

# Cargo Movement Update #207<sup>1</sup>

**Date: 11 October 2024**

## Weekly Snapshot

Table 1 – Port volumes and air cargo flows, week on week

Flows	Current <sup>2</sup>			Previous <sup>3</sup>			Growth
	Import	Export	Total	Import	Export	Total	
Port Volumes (containers)	24 514	34 260	58 774	20 614	31 075	51 689	↑14%
Air Cargo (tons)	3 751	3 000	6 750	4 141	3 170	7 311	↓8%

## Monthly Snapshot

Figure 1 – Cyclical<sup>4</sup> cargo volume, year on year (% growth)

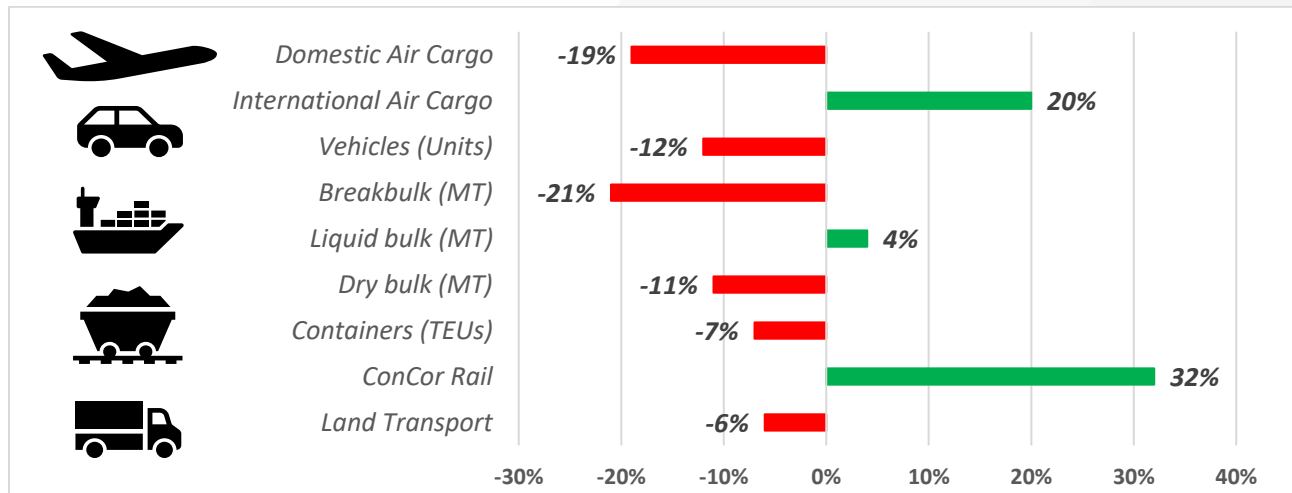
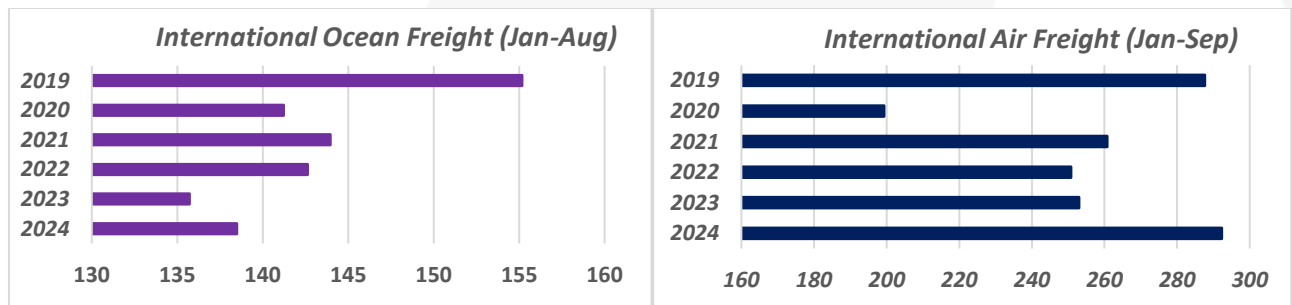


Figure 2 – Year-to-date flows 2019-2024<sup>5</sup>: ocean, y/y (million metric tonnes) & air freight, y/y (kg millions)



## Key Notes

- An average of **~8 396 containers** was handled per day, with **~8 556 containers** projected for next week.
- Rail cargo handled out of Durban was reported at **2 666 containers**, down **↓15%** from last week.
- Cross-border queue: **↓3,6 hrs**; transit: **↓1,5 hrs**; SA borders: **10,9 hrs (↑9%)**; SADC: **4,3 hrs (↑48%)**.
- The top 10 global ocean carriers have 431 ships on order, representing a total capacity of **5,9 million TEU**.
- Container rates are down by **↓4,0%** (or **\$140**), trading at **\$3 349 /40-ft**. Charter rates are following suit.
- IATA reports that global air cargo yields grew **↑12%** (y/y) in August, as spot rates rose to 2024 highs.

<sup>1</sup> This update contains an overview of air, sea, and road freight to and from South Africa in the last week. This report is the 207<sup>th</sup> update.

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

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

<sup>4</sup> 'Monthly' means the last months' worth of available data compared to the same month in the previous year. All metrics: Aug vs Aug.

<sup>5</sup> 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, an average of **8 396 containers** was handled per day, up compared to the **7 384 containers** last week (and up versus predictions, which is very promising). Nevertheless, port operations were still primarily constrained by adverse weather, congestion, and equipment breakdowns. Strong winds and dense fog caused operational constraints in Cape Town this week; adverse weather, a power failure, and equipment breakdowns prevented optimal performance in Durban. Inclement weather conditions and equipment breakdowns ensured operational delays at our Eastern Cape Ports, while several vessel movements were delayed in Richards Bay due to poor weather. Additionally, no trains were moving on the ConCor line between Johannesburg and Durban on Monday due to monthly maintenance being conducted on the line. Sadly, the latest reports suggest that an unfortunate incident took place at Pier 1 in Durban between Wednesday and Thursday, which resulted in a fatality at the port.

Global logistics faced significant disruption this week due to labour strikes and port congestion. The recent three-day strike on the US East Coast, ending with a tentative wage agreement, temporarily impacted shipping capacity. Vessel backlogs could lead to **↓17%** capacity loss if cleared in three days or **↓40%** for week-long delays, particularly on Asia-US East Coast and European routes. Montreal's Port also faces labour tensions, and transatlantic carriers impose surcharges, further straining trade. Global congestion remains at **9% of the fleet**. South Africa's Port of Durban is experiencing increased congestion. Meanwhile, the global container ship orderbook has reached record highs, driven by fleet renewal and CO<sub>2</sub> efficiency targets. Concerning rates, six of the eight major shipping trades saw spot rate reductions this week, with charter rates following suit. Despite reduced blanked sailings, excess capacity remains. Though geopolitical risks could sustain demand, LNG shipping rates may soften in 2024-2025. Other developments included **(1)** shippers opting for direct port calls over the speed of service, **(2)** TS Lines expanding Africa services and ordering more ships, **(3)** the impact of the Strait of Hormuz disruption on the container market, and **(4)** Hurricane Milton's impact on supply chains in Florida and beyond.

The daily average of air cargo handled at ORTIA in the previous week amounted to **535 830 kg** inbound (**↓9%**, w/w) and **428 517 kg** outbound (**↓5%**), resulting in an average of **964 347 kg**. After several weeks of elevated air cargo volumes, this week's decrease again sees the average cargo handled comparatively similar to figures registered last year (**↑2%** versus October 2023) and pre-pandemic (**↑2%** versus September 2019). Although weekly numbers are slightly down from last week (**↓8%**), consolidated September numbers are up by a significant **↑14%** (m/m) and **↑41%** (y/y). Domestically, September numbers have improved monthly. Consolidated domestic air freight volumes for our three primary airports are collectively up versus the same time last month (**↑32%**, m/m) but down versus last year (**↓19%**, y/y). Internationally, global air cargo spot rates rose to new 2024 highs in the first few days of October despite a dip in worldwide tonnages linked to national holidays in China and disruptions to air traffic in the Middle East caused by the increased tensions in the region.

In the regional cross-border road freight trade, the average queue times decreased by around **three and a half hours** from last week, as the transit times decreased by around **an hour and a half** from last week. Interestingly, although the average border crossing times at South African and all SADC borders collectively increased, the increases were concentrated at low-volume borders. The median border crossing times at South African borders increased by almost **an hour**, averaging **10,9 hrs** (**↑9%**, w/w) for the week. In contrast, the greater SADC region (excluding South African controlled) increased by around **an hour and a half** and averaged **~4,3 hrs** (**↑48%**, w/w). On average, two SADC border posts last week took around a day to cross – Beitbridge and Kasumbalesa (the worst affected, taking **around two days** to cross from both sides). Other

developments included **(1)** significant delays at Groblersbrug, Kopfontein, and Skilpadshek due to the new biometric identification system, **(2)** rerouting of transporters, adding an 850 km detour, **(3)** temporary reinstatement of the old system at Groblersbrug to manage the backlog, **(4)** continued complaints despite the reintroduction of the new system, with long queues persisting, and **(5)** BURS has issues warning on ongoing traffic congestion at Martin's Drift Border Post.

In wrapping up this edition, it is evident that although improvements in our logistics network have unfolded at a measured pace, they are laying the groundwork for long-term, transformative outcomes. These are driven by the critical work of the National Logistics Command Centre (NLCC) and its steadfast efforts to stabilise operations, modernise the infrastructure, and foster an enabling environment for trade. Recent challenges, such as the High Court's ruling on the Durban Container Terminal Pier 2, present an opportunity to drive meaningful reforms that enhance private sector participation. These reforms will attract global partners, modernising the logistics landscape with advanced technologies and operational efficiencies. By fostering both inter- and intra-port competition, we can create a more dynamic system that enhances productivity and reduces costs across the supply chain. The NLCC's initiatives and private sector investment promise to transform South Africa's ports into competitive, world-class hubs, driving economic growth, job creation, and increased global trade. The road ahead is bright, as reforms continue to pave the way for a more robust, more efficient logistics network that will hopefully reinvigorate South Africa's position on the global stage.

