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Cargo Movement Update #208[1]

Date: 18 October 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)	20 551	28 806	**49 357**	24 514	34 260	**58 774**	↓16%
Air Cargo (tons)	4 187	3 071	**7 258**	3 751	3 000	**6 750**	↑8%

Monthly Snapshot

Figure 1 – Cyclical[4] cargo volume, year on year (% growth)

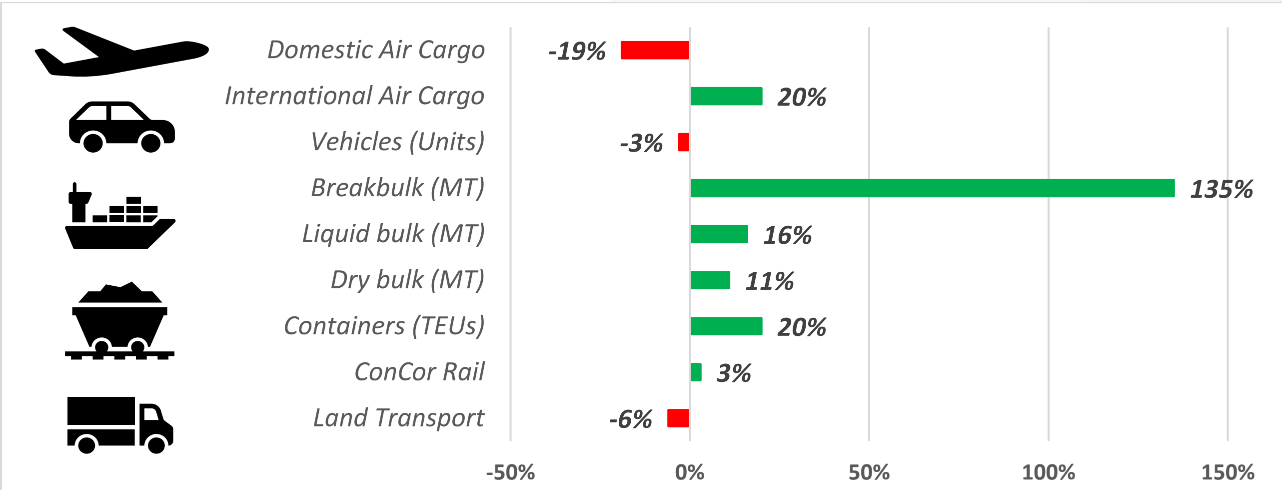
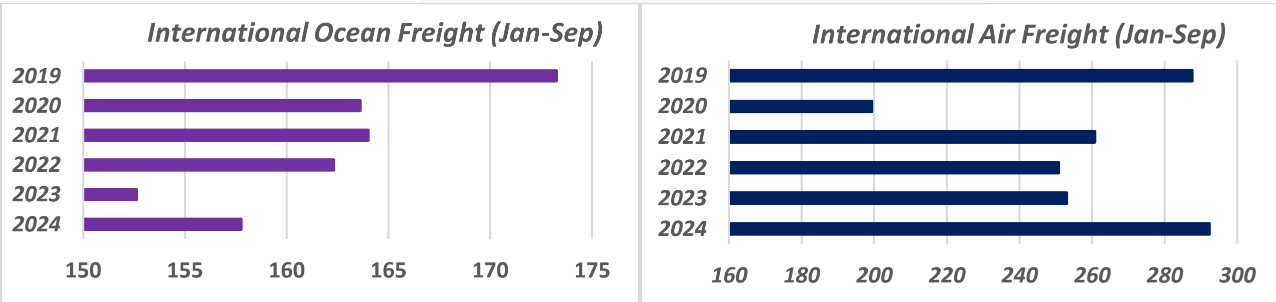


Figure 2 – Year-to-date flows 2019-2024[5]: ocean, y/y (million metric tonnes) & air freight, y/y (kg millions)



Key Notes

- An average of **~7 051 containers** was handled per day, with **~8 115 containers** projected for next week.
- TNPA stats for September: containers are up by ↑15% (m/m), ↑20% (y/y) and ↑9% versus 2019. Bulk volumes are also up by ↑15% (m/m) and ↑14% (y/y). Vehicles are slightly down (↓5%, m/m and ↓3%, y/y).
- Rail cargo handled out of Durban was reported at **2 574** containers, down ↓3% from last week.
- Cross-border queue: **↑1,8 hrs**; transit: **↑1,5 hrs**; SA borders: **16,3 hrs** (**↑50%**); SADC: **5,3 hrs** (**↑23%**).
- Global air cargo volumes rose by **↑2%** (w/w), with notable gains in Africa (**↑4%**) and Asia Pacific (**↑6%**).

[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 *208th* 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: Sep vs Sep.
[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, an average of **7 051 containers** was handled per day, down compared to the **8 396 containers** last week. Port operations were mainly constrained by adverse weather conditions, congestion, equipment breakdowns and shortages. Adverse weather conditions represented the main operational constraint in Cape Town this week, while persisting equipment breakdowns, congestion, and inclement weather ensured operational delays in Durban. Strong winds, high swells, and a vacant berth hampered optimal port performance at our Eastern Cape Ports, while minimal delays were reported at the Port of Richards Bay. This week, Transnet conducted a network upgrade at the three main data centres nationally, which it utilises for its wide area network connectivity. Additionally, minimal reports were received from TFR this week.

In the global container industry, demand for additional tonnage remains high, with carriers continuing to secure all available capacity for the next two months. Despite an unexpectedly reduced demand, scheduled capacity from Asia to North Europe is set to increase by over **↑25%**, with limited blank sailings, threatening carriers' efforts to stabilise freight rates. Rates on the Asia-Europe route are set to rise by **$1 000 to $2 000** on November 1st, following a **↓62%** drop since July. Global port congestion has eased, accounting for **7% of the global fleet**, while Durban's congestion decreased, with a queue-to-berth ratio of **0,61**. In the decarbonisation race, LNG orders outpaced methanol in 2024 due to concerns over methanol availability and higher processing costs. Freight rates continued to decline after the early holiday season front-loading. However, the charter market rallied slightly, with the *Harpex Index* rising **↑1,5%**. Looking ahead, rates are expected to rise into 2025, driven by carbon taxes, port strikes, and route disruptions. Other developments included **(1)** Panama Canal transits were down by **↓29%** and **(2)** DP World buys **47 000 TEU of containers**.

The daily average of air cargo handled at ORTIA in the previous week amounted to **598 169 kg** inbound (**↑12%**, w/w) and **438 655 kg** outbound (**↑2%**), resulting in an average of **1 036 824 kg**. After last week's drop- in air cargo volumes, this week's increase again sees the average cargo handled again slightly above the figures registered last year (**↑10%** versus October 2023) and above pre-pandemic (**↑10%** versus October 2019). Internationally, China-USA tonnages remain depressed after Golden Week. In other air cargo developments, Africa faces the highest average into-wing jet fuel prices globally, mainly due to limited supply competition, government or monopoly control over pricing, and logistical challenges.

In the regional cross-border road freight trade, the average queue times increased by around **an hour and three quarters** from last week, as the transit times increased roughly the same. The median border crossing times at South African borders increased by **more than five hours**, averaging **16,3 hrs** (**↑50%**, w/w) for the week. In contrast, the greater SADC region (excluding South African controlled) increased by around **an hour** and averaged **~5,3 hrs** (**↑23%**, w/w). On average, three SADC border posts last week took around a day to cross – Beitbridge, Groblersbrug and Kasumbalesa (the worst affected, taking **nearly three days** to cross). Other developments included **(1)** the biometric identification system being temporarily removed, **(2)** the weighing of northbound trucks at Beitbridge, and **(3)** parking fee complaints at the Likasi by-pass.

Building on last week's positive sentiment, the encouraging figures reported by TNPA for September show a continued upward trend in operational performance. However, despite these improvements, we remain behind on operational targets for the year and the efficiency levels of previous years. The gains are welcome, but sustaining this progress is crucial. Fast-tracking the restructuring of the logistics network, particularly in the ports and rail sectors, will be vital to achieving the necessary long-term improvements in South Africa's logistics landscape.

