

Cargo Movement Update #193¹

Date: 5 July 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)	26 828	25 026	51 854	28 726	31 091	59 817	↓13%
Air Cargo (tons)	3 550	2 228	5 778	4 006	2 010	6 016	↓4%

Monthly Snapshot

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

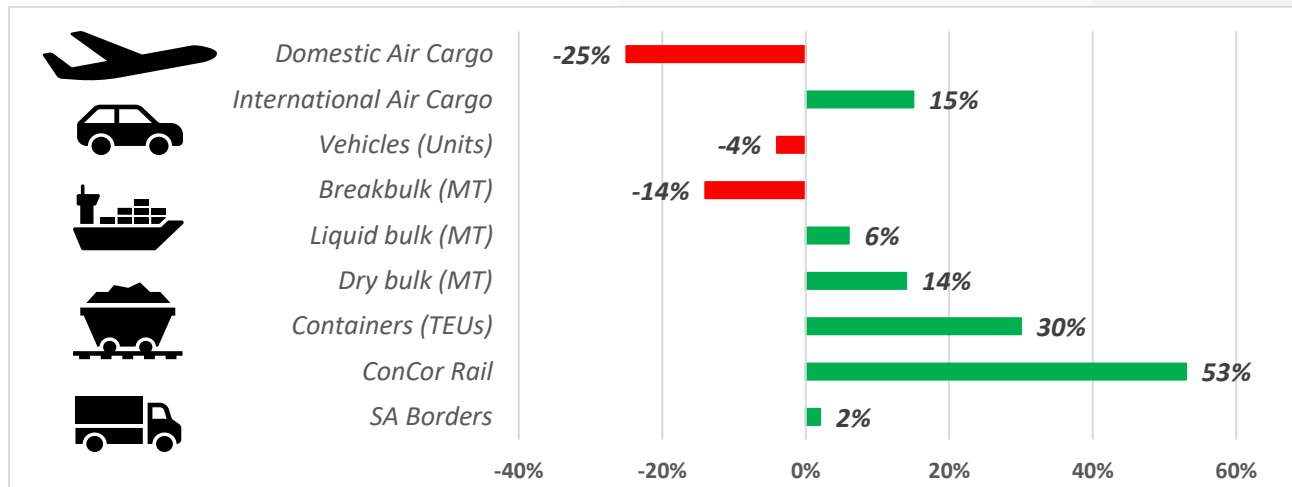
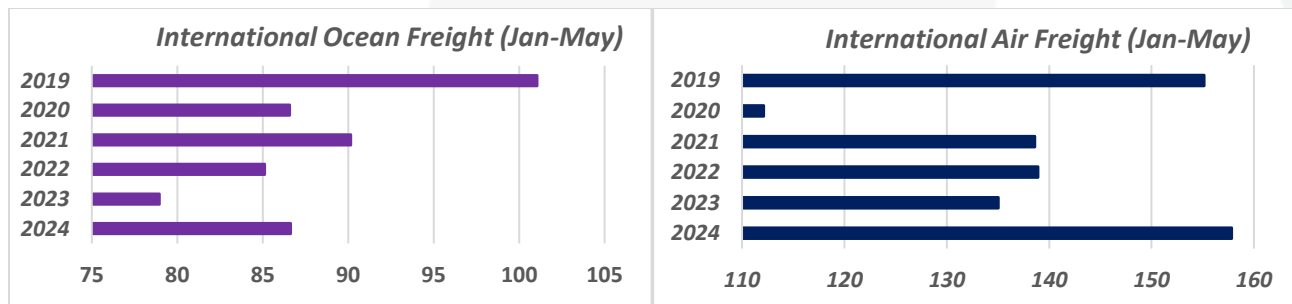


Figure 2 – Year-to-date flows 2019-2024⁵: ocean, y/y (million metric tonnes) & air freight, y/y (kg millions)



Key Notes

- An average of **~7 408 containers** was handled per day, with **~7 710 containers** projected for next week.
- Rail cargo handled out of Durban was reported at **2 949 containers**, up **↑8%** from last week.
- Cross-border queue: **↑0,1**; transit: **↓0,6 hrs**; SA borders: **9,4 hrs (↓10%)**; SADC borders: **3,8 hrs (↓17%)**.
- SARS trade stats for May: exports are up by **↑5,7%** (m/m), imports **↓0,5%**, trade surplus of **R20,5 billion**.
- Freight rates continue to increase by **↑10,3%** (\$550), trading at **\$5 868** per 40-ft container.
- Global air cargo were up by **↑12%** in H1 2024, with Africa up by **↑6%**, in Q2. Prices are at **\$2,51/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 193rd 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. Operationally, an average of **7 408 containers** were handled per day, down from **8 545 containers** last week. Port operations this week were mainly constrained by adverse weather, equipment breakdowns and shortages, and congestion. Adverse weather and high swells disrupted operations at the Cape Town Port this week, while congestion and equipment challenges proved to be the main operational constraints in Durban. Adverse weather conditions and an engine failure on the MSC Capella ensured operational delays at our Eastern Cape ports. Additionally, no major incidents were reported by TFR on the ConCor this week. Lastly, this week, industry concerns were raised about the lack of vessels calling for the Port of Cape Town.

The global containership fleet has surpassed **30 million TEU**, marking a milestone with 271 new vessels delivering **1,68 million TEU** in the year's first half. The vessel diversion from the Red Sea to the Cape route is notable, removing **1,6 million TEU** since December—equivalent to the new capacity added. The remainder of the year expects an additional delivery of **1,49 million TEU**. The delivery rate peaked in the second quarter, averaging two new ships daily, but will decrease over the subsequent quarters. The fleet's growth by **↑10,3%** (y/y) in June was primarily driven by significant capacity injections facilitating more services between Asia/Indian Subcontinent and Europe. MSC now controls a fifth of global capacity. The Red Sea crisis has also influenced increased deployments on the Cape of Good Hope route, with capacity growth in other regions generally below the global average, except in Latin America, where capacity jumped **↑17,4%** from last year. Container market stability is improving, with the highest schedule reliability for the year reported in May at **55,8%**, despite worsening delays for late arrivals. Global port congestion still removes **7,5%** of total fleet capacity, with notable issues in Singapore, although Durban has shown recent improvements. Other developments included **(1)** Ceva restructures as it integrates Bolloré and **(2)** Maersk pulling out of DB Schenker bid.

In our international air market, the daily average of air cargo handled at ORTIA in the previous week amounted to **507 084 kg** inbound (**↓11%**, w/w) and **318 339 kg** outbound (**↑11%**), resulting in an average of **825 423 kg per day**. Despite another slight reduction for the week, the industry remains up versus last year (**↑6%** versus June 2023) but is now slightly below the same volume as pre-pandemic times (**↓9%** versus June 2019). Internationally, in the first half of 2024, global air cargo tonnages rose by **↑12%** compared to the same period in 2023, with notable growth from Asia Pacific and MESA regions. Average global air cargo rates decreased by **↓8%** year-on-year to **\$2,39 per kilogram**. However, they rebounded to **\$2,52** by June, reflecting a **↑9%** increase from the previous year and a significant recovery from pre-pandemic levels.

In the regional cross-border road freight trade, the average queue times were **essentially unchanged** from last week, as the transit times decreased by around **45 minutes** from last week. The median border crossing times at South African borders increased by around **an hour**, averaging **9,4 hrs** (**↓10%**, w/w) for the week. In contrast, the greater SADC region (excluding South African controlled) decreased by almost **an hour** and averaged **~3,8 hours** (**↓17%**, w/w). On average, three SADC border posts took around a day to cross – Beitbridge, Chirundu OSBP and Kasumbalesa. Other developments included an update from Plumtree border posts.

In conclusion, a mention of the recent political developments and their implications for our industry is required. The recent cabinet reshuffling has led to significant changes in the South African government that will likely impact the trade, transport, and logistics industry. Barbara Creecy's appointment as the Minister of Transport, alongside Mkhuleko Hlengwa as Deputy Minister, underscores the critical role of the

Department of Transport in managing state-owned entities such as Transnet, which is pivotal in handling the nation's ports, rail network, and pipelines. The industry has broadly welcomed these appointments. Concurrently, Parks Tau has been appointed Minister of Trade, Industry, and Competition, with deputies Zuko Godlimpi and Andrew Whitfield, highlighting a governmental emphasis on driving economic growth and hopefully fostering a business-friendly environment. Notably, the disbandment of the Department of Public Enterprises and the transition of oversight to the Presidency is intended to streamline governance but could introduce short-term challenges while implementing a new shareholder model. Although these structural adjustments aim to enhance efficiency and performance at entities like Transnet, they also pose potential risks that require careful management by the new Government of National Unity (GNU), as we are in a critical time as far as our extended logistics network is concerned.

