

Cargo Movement Update #198¹

Date: 9 August 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)	22 407	29 185	51 592	23 737	28 258	51 995	↓1%
Air Cargo (tons)	3 770	2 307	6 077	3 336	2 405	5 741	↑6%

Monthly Snapshot

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

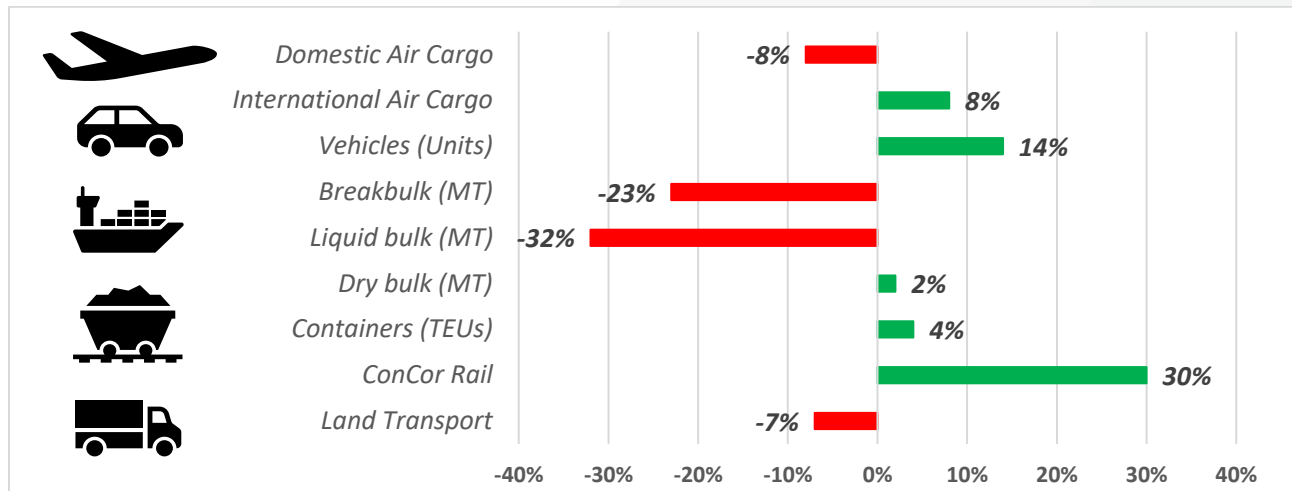
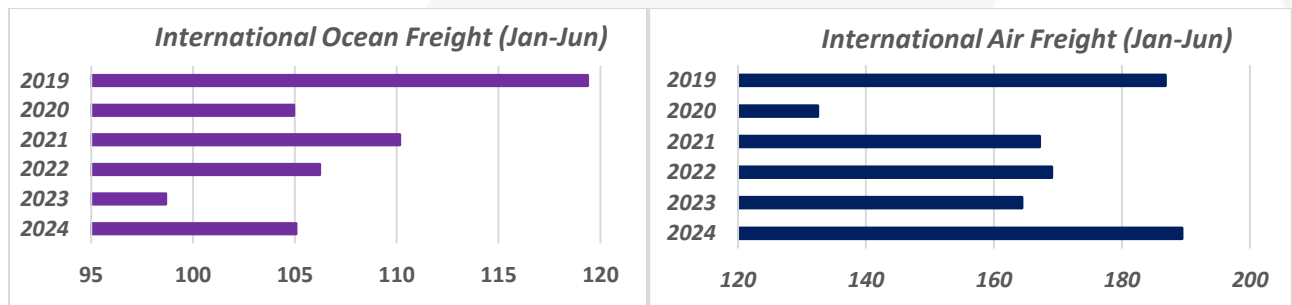


Figure 2 – Year-to-date flows 2019-2024⁵: ocean, y/y (million metric tonnes) & air freight, y/y (kg millions)



Key Notes

- An average of **~7 370 containers** was handled per day, with **~8 333 containers** projected for next week.
- Rail cargo handled out of Durban was reported at **2 857 containers**, down **↓12%** from last week.
- Cross-border queue and transit were **unchanged**; SA borders: **11,5 hrs (↑6%)**; SADC borders: **4,7 hrs (↓2%)**.
- Global container volume (dry & reefer) is down by **↓1,7% (m/m)** and up by **↑6,3% (y/y)** in June.
- Container spot rates again decreased – this week by **↓3,2% (or \$185)** and is trading at **\$5 551/40-ft**.
- Air cargo tonnages (measured in CTKs) were up by **↑14,1%** compared to June 2023, according to IATA.

¹ This update contains an overview of air, sea, and road freight to and from South Africa in the last week. This report is the 198th update.

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

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

⁴ 'Monthly' means the last months' worth of available data compared to the same month in the previous year. All metrics: Jun vs Jun.

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

Executive Summary

This update contains a consolidated overview of the South African logistics network and the current state of international trade. Operationally, another relatively low average of **7 370 containers** were handled per day, down from **7 428 containers** last week. Adverse weather, equipment breakdowns, and system challenges mainly constrained port operations. Vessel ranging, strong winds, and system challenges delayed Port of Cape Town operations. At the same time, equipment breakdowns and a shortage of marine crafts constituted the majority of delays in Durban. Over 24 operational hours were lost in the Eastern Cape this week due to inclement weather and equipment breakdowns. At the same time, the Port of Richards Bay experienced some operational delays this week due to adverse weather. Additionally, the line between Durban and The Reef was closed for the most significant part of Monday due to monthly maintenance on the line.

In the global maritime industry, container throughput decreased in June after a strong **↑8,1%** (adjusted) rise in May, but annual throughput still grew significantly, indicating a recovery in global demand. The Indian Subcontinent and Middle East saw significant declines, while Australasia and Oceania recorded increases. The global price index rose by **↑12,4%** (m/m) and **↑26,6%** (y/y), with dry goods showing larger price hikes than reefers. Sub-Saharan Africa (SSA) experienced monthly declines in exports and imports, though yearly exports increased by **↑11,9%**. South Africa's share of SSA trade has diminished since previous highs. Concerns over a potential US recession have led to a decline in the World Container Index (WCI), especially for US West Coast rates. Middle Eastern tensions and port congestion (which is also ongoing in Durban) continue to disrupt global trade. Despite these challenges, MSC is expanding its fleet, strengthening its market position over competitors. Other developments included **(1)** Chinese vessels sailing via the Arctic Northern Sea Route to avoid the Red Sea, **(2)** a container exploding on a Yang Ming box ship in a Chinese port, and **(3)** the USEC port workers' union set to finalise contract demands and strike strategy.

For international air cargo to and from South Africa, the daily average of air cargo handled at ORTIA in the previous week amounted to **538 630 kg** inbound (**↑13%**, w/w) and **329 520 kg** outbound (**↓4%**), resulting in an average of **868 150 kg per day**. This week's increase means the industry is still significantly up versus last year (**↑11%** versus August 2023) but remains significantly down on pre-pandemic levels (**↓12%** versus August 2019). Nevertheless, we have seen a slight monthly decrease, as the total cargo for July is slightly down versus June, at **↓12%** (m/m). In other air cargo news, Airports Company South Africa has suspended its chief information officer, after it found possible evidence of wrongdoing in a key technology tender.⁶

Internationally, maritime shipping constraints and booming e-commerce continue to spur air cargo growth despite economic and political challenges. IATA reported strong annual growth in global air cargo demand, continuing a trend of double-digit increases for the seventh consecutive month. CTAs rose by **↑14,1%** compared to June 2023, with international operations seeing a **↑15,6%** increase. Capacity also grew by **↑8,8%** year-on-year, as the first half of 2024 saw demand up by **↑13,4%** compared to 2023, surpassing levels from 2022 and 2021. Rates have followed suit, as July's **↑12%** (y/y) rate increase is the highest this year, surpassing the **↑2%** and **↑6%** increases in May and June, according to World ACD.

In the regional cross-border road freight trade, the average queue – and transit times were mainly **unchanged** from last week. The median border crossing times at South African borders increased by around **45 minutes**, averaging **11,5 hrs** (**↑6%**, w/w) for the week. In contrast, the greater SADC region (excluding

⁶ Wasserman, H. 09/08/2024. [ACSA suspends IT head over facial recognition tender.](#)

South African controlled) decreased by around **10 minutes** and averaged **~4,7 hrs (↓2%, w/w)**. On average, three SADC border posts last week took around a day to cross – Beitbridge, Chirundu OSBP, and Kasumbalesa (the worst affected, taking **slightly more than a day** to cross). Other developments included **(1)** mandatory scanning of all vehicles at Beitbridge and **(2)** KM4 facility issues at the Lebombo border post.

In summary, the transport and logistics industry remains a critical facilitator of trade and a significant driver of economic growth. Recent monthly figures have been encouraging, with improved performance in South Africa's ports and the international aviation market. However, a closer analysis of trade data and recent weekly reports highlights that the industry still faces substantial challenges in fully realising its global trade potential. To take its rightful place on the world stage, the sector must prioritise investment in infrastructure, enhance digitalisation efforts to streamline operations and foster stronger public-private partnerships. Additionally, addressing policy bottlenecks and improving regulatory frameworks will be crucial in ensuring sustained growth and competitiveness. By focusing on these areas, the industry can build on recent progress and establish itself as a cornerstone of global trade.