Contents

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 12 to 18 October[6]

7-day flow reported (12/10/2024 – 18/10/2024)			
TERMINAL	NO. OF CONTAINERS[7] TO DISCHARGE (IMPORT)	NO. OF CONTAINERS TO LOAD (EXPORT)	CHANGE (w/w %)
DURBAN CONTAINER TERMINAL PIER 1:	4 644	5 233	↑1%
DURBAN CONTAINER TERMINAL PIER 2:	7 198	11 540	↓15%
CAPE TOWN CONTAINER TERMINAL:	4 641	4 450	↓36%
NGQURA CONTAINER TERMINAL:	3 421	7 264	↑7%
GQEBERHA CONTAINER TERMINAL:	647	319	↓64%
TOTAL:	**20 551**	**28 806**	↓16%

Source: Transnet, 2024. Updated 18/10/2024.

Table 3 – Container Ports – Weekly flow forecasted for 19 to 25 October

7-day flow forecast (19/10/2024 – 25/10/2024)			
TERMINAL	NO. OF CONTAINERS TO DISCHARGE (IMPORT)	NO. OF CONTAINERS TO LOAD (EXPORT)	FORECAST VS ACTUAL (w/w %)
DURBAN CONTAINER TERMINAL PIER 1:	6 386	5 220	↑18%
DURBAN CONTAINER TERMINAL PIER 2:	10 444	9 964	↑9%
CAPE TOWN CONTAINER TERMINAL:	4 634	5 147	↑8%
NGQURA CONTAINER TERMINAL:	5 006	6 764	↑10%
GQEBERHA CONTAINER TERMINAL:	1 456	1 781	↑235%
TOTAL:	**27 926**	**28 876**	↑15%

Source: Transnet, 2024. Updated 18/10/2024.

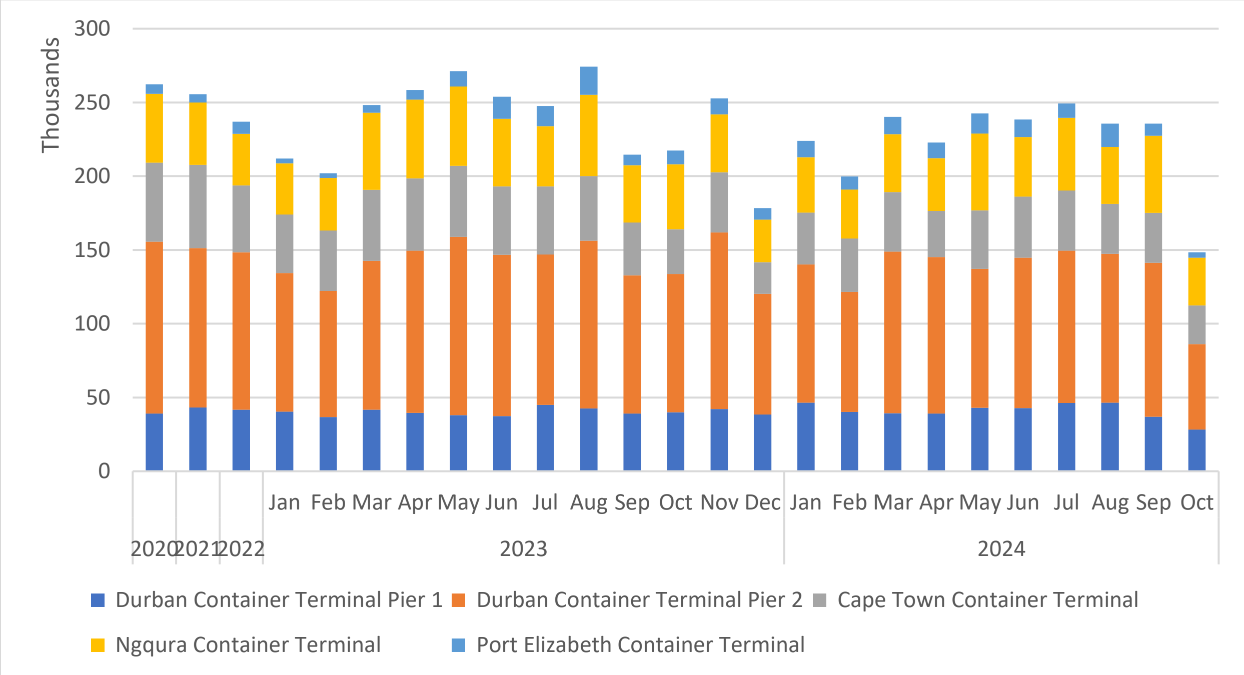
A decreased average of **~7 051 containers** (↓16%) was handled per day for the last week (*12 to 18 October*, *Table 2*), compared to the projected average of **~8 556 containers** (↓18% actual versus projected) noted in last week's report. For the coming week, an increased average of **~8 115 containers** (↑15%) is predicted to be handled (*19 to 25 October*, *Table 3*) in a best-case scenario. Port operations were mainly constrained by adverse weather, congestion, equipment breakdowns, and shortages.

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

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

[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.

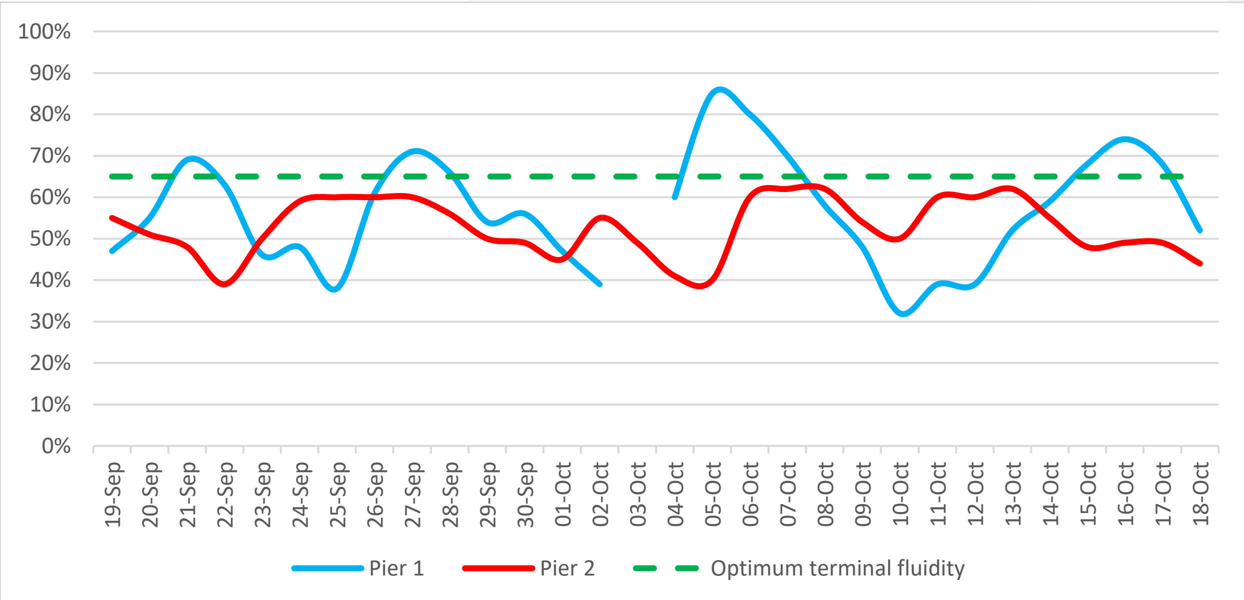
Figure 3 – Monthly flow reported for total container movement (containers April 2020 to present, m/m)



Source: Calculated using data from Transnet, 2024, and updated 18/10/2024.

