

Cargo movement update #172¹

Date: 9 February 2024

Weekly Snapshot

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

Flows	Current ²			Previous ³			Growth
	Import	Export	Total	Import	Export	Total	
Port Volumes (containers)	26 021	35 047	61 068	25 280	27 268	52 548	↑16%
Air Cargo (tons)	2 984	1 617	4 602	2 740	1 794	4 534	↑1%

Monthly Snapshot

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

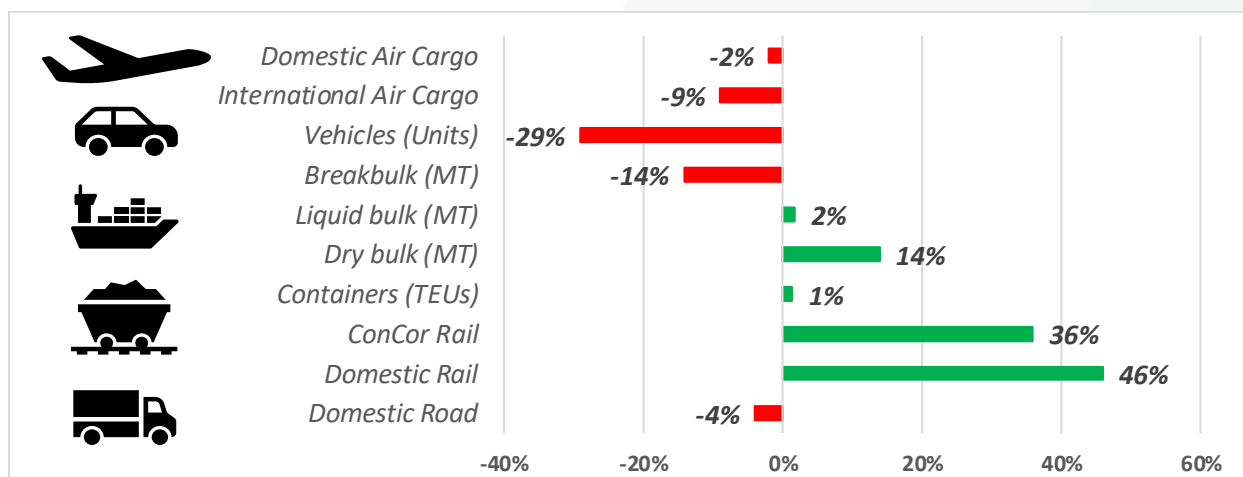
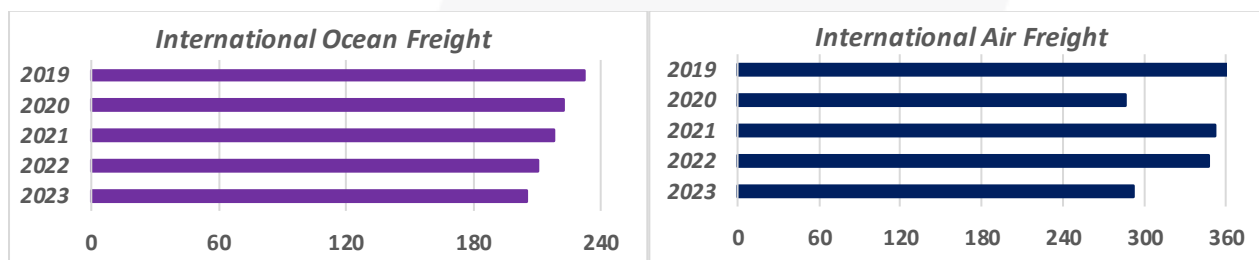


Figure 2 – Global year-to-date flows 2019-2023⁵: ocean, y/y (metric tonnes) & air freight, y/y (kg millions)



Key Notes

- An average of **~8 724 containers** was handled per day, with **~8 818 containers** projected for next week.
- Rail cargo handled out of Durban amounted to **2 092 containers**, down **↓14%** from last week.
- Cross-border queue times were **↑1,1 hours** (w/w), with transit times **↓0,5 hours** (w/w); SA borders decreased by **~0,3 hours**, averaging **~10,6 hours** (**↓3%**); Other SADC borders averaged **~5,9 hours** (**↓6%**).
- Global container volume (dry & reefer) is up by **↑3,3%** (m/m) & **↑7,2%** (y/y), but only up by **↑0,3%** YTD.
- Global freight rates have again decreased this week – by **↓1,0%**, or **\$38 to \$3 786** per 40-ft container.
- International air cargo figures reflect a **↑15%** increase in tonnages compared to January 2023.