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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 3 to 9 August⁷

7-day flow reported (03/08/2024 – 09/08/2024)			
TERMINAL	NO. OF CONTAINERS ⁸ TO DISCHARGE (IMPORT)	NO. OF CONTAINERS TO LOAD (EXPORT)	CHANGE (w/w %)
DURBAN CONTAINER TERMINAL PIER 1:	4 080	5 417	↓10%
DURBAN CONTAINER TERMINAL PIER 2:	9 293	10 640	↓10%
CAPE TOWN CONTAINER TERMINAL:	3 339	5 253	↓6%
NGQURA CONTAINER TERMINAL:	5 058	6 132	↑31%
GQEBERHA CONTAINER TERMINAL:	637	1 743	↑41%
TOTAL:	22 407	29 185	↓1%

Source: Transnet, 2024. Updated 09/08/2024.

Table 3 – Container Ports – Weekly flow forecasted for 10 to 16 August

7-day flow forecast (10/08/2024 – 16/08/2024)			
TERMINAL	NO. OF CONTAINERS TO DISCHARGE (IMPORT)	NO. OF CONTAINERS TO LOAD (EXPORT)	FORECAST VS ACTUAL (w/w %)
DURBAN CONTAINER TERMINAL PIER 1:	4 652	6 422	↑17%
DURBAN CONTAINER TERMINAL PIER 2:	10 639	10 295	↑5%
CAPE TOWN CONTAINER TERMINAL:	2 809	5 517	↓3%
NGQURA CONTAINER TERMINAL:	6 183	7 735	↑24%
GQEBERHA CONTAINER TERMINAL:	1 800	2 276	↑71%
TOTAL:	26 083	32 245	↑13%

Source: Transnet, 2024. Updated 09/08/2024.

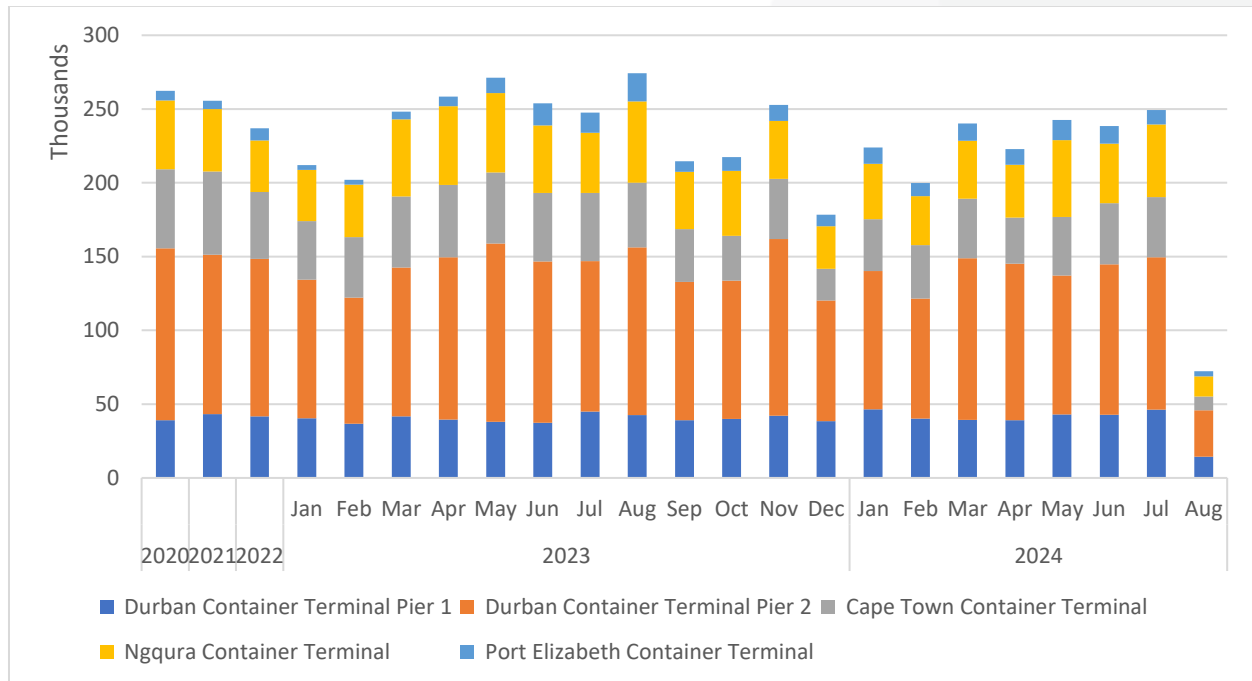
A decreased average of **~7 370 containers (↓1%)** was handled per day for the last week (3 to 9 August, Table 2), compared to the projected average of **~9 144 containers (↓19% actual versus projected)** noted in last week's report. For the coming week, an increased average of **~8 333 containers (↑13%)** is predicted to be handled (10 to 16 August, Table 3) in a best-case scenario. Adverse weather, equipment breakdowns, and system challenges mainly constrained 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.

⁷ 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.

⁸ 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.

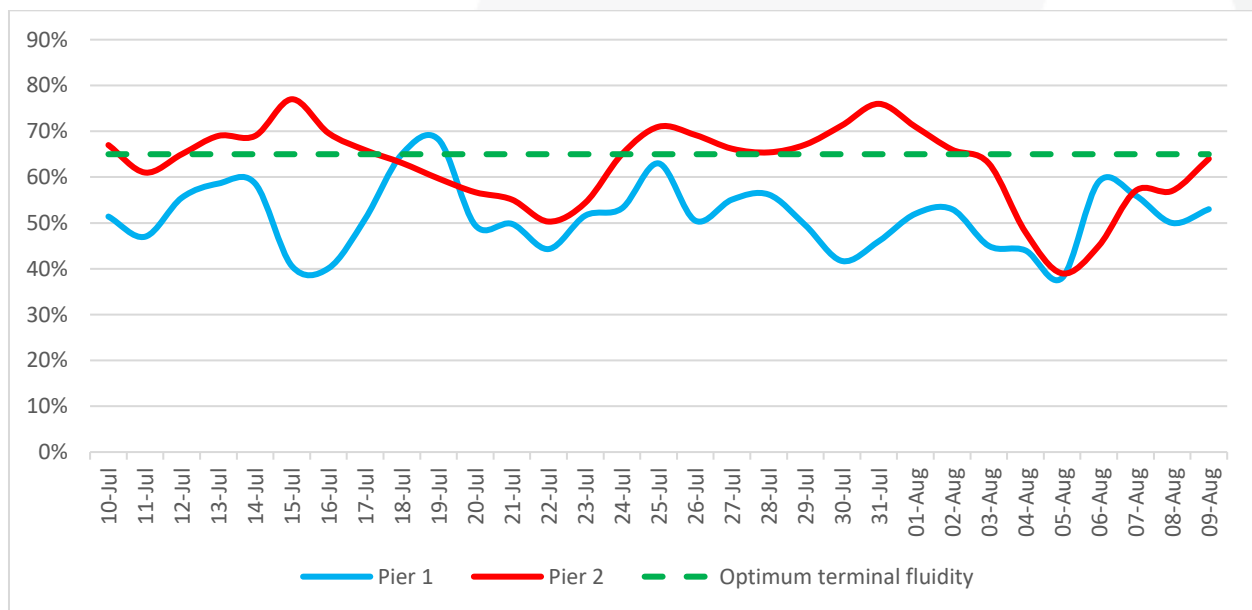
Figure 3 – Monthly flow reported for total container movement (containers April 2020 to present, m/m)



Source: Calculated using data from Transnet, 2024, and updated 09/08/2024.

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

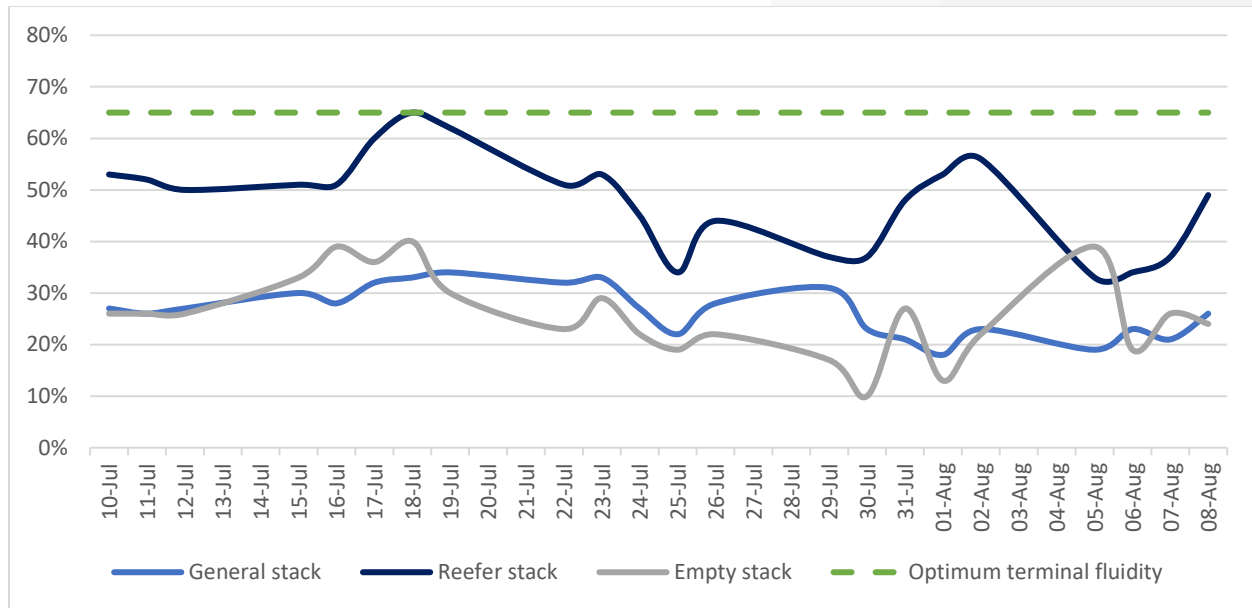
Figure 4 – Stack occupancy in DCT, general-purpose containers (10 July to present; a day on the day)



Source: Calculated using data from Transnet, 2024, and updated 09/08/2024.