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

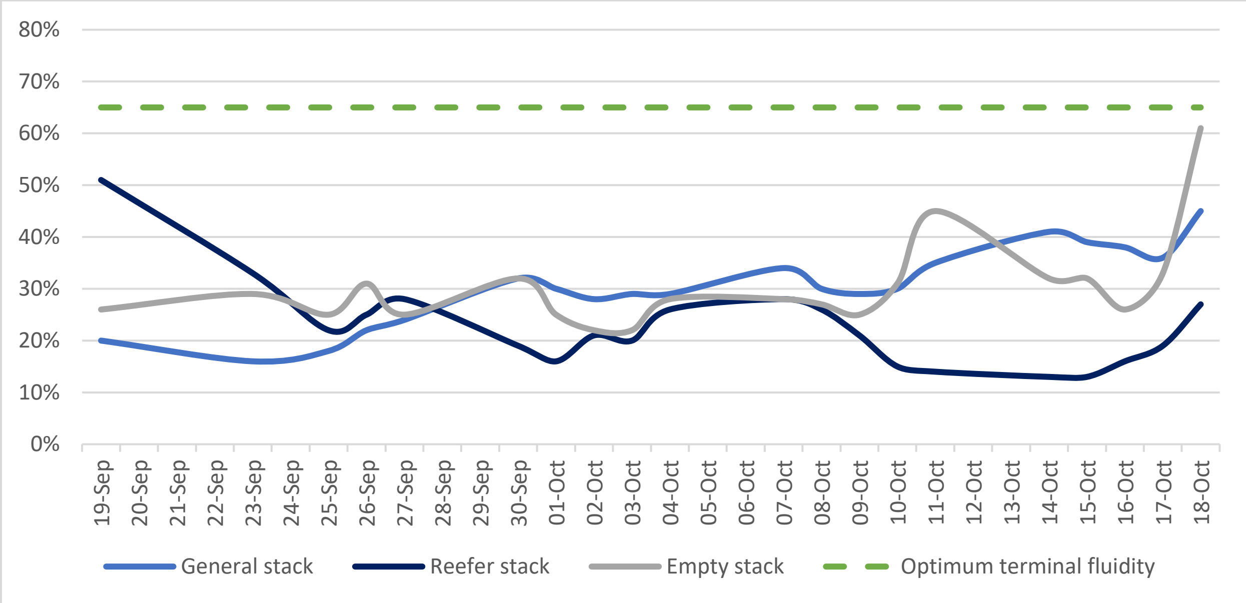
Figure 4 – Stack occupancy in DCT, general-purpose containers (19 September to present; a day on the day)



Source: Calculated using data from Transnet, 2024, and updated 18/10/2024.

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 (19 September to present, day on day)



Source: Calculated using data from Transnet, 2024, and updated 18/10/2024.

b. TNPA: September update

TNPA has released consolidated port statistics for September[8], with a second consecutive improved return for the respective sub-sectors after some decent throughput numbers posted in August. Containers increased by a substantial ↑15% (m/m), with strong increases from Cape Town (↑41%), Durban (↑10%), and Ngqura (↑22%). In the bulk sectors (up overall by ↑15%), dry bulk increased substantially this month (↑16%). It was the highest level recorder since December last year, as liquid bulk was similar to August and breakbulk significantly up (↑67%). Vehicles remained high (but down by ↓5%), with the following table showing the respective changes versus August:

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

	Aug	Sep	Movement	Change (%)
Containers (TEUs)	**382 704**	**441 182**	**58 478**	**15%**
Landed	181 671	216 447	34 776	19%
Shipped	201 033	224 735	23 702	12%
Dry bulk (MT)	13 198 226	15 347 571	2 149 345	16%
Liquid bulk (MT)	3 182 431	3 185 844	3 413	0%
Breakbulk (MT)	445 670	742 638	296 968	67%
Vehicles (Units)	77 278	73 040	-4 238	-5%
Total cargo (excl. Vehicles)	**16 826 327**	**19 276 053**	**2 449 726**	**15%**

Source: TNPA, updated 18/10/2024.

Transnet Port Terminals handled **19,3 million metric tonnes** of bulk cargo during September, up by nearly **2,5 million tonnes** from last month and around ↑8% below the average handled monthly since the start of

[8] Transnet. 2024. Port statistics.

2022, which is very encouraging. The following table shows the comparative overview for September versus last year, including the view versus the same month in the pre-pandemic year of 2019:

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

	2019	2023	2024	Growth: '19-'24	Growth: '23-'24
Containers (TEUs)	**403 695**	**368 304**	**441 182**	**9%**	**20%**
Landed	200 467	195 085	216 447	8%	11%
Shipped	203 228	173 219	224 735	11%	30%
Dry bulk (MT)	14 578 697	13 838 768	15 347 571	5%	11%
Liquid bulk (MT)	3 158 423	2 749 079	3 185 844	1%	16%
Breakbulk (MT)	335 677	316 217	742 638	121%	135%
Vehicles (Units)	81 202	75 543	73 040	-10%	-3%
Total cargo (excl. Vehicles)	**18 072 797**	**16 904 064**	**19 276 053**	**7%**	**14%**

Source: TNPA, updated 18/10/2024.

Cyclical throughput is also strong, as containers (↑**20%** and ↑**9%**) and total bulk cargo (↑**14%** and ↑**7%**) throughput are both above last year and versus pre-pandemic levels. The only sub-sector down is vehicles (↓**3%**), but the **73 040 units** handled are still well above the monthly average of the last five years (**60 397 units**). While the positive numbers from TNPA for September are encouraging, much work remains to meet this year's operational targets and restore past efficiency levels.

c. Summary of port operations

i. Weather and other delays

- Adverse weather conditions represented the primary operational constraint in Cape Town this week.
- Persisting equipment breakdowns, congestion, and inclement weather ensured operational delays in Durban.
- Strong winds, high swells, and a vacant berth hampered optimal port performance at our Eastern Cape Ports.
- Minimal delays were reported at the Port of Richards Bay.

ii. Cape Town

On Wednesday, CTCT recorded one vessel at berth and zero at anchor, as inclement weather conditions prevented optimal performance at the terminal this week. Between Monday and Wednesday, on the landside, the terminal managed to service 1 255 trucks while handling approximately 79 rail units. On the waterside, the terminal executed approximately 3 248 container moves across the quay during the same period. Stack occupancy for **GP containers** was recorded at **38%**, **reefers** at **16%**, and **empties** at **26%**. Additionally, the terminal operated with **eight STS cranes**, **25 RTGs**, and **53 hauliers** towards the end of the week. Crane LC3 did not return to service last week as anticipated and thus remained out of commission.

On Wednesday, CTMPT recorded one berthed vessel and zero vessels at anchor. In the preceding 24 hours, the terminal handled around 5 532 tons of wheat across the quay. On the landside, merely three trucks were processed during the same period. Towards the end of the week, stack occupancy was recorded as extremely low at 0% for general cargo, 0% for reefers, and 1% for empties. Some industry concerns were raised this week as the next container vessel is only scheduled to arrive around 27 October. The terminal is, however, in discussions with shipping lines to establish whether a vessel can call for the terminal earlier. Additionally, the latest reports suggest that all three cranes are in service.

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 18/10/2024 at 14:00.

iii. Durban

On Thursday, Pier 1 recorded two vessels on berth, operated by five gangs, with another two at anchor. Stack occupancy was **56%** for **GP containers**. Between Monday and Thursday, the terminal executed approximately 3 539 gate moves on the landside, with an average **TTT** of **~93 minutes** (**↑2%**, w/w) and an average **staging time** of **~95 minutes** (**↑61%**). Additionally, the terminal moved approximately 5 451 TEUs across the quay on the waterside during the same period. The terminal operated with **five STS cranes** for most of the week. Strong winds impacted operations at the terminal significantly this week.