Contents

Weekly Snapshot	1
Monthly Snapshot.....	1
Key Notes	1
Executive Summary.....	2
Contents.....	4
1. Ports Update	5
a. Container flow overview.....	5
b. Summary of port operations.....	7
i. Weather and other delays	7
ii. Cape Town.....	7
iii. Durban	8
iv. Richards Bay.....	10
v. Eastern Cape ports.....	10
vi. Saldanha Bay	10
vii. Transnet Freight Rail (TFR).....	11
2. Air Update	11
a. International air cargo	11
b. Domestic air cargo	12
3. National Update	13
a. SARS merchandise trade statistics: May.....	13
4. Road and Regional Update	13
b. Cross-border and road freight delays	13
5. International Update	16
a. Global shipping industry	16
i. Global container chokepoints and capacity developments.....	16
ii. Global container freight rates.....	18
b. Global air cargo industry.....	19

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 29 June to 5 July⁶

7-day flow reported (29/06/2024 – 05/07/2024)			
TERMINAL	NO. OF CONTAINERS ⁷ TO DISCHARGE (IMPORT)	NO. OF CONTAINERS TO LOAD (EXPORT)	CHANGE (w/w %)
DURBAN CONTAINER TERMINAL PIER 1:	4 734	5 570	↑5%
DURBAN CONTAINER TERMINAL PIER 2:	10 209	10 003	↓3%
CAPE TOWN CONTAINER TERMINAL:	4 659	4 310	↓35%
NGQURA CONTAINER TERMINAL:	5 308	4 344	↓25%
GQEBERHA CONTAINER TERMINAL:	1 918	799	↑5%
TOTAL:	26 828	25 026	↓13%

Source: Transnet, 2024. Updated 05/07/2024.

Table 3 – Container Ports – Weekly flow forecasted for 6 to 12 July

7-day flow forecast (06/07/2024 – 12/07/2024)			
TERMINAL	NO. OF CONTAINERS TO DISCHARGE (IMPORT)	NO. OF CONTAINERS TO LOAD (EXPORT)	FORECAST VS ACTUAL (w/w %)
DURBAN CONTAINER TERMINAL PIER 1:	4 636	5 175	↓5%
DURBAN CONTAINER TERMINAL PIER 2:	10 600	8 157	↓7%
CAPE TOWN CONTAINER TERMINAL:	5 149	5 820	↑22%
NGQURA CONTAINER TERMINAL:	4 422	7 257	↑21%
GQEBERHA CONTAINER TERMINAL:	1 032	1 719	↑1%
TOTAL:	25 839	28 128	↑4%

Source: Transnet, 2024. Updated 05/07/2024.

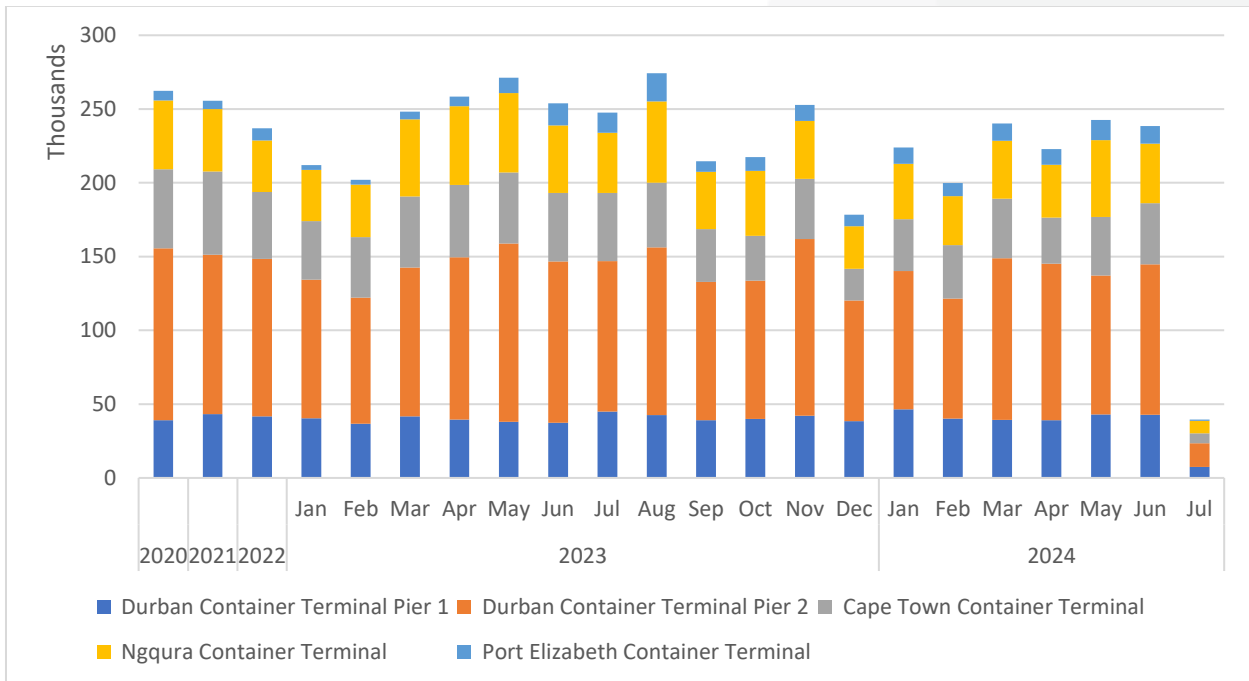
A decreased average of **~7 408 containers (↓13%)** was handled per day for the last week (29 June to 5 July, Table 2), compared to the projected average of **~8 111 containers (↓9% actual versus projected)** noted in last week's report. For the coming week, a slightly increased average of **~7 710 containers (↑4%)** is predicted to be handled (29 June to 5 July, Table 3) in a best-case scenario. This week, adverse weather, equipment breakdowns and shortages, and congestion mainly impacted port operations.

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.

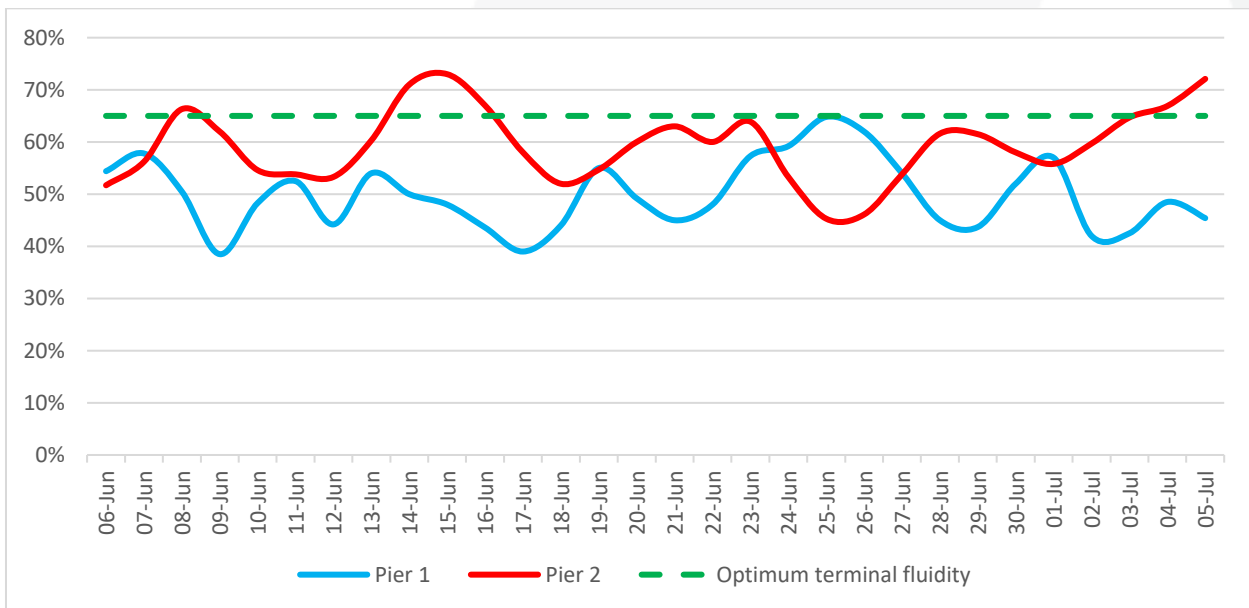
Figure 3 – Monthly flow reported for total container movement (containers April 2020 to present, m/m)



Source: Calculated using data from Transnet, 2024, and updated 05/07/2024.