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 (10 July to present, day on day)



Source: Calculated using data from Transnet, 2024, and updated 09/08/2024.

b. Summary of port operations

i. Weather and other delays

- Vessel ranging, strong winds and system challenges delayed operations at the Port of Cape Town.
- Equipment breakdowns and a shortage of marine crafts constituted the majority of delays in Durban.
- More than 24 operational hours were lost in the Eastern Cape this week due to inclement weather and equipment breakdowns.
- The Port of Richards Bay experienced operational delays this week due to adverse weather.

ii. Cape Town

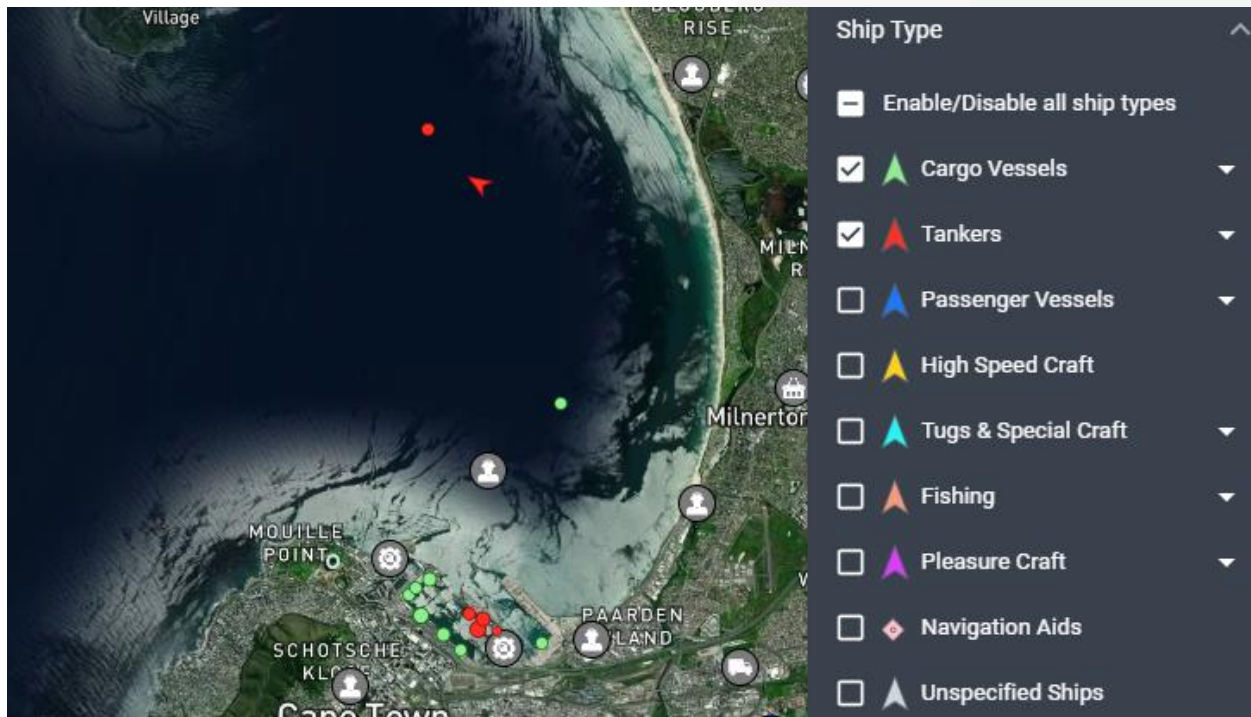
On Wednesday, CTCT recorded one vessel at berth and none at anchor, as vessel ranging and system challenges hindered operational performance at the terminal. Between Monday and Wednesday, on the landside, the terminal managed to service 3 342 trucks, while handling 41 rail units. On the waterside, the terminal executed 3 946 container moves across the quay during the same period. By the end of the week, stack occupancy for GP containers was recorded at 21%, reefers at 37%, and empties at 26%. Additionally, towards the end of the week, the terminal operated with seven STS cranes, 24 RTGs, and 45 hauliers. Cranes LC4 and LC9 are currently out of commission, with LC4 experiencing issues with the auxiliary wire and LC9 still awaiting the electronic card.

Additionally, the Port of Cape Town received a warning of severe weather looming over this coming weekend. Industry should note that these inclement weather conditions will likely cause operational delays at the Port.

On Wednesday, CTMPT recorded one berthed vessel and zero at anchor. In the preceding 24 hours, the terminal managed to move 363 TEUs across the quay. On the landside, 69 trucks were processed. Stack occupancy during this period was recorded at 8% for general cargo, 50% for reefers, and 1% for empties.

At midday on Friday, there was one container vessel at inner 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 09/08/2024 at 14:00.

iii. Durban

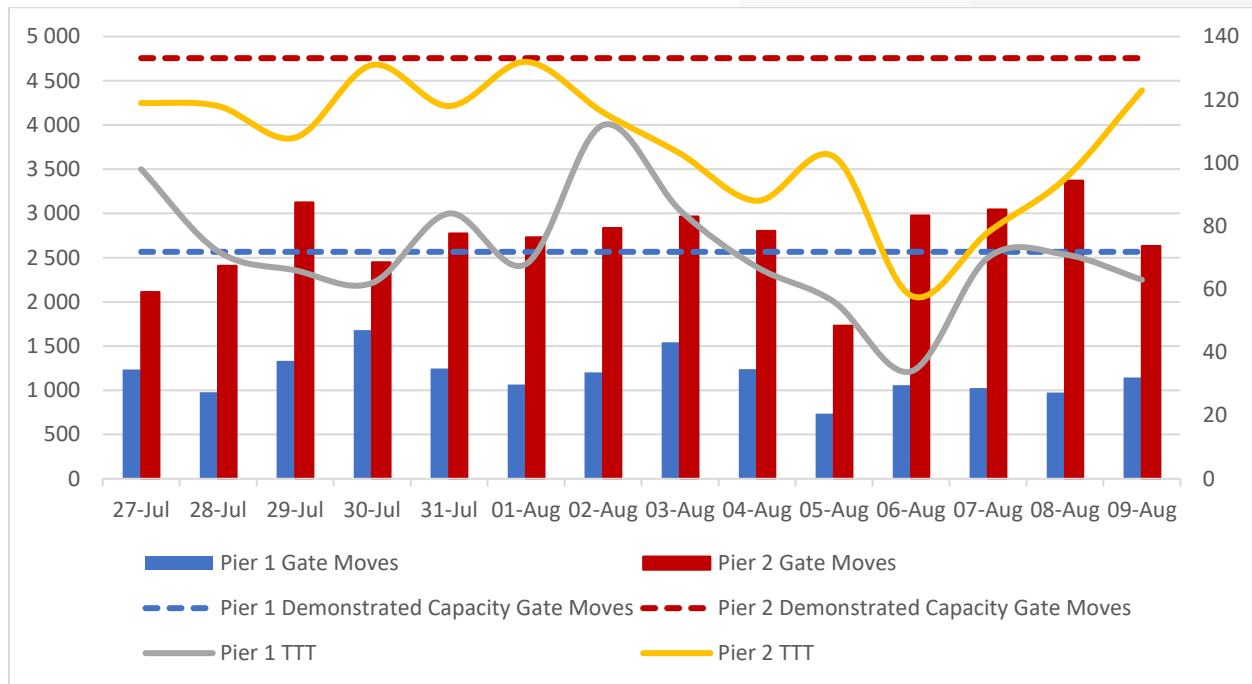
On Wednesday, Pier 1 recorded two vessels on berth, operated by five gangs, and four vessels at anchor. Stack occupancy was 56% for GP containers and 42% for reefers. Between Monday and Wednesday, the terminal executed approximately 2 821 gate moves on the landside with an average staging time of ~29 minutes. Additionally, the terminal moved approximately 4 203 TEUs across the quay on the waterside. Towards the end of the week, the terminal had five STS cranes and 14 RTGs operational.