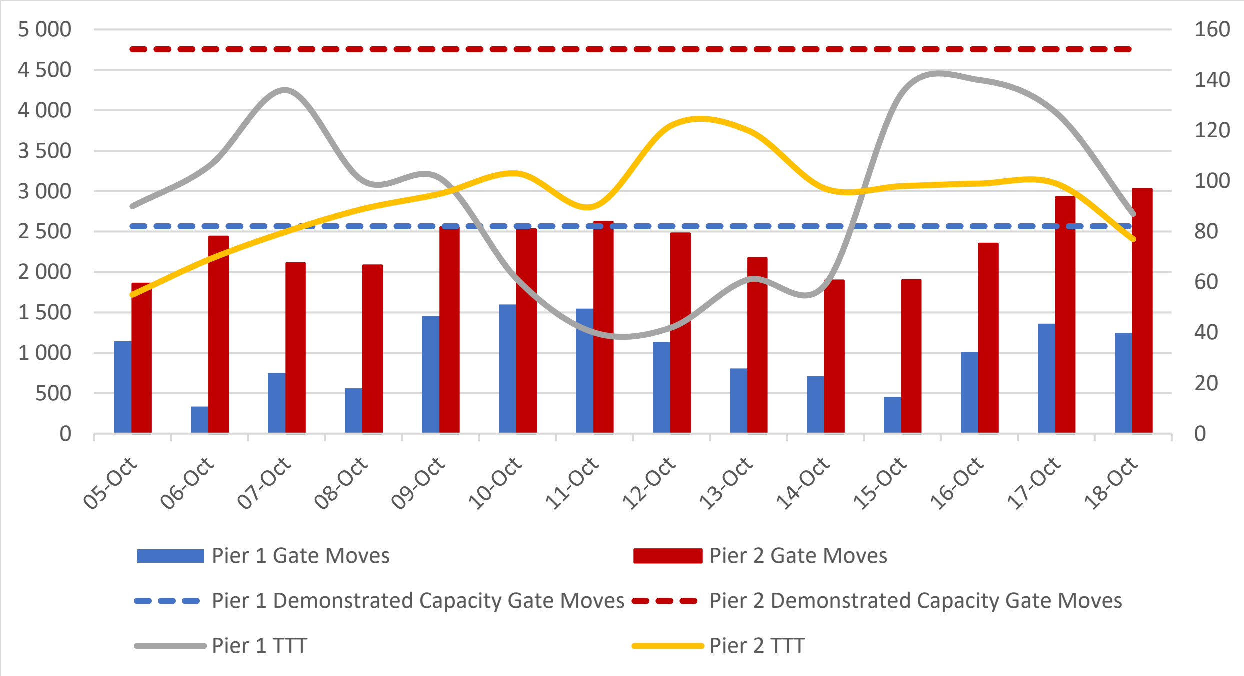
Pier 2 had three vessels on berth and five at anchorage on Thursday, as adverse weather, congestion, and equipment breakdowns prevented optimal operational performance this week. Stack occupancy was recorded at **45% for GP containers**. The terminal operated with **ten gangs** and moved approximately 10 058 containers across the quay between Monday and Thursday on the waterside. During the same period, there were approximately 9 077 gate moves on the landside, with an average **TTT** of **102 minutes** (**↑24%**, w/w) and a **staging time** of **~174 minutes** (**↑71%**). Additionally, approximately 1 044 units were moved by rail this week. The number of available **straddle carriers** fluctuated between **46** and **49** out of a fleet complement of 88 this week. Thus, the availability figure sat roughly at **55%** during this period.

Durban's MPT terminal recorded two container vessels at berth on Wednesday and two at outer anchorage. Stack occupancy for containers was 39%, with the breakbulk stack at 68%. In the preceding 24 hours, the terminal managed to handle 398 containers but zero tons of breakbulk on the waterside. On the landside, 223 container trucks and 37 breakbulk RMTs were serviced. During this period, two cranes, 12 reach stackers, seven forklifts, and 18 ERFs were in operation. The third crane (crane 01) is anticipated to return to service before the weekend, while the fourth crane is still on course to return to service towards the end of January.

On Wednesday, the Ro-Ro terminal in Durban recorded one vessel on the berth, with none at anchorage. In the 24 hours before Wednesday, the terminal handled 2 713 road and 200 rail units on the landside while handling 3 572 units on the waterside. Overall stack occupancy was 86% (Exports: 34%, Imports: 59%, Transshipments: 7%), 20% at Q&R, and 80% at G-berth. During this period, the terminal had 150 high-and-heavies (abnormal loads) on hand and managed to handle 24.

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.

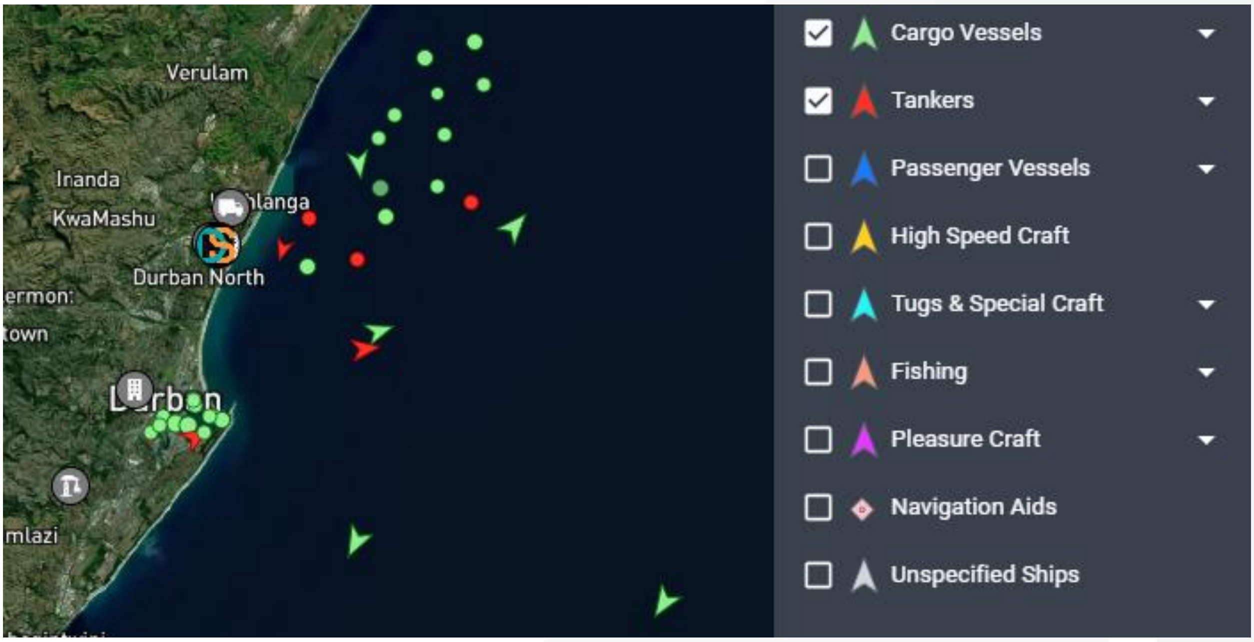
Figure 7 – Gate moves (left axis) and time spent in the terminal (in minutes, right axis)



Source: Calculated using data from Transnet, 2024, and updated 18/10/2024.

A queue of container vessels waiting outside Durban has built up and remains. At midday on Friday, **four** vessels were waiting for Pier 2, **four** for Pier 1, and **one** 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 18/10/2024 at 14:00.

iv. Richards Bay

On Wednesday, Richards Bay recorded 21 vessels at anchor and eight on the berth, translating to three vessels at DBT, three at MPT, one at RBCT, and one 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. On Wednesday, the coal terminal had one vessel at berth and four at anchor while only handling 26 063 tons on the waterside. The average for the week was around **169 225 tons** (**↑17%**, w/w). However, on the landside, 19 trains were serviced, exceeding the target of 22.

v. Eastern Cape ports

On Tuesday, NCT recorded three vessels on berth and none at anchor, with two vessels drifting. Marine resources of two tugs, one pilot boat, two pilots, and one berthing gang were in operation in the 24 hours before. Stack occupancy figures were recorded at **27% for reefers**, **36% for reefer ground slots,** and **16%** for **the general stack**. Despite conceding around 15 operational hours to adverse weather during this period, the terminal handled approximately 1 009 TEUs and 39 reefers on the waterside. Approximately 273 trucks were processed on the landside at an average **TTT** of **~31 minutes**.

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, 114 trucks were processed at a **TTT** of **~20 minutes**. Additionally, two trains were serviced at an RTT of ~3,5 hours.