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

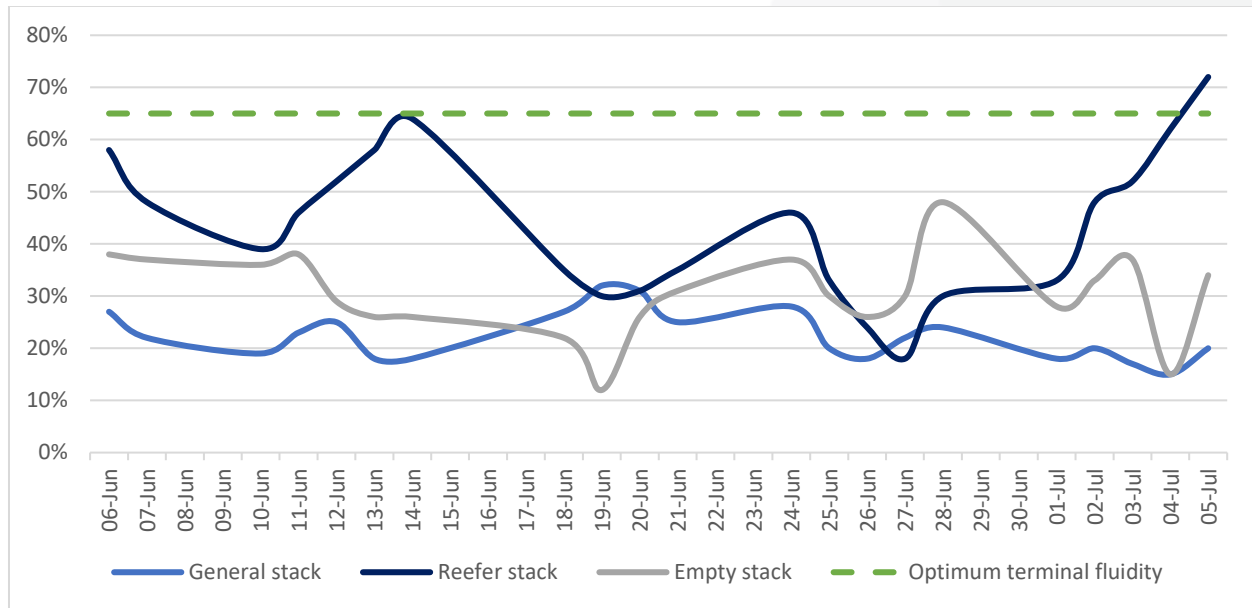
Figure 4 – Stack occupancy in DCT, general-purpose containers (6 June to present; a day on the day)



Source: Calculated using data from Transnet, 2024, and updated 05/07/2024.

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 (6 June to present, day on day)



Source: Calculated using data from Transnet, 2024, and updated 05/07/2024.

b. Summary of port operations

i. Weather and other delays

- Adverse weather and high swells disrupted operations at the Cape Town Port this week.
- Congestion and equipment challenges proved to be the main operational constraints in Durban.
- Adverse weather conditions and an engine failure on the MSC Capella ensured operational delays at our Eastern Cape ports.
- Minimal delays were reported at the Port of Richards Bay this week.

ii. Cape Town

On Friday, CTCT recorded two vessels at berth and none at anchor, as operational performance at the terminal was hindered by high swells and strong winds this week. On the landside, between Monday and Thursday, the terminal managed to service 3 349 trucks, translating to an average of 837 trucks per day (↑22%) while handling 166 rail units (↑108%). On the waterside, the terminal executed 2 221 container moves across the quay during the same period. By the end of the week, stack occupancy for GP containers was recorded at **20%**, reefers at **72%**, and empties at **34%**. Additionally, towards the end of the week, the terminal operated with eight STS cranes, 24 RTGs, and 45 hauliers. According to the latest reports, Crane LC3 remains out of service.

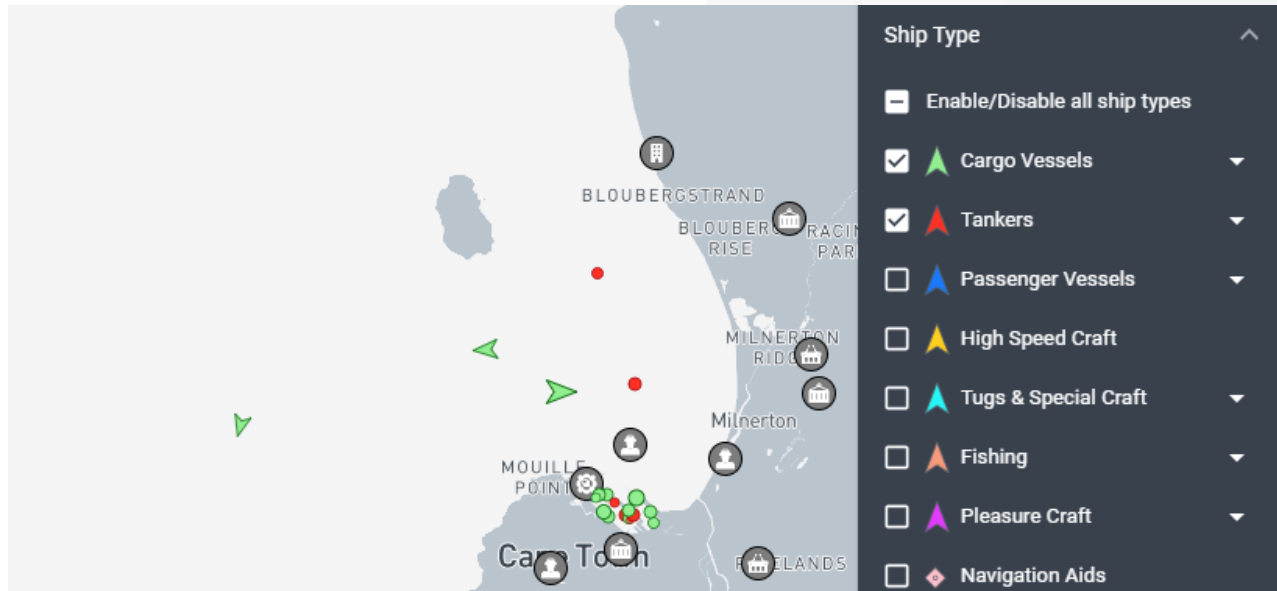
Minimal operations took place at CTMPT this week. However, at the start of the week, the terminal had one vessel on berth and zero vessels at anchor. During this period, the terminal managed to move 83 TEUs across the quay. On the landside, 90 trucks were handled. Stack occupancy towards the end of the week was recorded at **9%** for general cargo, **28%** for reefers, and **7%** for empties. Industry concerns were raised this week about the lack of vessels calling for the port.

During the week of 24 to 30 June 2024, the FPT terminal serviced six vessels: three multi-purpose vessels, one container vessel, one dry bulk vessel, and one breakbulk vessel. Berth occupancy during this period was recorded at **57%**. FPT planned to handle nine vessels between 1 and 7 July, with another nine planned

between 8 and 14 July. The late arrival of fruit and transporters accounted for most of the delays at the terminal this week.

At midday on Friday, three vessels were drifting at outside 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 05/07/2024 at 14:00.

iii. Durban

On Friday, Pier 1 recorded two vessels on berth, operated by five gangs, and five vessels at anchor. Stack occupancy was **45%** for GP containers and approximately **37%** for reefers. Between Monday and Thursday, the terminal executed 4 616 gate moves on the landside with an average staging time of ~53 minutes. Additionally, the terminal moved approximately 5 767 TEUs across the quay on the waterside.

Pier 2 had four vessels on berth and five at anchorage on Friday, as equipment breakdowns and congestion prevented optimal operational performance this week. In the preceding 24 hours, stack occupancy was **72%** for GP containers and **55%** for reefers. The terminal operated with ten gangs and managed to move approximately 11 989 containers across the quay between Monday and Thursday on the waterside. During the same period, there were 10 408 gate moves on the landside with an average staging time of ~100 minutes. Additionally, approximately 1 403 units were moved by rail during the same period. The number of available straddle carriers fluctuated between 52 and 56 this week. For a brief period during the night shift on Thursday, the terminal operated with 60 straddles.

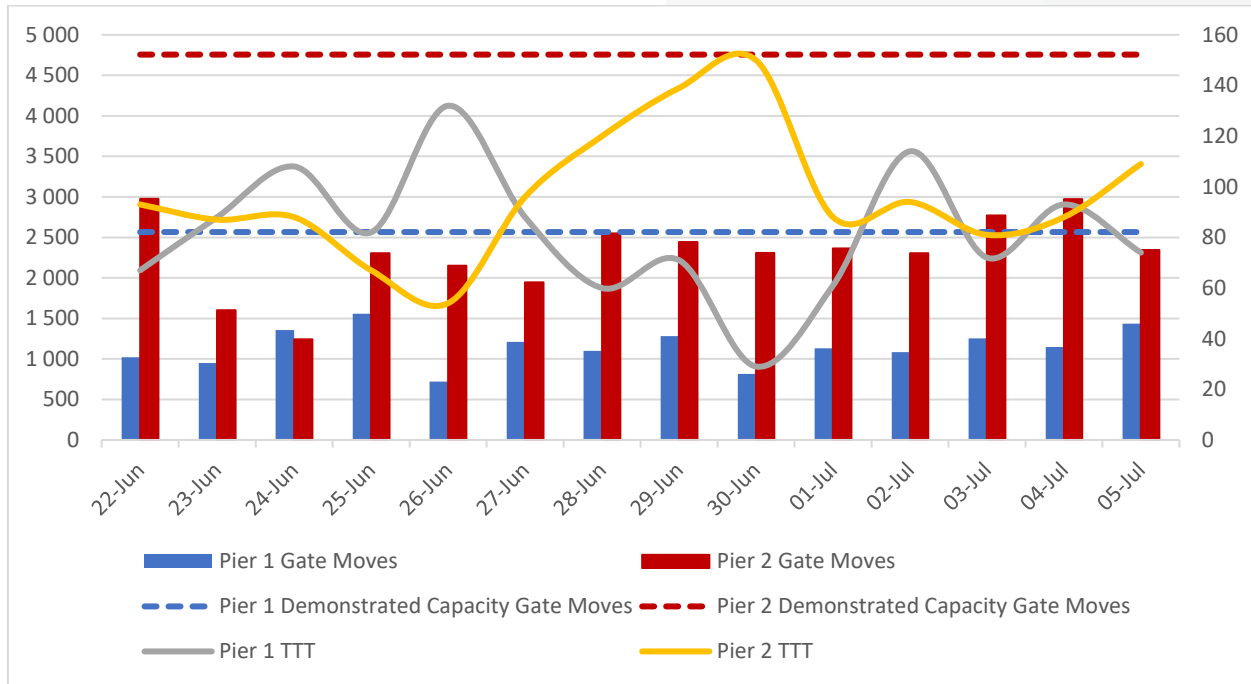
Durban's MPT terminal recorded two vessels at berth on Friday and three at outer anchorage. Stack occupancy for breakbulk was recorded at **65%** and **16%** for containers. In the preceding 24 hours, the terminal managed to handle 285 containers and 2 546 tons of break bulk on the waterside. 220 container road slots and 46 breakbulk RMTs were serviced on the landside. Towards the end of the week, three cranes, ten reach stackers, one empty handler, seven forklifts, and 17 ERFs were in operation.

