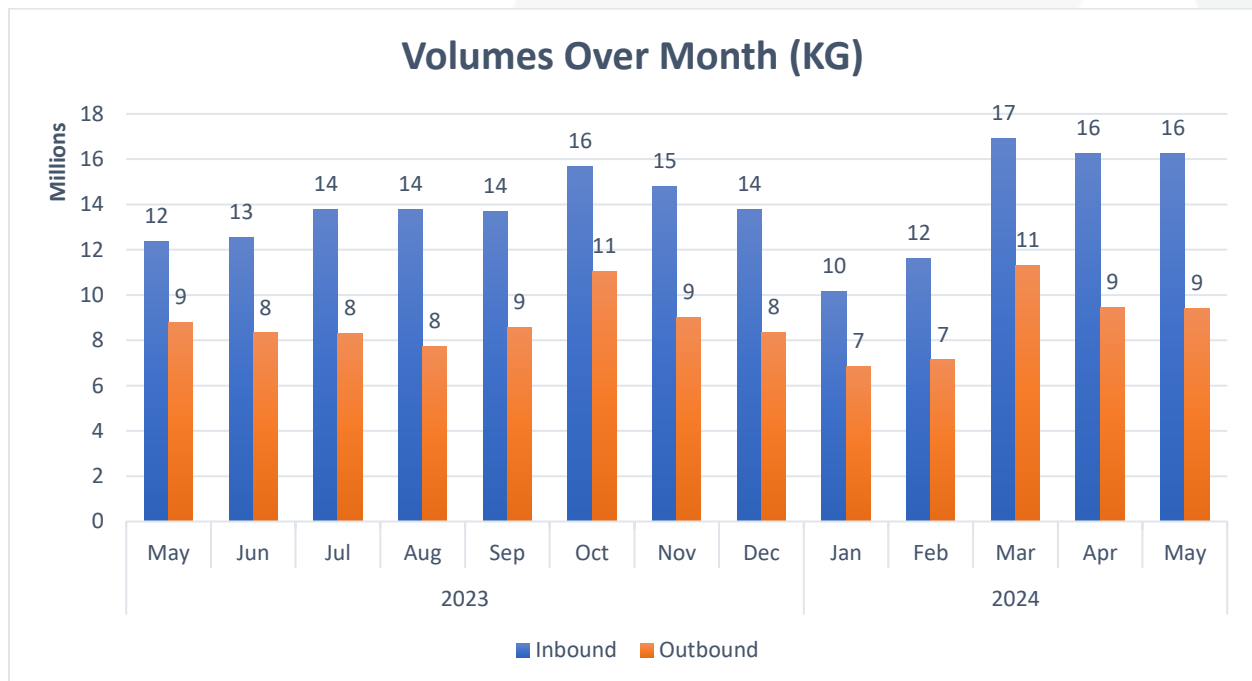
Table 6 – International inbound and outbound cargo from OR Tambo¹⁰

Flows	10-Jun	11-Jun	12-Jun	13-Jun	14-Jun	15-Jun	16-Jun	Week
Volume inbound	472 133	286 839	335 416	294 929	427 924	337 949	1 871 046	4 026 236
Volume outbound	135 914	211 176	210 996	117 191	156 036	168 729	1 163 197	2 163 239
Total	608 047	498 015	546 412	412 120	583 960	506 678	3 034 243	6 189 475

Courtesy of ACOC. Updated: 20/06/2024.

The daily average of air cargo handled at ORTIA in the previous week amounted to **575 177 kg** inbound (↓2%, w/w) and **309 034 kg** outbound (↓9%), resulting in an average of **884 211 kg per day**. Despite the weekly reduction, the industry remains up versus last year (↑14% versus June 2023) and has handled nearly the same volume as pre-pandemic times (↓2% versus June 2019). The following graphs show the movement in the last 12 months:

Figure 10 – International cargo from OR Tambo – volumes per month (kg millions)



Courtesy of ACOC. Updated: 20/06/2024.

¹⁰ Only ORTIA's international volumes are shown. ORTIA handles ~87% of international cargo to and from South Africa.