On Tuesday, at the Ro-Ro terminal, one vessel was recorded on the berth, with zero vessels at the outer anchorage. During this period, the terminal handled 406 units on the waterside, resulting in a stack occupancy figure of 56%.

vi. Saldanha Bay

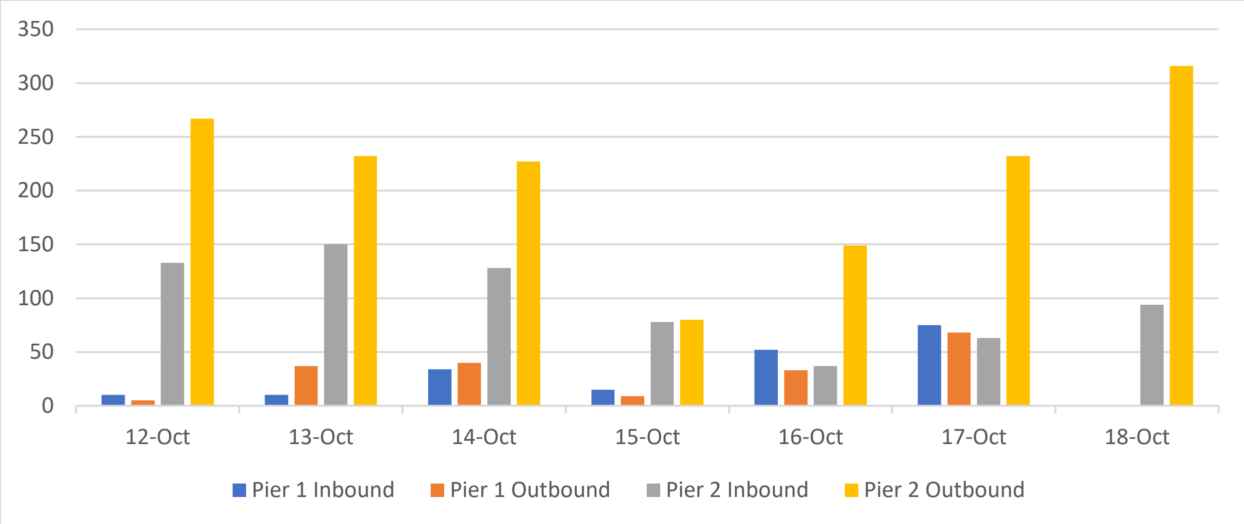
On Thursday, the Iron-ore terminal had zero vessels at anchorage and zero on the berth, while the multi-purpose terminal had one vessel at berth and two at anchor.

vii. Transnet Freight Rail (TFR)

TFR received minimal reports this week; however, towards the end of the week, DCT Pier 2 had 155 ConCor units on hand with a dwell time of 96 hours and 115 over-border units with a dwell time of 12 days.

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 18/10/2024.

In the last week (*12 to 18 October*), rail cargo handled out of Durban was reported at **2 574** containers, down by **↓3%** from the previous week's **2 666** containers.

i. Network upgrade

This week, Transnet conducted a network upgrade at the three main data centres nationally, which Transnet uses for its wide-area network connectivity. The upgrade took place on 17 October from 18:00 to 23:59 and caused some connectivity disruptions to TPT operational systems, including Navis and GCOS.

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 7 October. For comparative purposes, the average air freight cargo (inbound and outbound) handled at ORTIA in *October 2023* averaged **~944 516 kg** per day.

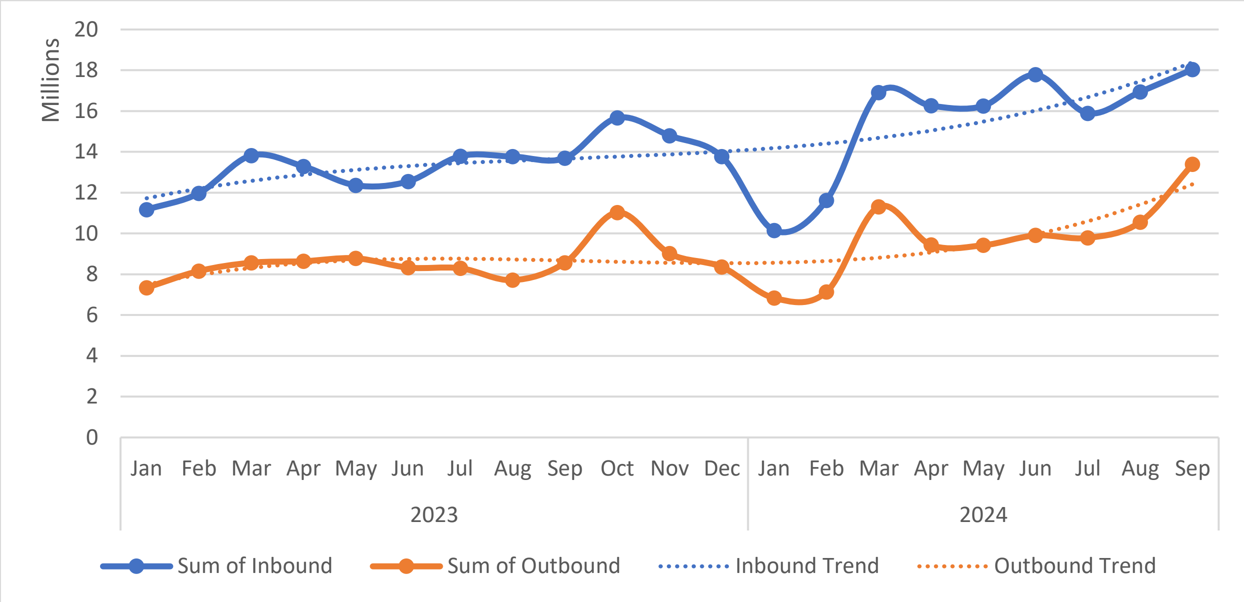
Table 6 – International inbound and outbound cargo from OR Tambo

Flows	07-Oct	08-Oct	09-Oct	10-Oct	11-Oct	12-Oct	13-Oct	Week
Volume inbound	446 139	201 841	433 470	221 275	401 605	336 334	2 146 518	**4 187 182**
Volume outbound	212 540	256 701	299 052	255 103	269 535	249 720	1 527 933	**3 070 584**
Total	**658 679**	**458 542**	**732 522**	**476 378**	**671 140**	**586 054**	**3 674 451**	**7 257 766**

Courtesy of ACOC. Updated: 17/10/2024.

The daily average of air cargo handled at ORTIA in the previous week amounted to **598 169 kg** inbound (**↑12%**, w/w) and **438 655 kg** outbound (**↑2%**), resulting in an average of **1 036 824 kg**. After last week's drop- in air cargo volumes, this week's increase again sees the average cargo handled again slightly above the figures registered last year (**↑10%** versus October 2023) and also above pre-pandemic (**↑10%** versus October 2019).