During the same period, no waterside volumes were handled due to no vessel being on berth. However, 185 trucks, conveying 6 615 tons, were serviced on the landside. No operations took place at the Agri-bulk facility this week.

On Thursday, the Ro-Ro terminal in Durban recorded two vessels on the berth, with two at anchorage. In the 24 hours leading to Friday, the terminal handled 1 507 road units but no rail units on the landside while handling 1 618 units on the waterside. During the same period, overall stack occupancy was recorded as high at **73%** (Exports: **56%**, Imports: **36%**, Transshipments: **8%**), 20% at Q&R, and **80%** at G-berth. During this period, the terminal had 219 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.

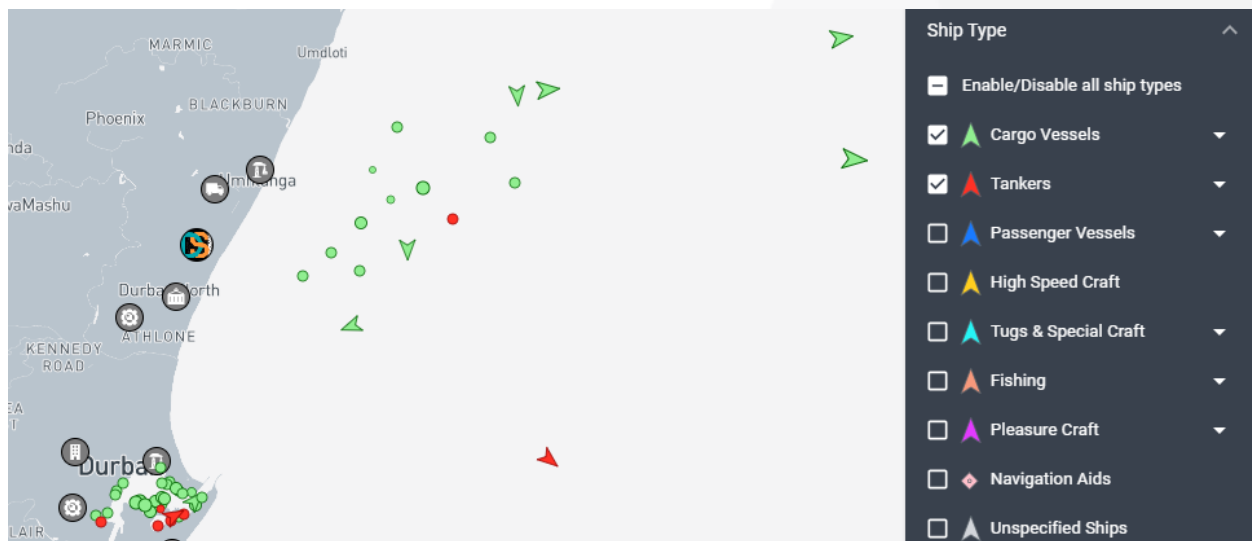
Figure 7 – Gate moves (left axis) and time spent in the terminal (in minutes, right axis)



Source: Calculated using data from Transnet, 2024, and updated 05/07/2024.

A queue of vessels waiting outside Durban has built up and remains. At midday on Friday, six vessels were waiting for Pier 2, five for Pier 1, and one 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 05/07/2024 at 14:00.

iv. Richards Bay

On Thursday, Richards Bay recorded nine vessels on berth and ten vessels at anchor, with three destined for DBT, three for MPT, three for RBCT, and one for 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 zero vessels at anchor and one at berth while handling 89 423 tons on the waterside. On the landside, 22 trains were serviced, against the target of 22.

v. Eastern Cape ports

On Thursday, NCT recorded three vessels on berth and three at anchor, with four 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 69% for reefers, 88% for reefer ground slots, and 45% for the general stack. The terminal handled 952 TEUs on the waterside due to the MSC Capella experiencing a failed engine at one of the terminal's main berths. On the waterside, 752 trucks were processed at a truck turnaround time of ~35 minutes.

On Thursday, GCT recorded one vessel at berth and zero 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, 398 TEUs were handled across the quay, while 149 trucks were processed at ~ a truck turnaround time of ~59 minutes. The high truck turnaround time experienced was primarily attributed to equipment breakdowns at the terminal. Stack occupancy figures were recorded at 12% for reefers, 57% for reefer ground slots, and 45% for the general stack.

Not much activity occurred at the Ro-Ro terminal this week, with the next vessel anticipated to arrive on Saturday, 6 July.

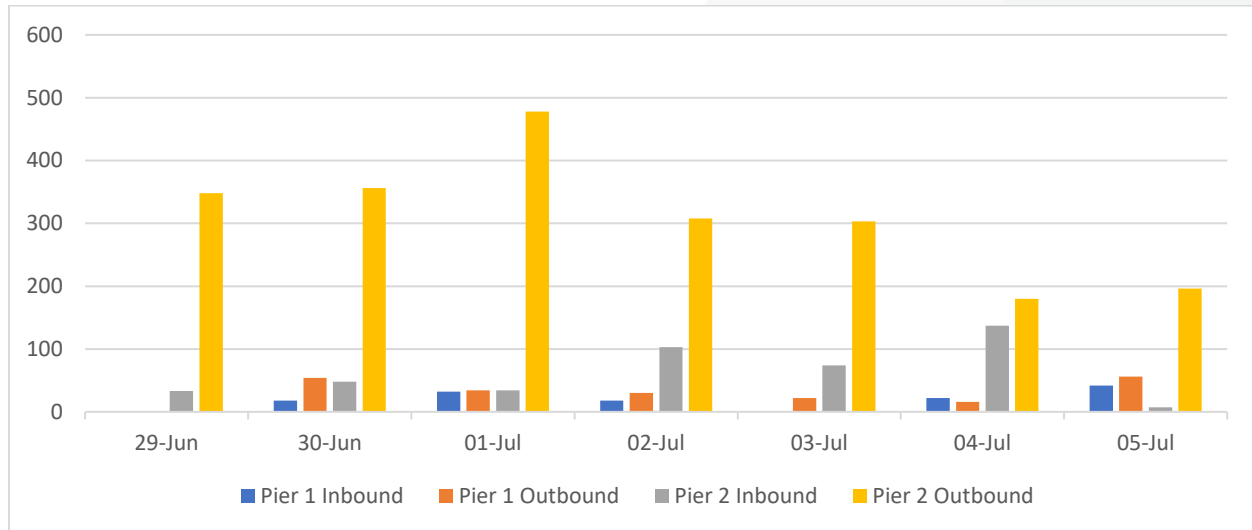
vi. Saldanha Bay

On Thursday, the iron ore terminal had no vessels at anchorage and two on the berth, while the multi-purpose terminal had zero vessels at anchor and four on the berth.

vii. Transnet Freight Rail (TFR)

No major incidents were reported on the ConCor this week. However, towards the latter end of the week, DCT Pier 2 had 113 over-border units on hand with a dwell time of 17 days and 187 ConCor units on hand with a dwell time of 120 hours.

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



Source: Calculated using data from Transnet, 2024. Updated 05/07/2024.