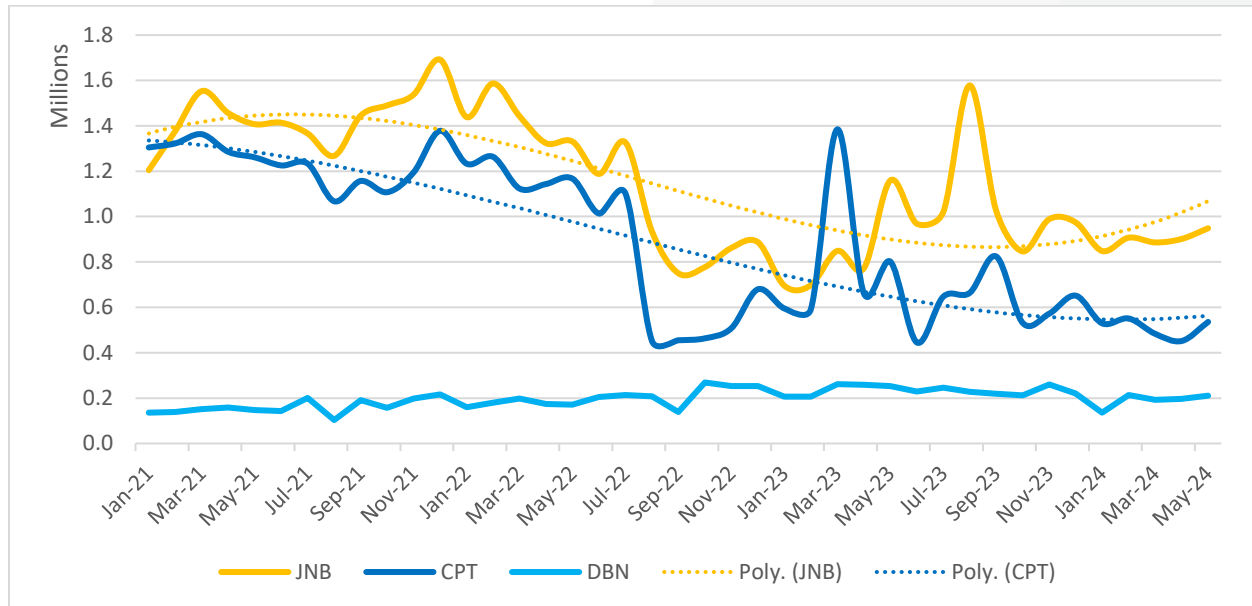
b. Domestic air cargo

For our three primary airports, domestic cargo handled in May shows the following:

- Johannesburg cargo increased monthly by **↑5%** (m/m) but decreased annually by **↓18%** (y/y).
- Cape Town cargo increased monthly by **↑19%** (m/m) but decreased annually by **↓33%** (y/y).
- Durban cargo increased monthly by **↑7%** (m/m) but decreased annually by **↓17%** (y/y).

The following table shows the cargo movement since 2021, with the drop-off in domestic air cargo very evident:

Figure 11 – Domestic inbound and outbound cargo (thousands)



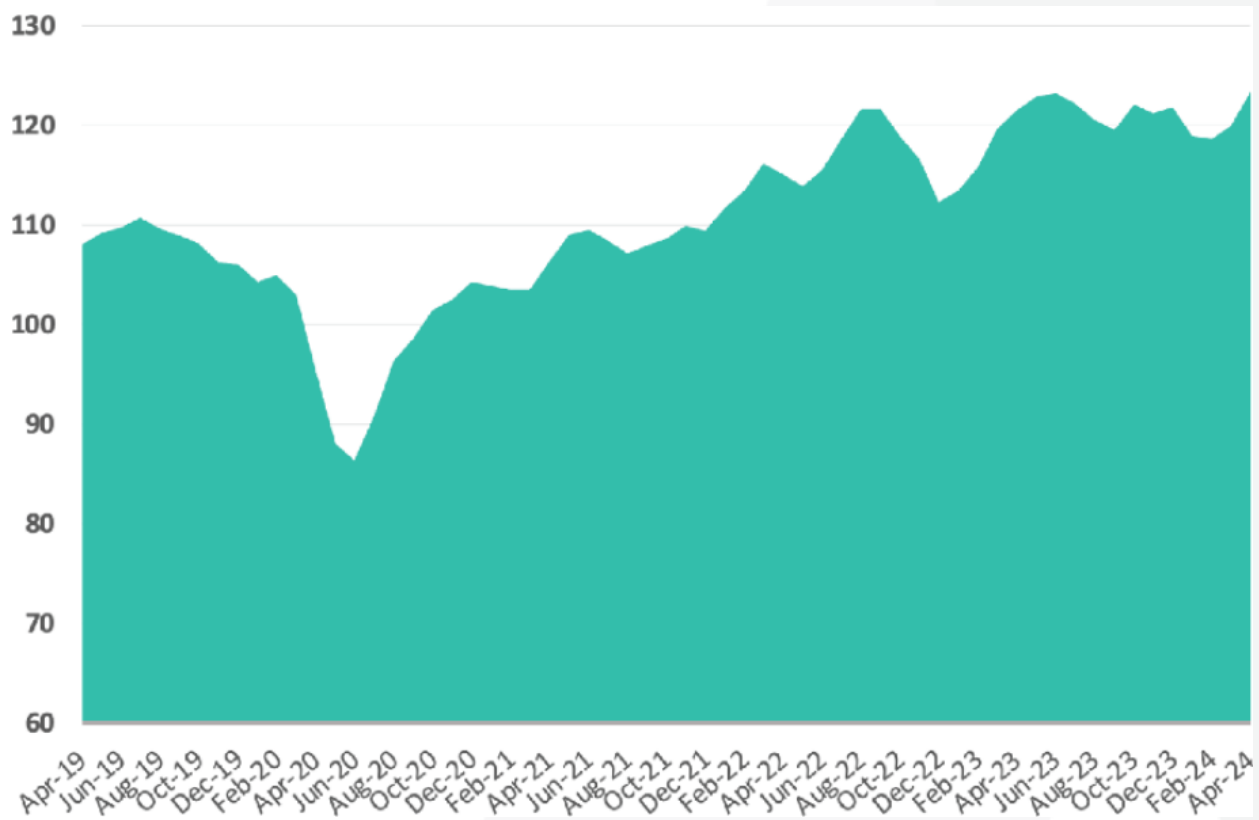
Courtesy of ACOC. Updated: 20/06/2024.