¹ This update contains a combined overview of air, sea, and road freight to and from South Africa in the last week. This report is the 172th update.

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

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

⁴ 'Monthly' means the last months' worth of available data compared to the same month in the previous year. For air: Jan vs Jan; for domestic road and rail: Nov vs Nov; all other metrics: Dec vs Dec.

⁵ For ocean, total Jan-Dec cargo in metric tonnes, as reported by Transnet, is used, while for air, Jan-Dec cargo to and from all airports is used.

Executive Summary

This update contains a consolidated overview of the South African supply chain and the current state of international trade. Commercial ports handled an average of **8 724 containers** per day, significantly up from the **7 507** containers last week. Despite some commendable performance by TPT, port operations this week were still constrained by challenges relating to adverse weather conditions, equipment breakdowns and ongoing shortages, as well as union engagements. Dense fog and union engagements were the most prominent operational constraints in Cape Town. At the same time, the Morning Celesta was delayed in Durban for approximately 12 hours due to occupied and unavailable marine resources. TNPA in Richards Bay has announced FFS Tank Terminal (Pty) Ltd as the preferred bidder to develop and operate a liquid bulk terminal specialising in bunker fuels at the port.

In the global shipping industry, the December container throughput figures reveal a **↑3,3%** monthly increase following a **↓2,6%** decrease in November. Yearly, throughput rose by **↑7,2%** compared to December 2023, yet 2023 volumes were similar to 2022 levels, up only **↑0,3%**. Freight rates, after 17 months of decline, rose by **↑2,9%** in December but remained **↓41,3%** lower year-on-year. South Africa's share of regional trade is diminishing while African regional trade has increased, as imports are up by **↑10,0%** and exports by **↑15,6%** compared to December 2022. However, South Africa's share of regional trade has decreased, highlighting its diminished role in the global port hierarchy. Global port congestion affects 5,3% of the fleet, with Durban and Cape Town showing signs of congestion. Red Sea diversions have absorbed excess capacity, impacting trade routes unevenly, notably the Transpacific trade. Ane Maersk, the world's first methanol-powered mainliner, commenced its maiden voyage, signalling a shift towards green shipping. Maersk leads in methanol-fuelled vessels, with 152 units under construction, totalling over **1,75 million TEU**, indicating a growing preference for sustainable fuel in the industry.

In the air cargo industry space, inbound cargo continues to slightly trend upwards (**↑1%**, w/w), although outbound cargo dropped significantly this week (**↓10%**). Overall, the industry handled a massive **↓9%** less volume compared to this time last year. These figures are quite alarming, especially considering the port backlog and the accompanying Red Sea crisis, which resulted in a slight modal shift in favour of airfreight. Unfortunately, this modal shift did not do much to total volumes, which were, in fact, down on last year. Domestically, volumes are up by **↑4%** compared to the previous week and remain slightly down compared to last year's level (**~96%**). Internationally, air cargo rates from China surged in the week leading up to the Lunar New Year as shippers rushed shipments before the holiday, with rates averaging **\$2,35 per kg**. Rates from China to North America increased by **↑14%** while those to Europe rose by **↑8%**, although still below early December levels.