Pier 2 had four vessels on berth and five at anchorage on Wednesday, as equipment breakdowns and system challenges prevented optimal operational performance this week. In the preceding 24 hours, stack occupancy was 57% for GP containers and 60% for reefers. The terminal operated with nine gangs and moved approximately 7 824 containers across the quay between Monday and Wednesday on the waterside. During the same period, there were 7 753 gate moves on the landside with an average staging time of ~70 minutes. Additionally, approximately 1 074 units were moved by rail during the same period. The number of available straddle carriers fluctuated between 48 and 55 this week.

On Wednesday, the Ro-Ro terminal in Durban recorded one vessel on the berth, with none at anchorage. In the 24 hours before, the terminal handled 1 590 road units and 174 rail units on the landside while handling 1 523 units on the waterside. During the same period, overall stack occupancy was recorded at 42% (Exports: 51%, Imports: 40%, Transshipments: 9%), 50% at Q&R, and 95% at G-berth. During this period, the terminal had 192 high-and-heavy (abnormal loads) on hand and managed to discharge 42. 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.

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 09/08/2024.

A queue of vessels waiting outside Durban has built up and remains. At midday on Friday, five vessels were waiting for Pier 2, three for Pier 1, and three for Point terminal, with a current estimation of **at least 17 additional days added to the schedules**. The following is a snapshot of the port and vessels waiting to berth:

Figure 8 – Durban vessel view (per vessel group)



Source: Marine Traffic. Updated 09/08/2024 at 14:00.

iv. Richards Bay

On Wednesday, Richards Bay recorded seven vessels at anchor and 11 on the berth, translating to five vessels at DBT, three at MPT, two at RBCT, and one at the liquid-bulk terminal. Two tugs, one pilot boat, and one helicopter operated for marine resources. Earlier this week, operations at the port were delayed due to adverse weather conditions. On Thursday, the coal terminal had three vessels at anchor and one at berth while handling 258 866 tons on the waterside. On the landside, five trains were serviced, against the target of 22.

v. Eastern Cape ports

On Wednesday, NCT recorded three vessels on berth and one at anchor, with zero vessels drifting. Marine resources of two tugs, one pilot boat, two pilots, and one berthing gang were in operation in the previous 24 hours. Stack occupancy figures were recorded at 74% for reefers, 83% for reefer ground slots, and 48% for the general stack. The terminal handled 227 reefers and 2 885 TEUs on the waterside despite having a vacant berth between 14:00 and 20:00. On the landside, 666 trucks were processed at a truck turnaround time of ~33 minutes. Additionally, one train was serviced at a rail turnaround time of 0.8 hours.

On Wednesday, GCT recorded one vessel at berth and one at outer anchorage. Marine resources of one tug, pilot boat, two pilots, and one berthing gang were in operation in the preceding 24 hours. On the waterside, 521 TEUs and 108 reefers were handled across the quay, while 318 trucks were processed at a truck turnaround time of ~21 minutes. Stack occupancy figures were recorded at 91% for reefers, 95% for reefer ground slots, and 24% for the general stack.

On Wednesday, the Ro-Ro terminal recorded one vessel at berth but none at anchor. In the preceding 24 hours, the terminal handled 675 units on the waterside, leading to a stack occupancy figure of 51%.

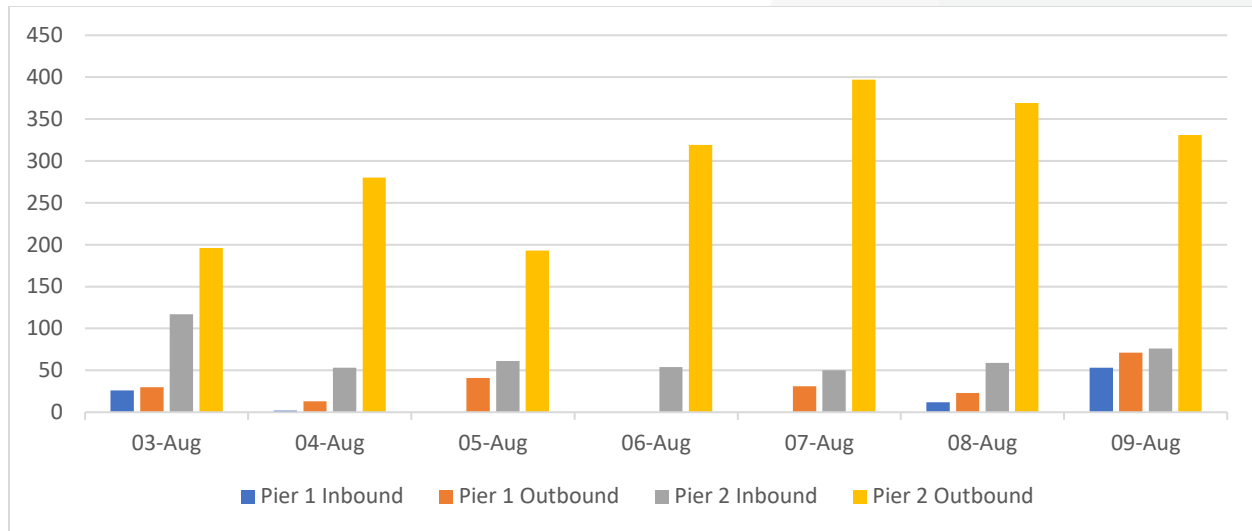
vi. Saldanha Bay

On Wednesday, the iron ore terminal had three vessels at anchorage and two on the berth, while the multi-purpose terminal had three vessels at anchor and three on the berth.

vii. Transnet Freight Rail (TFR)

The line between Durban and The Reef was closed for the most significant part of Monday due to monthly maintenance on the line. Trains started moving on the line shortly after 18:00 on Monday evening upon completing the scheduled maintenance. Towards the end of the week, DCT Pier 2 had 36 over-border units on hand with a dwell time of 10 days and 164 ConCor units on hand with a dwell time of 48 hours. Rail containers on hand in Durban were reported as follows: Pier 1: 23, Pier 2: 198.

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



Source: Calculated using data from Transnet, 2024. Updated 09/08/2024.

In the last week (3 to 9 August), rail cargo handled out of Durban was reported at **2 857** containers, down by **↓12%** from the previous week's **3 234** containers. Elsewhere, the ongoing locomotive dispute with the China Railway Rolling Stock Corporation (CRRC) is set to continue, as the Chinese government can only intervene in a dispute between South Africa and the Chinese state-owned rail company if the matter is out of the courts.⁹

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 29 July. For comparative purposes, the average air freight cargo (inbound and outbound) handled at ORTIA in August 2023 averaged **~780 820 kg** per day.

Table 4 – International inbound and outbound cargo from OR Tambo¹⁰

Flows	29-Jul	30-Jul	31-Jul	01-Aug	02-Aug	03-Aug	04-Aug	Week
Volume inbound	485 116	209 531	358 521	218 461	506 805	306 694	1 685 285	3 770 413
Volume outbound	172 053	173 611	199 760	214 997	223 891	241 553	1 080 775	2 306 640
Total	657 169	383 142	558 281	433 458	730 696	548 247	2 766 060	6 077 053

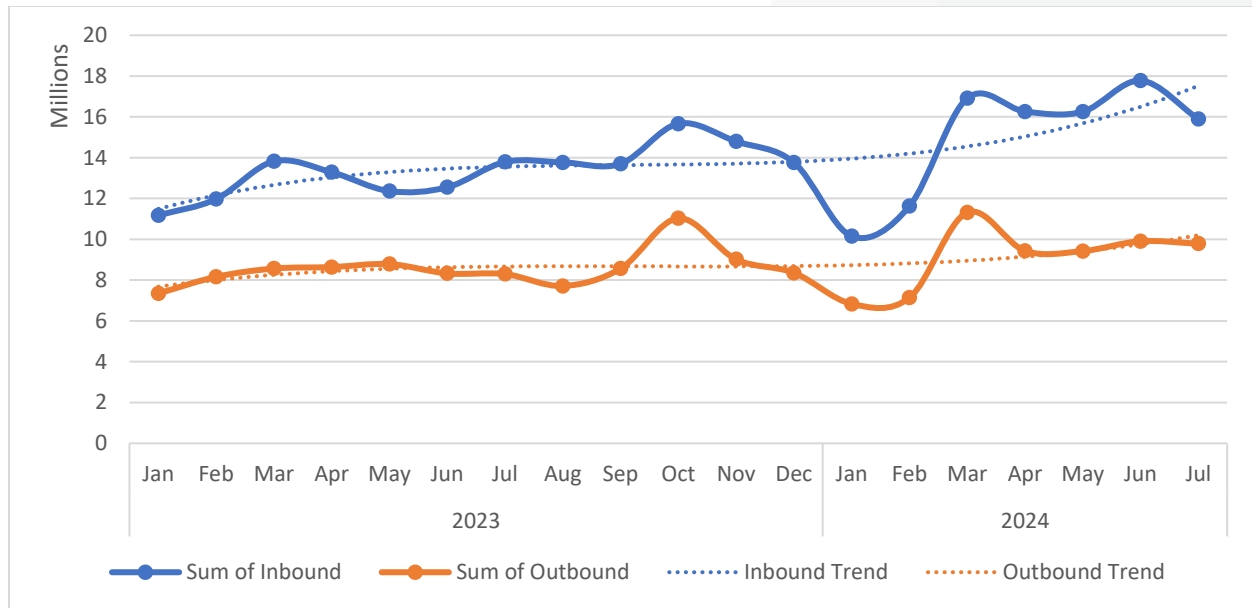
Courtesy of ACOC. Updated: 30/07/2024.