3. National Logistics Update

a. Ctrack Transport and Freight Index

The Ctrack Transport and Freight Index (Ctrack TFI) experienced a notable rebound in March and April after a decrease in the initial two months of the year. By April, the index had climbed to **123,4**, representing a **↑2,8%** increase from March and a **↑1,5%** rise compared to last year. While sea freight and storage & warehousing sectors saw declines, all other sub-sectors, particularly air and road freight, showed monthly improvements. On a year-over-year basis, increases were observed in four sub-sectors, whereas road freight and pipeline transport experienced declines.

Figure 12 – Ctrack Transport and Freight Index (index = 100)



Source: [Ctrack](#)

The report further stated that the Road Freight sub-sector, which plays a significant role in South Africa's freight industry by accounting for **83,6%** of all freight payload, recovered in April. This marked the second consecutive month of positive growth, following nearly a year of declines. Specifically, road freight rose by **↑4,5%** (m/m) in April, improving from a **↑1,2%** increase in March. This upturn followed four consecutive months of decline. Additionally, traffic of heavy vehicles (class 3 & 4 trucks) on the N3 and N4 toll routes increased by **↑2,9%** and **↑14,5%** (m/m) in April, respectively. Notably, traffic on the N4 had surged by **↑47,4%** in March, driven by the rerouting of trucks from the deteriorating R36 Bambi-Mashishing route. Furthermore, complications at South African ports, particularly at the Durban port, which experienced a **↓25%** drop in container handling due to adverse weather, contributed to increased traffic on the N4 as trucks were redirected to the Port of Maputo. As reiterated many times in this report, the Ctrack team also emphasises that South Africa must expedite the revitalisation of its rail network to shift some freight from the more costly and infrastructure-straining road transport back to rail, which remains an essential, though costly, logistics backbone.

4. Road and Regional Update

b. Cross-border and road freight delays

Monthly cross-border road figures for May at crucial border posts show the following changes, which are measured in the number of heavy goods vehicles (HGVs) crossing the respective border posts:

Table 7 – May cross-border road freight movements – South African borders (HGVs)

Border Post	Northbound	(%, m/m)	Southbound	(%, m/m)	Total	(%, m/m)
Beitbridge	14 286	2%	12 656	-3%	26 942	0%
Skilpadshek	7 330	-3%	1 620	-19%	8 950	-6%
Ramatlhabama	5 417	4%	1 301	1%	6 718	4%
Kopfontein	7 206	11%	1 184	38%	8 390	15%
Groblersbrug	7 705	8%	5 903	1%	13 608	16%