In regional cross-border road freight trade, average queue times increased by **approximately an hour**, while transit times decreased by **half an hour** from last week. The median border crossing times at South African borders decreased by **around 20 minutes**, averaging **~10,6 hours** (**↓3%**, w/w) for the week. In contrast, the greater SADC region (excluding South African controlled) decreased by **nearly half an hour** and averaged **~5,9 hours** (**↓6%**, w/w). On average, four SADC border posts took more than a day to cross, including Beitbridge, Kasumbalesa (the worst affected from the Zambian side at around **two days** to cross), Katima/Mulilo, and Tunduma OSBP. Other developments this week included **(1)** SARS network upgrades, **(2)** unrest in Tenke (DRC), **(3)** Korridor notifies of payment issues at Chirundu, Kazungula, and Kasumbalesa and **(4)** Likasi bypass opened again.

In a week where the President gave another sobering account of the current economic realities⁶, the same rings true for trade, transport and logistics – perhaps even more so than in our recent memory with the ongoing logistics crisis. Indeed, the words trade, transport and logistics – and Transnet – were mentioned a total of 12 times in the President’s address, emphasising the hurdles faced by our industry. Redefining excellence in today’s challenging and dynamic landscape necessitates a paradigm shift towards collaborative efforts among diverse stakeholders within the system. In acknowledging that past setbacks often offer valuable lessons, the focus shifts towards leveraging collective expertise and resources to make up for lost time. By fostering collaboration among industry leaders, policymakers, researchers, and association representatives, we unlock the potential for innovative solutions and sustainable growth in our industry. This collaborative approach not only amplifies the impact of individual efforts but also cultivates a culture of resilience and adaptability – something that has gone missing in our industry. Through shared goals and mutual support, we can redefine excellence as a collective journey towards inclusive progress driven by the strength of our collaborations.

⁶ Ramaphosa, C. 08/02/2024. [President Cyril Ramaphosa: 2024 State of the Nation Address](#).

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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 February ⁷

7-day flow forecast (03/02/2024 – 09/02/2024)		
TERMINAL	NO. OF CONTAINERS ⁸ TO DISCHARGE (IMPORT)	NO. OF CONTAINERS TO LOAD (EXPORT)
DURBAN CONTAINER TERMINAL PIER 1:	4 187	4 207
DURBAN CONTAINER TERMINAL PIER 2:	9 815	11 587
CAPE TOWN CONTAINER TERMINAL:	6 362	8 534
NGQURA CONTAINER TERMINAL:	5 457	8 024
GQEBERHA CONTAINER TERMINAL:	200	2 695
TOTAL:	26 021	35 047

Source: Transnet, 2024. Updated 09/02/2024.

Table 3 – Container Ports – Weekly flow predicted for 10 to 16 February

7-day flow forecast (10/02/2024 – 16/02/2024)		
TERMINAL	NO. OF CONTAINERS TO DISCHARGE (IMPORT)	NO. OF CONTAINERS TO LOAD (EXPORT)
DURBAN CONTAINER TERMINAL PIER 1:	4 528	5 287
DURBAN CONTAINER TERMINAL PIER 2:	11 235	12 476
CAPE TOWN CONTAINER TERMINAL:	8 791	6 113
NGQURA CONTAINER TERMINAL:	3 765	6 398
GQEBERHA CONTAINER TERMINAL:	2 516	620
TOTAL:	30 835	30 894

Source: Transnet, 2024. Updated 09/02/2024.