The daily average of air cargo handled at ORTIA in the previous week amounted to **538 630 kg** inbound (**↑13%**, w/w) and **329 520 kg** outbound (**↓4%**), resulting in an average of **868 150 kg per day**. This week's increase means the industry is still significantly up versus last year (**↑8%** versus August 2023) but remains significantly down on pre-pandemic levels (**↓12%** versus August 2019). The total cargo for July is slightly down versus June, at **↓12%** (m/m). The following graphs show the movement since the start of last year:

⁹ Wasserman, H. 05/08/2024. [State capture train fight: China says it can't intervene if CRRC case is in court.](#)

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

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



Courtesy of ACOC. Updated: 09/08/2024.

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 increased by around **45 minutes**, averaging **11,5 hrs (↑6%, w/w)** for the week.
- In contrast, the greater SADC region (excluding South African controlled) decreased by around **10 minutes** and averaged **~4,7 hrs (↓2%, w/w)**.
- **Mandatory scanning of all vehicles at Beitbridge:**
 - The ongoing issue of mandatory scanning for all commercial vehicles by ZIMRA at the Beitbridge border post is under review.
 - Although some progress has been made, a final resolution has not yet been reached.
 - Updates will be provided once ZIMRA finalises an agreeable solution.
- **KM4 facility constraints at the Lebombo:**
 - Drivers have expressed ongoing concerns regarding the KM4 facility, particularly the uneven surfaces and lack of oversight, despite being charged for its use.
 - Incidents of hit-and-run accidents and theft remain frequent, with authorities providing responses that have not fully addressed these concerns.
- Transporters, traders, and cargo owners are encouraged to use the non-tariff barrier (NTB) [online tool](#) UNCTAD and the AfCFTA Secretariat developed. However, given that platform's questionable effectiveness, transporters are encouraged to contact FESARTA and join their TRANSIST Bureau, 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 – 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	434	4,6	6,4	29,0	13 020	3 038
Beitbridge	Zimbabwe-SA	384	3,3	2,4	16,1	11 520	2 688
Groblersbrug	SA-Botswana	249	0,5	2,4	19,9	7 470	1 743
Martins Drift	Botswana-SA	206	1,1	0,3	2,5	6 180	1 442
Kopfontein	SA-Botswana	185	0,6	1,3	6,5	5 550	1 295
Tlokweng	Botswana-SA	50	0,4	0,2	0,4	1 500	350
Vioolsdrift	SA-Namibia	30	0,1	0,4	3,2	900	210
Noordoewer	Namibia-SA	20	0,2	0,4	1,5	600	140
Nakop	SA-Namibia	30	0,3	0,6	2,3	900	210
Ariamsvlei	Namibia-SA	20	0,2	0,4	1,0	600	140
Skilpadshek	SA-Botswana	227	0,5	3,2	12,4	6 810	1 589
Pioneer Gate	Botswana-SA	55	2,3	0,6	1,5	1 650	385
Lebombo	SA-Mozambique	1 446	0,1	1,3	7,5	43 380	10 122
Ressano Garcia	Mozambique-SA	125	2,5	0,3	1,4	3 750	875
Sum/Average		3 461	1,2	1,4	7,5	103 830	24 227

Source: TLC, FESARTA, & Crickmay, week ending 04/08/2024.

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	0,5	4,3	14,3	9 600	2 240
Central Corridor	798	0,0	0,2	2,0	23 940	5 586
Dar Es Salaam Corridor	1 819	43,9	1,3	12,4	54 570	12 733
Maputo Corridor	1 571	1,3	0,8	4,4	47 130	10 997
Nacala Corridor	127	0,0	0,0	0,0	3 810	889
North/South Corridor	3 580	15,2	1,7	10,5	107 400	25 060
Northern Corridor	2 817	0,0	0,1	1,4	92 520	21 588
Trans Caprivi Corridor	116	1,2	0,0	0,0	3 480	812
Trans Cunene Corridor	100	2,2	0,0	0,0	3 000	700
Trans Kalahari Corridor	312	1,3	1,1	4,2	9 360	2 184
Trans Oranje Corridor	100	0,2	0,4	2,0	3 000	700
Sum/Average	11 660	8,1	0,9	5,4	357 810	83 489

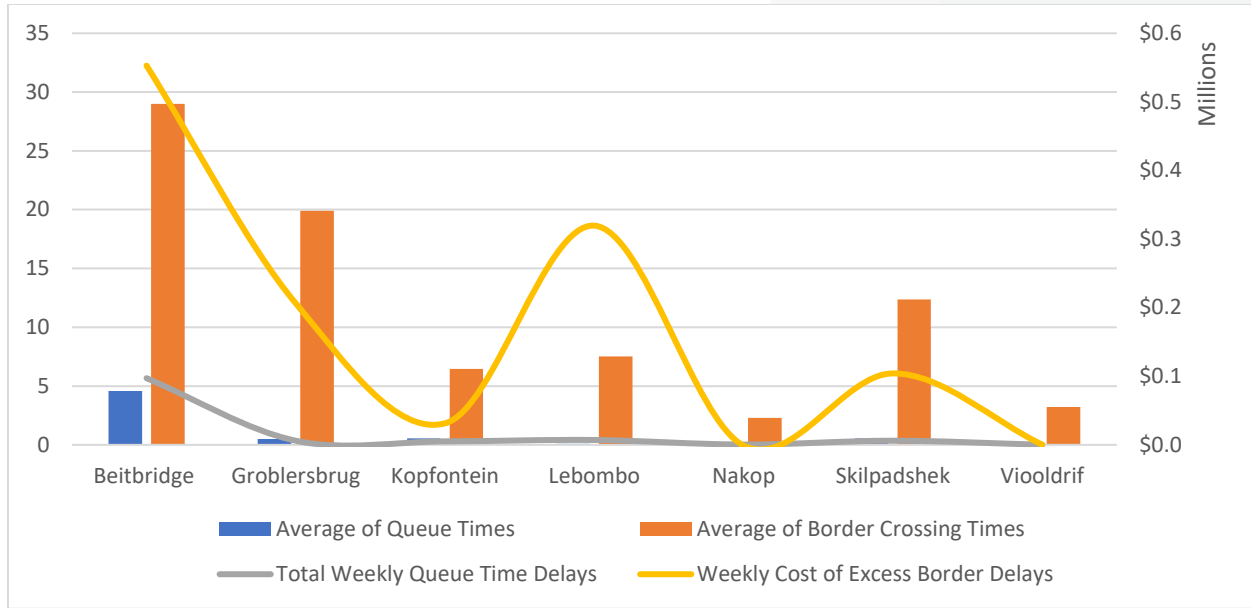
Source: TLC, FESARTA, & Crickmay, week ending 04/08/2024.

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.

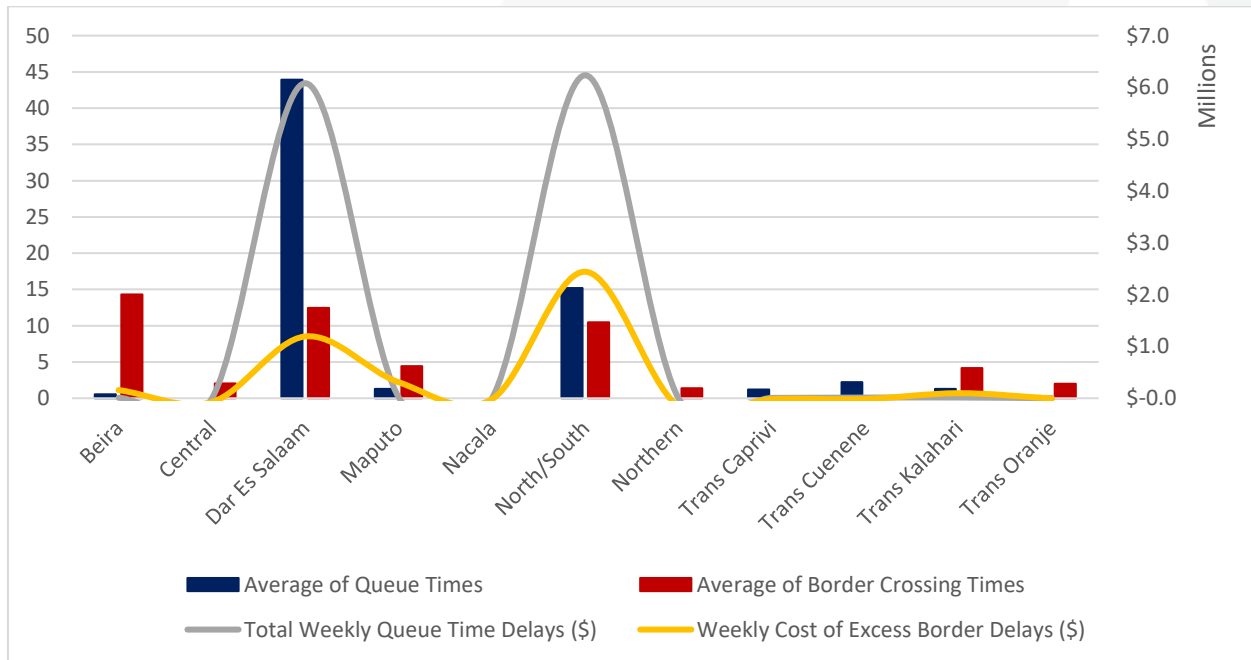
Figure 11 – Weekly cross-border delays & est. Cost from an SA border perspective (hours & \$ millions)



Source: TLC, FESARTA, & Crickmay, week ending 04/08/2024.