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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 5 to 11 October<sup>6</sup>

7-day flow reported (05/10/2024 – 11/10/2024)			
TERMINAL	NO. OF CONTAINERS <sup>7</sup> TO DISCHARGE (IMPORT)	NO. OF CONTAINERS TO LOAD (EXPORT)	CHANGE (w/w %)
DURBAN CONTAINER TERMINAL PIER 1:	4 317	5 487	↑9%
DURBAN CONTAINER TERMINAL PIER 2:	8 910	13 227	↑2%
CAPE TOWN CONTAINER TERMINAL:	7 802	6 386	↑75%
NGQURA CONTAINER TERMINAL:	2 994	6 977	↑10%
GQEBERHA CONTAINER TERMINAL:	491	2 183	↓28%
<b>TOTAL:</b>	<b>24 514</b>	<b>34 260</b>	<b>↑14%</b>

Source: Transnet, 2024. Updated 11/10/2024.

Table 3 – Container Ports – Weekly flow forecasted for 12 to 18 October

7-day flow forecast (12/10/2024 – 18/10/2024)			
TERMINAL	NO. OF CONTAINERS TO DISCHARGE (IMPORT)	NO. OF CONTAINERS TO LOAD (EXPORT)	FORECAST VS ACTUAL (w/w %)
DURBAN CONTAINER TERMINAL PIER 1:	5 255	4 967	↑4%
DURBAN CONTAINER TERMINAL PIER 2:	10 719	13 170	↑8%
CAPE TOWN CONTAINER TERMINAL:	5 792	6 831	↓11%
NGQURA CONTAINER TERMINAL:	5 629	6 743	↑24%
GQEBERHA CONTAINER TERMINAL:	650	133	↓71%
<b>TOTAL:</b>	<b>28 045</b>	<b>31 844</b>	<b>↑2%</b>

Source: Transnet, 2024. Updated 11/10/2024.

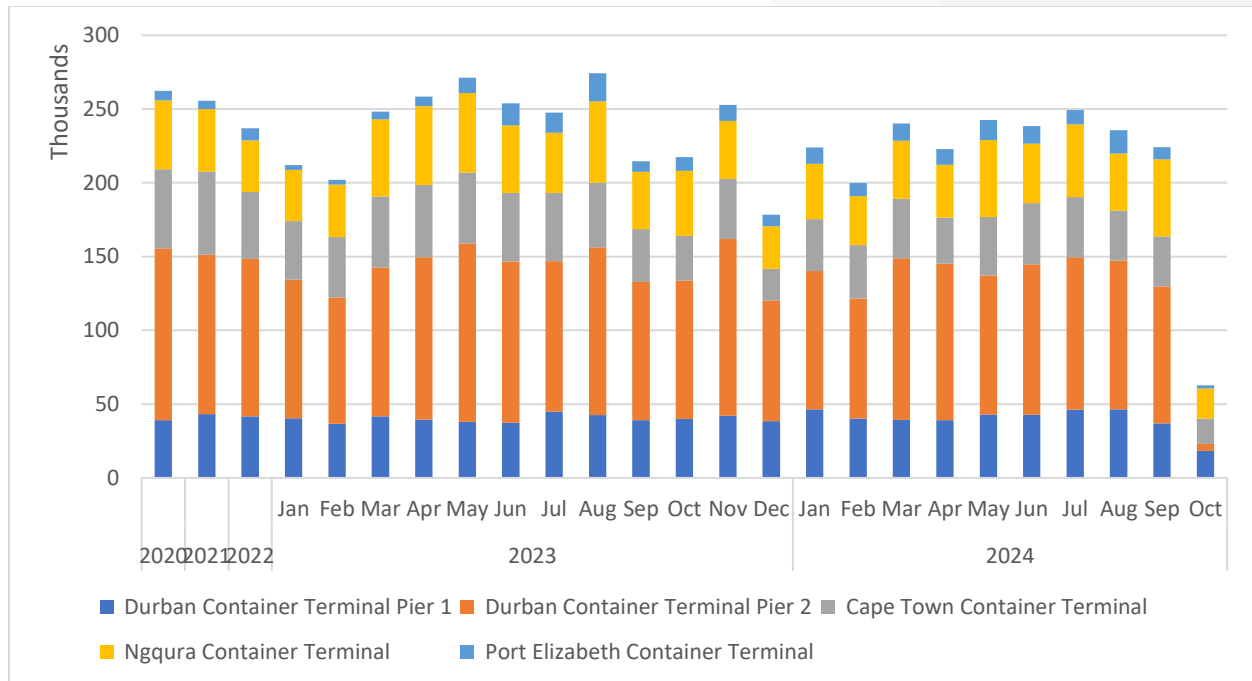
An increased average of **~8 384 containers (↑14%)** was handled per day for the last week (5 to 11 October, Table 2), compared to the projected average of **~7 913 containers (↑6% actual versus projected)** noted in last week's report. For the coming week, a slightly increased average of **8 556 containers (↑2%)** is predicted to be handled (12 to 18 October, Table 3) in a best-case scenario. This week, Port operations were mainly constrained by adverse weather, congestion, and equipment breakdowns.

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.

<sup>6</sup> 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.

<sup>7</sup> 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.

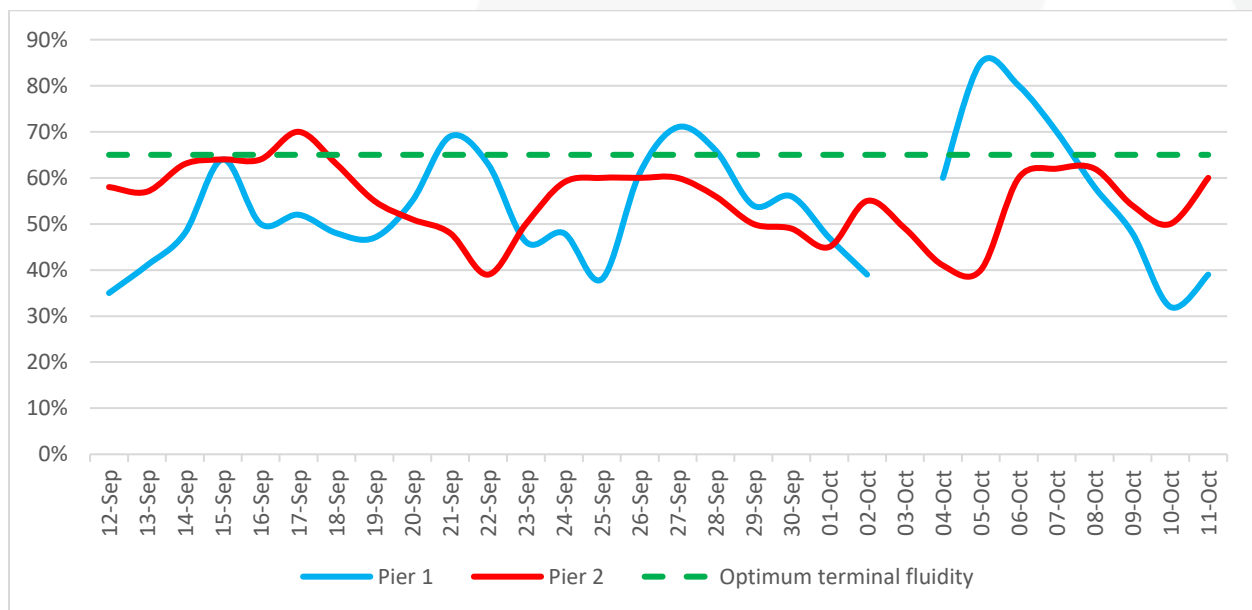
Figure 3 – Monthly flow reported for total container movement (containers April 2020 to present, m/m)



Source: Calculated using data from Transnet, 2024, and updated 11/10/2024.

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

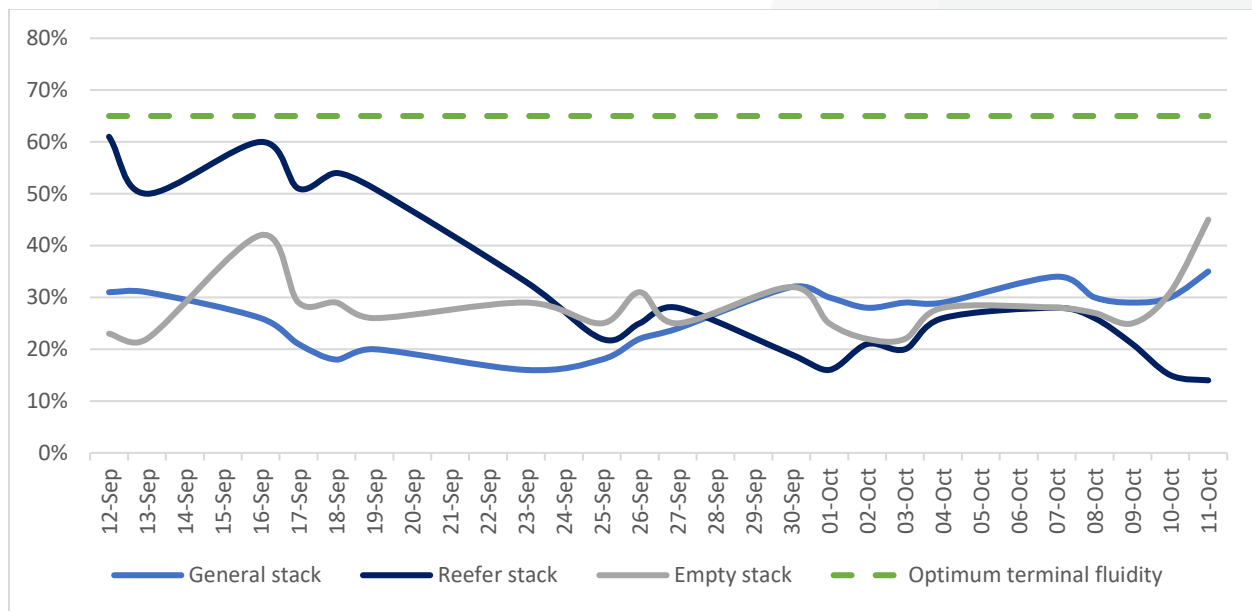
Figure 4 – Stack occupancy in DCT, general-purpose containers (12 September to present; a day on the day)



Source: Calculated using data from Transnet, 2024, and updated 11/10/2024.