Source: TLC, FESARTA, & Crickmay

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 increased by around **20 minutes**, averaging **9,9 hrs (↑3%, w/w)** for the week.
- In contrast, the greater SADC region (excluding South African controlled) increased by **an hour and a half** and averaged **~3,8 hours (↑52%, w/w)**.
- **Coordinated Border Management (CBM) in Zambia:**
 - The number of agencies at Zambian borders has been significantly reduced from 18 to 6.
 - This strategic decision includes Customs, Immigration, Port Health, Agriculture, Livestock, and Zambia Compulsory Standards.
 - Lastly, ZRA now handles the collection of Motor Vehicle Council Levies for Chipata Council, extending this service to a total of eight councils, streamlining revenue collection and reducing administrative burden for the councils
- **Developments at Beitbridge, South Africa:**
 - **In-bond goods regulations:** There has been a policy enforcement change where trucks carrying in-bond goods must declare a REMOVER in their Bond license.
 - This policy was intended to be implemented in 2019 but is only now being enforced.
 - **Customs Processing Disruptions:** SARS has announced intermittent disruptions in their Customs Processing Platform, especially concerning CUSRES messages, which may impact customs processing times and efficiency.
- **Legal Developments with Zimbabwean Exemption Permits:**
 - The Department of Home Affairs in South Africa has lost a legal battle regarding the Zimbabwean Exemption Permits.
 - Due to this legal outcome, foreigners working for transporters in South Africa who hold these permits will not lose their jobs and can continue working until at least 29 November 2025.
- 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 that platform's questionable effectiveness, transporters are encouraged to contact FESARTA and join their TRANSIST Bureau¹¹, arguably providing better and more reliable information.

¹¹ [FESARTA TRANSIST Bureau](#).

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

Table 8 – Delays¹² summary – South African borders (both directions)

Border Post	Direction	HGV ¹³ 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	441	8,4	5,5	28,0	13 230	3 087
Beitbridge	Zimbabwe-SA	415	7,0	1,6	10,5	12 450	2 905
Groblersbrug	SA-Botswana	237	0,9	2,2	10,5	7 110	1 659
Martins Drift	Botswana-SA	194	24,0	0,3	1,5	5 820	1 358
Kopfontein	SA-Botswana	226	0,6	1,1	7,1	6 780	1 582
Tlokweng	Botswana-SA	22	0,4	0,2	0,4	660	154
Vioolsdrift	SA-Namibia	30	0,3	1,2	3,3	900	210
Noordoewer	Namibia-SA	20	0,4	0,5	1,4	600	140
Nakop	SA-Namibia	30	0,6	0,6	2,4	900	210
Ariamsvlei	Namibia-SA	20	0,3	0,4	1,1	600	140
Skilpadshek	SA-Botswana	211	0,9	2,2	10,0	6 330	1 477
Pioneer Gate	Botswana-SA	29	1,6	1,1	1,6	870	203
Lebombo	SA-Mozambique	1 446	1,0	1,3	8,0	43 380	10 122
Ressano Garcia	Mozambique-SA	125	24,0	0,3	1,4	3 750	875
Weighted Average/Sum		3 446	5,0	1,3	6,2	103 380	24 122

Source: TLC, FESARTA, & Crickmay, week ending 16/06/2024.

Table 9 – 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	1,9	11,5	9 600	2 240
Central Corridor	798	0,0	0,5	1,6	23 940	5 586
Dar Es Salaam Corridor	1 819	43,6	0,7	11,3	54 570	12 733
Maputo Corridor	1 571	12,5	0,8	4,7	47 130	10 997
Nacala Corridor	127	0,0	0,0	0,0	3 810	889
North/South Corridor	3 607	16,2	1,3	7,9	108 210	25 249
Northern Corridor	2 817	0,0	0,1	1,2	92 520	21 588
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	270	1,2	1,0	4,1	8 100	1 890
Trans Oranje Corridor	100	0,4	0,6	2,0	3 000	700
Weighted Average/Sum	11 645	8,7	0,7	4,4	357 360	83 384