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

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



Source: TLC, FESARTA, & Crickmay, week ending 04/08/2024.

In summary, cross-border queue time averaged **~8,1 hours (unchanged from the previous week's ~8,1 hours)**, indirectly costing the transport industry an estimated **\$12,4 million (R227 million)**. Furthermore, the week's average cross-border transit times hovered around **~5,4 hours (unchanged from the ~5,4 hours recorded in the previous report)**, at an indirect cost to the transport industry of **\$3,9 million (R72 million)**. As a result, the total indirect cost for the week amounts to an estimated **~\$16,3 million (R299 million, essentially unchanged from the previous report)**.

4. International Update

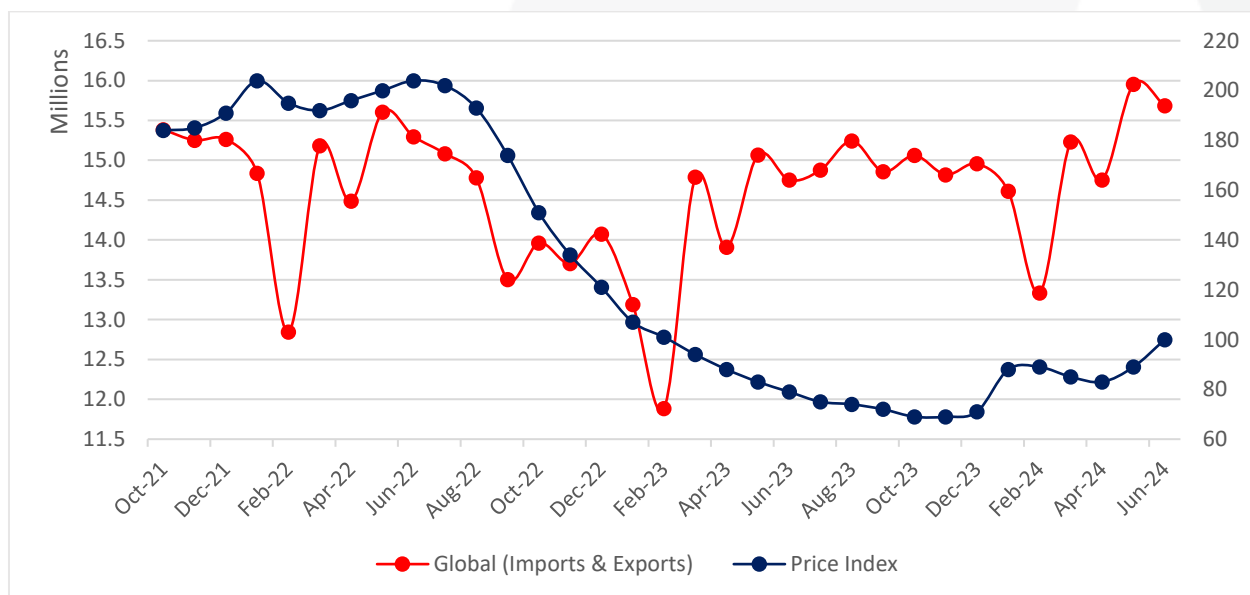
The following section provides some context around the global economy and its impact on trade, mainly an update on (a) the global shipping industry and (b) the global aviation industry.

a. Global shipping industry

i. Global container trade statistics - June

The latest container throughput figures for June from Container Trade Statistics (CTS) show that container volume has decreased by **↓1,7%** (m/m) after an increase of **↑8,1%** (adjusted) in May. Annual throughput is up by a substantial **↑6,3%** (y/y), as global demand for complex goods has undoubtedly recovered. After the substantial increase in container throughput in May, most trade lanes saw reductions, with the Indian Subcontinent and the Middle East experiencing the most significant decrease in both containers discharged at **↓4,9%** (m/m) and containers loaded at **↓8,3%** (m/m). Australasia and Oceania experienced the most significant increase in containers discharged at **↑9,6%** (m/m) and **↑3,8%** (m/m) loaded. The global price index (dry and reefer combined) increased over this period by **↑12,4%** monthly and up by **↑26,6%** yearly. When comparing the price increases with those of the WCI of Drewry, it is apparent that dry goods increase more substantially versus reefers, as the Drewry WCI (dry goods only) increased by **↑41%** monthly and by **↑212%** yearly. The following figure illustrates the global container throughput and price index since October 2021:

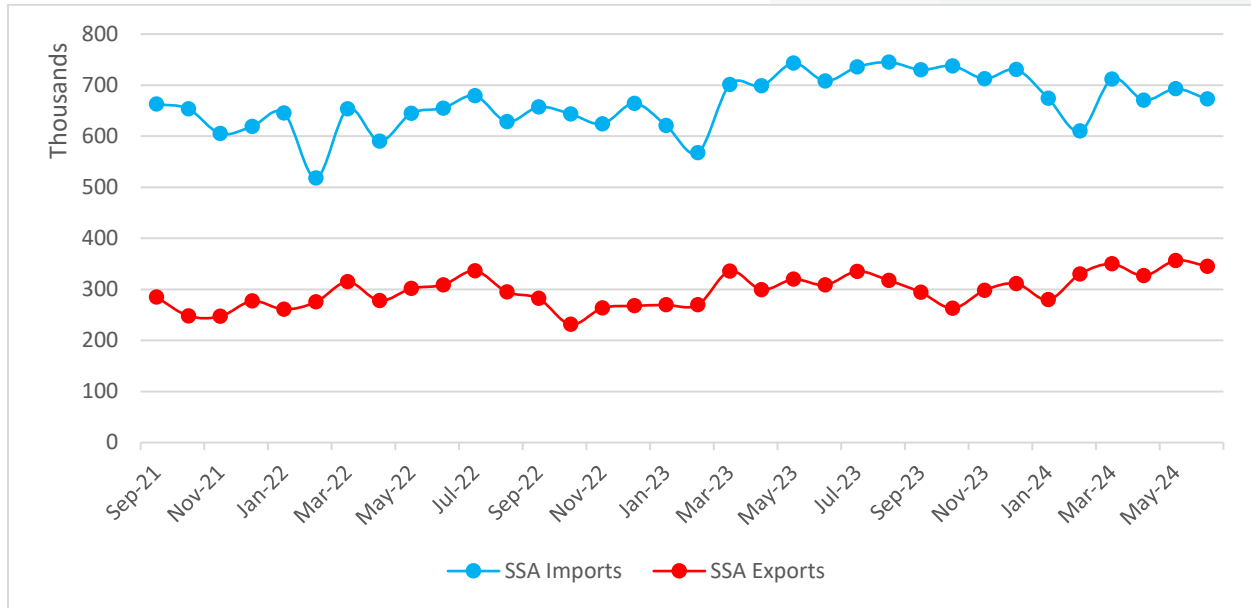
Figure 13 – Global Containerised Throughput (TEUs) and price index



Source: Calculated from [CTS](#)

As illustrated, container throughput reached a total of around **15,7 million TEUs** – some **200 000 containers** off the record throughput of last month. The following figure shows Sub-Saharan African trade over the same period, with a **↓2,9%** (m/m) reduction in containers exported and a **↓3,1%** (m/m) reduction in containers imported:

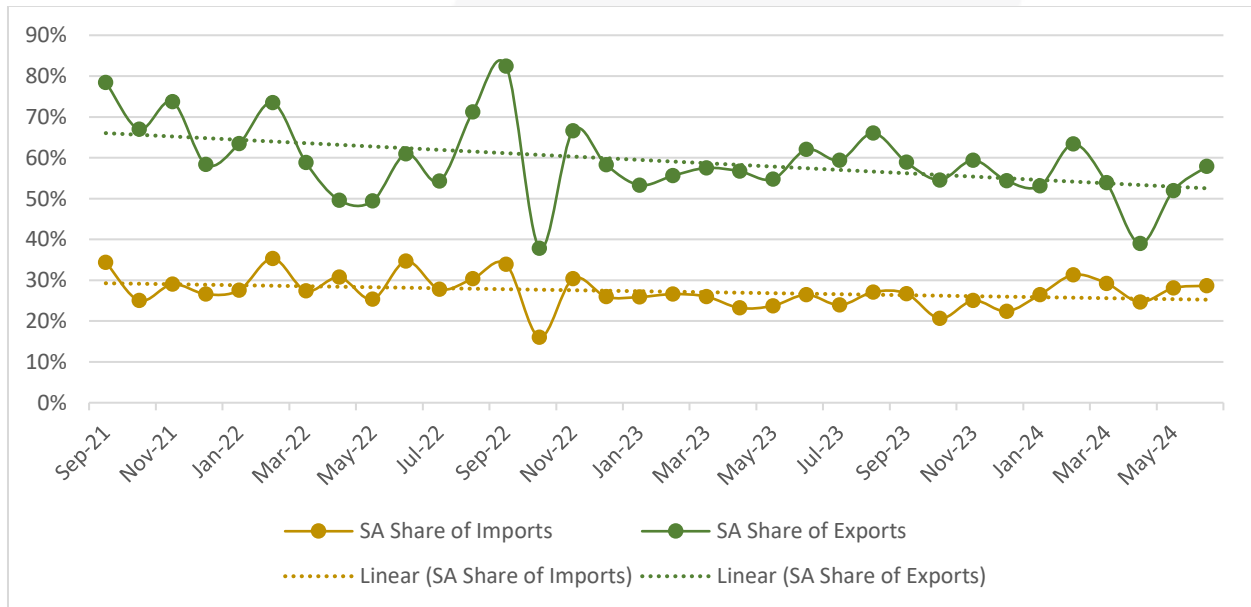
Figure 14 – Sub-Saharan Africa Containerised Throughput (TEUs)