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

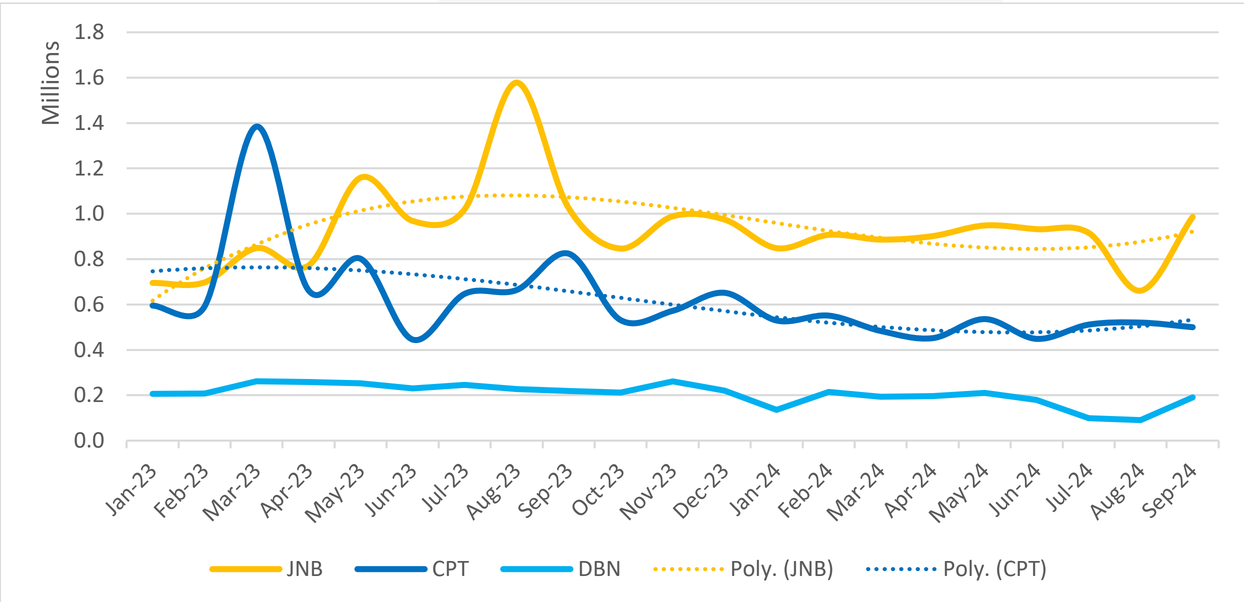


Courtesy of ACOC. Updated: 09/10/2024.

b. Domestic air cargo

The following figure shows the movement since the start of last year:

Figure 11 – Domestic inbound and outbound cargo (thousands)



Courtesy of ACOC. Updated: 18/10/2024.

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 **more than five hours**, averaging **16,3 hrs** (**↑50%**, w/w) for the week.
- In contrast, the greater SADC region (excluding South African controlled) increased by around **an hour** and averaged **~5,3 hrs** (**↑23%**, w/w).
- **Biometric Identification System:**
    - The controversial Biometric identification system that caused significant delays last week has now been removed.
    - However, transporters are still reporting clearance times of 2-3 days at Groblersbrug.
    - Some drivers are parking their trucks before the border and completing immigration on foot due to vehicles advancing just a few hundred meters per day.
    - Additionally, there are still cleared vehicles queued up. Border officials have attributed these delays to transporters and agents presenting uncleared documentation
- **Weighing of Northbound Trucks at Beitbridge:**
    - On Sunday, all northbound trucks at the Zim side of Beitbridge were being weighed. This process only received attention after complaints were lodged, leading to the rerouting of a Zimra officer to address the issue.
- **Parking Fee Complaints at Likasi By-pass:**
    - There were multiple complaints about parking fees being charged to drivers at the Likasi by-pass, even when they were passing through.
    - Frustrated drivers blocked the road in protest.

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

Table 7 – Delays[9] summary – South African borders (both directions)

Border Post	Direction	HGV[10] 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	418	23,8	5,5	23,5	12 540	2 926
Beitbridge	Zimbabwe-SA	417	12,0	2,5	12,0	12 510	2 919
Groblersbrug	SA-Botswana	242	48,5	1,4	48,0	7 260	1 694
Martins Drift	Botswana-SA	194	13,5	3,2	13,3	5 820	1 358
Kopfontein	SA-Botswana	279	12,8	1,2	12,5	8 370	1 953
Tlokweng	Botswana-SA	46	0,7	0,2	0,4	1 380	322
Vioolsdrift	SA-Namibia	30	3,4	1,2	3,2	900	210
Noordoewer	Namibia-SA	20	1,6	0,4	1,4	600	140

[9] 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.

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

Border Post	Direction	HGV[10] Arrivals per day	Queue Time (hours)	Border Time – Best 5% (hours)	Border Time – Median (hours)	Est. HGV Tonnage per day	Weekly HGV Arrivals
Nakop	SA-Namibia	30	3,1	0,6	3,0	900	210
Ariamsvlei	Namibia-SA	20	1,1	0,4	1,1	600	140
Skilpadshek	SA-Botswana	277	19,9	2,2	19,5	8 310	1 939
Pioneer Gate	Botswana-SA	85	2,7	0,0	0,0	2 550	595
Lebombo	SA-Mozambique	1 446	4,3	0,5	4,2	43 380	10 122
Ressano Garcia	Mozambique-SA	125	1,5	0,3	1,3	3 750	875
Sum/Average		**3 629**	**10,6**	**1,4**	**10,2**	**108 870**	**25 403**

Source: TLC, FESARTA, & Crickmay, week ending 13/10/2024.

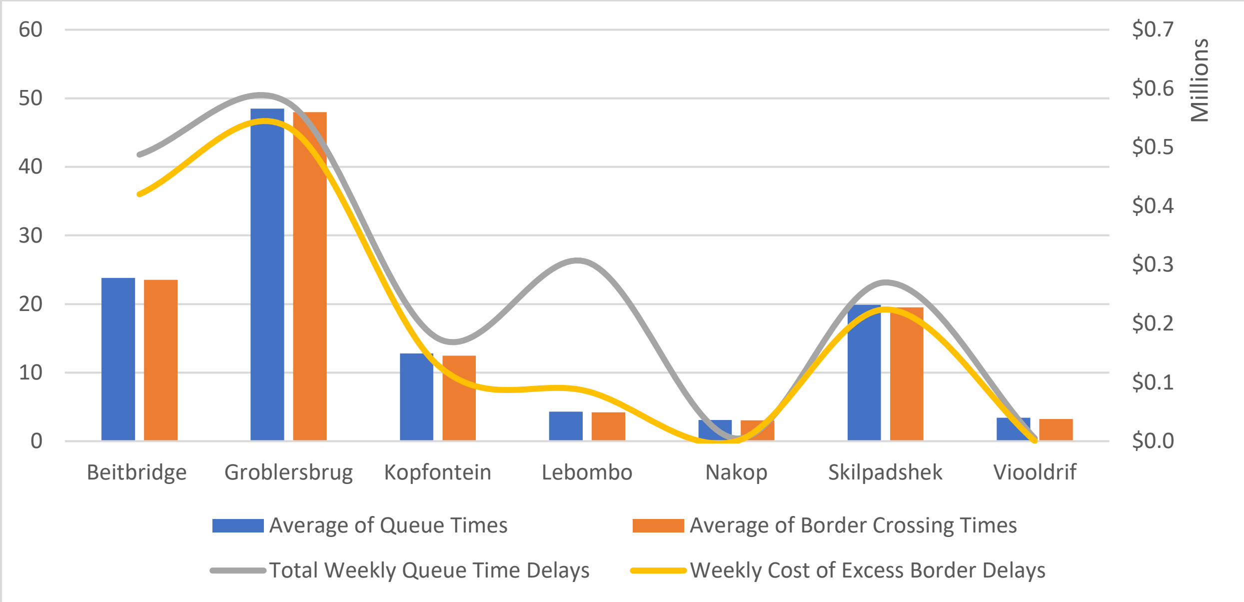
Table 8 – Delays summary – Corridor perspective

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	16,8	2,2	16,7	9 600	2 240
Central Corridor	798	2,6	0,2	2,0	23 940	5 586
Dar Es Salaam Corridor	1 819	16,5	2,2	16,5	54 570	12 733
Maputo Corridor	1 571	2,9	0,4	2,8	47 130	10 997
Nacala Corridor	127	0,0	0,0	0,0	3 810	889
North/South Corridor	3 668	13,8	1,6	12,9	110 040	25 676
Northern Corridor	2 817	1,2	0,1	1,2	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	392	6,7	0,7	5,8	11 760	2 744
Trans Oranje Corridor	100	2,3	0,6	2,2	3 000	700
Sum/Average	**11 828**	**6,8**	**0,8**	**6,5**	**362 850**	**84 665**

Source: TLC, FESARTA, & Crickmay, week ending 13/10/2024.