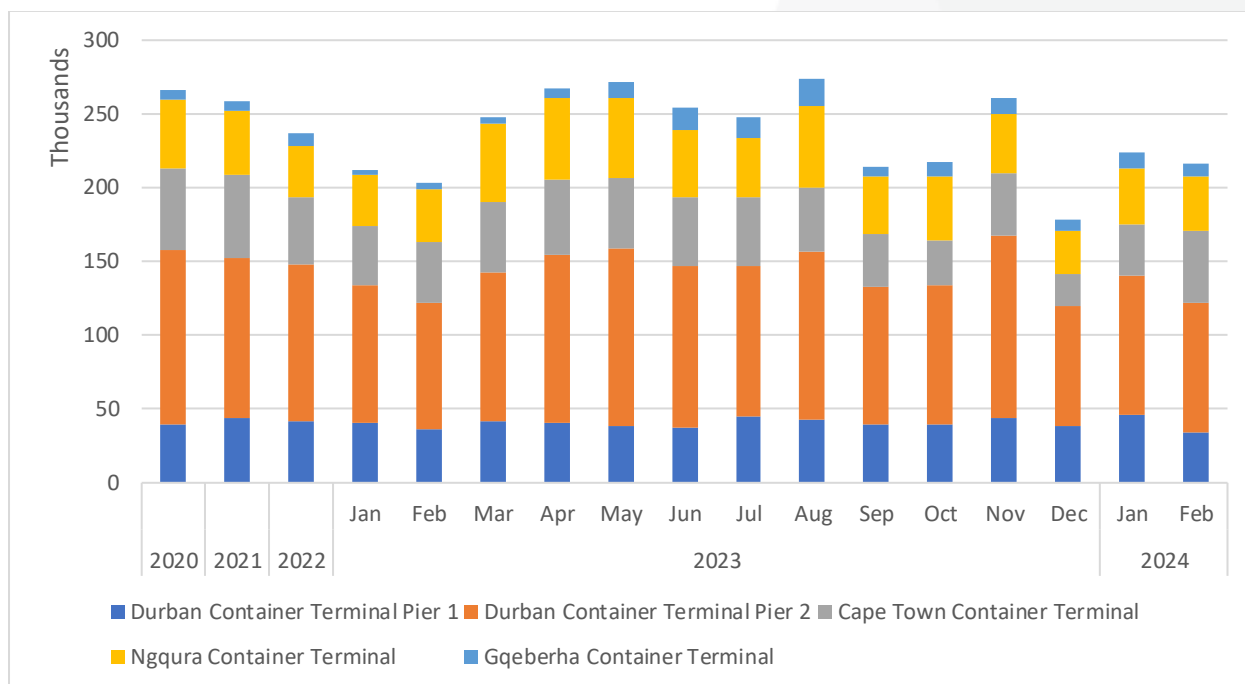
An average of **~8 724** containers (**↑16%**) was handled per day for the last week (3 to 9 February, Table 2), compared to the projected average of **~8 593** containers (**↑1,5%** actual versus projected) noted in last week's report, which is highly commendable from TPT. For this week, another elevated average of **~8 818** containers (**↑1%**) is predicted to be handled (10 to 16 February, Table 3) in a best-case scenario. Despite some commendable performance by TPT, port operations this week were still constrained by challenges relating to adverse weather conditions, equipment breakdowns and ongoing shortages, as well as union engagements.

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 36% 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.

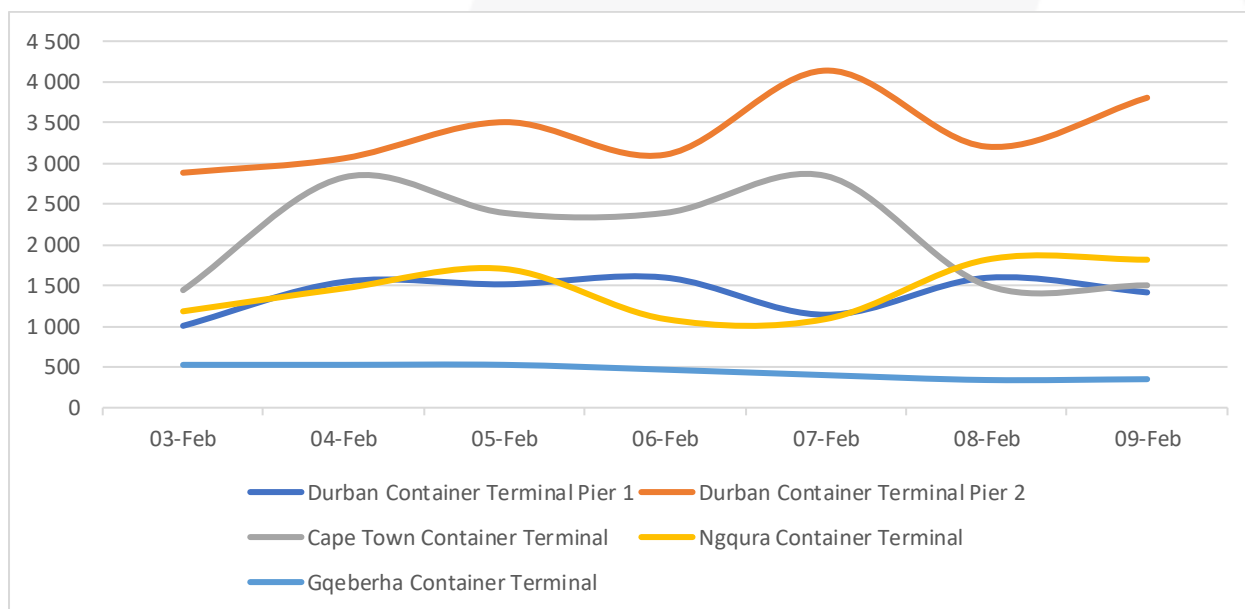
Figure 3 – Monthly flow reported for total cargo movement (containers April 2020 to present, m/m)