In the last week (29 June to 5 July), rail cargo handled out of Durban was reported at **2 949** containers, up by **↑8%** from the previous week's **2 729** 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 24 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	24-Jun	25-Jun	26-Jun	27-Jun	28-Jun	29-Jun	30-Jun	Week
Volume inbound	394 288	262 619	296 425	232 116	457 956	342 977	1 563 206	3 549 587
Volume outbound	190 666	170 756	166 078	118 092	231 429	209 367	1 141 986	2 228 374
Total	584 954	433 375	462 503	350 208	689 385	552 344	2 705 192	5 777 961

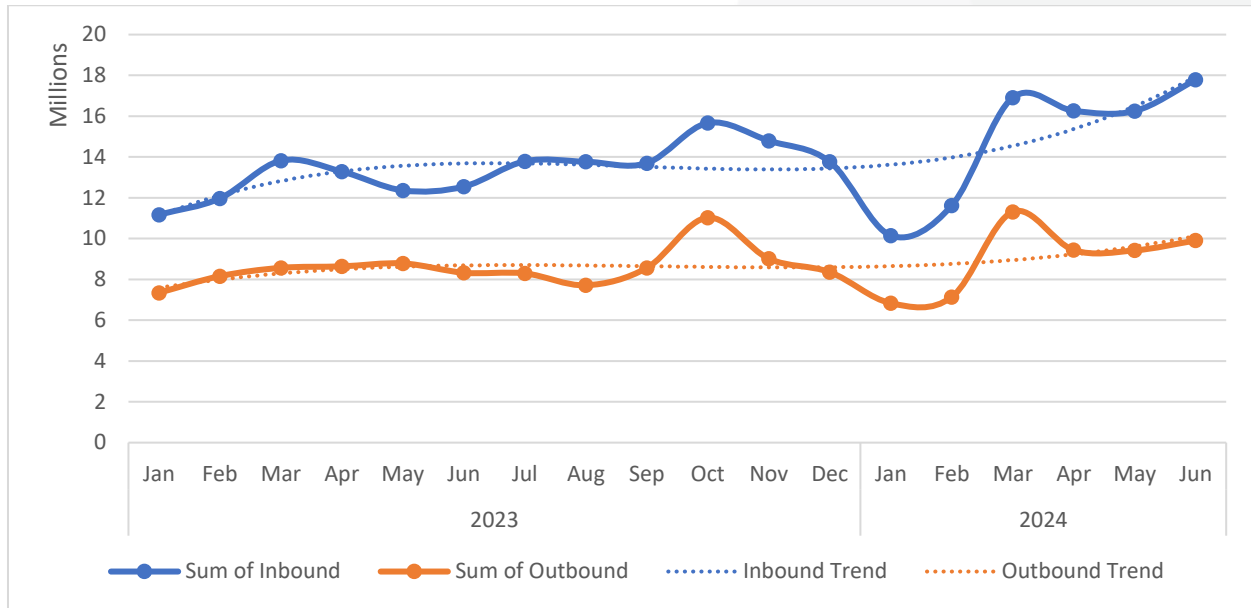
Courtesy of ACOC. Updated: 27/06/2024.

The daily average of air cargo handled at ORTIA in the previous week amounted to **507 084 kg** inbound (**↓11%**, w/w) and **318 339 kg** outbound (**↑11%**), resulting in an average of **825 423 kg per day**. Despite another slight reduction for the week, the industry remains up versus last year (**↑6%** versus June 2023) but

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

is now slightly below the same volume as pre-pandemic times (↓9% versus June 2019). The following graphs show the movement since the start of last year:

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

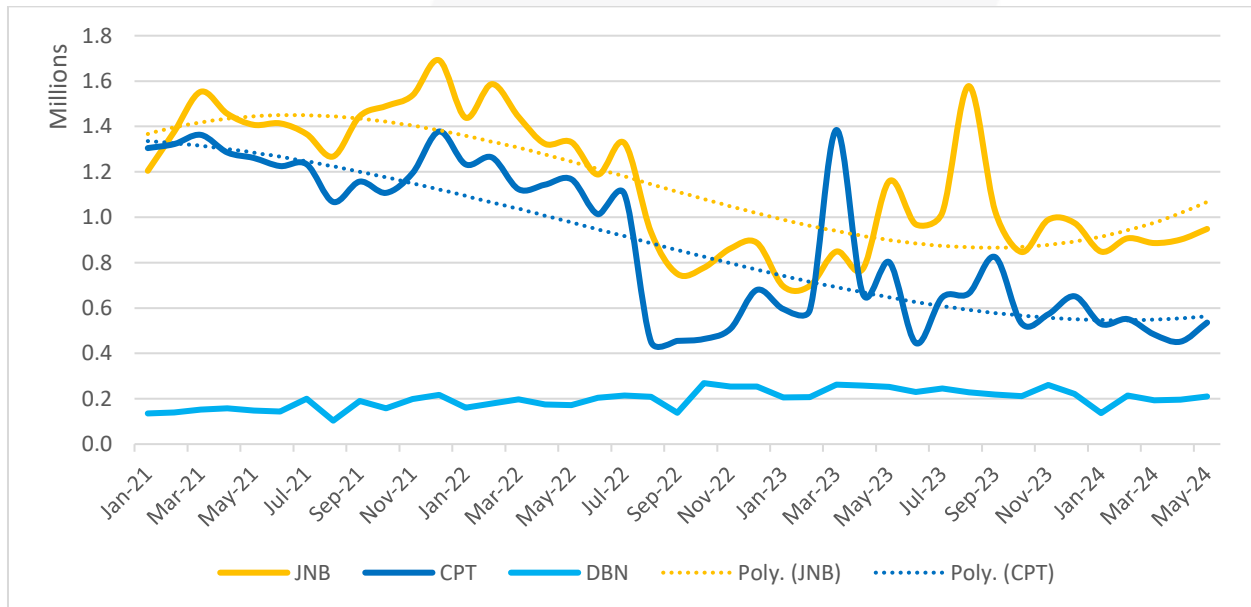


Courtesy of ACOC. Updated: 30/06/2024.

b. Domestic air cargo

The following table shows the cargo movement since 2021, with the drop-off in domestic air cargo very evident – although there has been a slight uptick of late:

Figure 11 – Domestic inbound and outbound cargo (thousands)



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

3. National Update

a. SARS merchandise trade statistics: May

SARS released its latest "Merchandise Trade Statistics" for May⁹, with the headline showing a preliminary monthly trade surplus of **R20,5 billion**. Monthly trade shows that exports increased from April by **↑5,7%** (m/m), while imports decreased by **↓0,5%** (m/m). The YTD figures show a trade surplus of **R45,2 billion**, significantly improving from the **R18,2 billion** trade surplus recorded in 2023. Annually, export flows for May 2024 were **R178,4 billion** and **↓2,4%** (y/y) lower compared to May 2023, while import flows were **↑7,3%** lower compared to 2023, having decreased from **R170,7 billion** to **R158,3 billion** in the current period.

Regionally, trade with BELN countries for May resulted in a trade surplus of **R11,9 billion** – from exports of **R17,1 billion** and imports of **R5,2 billion**. Exports to our neighbouring countries increased by **↑3,8%** (m/m) between April and May, with imports decreasing – **↓2,6%** (m/m) – over the same period. The cumulative figures for the year point to a substantial positive trade balance with BELN countries, similar to last year – from **R48,7 billion** in 2023 to **R54,1 billion** in trade balance surplus for 2024.

4. Road and Regional Update

b. 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 increased by around **an hour**, averaging **9,4 hrs (↓10%, w/w)** for the week.
- In contrast, the greater SADC region (excluding South African controlled) decreased by almost **an hour** and averaged **~3,8 hours (↓17%, w/w)**.
- **Plumtree border:**
 - The recent update from the Plumtree border, which connects Botswana and Zimbabwe, highlights a significant disruption in westbound traffic.
 - The standstill is primarily due to tax clearance constraints between the ZIMRA and transporters.
 - Some transporters cannot produce the ITF263 Tax Clearance certificate when requested – and, without this document, transporters cannot proceed across the border, resulting in a considerable queue in the neutral buffer zone between the two countries.
- 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 Bureau¹⁰, 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:

⁹ SARS. 28/06/2024. [Trade Statistics: May 2024](#).

¹⁰ [FESARTA TRANSIST Bureau](#).

Table 5 – Delays¹¹ summary – South African borders (both directions)

Border Post	Direction	HGV ¹² 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	471	8,4	7,1	27,0	14 130	3 297
Beitbridge	Zimbabwe-SA	415	7,0	2,1	10,1	12 450	2 905
Groblersbrug	SA-Botswana	244	0,9	1,3	15,5	7 320	1 708
Martins Drift	Botswana-SA	193	24,0	0,3	3,2	5 790	1 351
Kopfontein	SA-Botswana	231	0,6	1,2	11,0	6 930	1 617
Tlokweng	Botswana-SA	25	0,4	0,2	0,4	750	175
Vioolsdrift	SA-Namibia	30	0,3	0,6	3,2	900	210
Noordoewer	Namibia-SA	20	0,4	0,5	1,4	600	140
Nakop	SA-Namibia	30	0,6	1,1	3,1	900	210
Ariamsvlei	Namibia-SA	20	0,3	0,4	1,1	600	140
Skilpadshek	SA-Botswana	258	0,9	4,1	16,5	7 740	1 806
Pioneer Gate	Botswana-SA	63	1,6	1,1	2,1	1 890	441
Lebombo	SA-Mozambique	125	24,0	0,3	1,6	3 750	875
Ressano Garcia	Mozambique-SA	1 446	1,0	1,3	7,4	43 380	10 122
Weighted Average/Sum		3 571	5,0	1,5	7,4	107 130	24 997

Source: TLC, FESARTA, & Crickmay, week ending 30/06/2024.