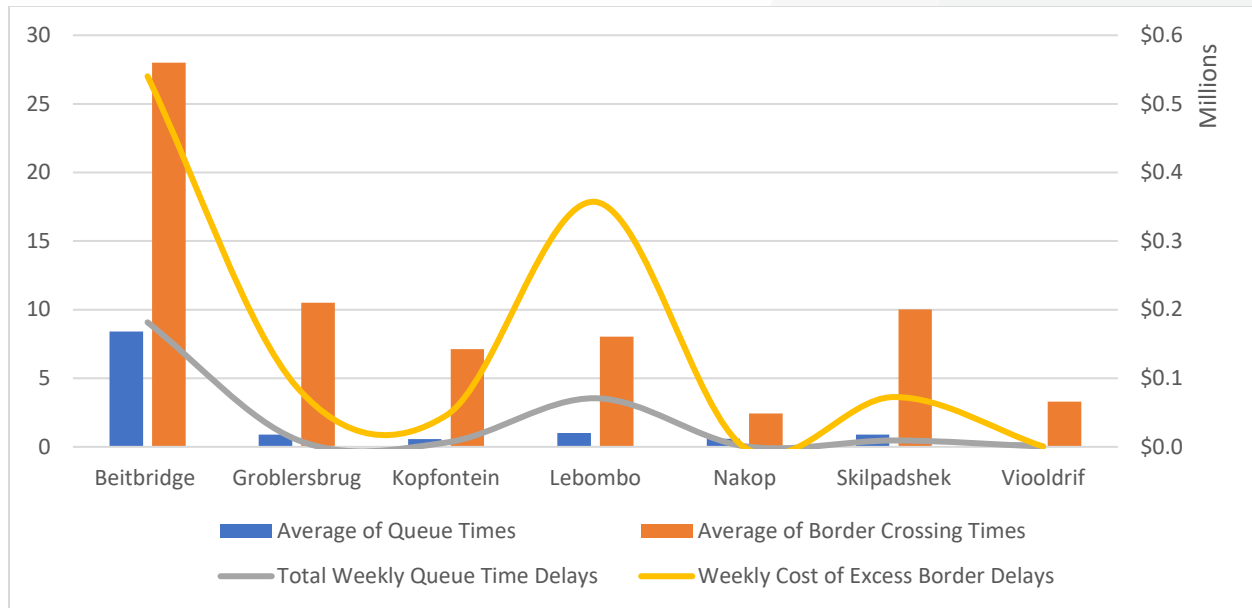
Source: TLC, FESARTA, & Crickmay, week ending 16/06/2024.

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

¹² 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.

¹³ Heavy Goods Vehicles. Note: These statistics are rolling averages; therefore, they would not typically change weekly but rather monthly.

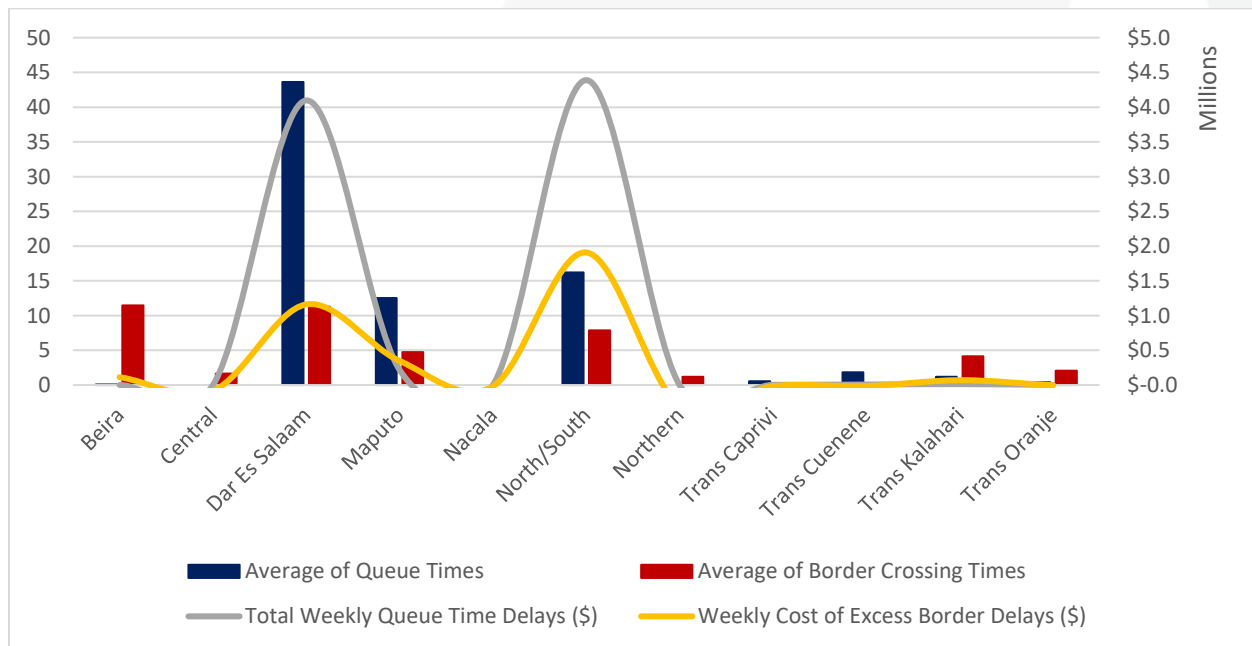
Figure 13 – Weekly cross-border delays & est. cost from an SA border perspective (hours & \$ millions)



Source: TLC, FESARTA, & Crickmay, week ending 16/06/2024.