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

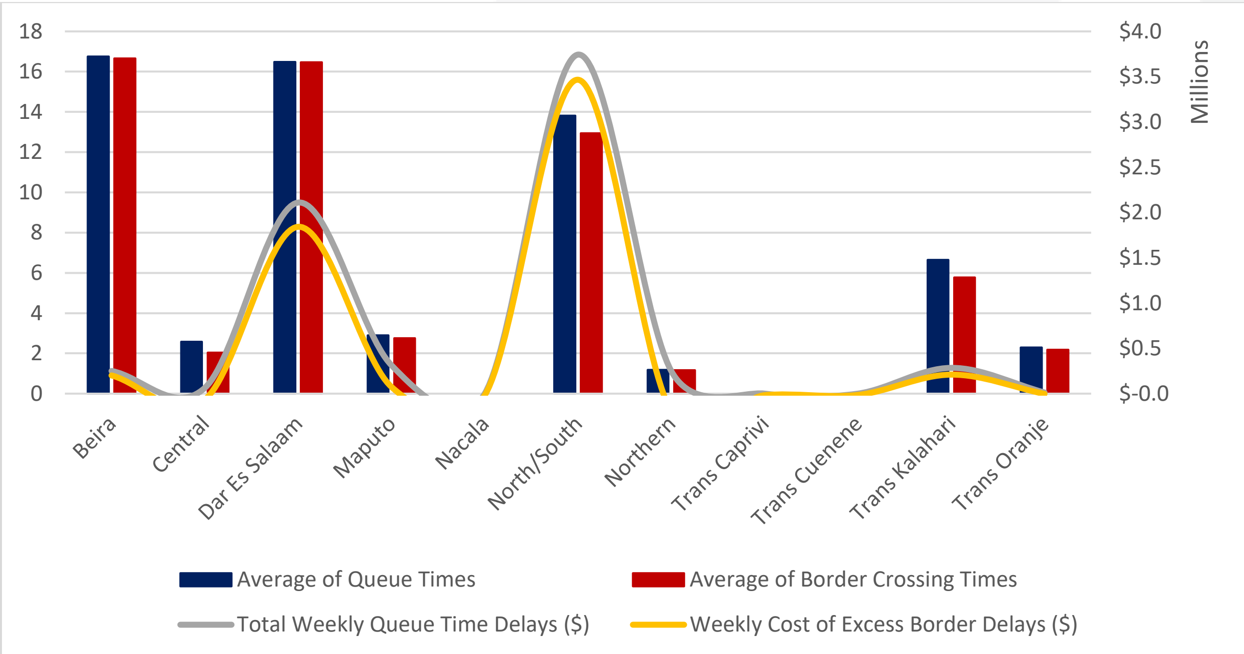
Figure 12 – Weekly cross-border delays & est. Cost from an SA border perspective (hours & $ millions)



Source: TLC, FESARTA, & Crickmay, week ending 13/10/2024.

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 13/10/2024.

In summary, cross-border queue time averaged **~6,8 hours** (up by **~1,8 hours** from the previous week's **~5,1 hours**), indirectly costing the transport industry an estimated **$7 million** (**R124 million**). Furthermore, the week's average cross-border transit times hovered around **~6,5 hours** (up by **~1,5 hours** from the **~5,0 hours** recorded in the previous report), at an indirect cost to the transport industry of **$5,5 million** (**R96 million**). As a result, the total indirect cost for the week amounts to an estimated **~$12,5 million** (**R220 million**, up by **~R59 million** or **↑36,7%** from **~R161 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.

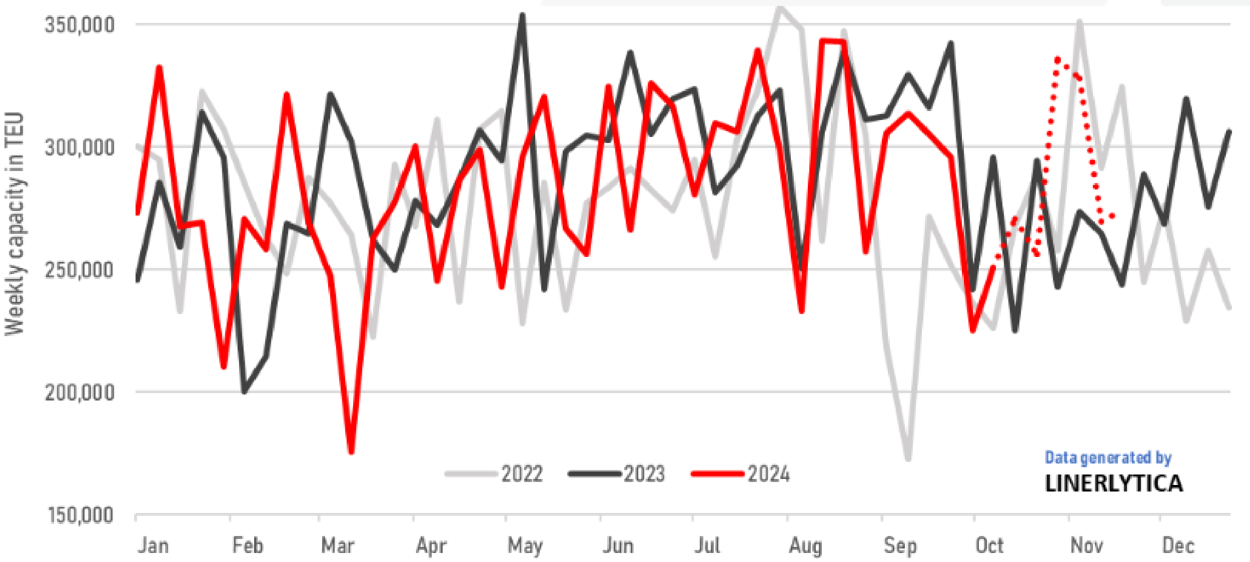
a. Global shipping industry

i. Container market summary, capacity, and alternative fuel supply

Demand for additional tonnage shows no signs of cooling down, with carriers snapping up all tonnage coming open on the charter market in the next two months.[11] The idle fleet remains unusually low at this time of the year, while scrap sales for the full year remains well short of **100 000 TEU** as carriers set the stage for a fresh battle for market share ahead of the 2025 alliance reshuffling.[12]

However, carriers have failed to adjust Asia-North Europe capacity to match the reduction in cargo demand with scheduled capacity from Asia expected to rebound by over **↑25%** in the coming weeks. Apart from selective void sailings, none of the carriers on the Asia-Europe route are planning any winter capacity reductions. This would jeopardise their efforts to arrest the decline in freight rates despite plans to hike rates by **$1 000 to 2 000** per FEU on 1 November after the SCFIS have already slipped by **↓62%** since July.

Figure 14 – Weekly capacity: Far East-North Europe route, 2022-2024 (including projections)



Source: *Linerlytica*

Global congestion has cooled and accounts for around **2,18 million TEU, which is around 7% of the global fleet**. In South Africa, port congestion at the Port of Durban continues to see-saw but decreased this week, with some **20 000 TEU** currently outside anchorage. As such, the queue-to-berth ratio at Durban was **0,61**.[13] Despite the supposed misstep for the Asia-North Europe capacity mentioned above, the number of cancelled services for the rest of the industry has remained high this week, as Drewry's "*Cancelled Sailings Tracker*" was trending at a **10%** cancellation rate.[14]

Lastly, Alphaliner this week showed that LNG orders have significantly surpassed methanol in 2024, reflecting concerns over green methanol's availability.[15] Methanol-powered ships represent only **21%** of new