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	2,5	9,5	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	1,0	12,4	54 570	12 733
Maputo Corridor	1 571	12,5	0,8	4,5	47 130	10 997
Nacala Corridor	127	0,0	0,0	0,0	3 810	889
North/South Corridor	3 651	16,2	1,5	9,5	109 530	25 557
Northern Corridor	2 817	0,0	0,1	1,0	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	351	1,2	1,5	5,5	10 530	2 457
Trans Oranje Corridor	100	0,4	0,7	2,2	3 000	700
Weighted Average/Sum	11 770	8,7	0,7	4,7	361 110	84 259

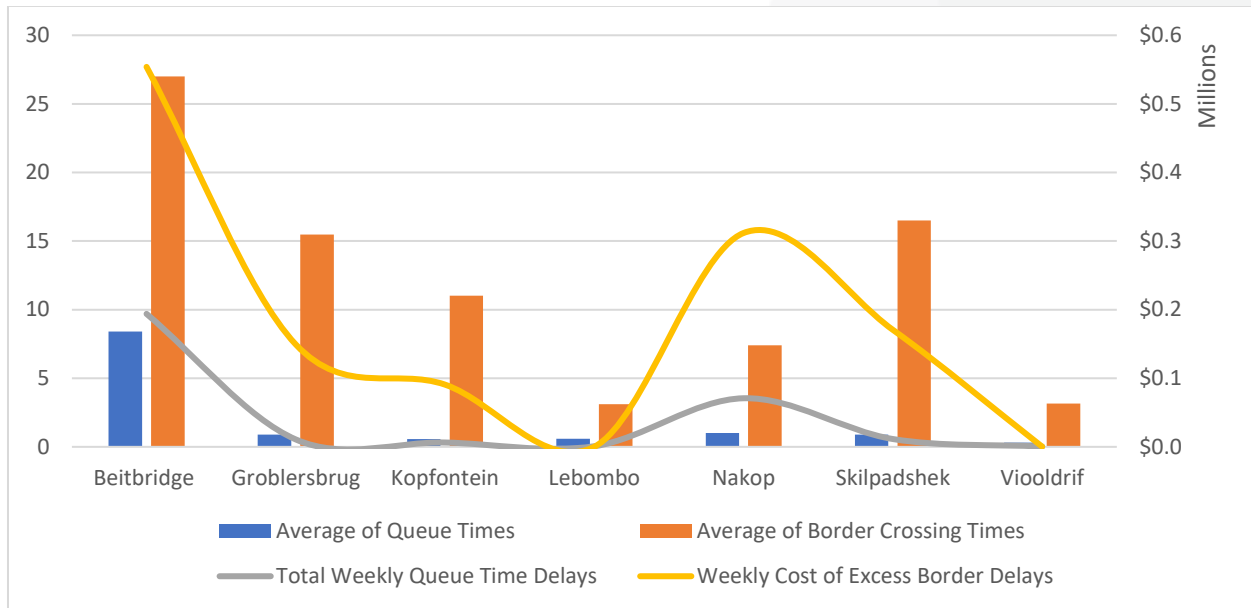
Source: TLC, FESARTA, & Crickmay, week ending 30/06/2024.

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

¹¹ 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.

¹² Heavy Goods Vehicles. Note: These statistics are rolling averages; therefore, they would not typically change weekly but rather monthly.

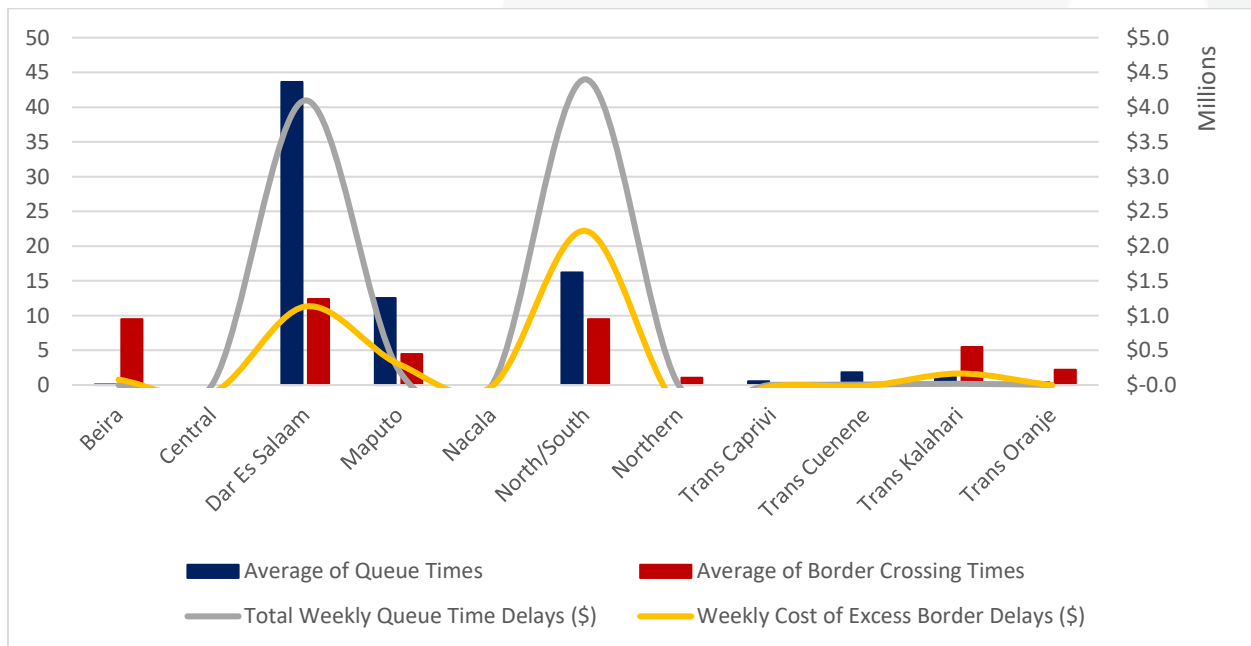
Figure 12 – Weekly cross-border delays & est. Cost from an SA border perspective (hours & \$ millions)



Source: TLC, FESARTA, & Crickmay, week ending 30/06/2024.

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

Figure 13 – Weekly cross-border delays & est. Cost from a corridor perspective (hours & \$ millions)



Source: TLC, FESARTA, & Crickmay, week ending 30/06/2024.

In summary, cross-border queue time averaged **~8,7 hours (unchanged** from the previous week's **~8,7 hours**), indirectly costing the transport industry an estimated **\$8,7 million (R159 million)**. Furthermore, the week's average cross-border transit times hovered around **~4,7 hours (down by ~0,6 hours** from the **~5,2 hours** recorded in the previous report), at an indirect cost to the transport industry of **\$3,4 million (R62 million)**. As a result, the total indirect cost for the week amounts to an estimated **~\$12,2 million (R221 million)**, down by **~R10 million** or **↓4%** from **~R231 million** in the previous report).

5. International Update

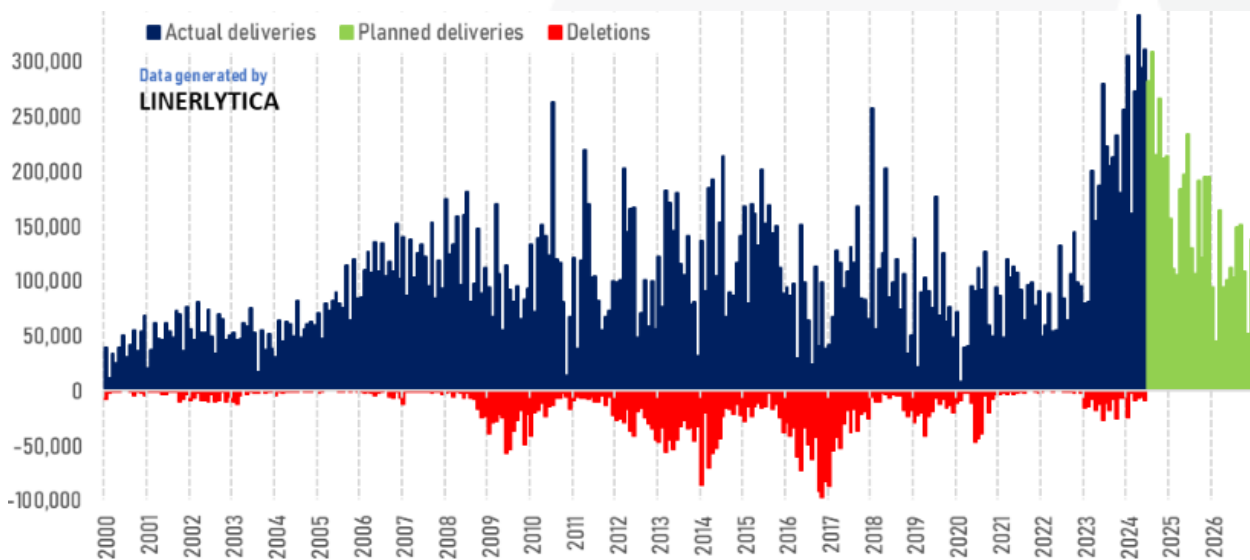
The following section provides some context around the global economy and its impact on trade, mainly an update on (a) the global shipping industry and (b) the global aviation industry.