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 (12 September to present, day on day)



Source: Calculated using data from Transnet, 2024, and updated 11/10/2024.

## b. Summary of port operations

### i. Weather and other delays

- Strong winds and dense fog caused operational constraints in Cape Town this week.
- Adverse weather, power failure, and equipment breakdowns prevented optimal performance in Durban.
- Inclement weather conditions and equipment breakdowns ensured operational delays at our Eastern Cape Ports.
- Several vessel movements were delayed in Richards Bay due to poor weather.

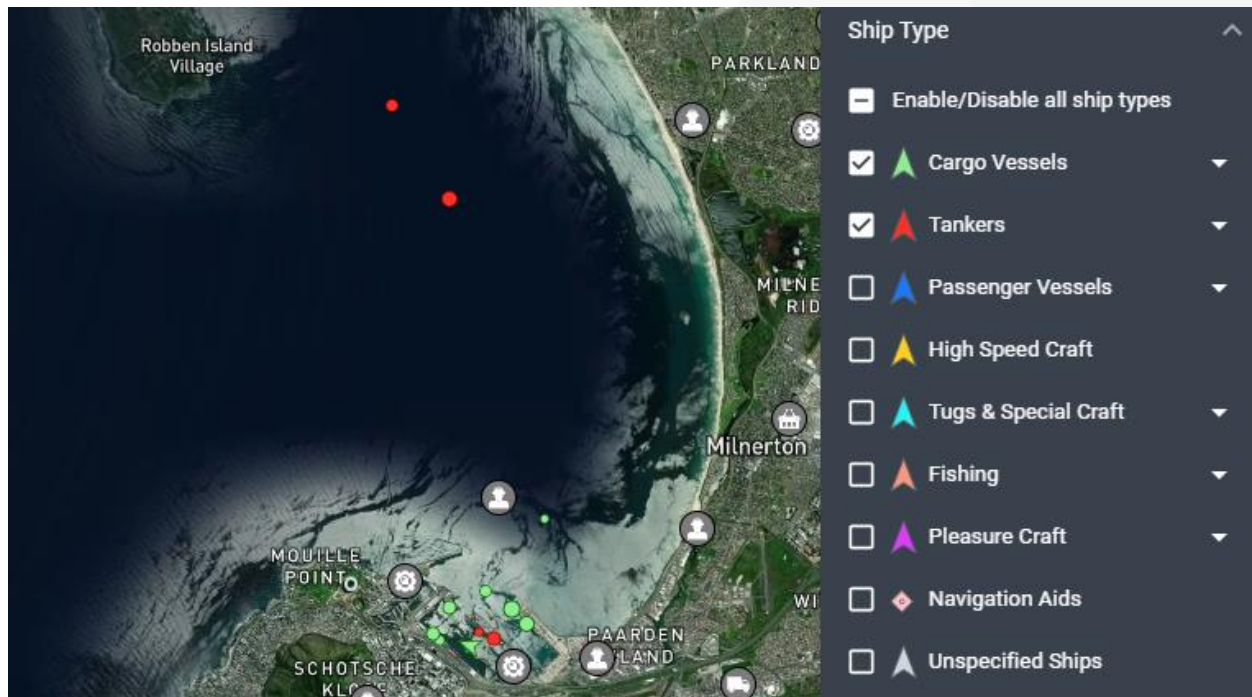
### ii. Cape Town

On Friday, CTCT recorded two vessels at berth and zero at anchor, as strong winds and dense fog prevented optimal performance at the terminal this week. This week, on the landside, the terminal managed to service **4 441** trucks while handling approximately **244** rail units. On the waterside, the terminal executed approximately **6 018** container moves across the quay during the same period. Stack occupancy for GP containers was recorded at **35%**, reefers at **14%**, and empties at **45%**. Additionally, the terminal operated with **eight STS** cranes, **24 RTGs**, and **55 hauliers** towards the end of the week. Crane LC3 was out of commission on Friday but was expected to return to service before the weekend.

On Friday, CTMPT recorded one berthed vessel, which only started operations after 09:00, and zero vessels at anchor. Minimal operations occurred at the terminal this week as they merely executed **186 moves** across the quay. On the landside, approximately **123 trucks** were processed throughout the week. Towards the end of the week, stack occupancy was recorded at **14%** for **general cargo**, **4%** for **reefers**, and **1%** for **empties**. For the most significant part of the week, merely **one** of the three cranes was operational. The load tests scheduled for crane 550 were postponed to Saturday, while crane 400 made a welcome return to service. Not all repairs on the machine have been finalised yet, suggesting that it will work a bit slower than usual until all repairs are completed.

At midday on Friday, there was **one container vessel** at inner anchorage in Cape Town, with the following snapshot of the port and surrounds:

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



Source: Marine Traffic. Updated 11/10/2024 at 14:00.

### iii. Durban

On Friday, Pier 1 recorded two vessels on berth, operated by five gangs, with one at anchor. Stack occupancy was **39% for GP containers**. This week, the terminal executed approximately **5 769 gate moves** on the landside, with an average TTT of **~91 minutes (↓9%, w/w)** and an average staging time of **~59 minutes (↓23%, w/w)**. Additionally, the terminal moved approximately **5 167 TEUs** across the quay on the waterside between Monday and Thursday. The terminal had **five STS cranes** and **14 RTGs** in service at the start of the week. Reports from TNPA stated that the COSATU strike on Monday did not impact the terminal. Additionally, a power outage on Friday morning disrupted operations at the terminal from around 04:50 until 07:30.

The latest reports suggest that an unfortunate incident took place at Pier 1 in Durban between Wednesday and Thursday, which resulted in a fatality at the port. The incident seemingly occurred while working on the vessel at 107. On Thursday morning, the terminal was not operational on the waterside; however, landside operations resumed then. Sincere condolences are extended to the friends and family of this individual.

Pier 2 had four vessels on berth and four at anchorage on Thursday, as adverse weather, the COSATU strike, and equipment breakdowns prevented optimal operational performance this week. Stack occupancy was recorded at **60% for GP containers**. The terminal operated with **11 gangs** and moved approximately **11 196 containers** across the quay between Monday and Thursday on the waterside. This week, there were approximately **11 890 gate moves** on the landside, with an average TTT of **82 minutes (↑11%, w/w)** and a **staging time of ~102 minutes (↓12%, w/w)** throughout the week. Additionally, approximately **1 451 units** were moved by rail this week. The number of available straddle carriers fluctuated between **45 and 49** out of a fleet complement of 88 this week. Thus, the availability figure sat roughly at **53%** during this period.



Towards the end of the week, crane 531 at North Quay remained out of service and is anticipated to return to operations around 15 October, while crane 527 was anticipated to return to service on Friday. Crane 525 at East Quay remained out of commission but was also anticipated to return to operations on Friday. At South Quay, cranes 520 and 522 remain on extended outages, with 522 expected back in operations around 20 November and 520 around January 2025.

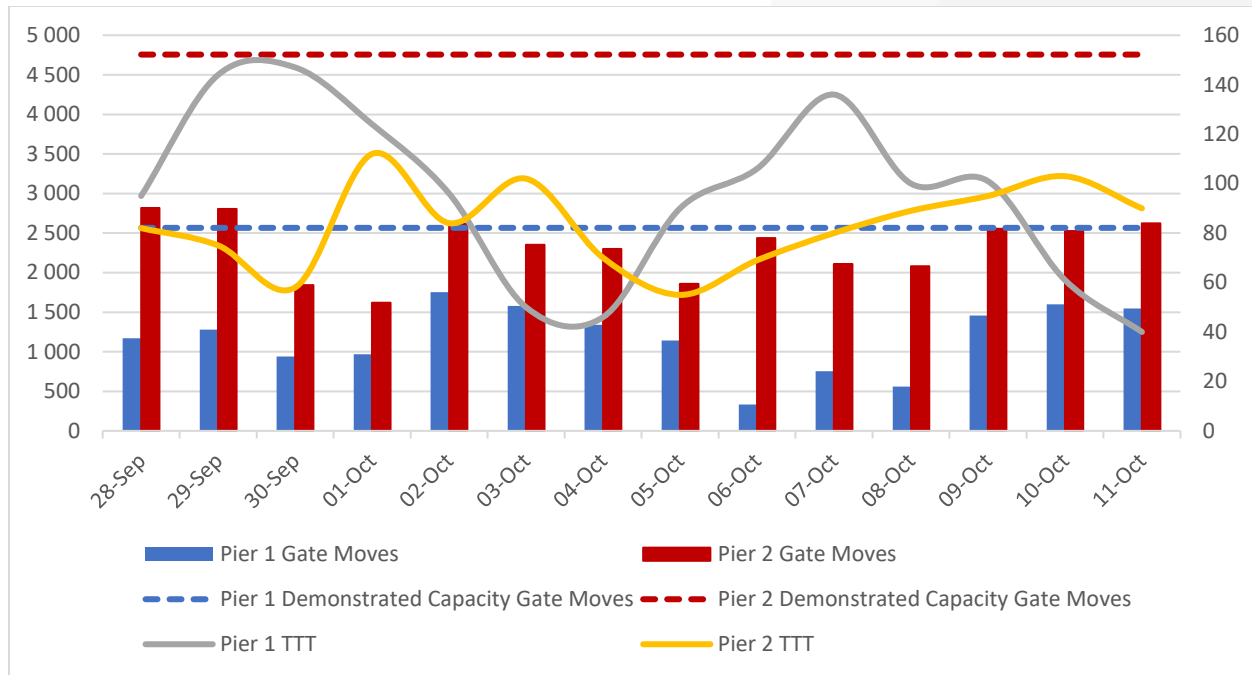
During the last week, engineering work to increase bay capacity at DCT's Tower 202 caused significant landside delays at North Quay. Truck turnaround times reached over 12 hours on various occasions during the week. Up to 200 vehicles were in staging and queue for tower 202. The situation around available straddle carriers at DCT added to this serious congestion with extended delays in import evacuation and export delivery. The work at 202 is scheduled for completion in mid-November, and there will likely be ongoing delayed TTT during this period. On completion, increased bay capacity will improve overall performance at the tower.