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 16/06/2024.

In summary, cross-border queue time averaged **~8,7 hours** (essentially unchanged from the previous week's **~8,7 hours**), indirectly costing the transport industry an estimated **\$8,7 million (R156 million)**. Furthermore, the week's average cross-border transit times hovered around **~4,4 hours** (up by **~1,2 hours** from the **~3,2 hours** recorded in the previous report), at an indirect cost to the transport industry of **\$3,1 million (R57 million)**. As a result, the total indirect cost for the week amounts to an estimated **~\$11,9 million (R214 million)**, up by **~R24 million** or **↑12,4%** from **~R190 million** in the previous report).

5. International Update

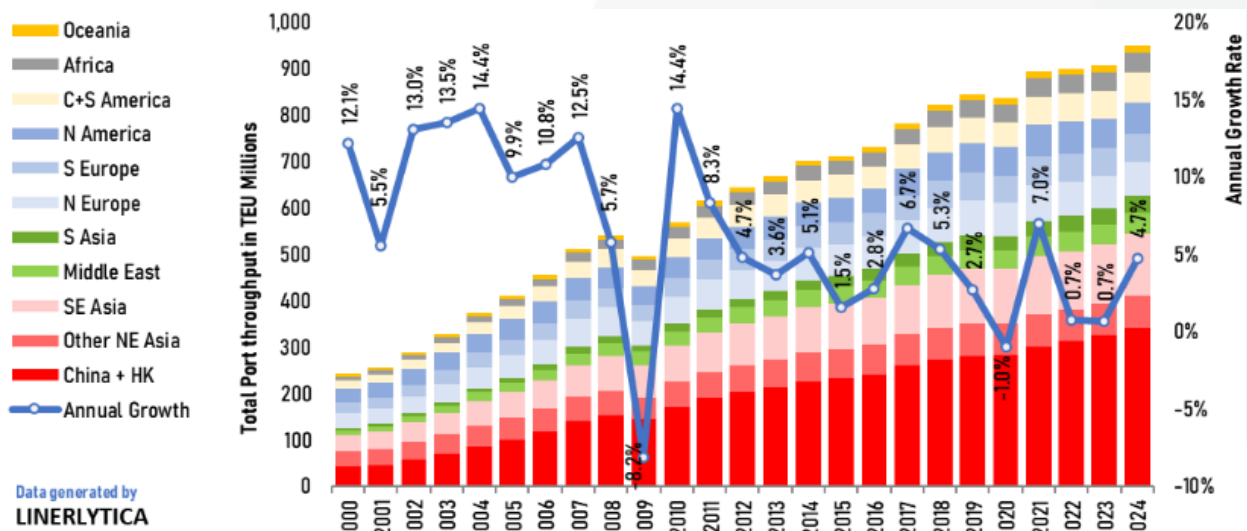
The following section provides some context around the global economy and its impact on trade, mainly an update on (a) the global shipping industry and (b) the global aviation industry.

a. Global shipping industry

i. Global container throughput

Global container port throughput is expected to reach a record high of **947 million TEU** in 2024, with full-year growth forecasts revised upwards to **↑4,7%** following two consecutive years of lacklustre growth of **↑0,7%** in 2022 and 2023. The sharp rise in cargo volumes in the first half of 2024 has propelled port congestion to a new 18-month-year high, with notable gains at several key Asian hubs, including Singapore (up by **↑7,7%** YTD), Tanjung Pelepas (up by **↑20,1%** YTD) and Colombo (up by **↑20,4%** YTD).

Figure 15 – Global Containerised Throughput by Region



Source: Linerlytica

ii. Container market summary

Initial concerns about a potential downturn in the container market due to the potential cessation of hostilities in the Middle East were unfounded, as Chinese freight futures quickly recovered from the previous week's losses and have continued to rise. This recovery is supported by the rate indices, which have reported three consecutive weeks of double-digit percentage gains. Despite introducing three new shipping routes between SE Asia and North Europe in June and July, freight rates have not declined and are expected to increase further. This is partly due to ongoing schedule disruptions leading to fewer vessel departures over the next six weeks, including planned blanked sailings. Additionally, port congestion is worsening, particularly in German ports, likely to become the next critical areas following an unexpected strike on June 17.