a. Global shipping industry

i. The peak newbuilding delivery phase has passed, as the container fleet reached 30 million TEU

The global containership fleet has exceeded the **30 million TEU** milestone for the first time, with **51** new containerships delivered in June, bringing the total number of ships delivered in the first six months of this year to **271 units** for **1,68 million TEU**. As mentioned last week, the vessel diversions from the Red Sea to the Cape route have effectively removed more than **1,6 million TEU** from the market since the beginning of December – roughly the same capacity added to the fleet subsequently. A further **1,49 million TEU** is scheduled for delivery later in the 2nd half of the year, with only minimal slippages expected. The 2nd quarter is the peak of the current delivery cycle, with an average monthly delivery rate of **315 000 TEU** at almost two new ships joining the fleet daily. The average monthly delivery rate will fall to **260 000 TEU** in the 3rd quarter and **230 000 TEU** in the 4th quarter:

Figure 14 – New deliveries and deletions by month (capacity added/removed in TEU)

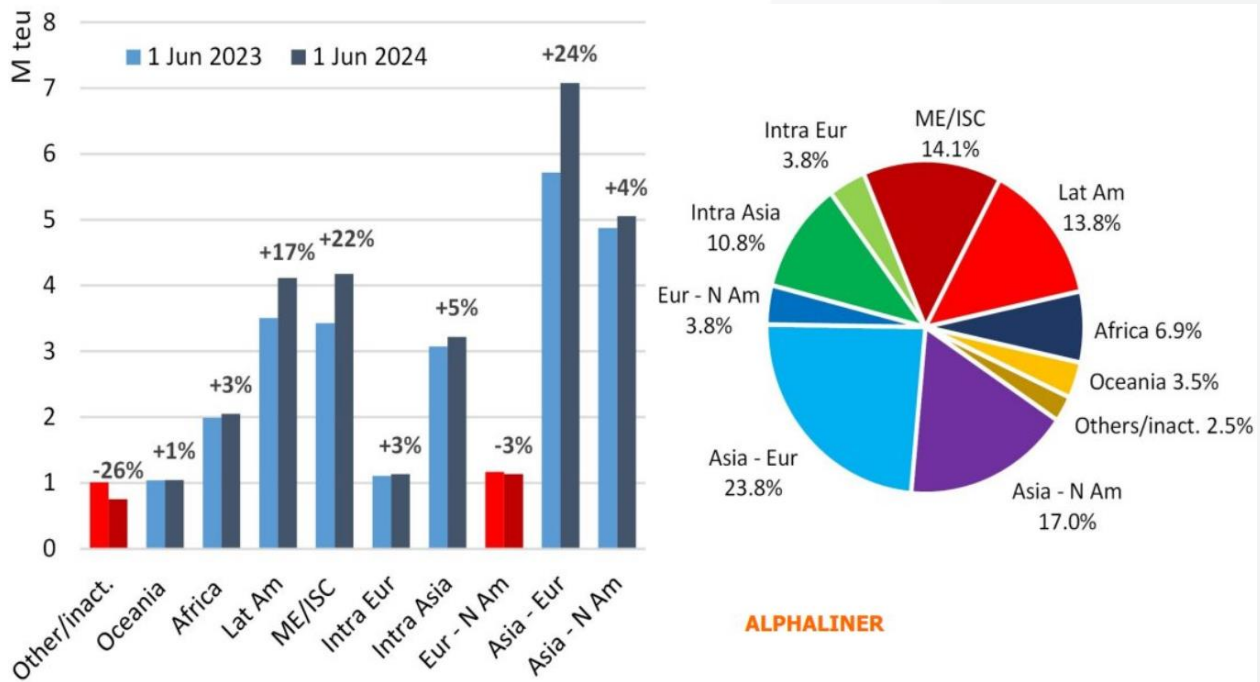


Source: [Linerlytica](https://www.linerlytica.com)

The global container fleet grew by **↑10,3%** (y/y) in June, as the huge capacity injection of **2,85 million TEU** slots helped carriers deploy more ships in liner services between Asia/Indian Subcontinent and Europe. With the recent editions, MSC has now breached the **20% barrier** – controlling a fifth of all capacity globally.¹³ The demand continues to see more units deployed on the Cape of Good Hope re-routings because of the Red Sea crisis. Interestingly, capacity increases on all other trades (except for Asia-EU/US) were below the global average, except for Latin America. The total capacity of vessels deployed in the deep sea and regional liner services to and from Latin America increased from **3,5 million TEU** in June 2023 to **4,1 million TEU** (**↑17,4%**). These movements explain, to a degree, where South Africa's capacity is going.

¹³ Goldstone, C. 03/07/2024. [Box ship buys push MSC to record 20% market share of liner trade capacity](https://www.busa.org.za/news/box-ship-buys-push-msc-to-record-20-market-share-of-liner-trade-capacity).

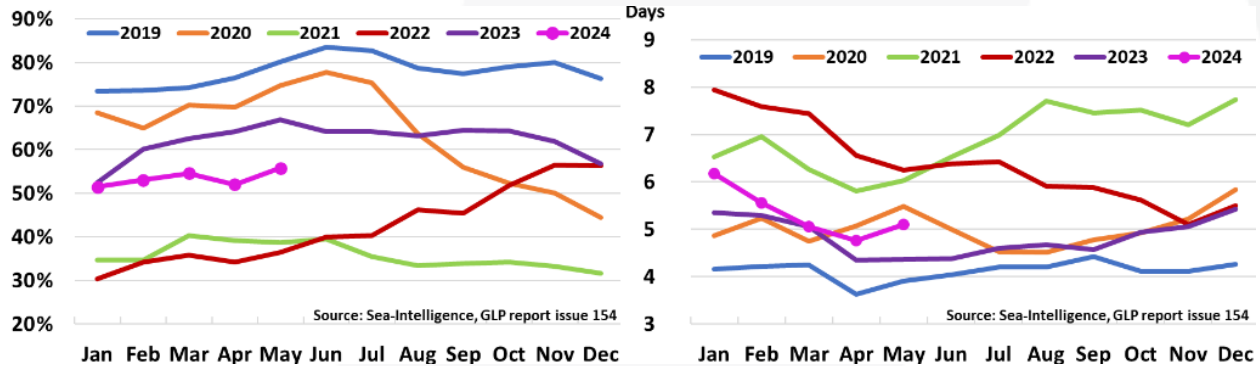
Figure 15 – Global container fleet deployment by trade (million TEUs)



Source: Alphaliner

The international containerised market is getting closer to a stable place, as overall schedule reliability has increased to the highest year-to-date level, according to *Sea Intelligence*:

Figure 16 – Global Schedule Reliability (%) and Global Average Delays for Late Vessel Arrivals (days)



Source: Sea Intelligence

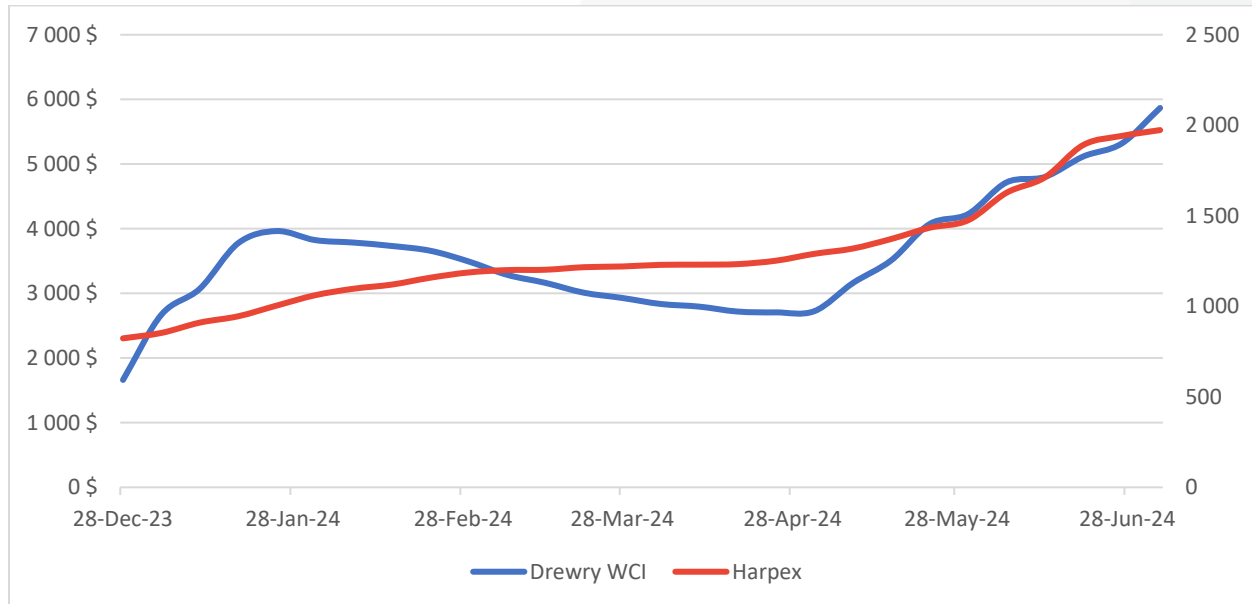
In May 2024, the global schedule reliability for vessels improved by **↑3,8%** (m/m), reaching **55,8%**, the highest figure for the year and **↑1,2%** above the previous peak of **54,6%**. Despite this monthly improvement, when compared year-on-year, schedule reliability was still **↓11%** lower. Although there was a notable improvement in schedule reliability, the average delay for late vessel arrivals worsened, with delays increasing by **0,34 days** (m/m) to an average of **5,10 days**. This delay is approaching the levels seen during the pandemic and is moving away from pre-pandemic performance. Additionally, the average delay for May 2024 was **0,73 days** longer on a year-on-year basis.