Durban's MPT terminal recorded three container vessels at berth on Friday and three at outer anchorage. Stack occupancy for containers was 83%, with the breakbulk stack at 75%. In the preceding 24 hours, the terminal managed to handle 547 containers but zero tons of breakbulk on the waterside. On the landside, 348 container trucks and 40 breakbulk RMTs were serviced. During this period, three cranes, 11 reach stackers, eight forklifts, and 18 ERFs were in operation. The fourth crane is still on course to return to service towards the end of January.

On Thursday, the Ro-Ro terminal in Durban recorded two vessels on the berth, with one at anchorage. In the 24 hours before Friday, the terminal handled 1 374 road and 266 rail units on the landside while handling 2 261 units on the waterside. Overall stack occupancy was 75% (Exports: 43%, Imports: 52%, Transshipments: 4%), 5% at Q&R, and 5% at G-berth. During this period, the terminal had 158 high-and-heavy (abnormal loads) on hand and managed to handle 44.

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.

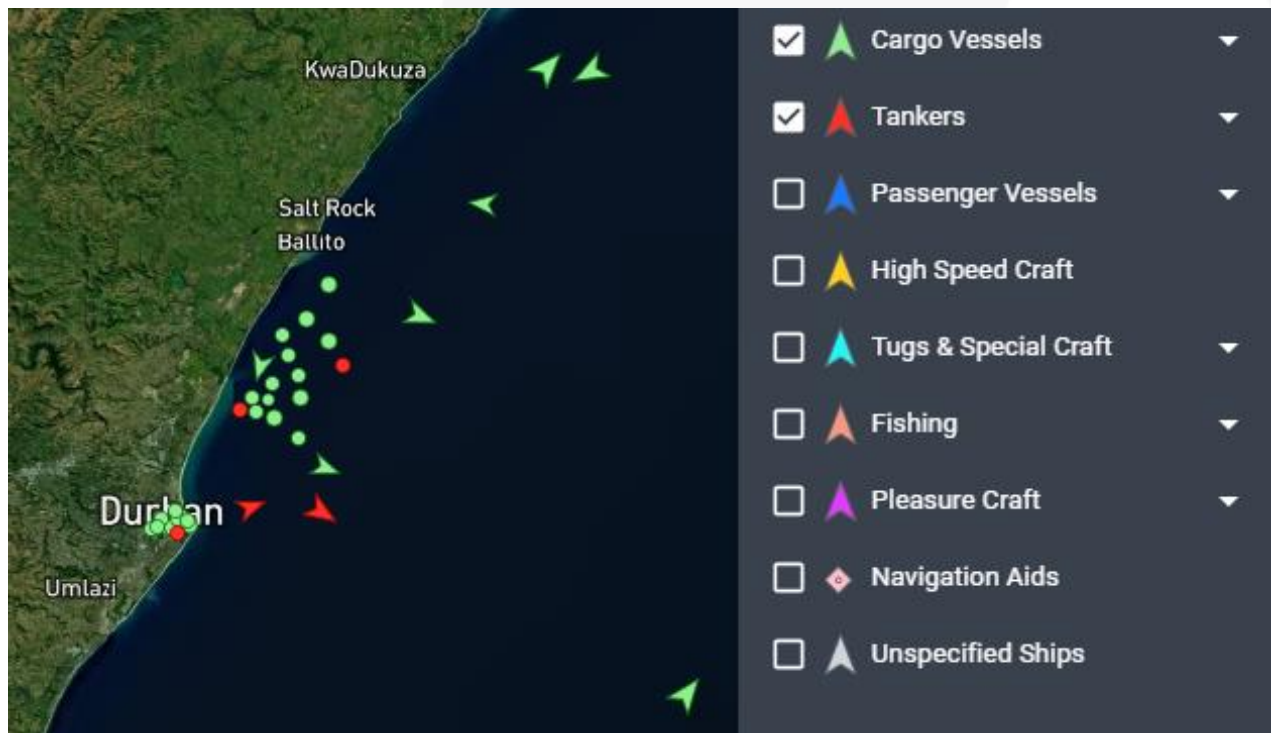
Figure 7 – Gate moves (left axis) and time spent in the terminal (in minutes, right axis)



Source: Calculated using data from Transnet, 2024, and updated 11/10/2024.

A queue of container vessels waiting outside Durban has built up and remains. At midday on Friday, **six** vessels were waiting for Pier 2, **two** for Pier 1, and **two** for Point terminal, with a current estimation of **at least seven additional days added to the schedules** (similar to last week). 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 11/10/2024 at 14:00.

#### iv. Richards Bay

On Friday, Richards Bay recorded 14 vessels at anchor and 16 on the berth, translating to four vessels at DBT, six at MPT, four at RBCT, and two at the liquid bulk terminal. Two tugs and one pilot boat operated for marine resources in the 24 hours before, as the helicopter was out of commission for the most significant part of the week. The aircraft is, however, anticipated to return to operations before the weekend. On Wednesday, the coal terminal had one vessel at berth and one at anchor while handling 72 588 tons on the waterside. The average for the week was around **145 000 tons** (↓**18%**, w/w). However, on the landside, 23 trains were serviced, exceeding the target of 22.

#### v. Eastern Cape ports

On Tuesday, NCT recorded three vessels on berth and one at anchor, with three vessels drifting. Marine resources of two tugs, one pilot boat, two pilots, and one berthing gang were in operation in the 24 hours before. Stack occupancy figures were recorded at **37%** for **reefers**, **50%** for **reefer ground slots**, and **34%** for the **general stack**. Despite conceding around 14 operational hours to adverse weather during this period, the terminal handled approximately **998 TEUs** on the waterside. Approximately 142 trucks were processed on the landside at an average **TTT** of **~42 minutes**. During the same period, **one train** was serviced at an **RTT** of **~0,1 hours**. TPT indicated that the COSATU strike on Monday impacted the terminal.

On Tuesday, GCT recorded zero vessels at berth and zero at outer anchorage. Marine resources of two tugs, a pilot boat, two pilots, and one berthing gang were in operation in the preceding 24 hours. Despite being windbound during this period, **122 trucks** were processed at a **TTT** time of **~17 minutes**. Additionally, **two** trains were serviced at an **RTT** of **~1,3 hours**. Stack occupancy figures were recorded at **9%** for **reefers**, **24%** for **reefer ground slots** and **20%** for the **general stack**.

#### vi. Saldanha Bay

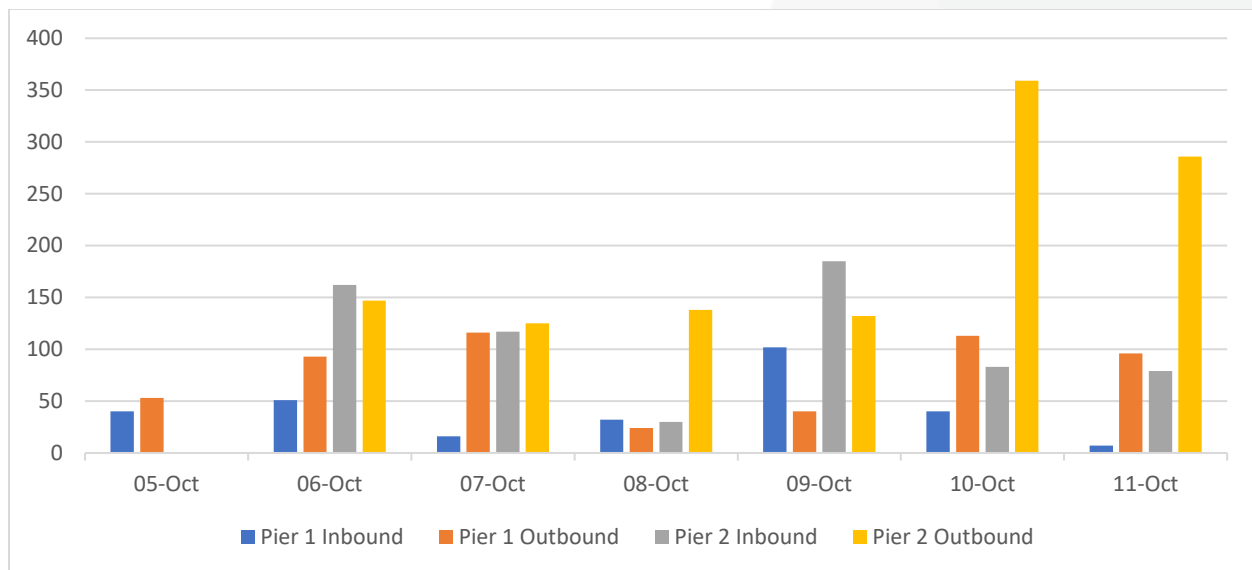
On Thursday, the Iron-ore terminal had one vessel at anchorage and two on the berth, while the multi-purpose terminal had one and four at anchor.