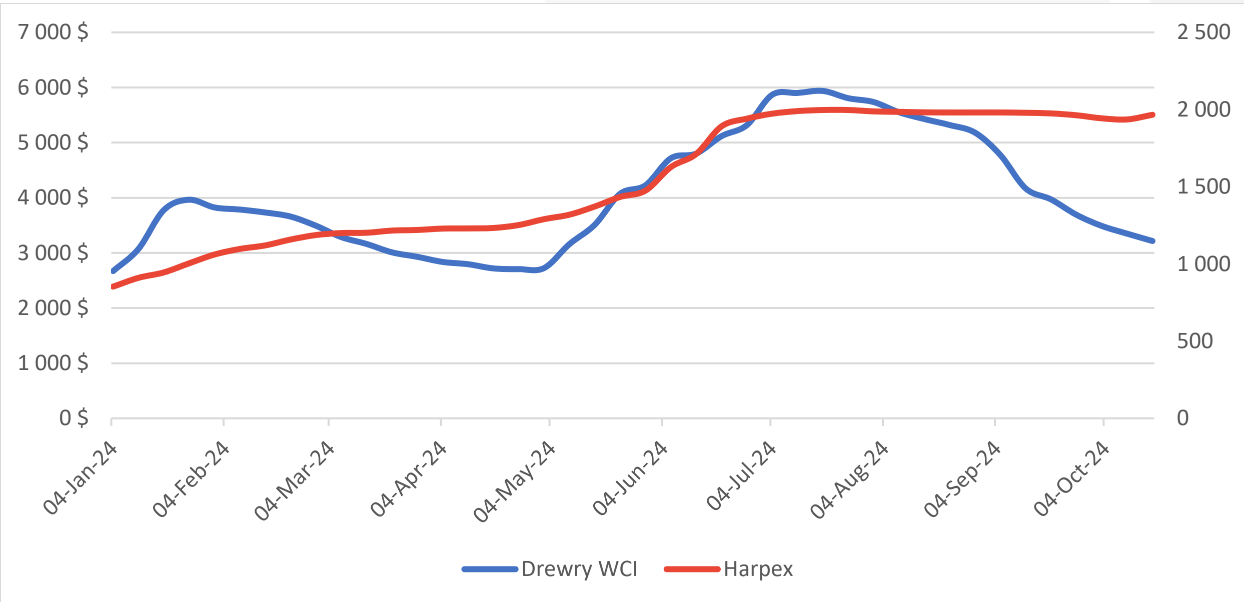
[11] Linerlytica. 18/10/2024. Market Pulse – Week 42.
[12] Li, M. 15/10/2024. Carriers battle for market share as demand falls and alliance shuffle looms.
[13] Linerlytica. 18/10/2024. Port Congestion Watch.
[14] Drewry. 18/10/2024. Cancelled Sailings Tracker.
[15] Alphaliner. 16/10/2024. LNG orders significantly overshadow methanol in 2024.

capacity, down from **51%** in 2023. Despite a record year for containership contracting, methanol orders have fallen below demand for conventional tonnage. Meanwhile, LNG propulsion remains the preferred decarbonisation option, as processing costs for methanol have proven higher than expected, and production has not progressed as planned.

ii. Global container freight rates

Freight rates have continued their decline with the slack season now in full swing.[16] The heavy front-loading of holiday season cargo for the US and Europe that have driven up shipping rates since May are now working in reverse but carriers have still not adjusted vessel capacity for the winter season with only limited blank sailings planned in the next six weeks. This is clearly seen in the Asia-North Europe, US West Coast and Latin America routes where capacity deployment remains elevated, while the containership charter market also remains red hot. This week, Drewry's "*World Container Index*" recorded another similar drop this week. Half of the major East-West routes had declines, with the other half staying put. The composite index is down by **↓4,0%** (or **$133**), trading at **$3 216 per 40-ft container**.[17] Meanwhile, charter rates saw an unexpected rally this week, as the *Harper Petersen Index* (Harpex) traded around **1 966 points** (**↑1,5%,** 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

By looking ahead to next year, freight rates are expected to rise further, driven by factors such as port strikes, increased carbon taxes, and continued disruption in shipping routes. Even if some relief occurs, like a potential Suez Canal reopening, rates are unlikely to return to pre-pandemic levels, as market instability persists until at least 2026.[18]

[16] Linerlytica. 18/10/2024. Market Pulse – Week 42.
[17] Drewry. 17/10/2024. World Container Index.
[18] Bartlett, C. 17/10/2024. Freight rates will stay high next year – no respite for shippers, predicts Drewry.

iii. Further developments of note

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

1. **Panama Canal transits drop by ↓29% in FY2024:**
   a. The Panama Canal Authority (ACP) reported a **↓29%** drop in transits during FY 2024 due to severe drought, leading to restrictions on draught and transit numbers.
   b. The container ship sector was the least affected, while gas carriers, dry bulk, and other segments saw significant declines.
   c. Neo-Panamax lock transits decreased by **↓21%**, with container ships increasing their share, while non-container segments experienced a sharp decline of **↓74%**.
2. **DP World buys 47 000 TEU of containers:**
   a. DP World has acquired nearly fifty thousand containers to enhance its ability to respond to customer needs, potentially allowing it to offer end-to-end logistics services through its own assets.[19]
   b. This move aligns with its broader strategy to expand its global forwarding network and integrate more elements of the supply chain. However, the decision to own containers may create competition with its terminal customers, particularly if DP World ventures further into non-vessel operating common carrier (NVOCC) services.

b. Global air cargo industry

World ACD's weekly air cargo trends for week 41 show that global air cargo tonnages have only partially rebounded after China's Golden Week holiday. Notably, China-USA traffic remains weak, with only a **↑1%** (w/w) increase following a **↓20%** drop in week 40, significantly below last year's recovery levels. Tonnages from the Asia Pacific to the USA remained flat in week 41, driven mainly by the China-USA market, which saw a year-on-year decline of **↓19%**, the largest YoY drop this year. Customs checks at LAX are partly responsible for the continued weakness. The following illustrates the movement in the last five weeks:

Figure 16 – Capacity, weight, and rates by region (last five weeks)

Origin Regions last 2 to 5 weeks (WORLD ACD)	Capacity[1]			Chargeable weight[1]			Rate[1]		
	Last 5 wks	2Wo2W	YoY	Last 5 wks	2Wo2W	YoY	Last 5 wks	2Wo2W	YoY
Africa		-2%	+1%		+1%	+6%		+1%	+4%
Asia Pacific		-2%	+7%		-5%	+13%		+1%	+17%
C. & S. America		+1%	+12%		+4%	+10%		+2%	+3%
Europe		-1%	+1%		-2%	+5%		+2%	-4%
M. East & S. Asia		-2%	-1%		-4%	+9%		+1%	+53%
North America		+1%	+2%		-3%	+3%		-1%	-5%
Worldwide		**-1%**	**+3%**		**-3%**	**+9%**		**+0%**	**+12%**

Source: World ACD

Globally, air cargo volumes rose by **↑2%** (w/w), with notable gains in Africa (**↑4%**) and Asia Pacific (**↑6%**). On the pricing front, average worldwide rates held steady at **$2,58 per kilogram**, **↑12%** above last year's levels (and hitting peaks in some regions[20]), while spot rates from China to the USA increased by **↑8%** (w/w) to **$5,28/kg**. The China-Europe market saw a modest **↑5%** recovery in tonnages, while Hong Kong-Europe tonnages remained robust, up **↑26%** (y/y).

[19] Whiteman, A. 16/10/2024. DP World buys 47 000 TEU of containers to boost 'end-to-end' ambitions.
[20] Lennane, A. 18/10/2024. Air cargo spot rates hit 2024 peak, while Vietnam becomes a hotspot.

In other air cargo developments, according to IATA's "*Chart of the Week*", Africa faces the highest average into-wing jet fuel prices globally, mainly due to limited supply competition, government or monopoly control over pricing, and logistical challenges. These factors disadvantage African airlines in terms of profitability and competitiveness compared to other regions.[21] Finally, e-commerce platforms, especially Chinese ones like Temu and Shein, are adapting to tighter US regulations on de minimis shipments by shifting towards domestic US models, such as requiring third-party sellers to store products locally to avoid scrutiny. This strategy could raise the cost of Chinese goods by up to 20% while increasing competition in the US ecommerce space, benefiting small and medium businesses.[22]

ENDS[23]

[21] IATA. 18/10/2024. Into-wing jet fuel price range by region, US cents per gallon.
[22] Lennane, A. 14/10/2024. China's e-commerce giants revamp strategy to get round new US rules.
[23]**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

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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.

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- We abide by a strict **Non-Disclosure Agreement** and information shared with us will never be used for any other purpose.
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