Source: Calculated from [CTS](#)

Despite monthly decreases for the SSA region, yearly SSA trade exports are significantly up – by **↑11,9%** in June. Nevertheless, yearly trade remains down for imports at **↓5%**. When adding South Africa’s share to SSA trade, we see a slight continuation in the change of the directional flow; however, the overall downward trend continues:

Figure 15 – South Africa's share in regional containerised throughput (% share)



Source: Calculated from [CTS](#)

When measuring these, South Africa accounted for **29%** of SSA imports and **58%** of SSA exports in June, according to TNPA figures. These respective shares are significantly less than the highs of **35%** in February

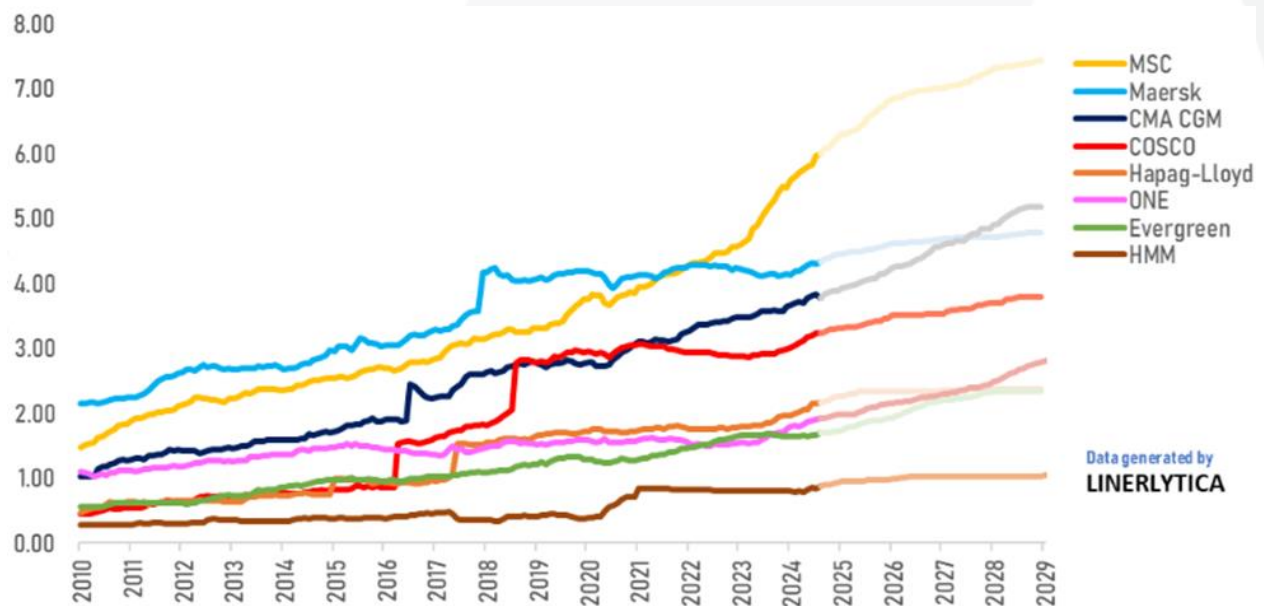
2022 for imports and **82%** in September 2022 for exports. However, there have been some glimmers of hope if we consider the change in the share of exports of late.

ii. Port congestion and container capacity summary

Concerns about a potential US recession have significantly influenced the market this week, resulting in the WCI declining for the fourth consecutive week due to weakening capacity utilisation.¹³ Rates to the US West Coast have experienced the most pronounced decreases. Despite carriers' efforts to implement a mid-August transpacific rate increase, market sentiment remains subdued. Rates to North Europe are comparatively more stable, with capacity still limited by Red Sea diversions and the recent increase in port congestion (currently, some **2,16 million TEUs** – or **7,1%** of the global fleet – is congested), which has had a more severe impact on ports within the Asia-Europe corridor. Congestion remains at the Port of Durban, currently occupying a space on the first page of Linerlytica's "Port Congestion Watch" with a queue-to-berth ratio of **1,12** on Thursday.

Tensions in the Middle East continue to rise, marked by another Houthi attack on a containership last week, despite the vessel having no Israeli affiliations. Effective capacity remains constrained by Red Sea diversions, leading Maersk and ONE to revise their full-year earnings guidance upward. Concurrently, MSC is proceeding with its latest new building initiatives, further expanding its capacity lead over key competitors. MSC's planned new building orders will bring its overall fleet to **7,5 million TEU** by the end of 2028 as it continues to widen the gap with its main rivals. The latest MSC orders are expected to include ten units of **21 000 TEU** at Hantong, a series of **12 000 TEU** units at Rongsheng, and **11 000 TEU** units at Penglai Jinglu to be delivered from 2027. Although CMA CGM's new vessel delivery pipeline will allow it to surpass Maersk by 2027, it will still trail MSC by more than **2 million TEU** by the end of 2028:

Figure 16 – Top 8 Carriers: Projected capacity growth to 2029 (TEU, millions)



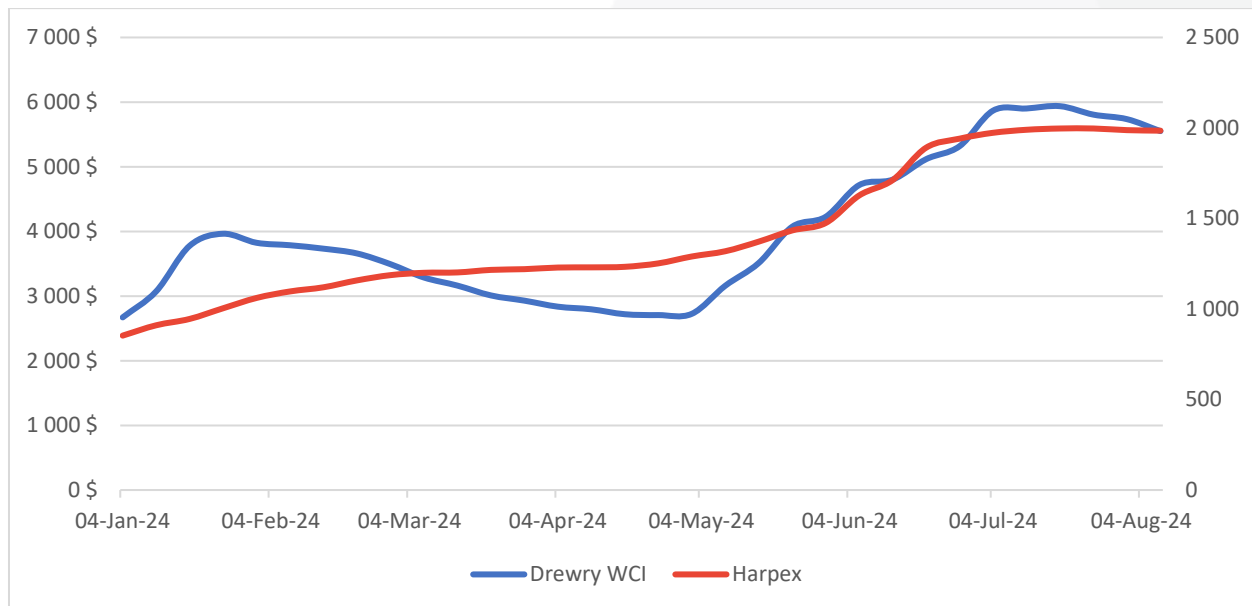
Source: [Linerlytica](https://www.linerlytica.com)

¹³ Linerlytica. 05/08/2024. [Market Pulse – Week 32](https://www.linerlytica.com).

iii. Global container freight rates and carrier profits

Container freight rates have again subsided this week, as Drewry's "World Container Index" decreased by **↓3,2%** (or **\$185**) and is trading at **\$5 551** per 40-ft container.¹⁴ The average composite index for the year-to-date is **\$3 996** per 40-ft container, which is **\$1 204 higher** than the 10-year average rate of **\$2 791**. The best current estimates indicate that we will see rates of just North of **\$4 000** per 40-ft container by the end of the year; however, the recent rates of volatility experienced in the last four years – coupled with the major disruptions to global supply chains – make these estimations almost meaningless with still more than a quarter of the year to go. Charter rates have also continued to decrease, as the Harper Petersen Index (Harpex) is trading around **1 985 points** on Friday, down by **↓0,2%** (w/w) – but still up by **↑80%** compared to this time last year.¹⁵ The following figure shows the movement of both of these indices since the start of the year, with expectations of a continuation of the recent reduction:

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



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

iv. Further developments of note

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

1. Chinese vessels sailing via the Arctic Northern Sea Route to avoid the Red Sea:

- a. Chinese general cargo vessels are exploring the Arctic Northern Sea Route (NSR) as a new, shorter alternative to the traditional Suez Canal route, potentially reducing the journey from China to Northern Europe by nearly half.¹⁶
- b. While this route, supported by Russian infrastructure and investments, offers competitive advantages, it requires vessels with ice-strengthened hulls due to challenging Arctic conditions.
- c. The route also raises political and environmental concerns, as climate change is making Arctic navigation increasingly viable year-round.