Lastly, global port congestion is taking another **2,24 million TEU** of capacity out of the system, approximately **7,5%** of the total fleet, as Singapore continues to be a significant contributor to the problem despite efforts.¹⁴ In South Africa, port congestion at the Port of Durban improved in the last week, as Durban’s queue-to-berth ratio improved to **0,72** on Wednesday.¹⁵ Finally, the “*Cancelled Sailings Tracker*” decreased this week and is trending at **7%**.¹⁶

ii. Global container freight rates

Container freight rates have sped up again this week and increased by **↑10,3%**. Drewry’s “*World Container Index*” is up by **\$550**, trading at **\$5 868** per 40-ft container.¹⁷ The increases are driven by Chinese outbound rates, as Shanghai to Rotterdam, Genoa, LA, and NY are all up (**↑10%**, **↑7%**, **↑12%**, and **↑17%**, respectively). For charter rates, the Harper Petersen Index (Harpex) has also increased again this week, with the index trading at **1 973 points** on Friday, up by another **↑1,7%** (w/w) and **↑63%** (y/y) compared to this time last year.¹⁸ The following figure shows the movement of both of these indices since the start of the year:

Figure 17 – World Container Index and Harpex Charter Index (year-to-date)



Source: Calculated from [Drewry](#) and [Harpex](#)

Looking ahead, Eastern China freight futures for 2025 contracts registered substantial gains on the rising conviction that the Red Sea crisis will last through next year.^{19,20} Charter rates continue to set higher benchmarks, although carriers remain hesitant to commit to forward positions for ships that will be available at the end of this year and early 2025.

iii. Further developments of note

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

¹⁴ Li, M. 04/07/2024. [With almost all box ships arriving late, Singapore acts to reduce time in port.](#)
¹⁵ Linerlytica. 03/07/2024. [Port Congestion Watch.](#)
¹⁶ Drewry. 05/07/2024. [Cancelled Sailings Tracker.](#)
¹⁷ Drewry. 04/07/2024. [World Container Index.](#)
¹⁸ Harper Petersen Index. 05/07/2024. [HARPER PETERSEN Charter Rates Index.](#)
¹⁹ Linerlytica. 01/07/2024. [Market Pulse 2024 Week 27.](#)
²⁰ Li, M. 02/07/2024. [Container futures trading trend suggests no end to Red Sea crisis this year.](#)

1. Ceva restructures as it integrates Bolloré:

- a. Ceva Logistics is restructuring its operations to create a vertically integrated structure, combining with Bolloré Logistics and aligning product teams down to local levels. This strategy aims to enhance solution engineering and rapid application to customer challenges globally.²¹
- b. The restructuring includes merging air and sea operations to leverage best practices and technology, notably completing the implementation of CargoWise. It also includes a rebranding process to phase out the Bolloré Logistics name by year-end.
- c. Despite Ceva's parent company, CMA CGM Group, promising no job cuts for at least a year following its **€4,8 billion** acquisition of Bolloré, which added 14 000 staff, there are rumours and reports of recent managerial layoffs, indicating potential internal challenges and dissatisfaction during the integration process.

2. Maersk pulls out of DB Schenker bid:

- a. Maersk has withdrawn from bidding for DB Schenker, citing integration challenges and operational complexities, especially Schenker's IT system, which requires significant investment. Maersk's CEO, Vincent Clerc, mentioned that the decision followed an in-depth review and due diligence highlighting these challenges.²²
- b. With Maersk's exit, the competition for DB Schenker narrows to three bidders: DSV, Barhi (Saudi Arabia's national shipping line), and Scan Global Logistics, backed by CVC, ADIA, and GIC. Deutsche Bahn retains flexibility in the sale, potentially impacting the interest of bidders like DSV.
- c. Despite withdrawing from this acquisition, Maersk continues to focus on expanding its logistics and terminals business, emphasising organic growth and strategic acquisitions that align more closely with its business model and strategic goals.

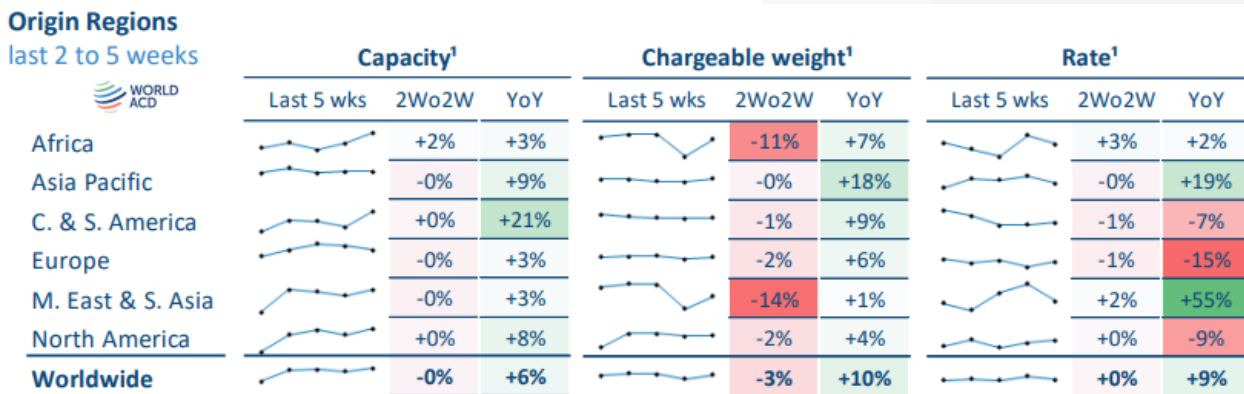
b. Global air cargo industry

In the first half of 2024, global air cargo tonnages increased by **↑12%** compared to the same period in 2023, with a consistent **↑11%** growth in Q2 following a **↑12%** rise in Q1. Although June showed a **↑9%** (y/y) increase, it was slightly below the year's average monthly growth. This period featured notable growth from Asia Pacific origins (**↑18%** in Q2) and mixed results from the Middle East & South Asia (MESA), with a significant drop from **↑27%** in Q1 to **↑13%** in Q2, influenced by disruptions in container shipping from regional conflicts. Other regions also showed positive growth in Q2, including Europe (**↑7%**), Africa (**↑6%**), and the Americas (North and Central & South at **↑5%** each).

²¹ Lennane, A. 03/07/2024. [Ceva restructures as it integrates Bolloré – but will 'no job losses' pledge hold?](#)

²² Lennane, A. 01/07/2024. [Maersk pulls out of DB Schenker bid after identifying 'challenges' in integration.](#)

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



Source: [World ACD](#)

Demand from all main global regions increased in the first half of 2024, with Asia Pacific and MESA leading with **↑19%** each. On the pricing front, average global air cargo rates stood at **\$2,39 per kilogram**, marking an **↓8%** decrease annually. However, rates rebounded to **↑2%** above the previous year's level in Q2 at **\$2,46/kg**, driven by significant increases from Asia Pacific (**↑10%**) and MESA (**↑47%**). By June, rates improved to **\$2,52/kg**, a **↑9%** yearly increase and **↑41%** above June 2019 pre-pandemic levels. The last week of June witnessed a slight weekly drop in rates to **\$2,51** but remained significantly higher year-on-year (**↑9%**) and rebounded in tonnages (**↑3%**) after previous declines during the Eid al-Adha period.

In other aviation news, the IATA *Wings of Change Africa* conference was held this week in Johannesburg.²³ The theme was "Towards a More Resilient and Sustainable African Aviation." It featured feature keynotes and panels by industry leaders, focusing on growth trends, safety, sustainability, and economic regulations in African aviation. Discussions addressed Africa's aviation infrastructure, security measures, and the adoption of Sustainable Aviation Fuel, marking a significant step in the region's commitment to innovative and resilient aviation development. Some further key takeaways from the conference included:

- Poor connectivity is the most significant constraint for the aviation industry in Africa
- Fuel is the most significant cost factor in aviation (~**35-40%** of operating expenses) and is even more expensive in Africa (around **↑20%** more compared to the rest of the world)
- South African airports impose the highest economic tax per passenger
- The average profit per passenger is **\$6,1 per passenger** – in Africa, it is only **\$0,9 per passenger**
- Aviation safety practices in Africa continue to improve – and are very well regulated and mandated in South Africa.

ENDS²⁴

²³ IATA. 05/07/2024. [Wings of Change Focus Africa](#).

²⁴ **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



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.
- An impressive **24-hour turnaround** time.

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