Figure 16 – Five German ports are striking



Source: [Bloomberg](#)

Bremerhaven is a major hub for automobile exports and imports. Hamburg is Europe's third-busiest container port after Rotterdam and Antwerp and also serves as a critical gateway for industrial materials and bulk cargo. The strike could cause cargo bottlenecks through its facilities, already estimated to be running at **65% to 90% capacity**. This strike will likely cause further delays, especially on the Asia-Europe route. Meanwhile, the Transpacific route is also experiencing a rise in demand, particularly to the Pacific Southwest (PSW), with new services and extra loaders fully utilised. More rate hikes are anticipated, with at least two more rounds expected.

Rising port congestion continues to affect international supply chain fluidity. The global port congestion indicator pushed through the **2,4 million TEU mark**, accounting for **8,2% of the global fleet** (which follows last week and is the highest level this year). In South Africa, port congestion at the Port of Durban worsened significantly 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 a worrying **1,55**.¹⁴ Lastly, almost no capacity is sitting idle (only **~0,3%** of the total fleet), as the "*Cancelled Sailings Tracker*" increased this week and is trending at **9%**.¹⁵

iii. Global container freight rates

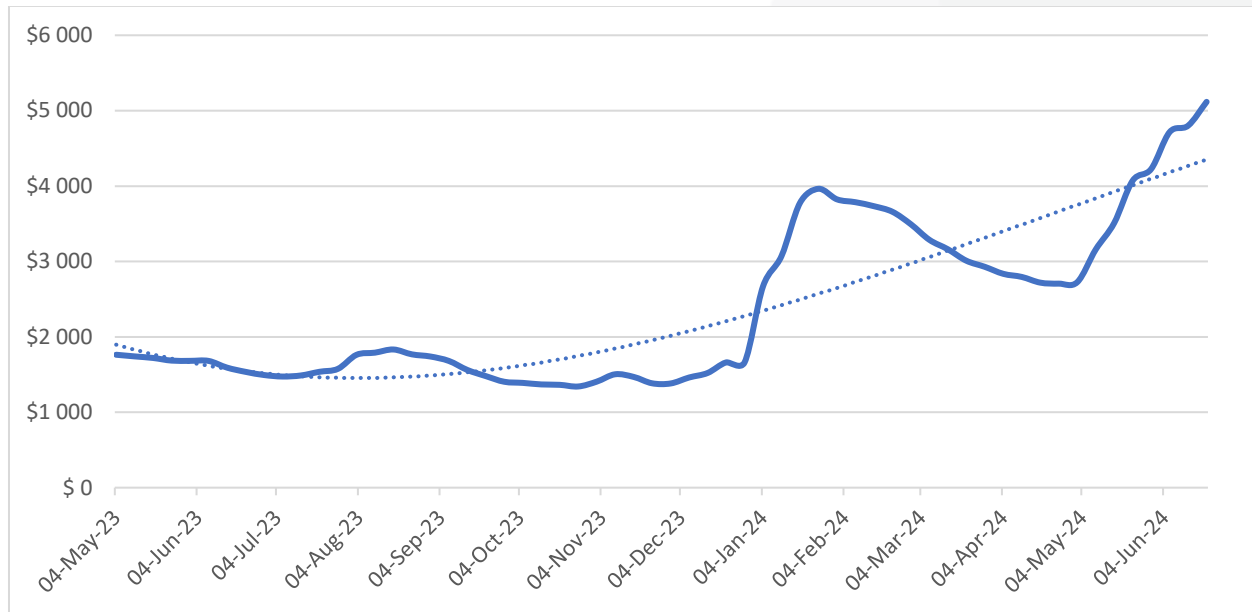
Container freight rates continue to increase and have averaged an increase of **↑9,5%** in the last seven weeks since this cycle of increases started. This week, Drewry's "World Container Index" increased by **↑6,6%** (or **\$315**) to **\$5 117** per 40-ft container.¹⁶ The following figure shows the movement in the last year:

¹⁴ Linerlytica. 20/06/2024. [Port Congestion Watch](#).

¹⁵ Drewry. 21/06/2024. [Cancelled Sailings Tracker](#).