¹⁴ Drewry. 08/08/2024. [World Container Index](#).

¹⁵ Harper Petersen Index. 02/08/2024. [HARPER PETERSEN Charter Rates Index](#).

¹⁶ Bartlett, C. 05/08/2024. [Arctic Northern Sea Route a new way to avoid the Red Sea?](#)

2. Container explodes on Yang Ming box ship in Chinese port:

- a. A container carrying highly combustible refrigerated organic peroxides exploded onboard the Yang Ming-owned YM Mobility at the Beilun Port in Ningbo-Zhoushan, causing a fiery blast but no reported casualties.¹⁷
- b. The cause is under investigation, with initial findings suggesting that a reefer container was misused for dangerous goods without a proper power connection.
- c. The incident has prompted reminders from Yang Ming about the severe consequences of misdeclaring dangerous cargo.

3. USEC port workers' union set to finalise contract demands and strike strategy:

- a. The International Longshoremen's Association (ILA) will next month amend its final contract demands and prepare its US East and Gulf coast port worker members for an early-October strike.
- b. The union said it "expects to put in marathon hours" presenting the contract demands to delegates during wage scale committee meetings in New Jersey on 4 and 5 September.¹⁸

b. Global air cargo industry

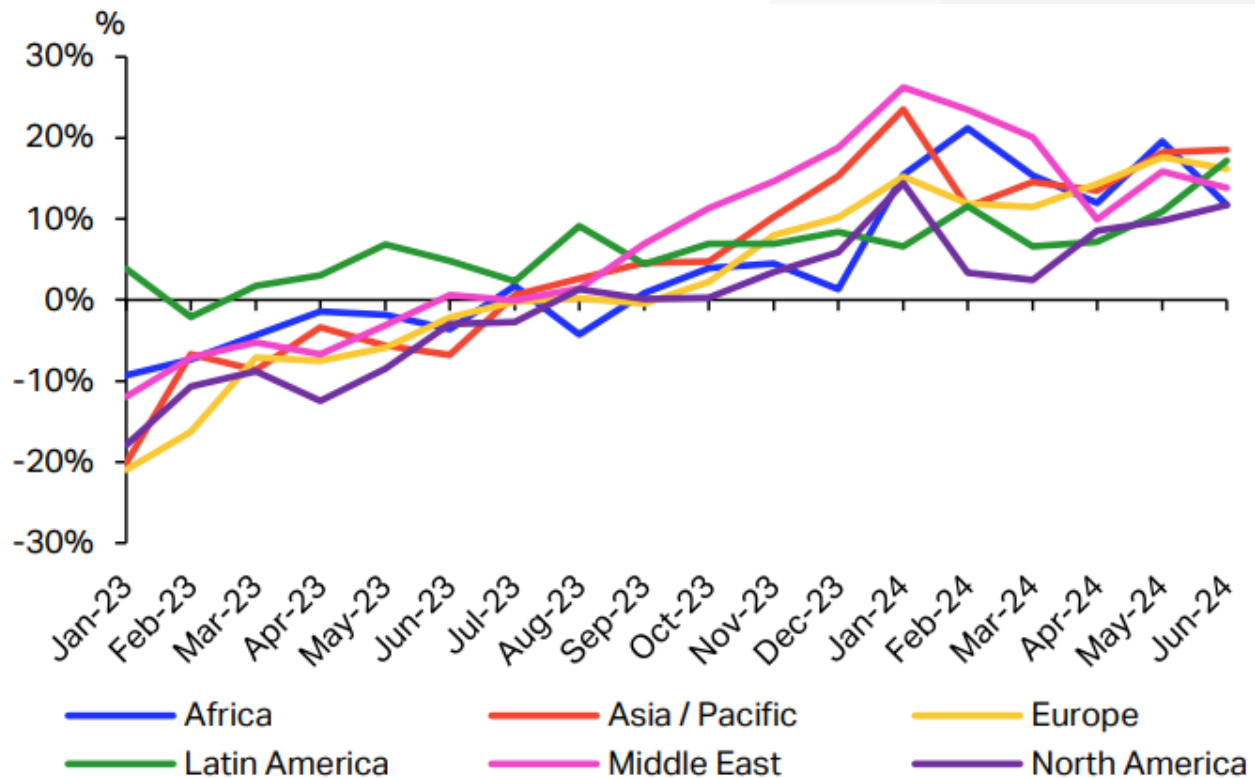
Last week, the International Air Transport Association (IATA) released its latest "Air Cargo Market Analysis" for June.¹⁹ IATA reported strong annual growth in global air cargo demand, continuing a trend of double-digit increases for the seventh consecutive month. Cargo tonne-kilometers (CTKs) rose by **↑14,1%** compared to June 2023, with international operations seeing a **↑15,6%** increase. Capacity also grew by **↑8,8%** year-on-year. The first half of 2024 saw demand up by **↑13,4%** compared to 2023, surpassing levels from 2022 and 2021. The annual expansion in international CTK was supported by all major route areas as well, although with some differences in magnitude. Equivalent to the month before, Africa-Asia and Middle East-Europe championed annual growth in June with outstanding evolutions of **↑37,5%** and **↑30,2%**, respectively, as illustrated here:

¹⁷ Goldstone, C. 09/08/2024. [Container explodes on Yang Ming box ship in Chinese port.](#)

¹⁸ Goldstone, C. 05/08/2024. [USEC port workers' union set to finalise contract demands and strike strategy.](#)

¹⁹ IATA. 30/07/2024. [Air Cargo Market Analysis – June 2024.](#)

Figure 18 – International CTK by airline region of registration (year-on-year, %)



Source: [IATA](http://www.ata.org)

Growth drivers include maritime shipping constraints and booming e-commerce despite economic and political challenges. While global manufacturing expanded slightly, new export orders contracted, and inflation varied across regions, with China experiencing near-zero inflation due to weak domestic demand and ongoing economic difficulties.

In the more frequent data from World ACD, preliminary data for July show that global air cargo tonnages and rates increased by **↑12%** year-on-year. Average worldwide rates rose **↑2%** from June to **\$2,50 per kilogram**, marking a **↑44%** increase compared to July 2019. Rates have steadily climbed from **\$2,30** in Q1 to **\$2,45** in Q2, with further growth in July. The following figures show the movement across the last five weeks:

Figure 19 – Capacity, weight, and rates by region (last five weeks)

Origin Regions
last 2 to 5 weeks



Origin Regions	Capacity ¹			Chargeable weight ¹			Rate ¹		
	Last 5 wks	2Wo2W	YoY	Last 5 wks	2Wo2W	YoY	Last 5 wks	2Wo2W	YoY
Africa		+0%	+1%		-4%	+10%		+2%	+6%
Asia Pacific		-1%	+7%		-2%	+13%		-2%	+22%
C. & S. America		-2%	+18%		-4%	+3%		+2%	-3%
Europe		-1%	+3%		+1%	+6%		-0%	-12%
M. East & S. Asia		-1%	+2%		+1%	+12%		+1%	+55%
North America		-5%	-3%		+0%	+4%		+0%	-7%
Worldwide		-2%	+3%		-1%	+9%		-1%	+12%

Source: [World ACD](http://www.worldacd.com)

July's **↑12%** (y/y) rate increase is the highest this year, surpassing the **↑2%** and **↑6%** increases in May and June. This rise partly reflects last year's rate declines. Key drivers included the Asia Pacific to USA lane, where July spot rates averaged **\$5,80/kg**, up nearly **↑70%** from July 2023 and significantly higher than June's elevated rates.

In other air cargo news, India's regulatory authorities are scrutinising foreign airlines, including Emirates, Singapore Airlines, and British Airways, for alleged evasion of the Goods and Services Tax (GST), with a combined tax demand estimated at **\$1,2 billion**.²⁰ IATA and other industry voices argue that the tax demand conflicts with international conventions, potentially harming India's aviation sector.

ENDS²¹

²⁰ Mathias, A. 07/08/2024. [IATA fights back as India hits major foreign airlines with tax evasion allegations.](#)

²¹ **ACKNOWLEDGEMENT:**

*This initiative – **The Cargo Movement Update** – was developed collectively by the Private Sector at large to provide visibility of the movement of goods during the COVID-19 pandemic. The report is authored by the Southern 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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