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

No trains were moving on the ConCor line between Johannesburg and Durban on Monday due to monthly maintenance being conducted on the line. The line was occupied from 06:00 – 18:00, with trains only scheduled to start moving after 18:00. Towards the end of the week, DCT Pier 2 had 183 ConCor units on hand with a dwell time of 72 hours and 139 over-border units with a dwell time of 7 days. Rail containers on hand in Durban were reported as follows: Pier 1: 12, Pier 2: 148, Point: 60.

The following figures show the number of containers handled on the Container Corridor this week:

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



Source: Calculated using data from Transnet, 2024. Updated 11/10/2024.

In the last week (5 to 11 October), rail cargo handled out of Durban was reported at **2 666** containers, down by **↓15%** from the previous week's **3 147** containers.

#### viii. KwaZulu-Natal High Court judgement

In light of the recent High Court ruling on the Durban Container Terminal Pier 2, the majority of the private sector is calling for enhanced private sector involvement in South Africa's port operations. This shift in approach, driven by the inefficiencies at Durban Port, a critical trade hub, presents a significant opportunity. The industry argues that private sector expertise is essential to modernising port operations, improving productivity, and fostering economic growth, offering a promising future for South Africa's ports.

Moreover, the industry stresses the importance of establishing competitive frameworks both within and between ports. By encouraging competition, operational inefficiencies can be addressed, and service standards improved, which will ultimately benefit the entire logistics value chain. Increased investment in port infrastructure, technology, and human resources will elevate South Africa's ports to international standards and serve as a catalyst for job creation and broader economic development. We urge all stakeholders to work together and expedite the necessary reforms to ensure the country's ports are competitive, efficient, and capable of meeting global trade demands, underscoring the urgency of the situation.

In response to the High Court's decision, Transnet will continue implementing key infrastructure upgrades and operational improvements at Durban Container Terminal Pier 2. These include increasing the number of operational tugs, expanding pilot boat services, and enhancing dredging activities to improve marine delays. Transnet is also focused on ramping up slot capacity on the Container Corridor and reducing truck congestion through rail infrastructure upgrades. Additionally, new straddle carriers and cranes will be deployed over the coming months, aiming to reduce berthing delays and truck turnaround times, ensuring sustained improvement in port performance.

## 2. Air Update

### a. International air cargo

The following table shows the inbound and outbound air cargo flows to and from ORTIA for the week beginning 30 September. For comparative purposes, the average air freight cargo (inbound and outbound) handled at ORTIA in *October 2023* averaged **~944 516 kg** per day.

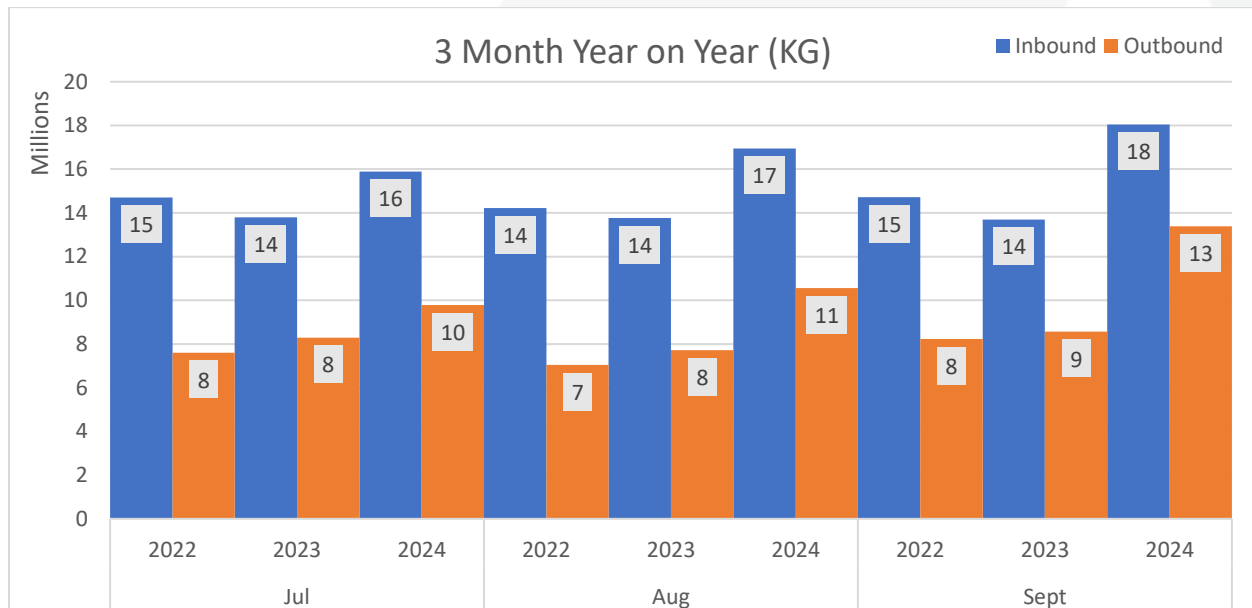
Table 4 – International inbound and outbound cargo from OR Tambo

Flows	30-Sep	01-Oct	02-Oct	03-Oct	04-Oct	05-Oct	06-Oct	Week
Volume inbound	503 020	209 796	436 040	198 278	324 503	369 282	1 709 889	<b>3 750 808</b>
Volume outbound	230 303	268 509	299 708	222 139	236 794	207 657	1 534 509	<b>2 999 619</b>
Total	<b>687 980</b>	<b>459 718</b>	<b>662 618</b>	<b>441 679</b>	<b>788 427</b>	<b>480 107</b>	<b>3 790 138</b>	<b>6 750 427</b>

Courtesy of ACOC. Updated: 09/10/2024.

The daily average of air cargo handled at ORTIA in the previous week amounted to **535 830 kg** inbound (↓9%, w/w) and **428 517 kg** outbound (↓5%), resulting in an average of **964 347 kg**. After several weeks of elevated air cargo volumes, this week's decrease again sees the average cargo handled comparatively similar to figures registered last year (↑2% versus October 2023) and pre-pandemic (↑2% versus September 2019). Although weekly numbers are slightly down from last week (↓8%), consolidated September numbers are up by a significant ↑14% (m/m) and ↑41% (y/y), as evidenced by the following three-year view:

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



Courtesy of ACOC. Updated: 09/10/2024.

For our other international terminals, the following changes have been observed for September. Global air cargo to and from Cape Town increased monthly by ↑44% (m/m) and annually by ↑38% (y/y), and Durban cargo increased monthly by ↑3% (m/m) and annually by a significant ↑12% (y/y).

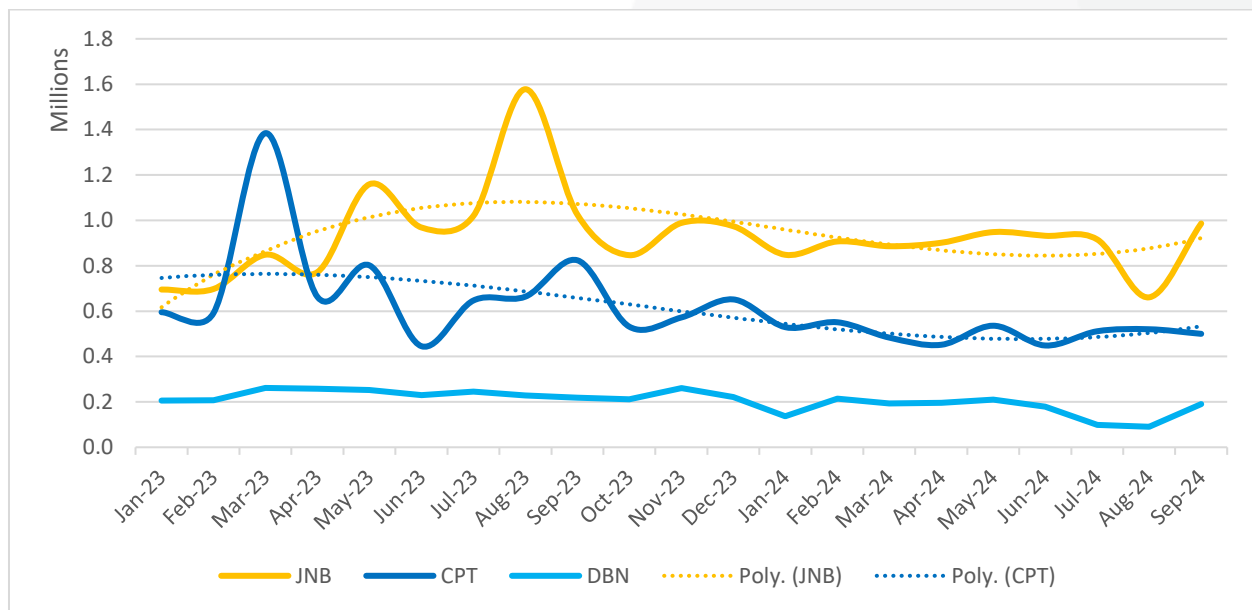
### b. Domestic air cargo

Consolidated domestic air freight volumes for our three primary airports are collectively up versus the same time last month ( $\uparrow 32\%$ , m/m) but down versus last year ( $\downarrow 19\%$ , y/y). Individually, the following movements have been observed for September:

- Johannesburg cargo increased monthly by  $\uparrow 49\%$  (m/m) but decreased annually by  $\downarrow 4\%$  (y/y).
- Cape Town cargo decreased monthly by  $\downarrow 4\%$  (m/m) and annually by  $\downarrow 39\%$  (y/y).
- Durban cargo more than doubled and increased monthly by  $\downarrow 111\%$  (m/m) but decreased annually by  $\downarrow 13\%$  (y/y).