¹⁶ Drewry. 20/06/2024. [World Container Index](#).

Figure 17 – World Container Index assessed by Drewry (last 12 months)



Source: Calculated from [Drewry](#)

The composite index is **↑260%** higher than the pre-pandemic average of **\$1 420** in 2019. Year-to-date, the average index is **\$3 510**, up **\$768** from the 10-year average of **\$2 742**, influenced by the exceptional rates during 2020-22. Freight rates have increased notably, especially from Asia: Shanghai to Rotterdam up **↑11%** to **\$6 867**, Shanghai to Los Angeles up **↑7%** to **\$6 441**, and Shanghai to New York up **↑3%** to **\$7 552**. Drewry forecasts further increases in freight rates from China next week, driven by ongoing congestion at Asian ports. In the charter market, rate increases have also picked up speed this week. The Harper Petersen Index (Harpex) is currently trending at **1 891 points**, up by a considerable **↑10,5%** (w/w) and **↑53%** (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. 'At least 65 countries' now affected as Houthi Red Sea attacks continue:

- a. Houthi attacks on shipping in the Red Sea have cut box throughput in the region by **↓90%**, and amid escalating insurance costs, it seems it will take more than naval support to lure carriers back to the region any time soon.¹⁸
- b. According to a US Defense Intelligence Agency (DIA) report, rerouting vessels around Africa has added some **11 000 nautical miles** and **\$1 million in fuel costs** to voyages. Still, from a financial perspective, this compares favourably with taking Red Sea routes in crisis conditions.























¹⁷ Harper Petersen Index. 21/06/2024. [HARPER PETERSEN Charter Rates Index](#).

¹⁸ Whiteman, A. 17/06/2024. ['At least 65 countries' now affected as Houthi Red Sea attacks continue](#).

b. Global air cargo industry

Although total worldwide tonnages in the last full week (week 24, 10-16 June) slipped by **↓2%**, average rates remained more or less stable at **\$2,51 per kilogram**, up **↑8%** compared with the equivalent week last year and significantly above pre-pandemic levels (**↑42%** compared to June 2019), according to the latest analysis covered by WorldACD's data.

Figure 18 – Chargeable weight and rates (5w/5w)

Origin Regions last 2 to 5 weeks	Capacity ¹			Chargeable weight ¹			Rate ¹		
	Last 5 wks	2Wo2W	YoY	Last 5 wks	2Wo2W	YoY	Last 5 wks	2Wo2W	YoY
									
Africa		+1%	+3%		+1%	+11%		-1%	-0%
Asia Pacific		+0%	+9%		-1%	+16%		+3%	+17%
C. & S. America		+0%	+20%		-5%	+5%		-3%	-5%
Europe		+2%	+5%		+3%	+8%		-0%	-16%
M. East & S. Asia		+4%	+7%		+3%	+13%		-0%	+52%
North America		+3%	+10%		+7%	+5%		+1%	-10%
Worldwide		+2%	+8%		+1%	+11%		+1%	+8%

Source: [World ACD](#)

Combining the figures for the last two full weeks (weeks 23 and 24) reveals a **↑1%** rise in both rates and tonnages compared with the previous two weeks (a 'two-week on two-week' or '2Wo2W' comparison). But comparisons with last year show that both tonnages (**↑11%**) and rates (**↑8%**) are well above last year's levels, thanks to significantly higher demand from all the main worldwide origin regions, led by higher rates (**↑52%**) and tonnages (**↑13%**) from the Middle East & South Asia (MESA) origins, and higher rates (**↑17%**) and tonnages (**↑16%**) from Asia Pacific origins (based on a total-market average of spot rates as well as contract rates).

In other aviation news, airlines' profitability stabilised in the first quarter (Q1) of 2024, compared to 2023, according to IATA.¹⁹ Despite the persistent challenges of inflation, operational constraints such as employee strikes, aircraft delivery delays, and the grounding of certain aircraft types, airlines reported a stable net profit margin in Q1 at **↓1,1%** versus **↓1,3%** in Q1 2023. Elsewhere, Atlas Air suffered a third aircraft incident this month, closing the Hong Kong runway.²⁰

ENDS²¹

¹⁹ IATA. 21/06/2024. [Profitability of the global aviation sector](#).

²⁰ Lennane, A. 17/06/2024. [Atlas Air suffers third aircraft incident this month, closing Hong Kong runway](#).

²¹ **ACKNOWLEDGEMENT:**

*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



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1

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2

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3

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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.

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