The following figure shows the movement since 2023, with September numbers showing an encouraging increase for Johannesburg and Durban:

Figure 11 – Domestic inbound and outbound cargo (thousands)



Courtesy of ACOC. Updated: 11/10/2024.

### 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 almost **an hour**, averaging **10,9 hrs** ( $\uparrow 9\%$ , w/w) for the week.
- In contrast, the greater SADC region (excluding South African controlled) increased by around **an hour and a half** and averaged **~4,3 hrs** ( $\uparrow 48\%$ , w/w).
- **BMA immigration’s new biometric identification system has caused significant delays at Groblersbrug, Kopfontein, and Skilpadshek border posts:**
  - On Monday, complaints emerged about waiting times of 2+ days at Groblersbrug due to:
    - Long processing times (up to 35 minutes per traveller).
    - Shortage of staff.
  - Similar delays occurred at Skilpadshek and Kopfontein, exacerbated by the rerouting of transporters, adding an 850 km detour.

- In contrast, Beitbridge Border, where the system was first implemented, experienced fewer issues due to a larger staff allocation.
- By Tuesday morning, the old system was temporarily reinstated at Groblersbrug to manage the backlog, with additional staff deployed to accelerate processing.
- As a result, the movement of goods improved significantly.
- The new system was reintroduced on Wednesday morning, but complaints persisted, particularly about transporters arriving without cleared documentation.
- Videos showed 2 km long queues of cleared vehicles outside the border, and the southbound queue on Monday was measured at 10 km.
- The hope is that the BMA will resolve these issues in the coming days.
- **BURS has issued a warning on ongoing traffic congestion at Martin's Drift Border Post:**
  - BURS has issued a public notice informing travellers about ongoing traffic congestion at Martin's Drift Border Post and Groblersbrug, caused by implementing a new passenger clearance system on the South African side.
  - BURS advises travellers to use alternative border posts to avoid delays and is working closely with South African counterparts to restore normal traffic flow.

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

Table 5 – Delays<sup>8</sup> summary – South African borders (both directions)

Border Post	Direction	HGV <sup>9</sup> 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	431	23,1	6,5	23,1	12 930	3 017
Beitbridge	Zimbabwe-SA	418	14,0	2,4	13,6	12 540	2 926
Groblersbrug	SA-Botswana	181	18,1	0,6	18,0	5 430	1 267
Martins Drift	Botswana-SA	164	3,0	0,5	2,6	4 920	1 148
Kopfontein	SA-Botswana	237	13,1	1,2	13,0	7 110	1 659
Tlokweng	Botswana-SA	20	0,6	0,2	0,4	600	140
Violsdrift	SA-Namibia	30	3,9	1,5	3,5	900	210
Noordoewer	Namibia-SA	20	1,9	0,4	1,6	600	140
Nakop	SA-Namibia	30	2,4	0,4	2,2	900	210
Ariamsvlei	Namibia-SA	20	1,1	0,4	1,1	600	140
Skilpadshek	SA-Botswana	213	13,8	2,4	13,5	6 390	1 491
Pioneer Gate	Botswana-SA	65	0,6	0,0	0,0	1 950	455
Lebombo	SA-Mozambique	1 446	3,3	0,5	3,2	43 380	10 122
Ressano Garcia	Mozambique-SA	125	1,3	0,2	1,2	3 750	875
<b>Sum/Average</b>		<b>3 400</b>	<b>7,2</b>	<b>1,2</b>	<b>6,9</b>	<b>102 000</b>	<b>23 800</b>

Source: TLC, FESARTA, & Crickmay, week ending 06/10/2024.

<sup>8</sup> 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. 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.

<sup>9</sup> Heavy Goods Vehicles. Note: These statistics are rolling averages; therefore, they would not typically change weekly but rather monthly.

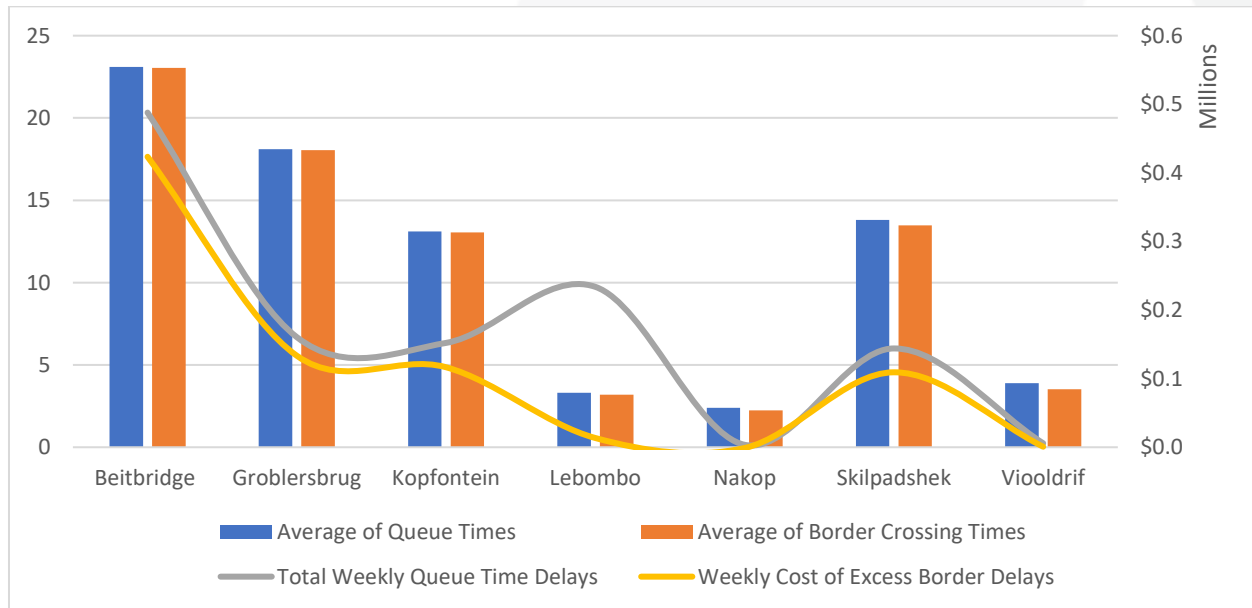
Table 6 – Delays summary – Corridor perspective

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	13,0	1,7	12,8	9 600	2 240
Central Corridor	798	2,0	0,2	1,9	23 940	5 586
Dar Es Salaam Corridor	1 819	11,1	1,1	11,1	54 570	12 733
Maputo Corridor	1 571	2,3	0,4	2,2	47 130	10 997
Nacala Corridor	127	0,0	0,0	0,0	3 810	889
North/South Corridor	3 523	10,1	1,2	10,0	105 690	24 661
Northern Corridor	2 817	1,3	0,1	1,3	92 520	21 588
Trans Caprivi Corridor	116	0,0	0,0	0,0	3 480	812
Trans Cunene Corridor	100	0,0	0,0	0,0	3 000	700
Trans Kalahari Corridor	308	4,4	0,8	4,1	9 240	2 156
Trans Oranje Corridor	100	2,3	0,7	2,1	3 000	700
<b>Sum/Average</b>	<b>11 599</b>	<b>5,1</b>	<b>0,6</b>	<b>5,0</b>	<b>355 980</b>	<b>83 062</b>

Source: TLC, FESARTA, & Crickmay, week ending 06/10/2024.

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

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

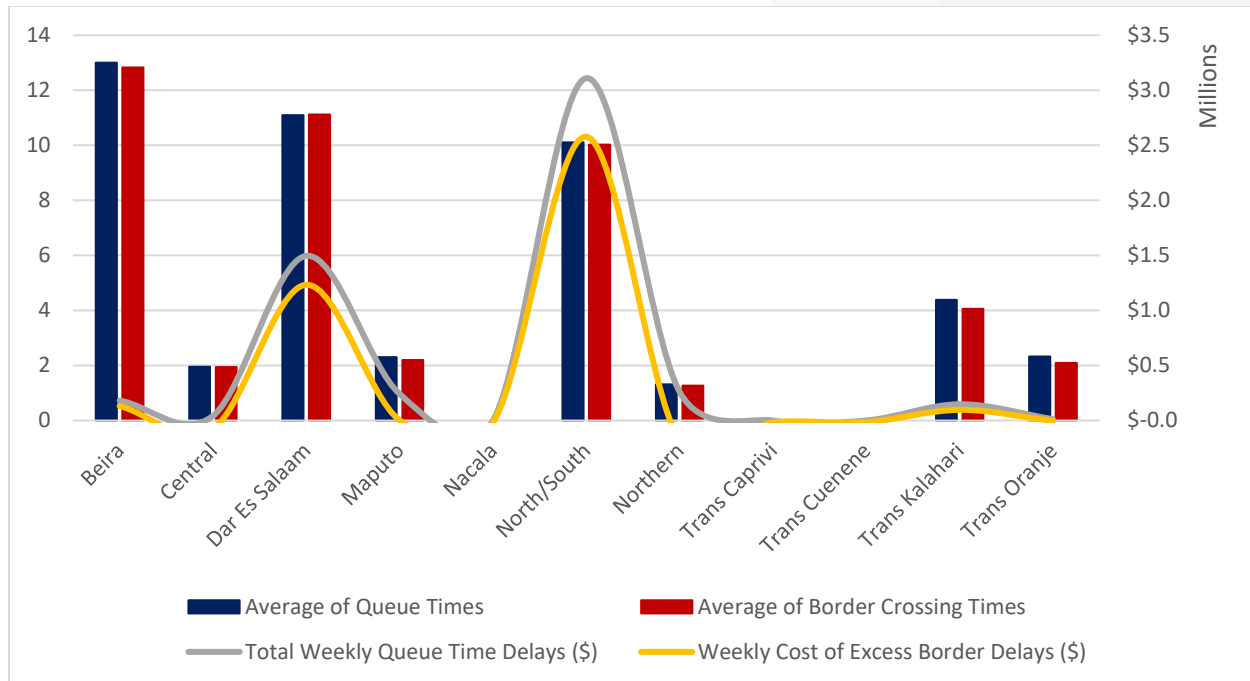


Source: TLC, FESARTA, & Crickmay, week ending 06/10/2024.

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 06/10/2024.

In summary, cross-border queue time averaged **~5,1 hours** (down by **~3,6 hours** from the previous week's **~8,7 hours**), indirectly costing the transport industry an estimated **\$5,5 million (R96 million)**. Furthermore, the week's average cross-border transit times hovered around **~5,0 hours** (down by **~1,5 hours** from the **~6,5 hours** recorded in the previous report), at an indirect cost to the transport industry of **\$3,7 million (R65 million)**. As a result, the total indirect cost for the week amounts to an estimated **~\$9,2 million (R161 million)**, down by **~R150 million** or **↓46,5%** from **~R311 million** in the previous report).

#### 4. International Update

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

##### a. Global shipping industry

###### i. US ports strike update

The recent US East Coast port strike ended after three days and temporarily impacted shipping capacity. Although the strike concluded with a tentative agreement (a **↑61,5%** wage hike over six years, far more than the **↑32%** increase the ILWU secured for their 2022-2028 US West Coast master contract), vessels are still queuing, leading to potential capacity loss. If the backlog clears in three days, capacity from Asia to the US East Coast could drop by **↓17%**, while a week-long delay may result in a **↓40%** loss.<sup>10</sup> Similar reductions are expected for North Europe and the Mediterranean routes. Shipping lines are unlikely to speed up vessels

<sup>10</sup> Murphy, A. 10/10/2024. [USEC port strike: 10-17% capacity decline to come.](#)

to compensate for the shortfall, and exporters, particularly in Asia, North Europe, and the Mediterranean, should prepare for a short-term capacity crunch.

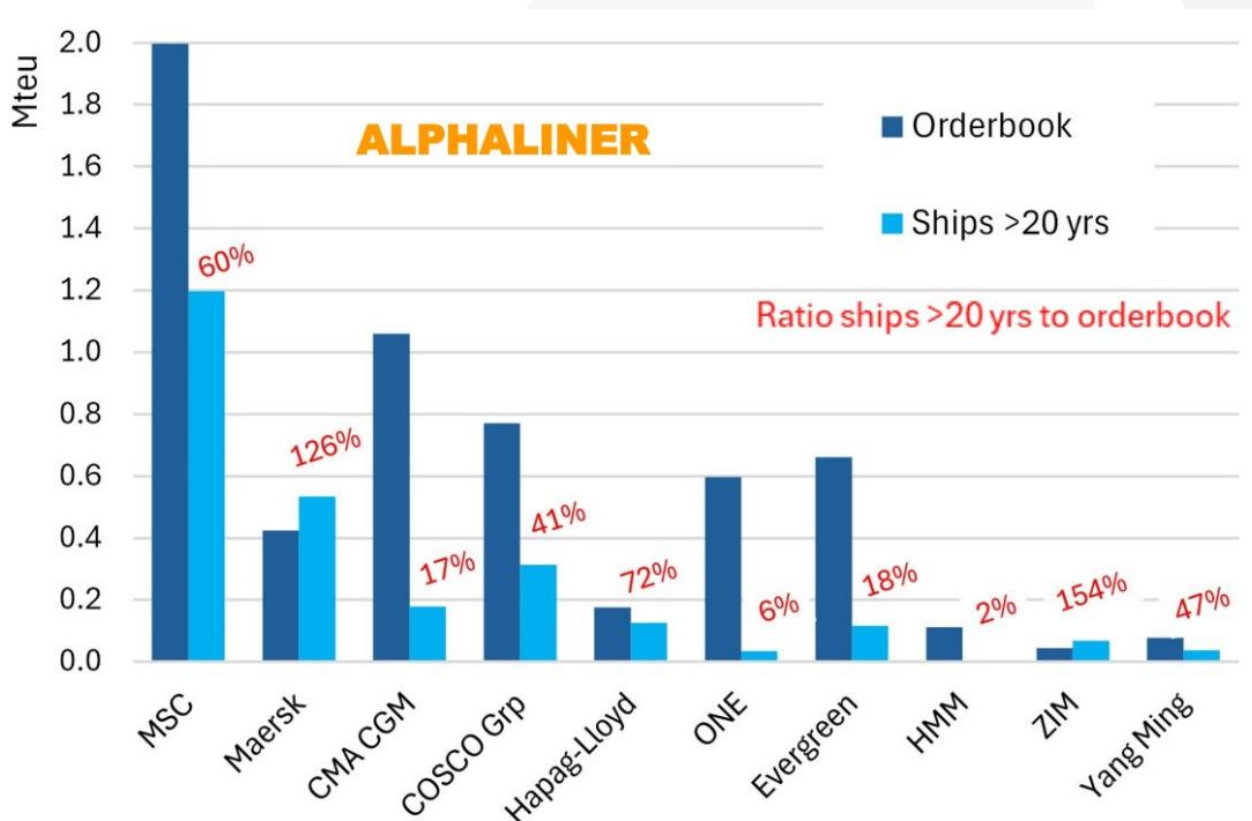
Elsewhere, labour tensions at the Port of Montreal are escalating as the longshoremen's union initiates an indefinite overtime strike, adding pressure on negotiations that have already lasted over a year.<sup>11</sup> Simultaneously, carriers on the transatlantic route are imposing surcharge hikes, further impacting trade amid the ongoing disruptions.

**ii. Container market summary and current orderbook**

Global congestion remains around **2,8 million TEU, accounting for 9% of the global fleet.**<sup>12</sup> In South Africa, port congestion at the Port of Durban increased again this week, with some **35 500 TEU** currently outside anchorage. As such, the queue-to-berth ratio at Durban was **0,85**<sup>13</sup>. The number of cancelled services has also increased this week, as Drewry's "Cancelled Sailings Tracker" increased to a **10%** cancellation rate.<sup>14</sup>

The global container ship orderbook has reached unprecedented levels, driven by both the need for fleet renewal and the desire to enhance efficiency and reduce CO<sub>2</sub> emissions.<sup>15</sup> The top 10 ocean carriers have 431 ships on order, representing a total capacity of **5,9 million TEU**. Analysts highlight that nearly half of these new builds are necessary for replacing ageing fleets, with **683 vessels (2,6 million TEU)** over 20 years old still in service:

Figure 14 – Top 10 carriers: Orderbook versus ageing fleet



Source: [Alphaliner](#)

<sup>11</sup> Goldstone, C. 08/10/2024. [Looming 'indefinite' strike set for the Port of Montreal as tensions rise.](#)

<sup>12</sup> Linerlytica. 07/10/2024. [Market Pulse – Week 41.](#)

<sup>13</sup> Linerlytica. 13/10/2024. [Port Congestion Watch.](#)

<sup>14</sup> Drewry. 11/10/2024. [Cancelled Sailings Tracker.](#)

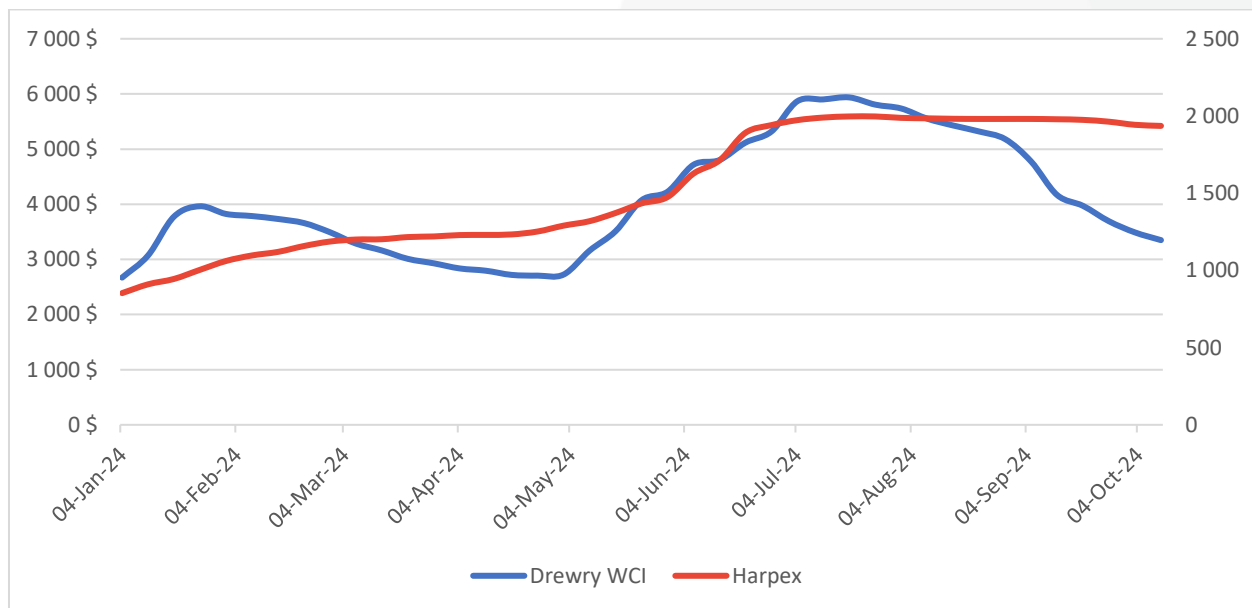
<sup>15</sup> Chambers, S. 09/10/2024. [44% of record global liner orderbook is replacement tonnage.](#)

Maersk is notably lagging behind its peers in placing new orders, although it has committed to renewing 800 000 TEU over the next five years, including 500 000 TEU in charters. The surge in container ship orders has also constrained shipyard capacity, impacting the ability of other sectors, like tankers and dry bulk, to secure new building slots.

### iii. Global container freight rates

Drewry's "World Container Index" recorded another similar drop this week. The composite index is down by **↓4,0%** (or **\$140**), trading at **\$3 349 per 40-ft container**.<sup>16</sup> Six of the major eight trades saw reductions this week, except for the New York – Rotterdam (and mirror) route. Meanwhile, charter rates also saw a commensurate drop this week, as the *Harper Petersen Index* (Harpex) traded around **1 936 points (↓1%, w/w)** on Friday. The following combined illustration shows their relationship since the start of the year:

Figure 15 – World Container Index and Charter rates (YTD, \$ per 40ft, index)



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

With the USEC uncertainty now out of the way, freight rates are poised to continue their decline after the Chinese Golden Week holidays. Excess capacity continues to build up as blanked sailings are reduced this year. The weakness has not spilt over to the charter market, with carriers still intent on securing tonnage as attention shifts to the launch of the new alliance networks in February. Looking ahead further, Drewry expects LNG shipping rates to soften in 2024 and 2025 due to subdued European demand and an influx of modern carriers. Still, strong Asian demand and geopolitical factors will prevent a further decline.<sup>17</sup> Although the market is becoming more balanced, the outlook depends on factors like US elections, Russian sanctions, and European gas demand.

<sup>16</sup> Drewry. 10/10/2024. [World Container Index](#).

<sup>17</sup> Drewry. 08/10/2024. [LNG shipping battles fleet expansion, but rates to revive from 2026-27](#).

#### iv. Further developments of note

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

##### 1. Shippers to opt for direct port calls over speed of service, predicts MSC's Soren Toft:

- a. MSC chief executive Soren Toft predicts global supply chains will fragment, leading shippers to prioritise direct port calls over speed, reflecting MSC's decision to expand port coverage to accommodate a more dispersed supply chain.<sup>18</sup>
- b. He also emphasised the importance of operational resilience, port investments, and a pragmatic approach to decarbonisation, including using LNG as a transition fuel. This development aligns with SAAFF's previous calls to do the same for South African ports to ensure the integrity of South Africa's position in global shipping networks.

##### 2. TS Lines expands Africa services and orders more ships:

- a. TS Lines has increased its capacity on Far East-East Africa services by adding two new 4 300 TEU ships and launching a second loop for its East Africa Express (EAX) service on 20 October 2024.<sup>19</sup>
- b. The upgraded service will operate two loops, with EAX1 focusing on Dar es Salaam and EAX2 on Mombasa, aiming to improve reliability by distributing traffic between the ports. TS Lines continues expanding its fleet, having ordered multiple vessels and will start a new service connecting China and Thailand to meet growing demand in Southeast Asia.

##### 3. Impact of Strait of Hormuz disruption on the container market:

- a. The disruption of vessel traffic in the Strait of Hormuz due to the Iran-Israel conflict would have a limited impact on the global container market, as the Middle East Gulf region primarily imports and has minimal strategic container exports.<sup>20</sup>
- b. However, it would significantly affect key Gulf ports, especially Dubai and Abu Dhabi, which handle two-thirds of the region's throughput together.
- c. Ports like Salalah, Sohar, and Khor Fakkan, located outside the Strait, would remain operational.

##### 4. Hurricane Milton's impact on supply chains in Florida and beyond:

- a. Hurricane Milton has severely disrupted the logistics industry, with port and airport closures across Florida, including Tampa and Jacksonville, halting the movement of goods and flights.<sup>21</sup> The hurricane's powerful winds, flooding, and storm surges have forced ships to reroute, and millions are without power. Responders are working to reopen highways and critical infrastructure.
- b. Despite concerns over recent strikes, the storm's impact on supply chains is considered more disruptive, with forwarders diverting shipments and preparing for delays.<sup>22</sup>

#### b. Global air cargo industry

In the latest IATA "Chart of the week", the international aviation authority shows that global air cargo yields grew **↑12%** year-on-year in August, marking the highest increase in over two years and remaining **↑46%** above pre-pandemic levels:<sup>23</sup>

<sup>18</sup> Van Marle, G. 08/10/2024. [Shippers to opt for direct port calls over speed of service, predicts MSC's Soren Toft.](#)

<sup>19</sup> Li, M. 07/10/2024. [TS Lines expands Africa services and orders more ships.](#)

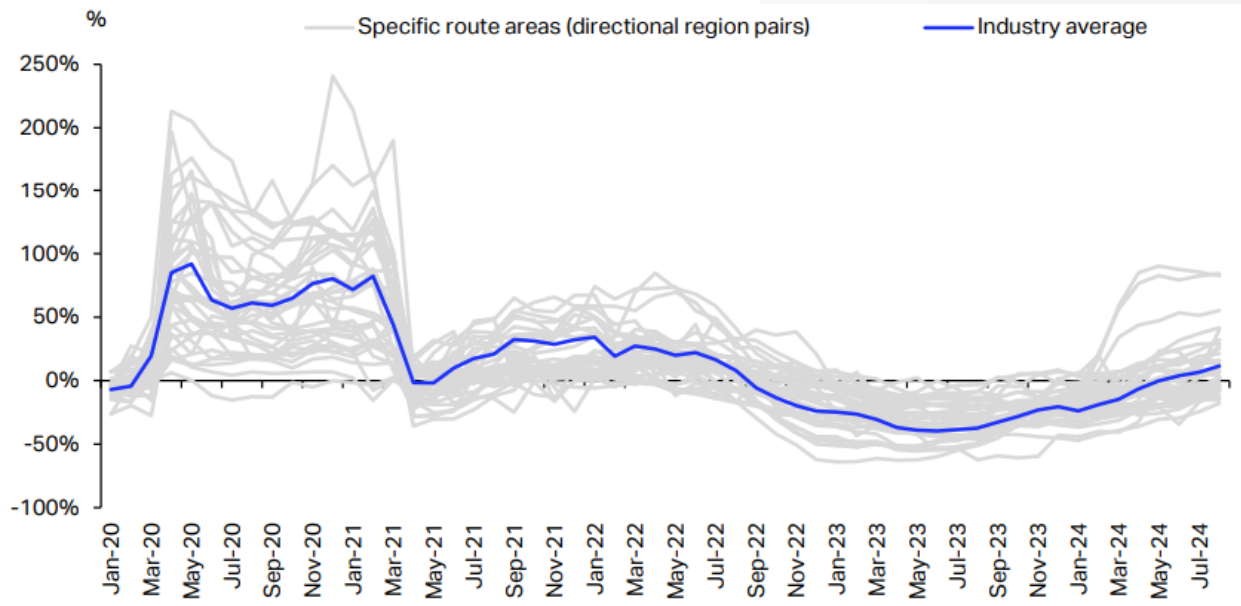
<sup>20</sup> Linerlytica. 07/10/2024. [Impact of Strait of Hormuz disruption on the container market.](#)

<sup>21</sup> Bartlett, C. 09/10/2024. [Florida evacuates as cat-4 hurricane 'Milton' set to strike tonight.](#)

<sup>22</sup> Whiteman, A. 10/10/2024. [Fallout from hurricanes a greater concern than strikes, say forwarders.](#)

<sup>23</sup> IATA. 11/10/2024. [Chart of the Week - 11 October 2024.](#)

Figure 16 – Average air cargo yield (with surcharges) globally and by route area (% y/y, 2020-2024)



Source: [IATA](http://IATA)

This surge is driven by booming e-commerce shipments from Asia to Europe and the Americas, reduced reliability of ocean shipping, and rising maritime costs. The increased competition for air freight capacity on westbound routes from Asia has pushed yields significantly higher, while backhaul routes see a drop in rates.

In the more frequent metrics, global air cargo spot rates reached new yearly highs in early October 2024 despite a dip in worldwide tonnages attributed to China's National Day holidays and disruptions in the Middle East. According to World ACD Market Data, spot rates rose by **↑1%** (w/w), hitting **\$2,84 per kilogram**. Rates from Asia Pacific, Africa, and Central and South America contributed to this increase. Contract rates from Asia Pacific also rose by **↑2%**, pushing the full-market average to **\$2,65/kilo**. However, global tonnages fell by **↓5%** (w/w), driven by a **↓7%** drop from Asia Pacific, primarily due to China's Golden Week. The following illustrates the movement in the last five weeks:

Figure 17 – Capacity, weight, and rates by region (last five weeks)

Origin Regions last 2 to 5 weeks	Capacity <sup>1</sup>			Chargeable weight <sup>1</sup>			Rate <sup>1</sup>		
	Last 5 wks	2Wo2W	YoY	Last 5 wks	2Wo2W	YoY	Last 5 wks	2Wo2W	YoY
Africa		+1%	+3%		+0%	+10%		+1%	+2%
Asia Pacific		-1%	+5%		-0%	+16%		+2%	+18%
C. & S. America		+2%	+14%		+4%	+10%		-1%	-3%
Europe		-0%	+1%		-0%	+6%		+2%	-5%
M. East & S. Asia		-2%	+0%		-0%	+14%		+1%	+55%
North America		+0%	+2%		-2%	+4%		-1%	-5%
<b>Worldwide</b>		<b>-0%</b>	<b>+3%</b>		<b>-0%</b>	<b>+11%</b>		<b>+1%</b>	<b>+12%</b>

Source: [World ACD](http://World ACD)

Significant declines were also seen in the Middle East, South Asia, Europe, and North America. A **↓14%** decrease in intra-Asia Pacific traffic, particularly a **↓21%** drop in intra-China tonnages, was responsible for

much of the Asia Pacific's tonnage decline, which accounted for **56%** of the global decrease. Europe and MESA also contributed to the decline in worldwide tonnage.

**ENDS<sup>24</sup>**

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<sup>24</sup>**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](http://www.turnersshipping.co.za).*



# 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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