Source: Calculated using data from Transnet, 2024 and updated 09/02/2024.

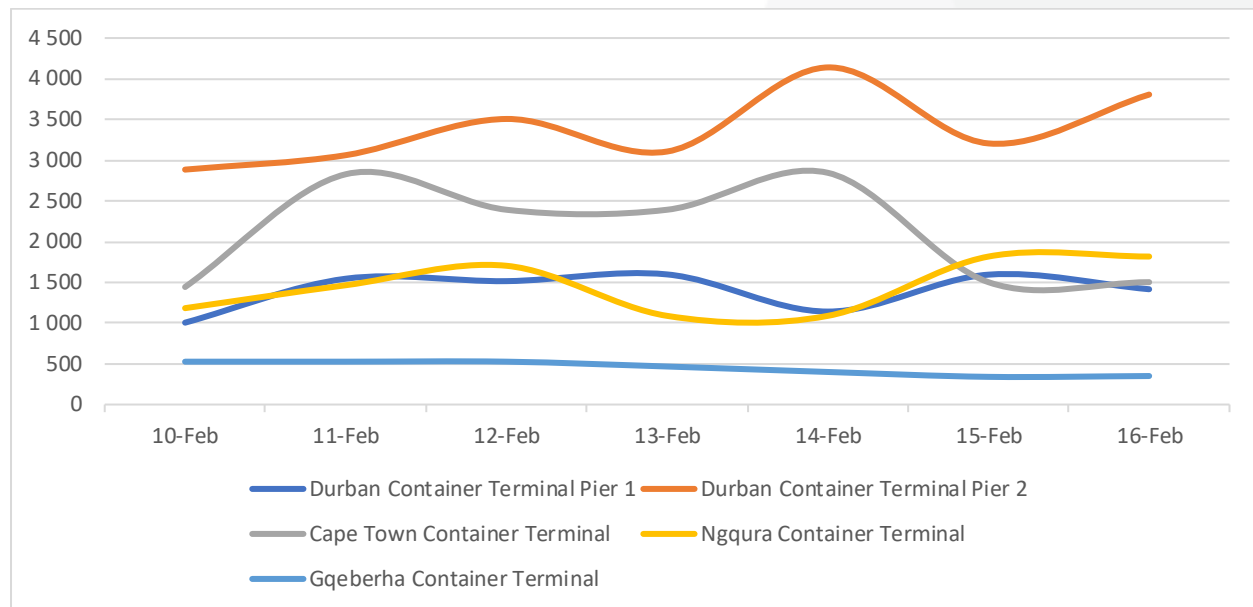
The following figures show the weekly container flows for the last seven days, followed by the projections for the seven days after that.

Figure 4 – 7-day flow reported for total container movements (3 to 9 February; per port; day on day)



Source: Calculated using data from Transnet, 2024 and updated 09/02/2024.

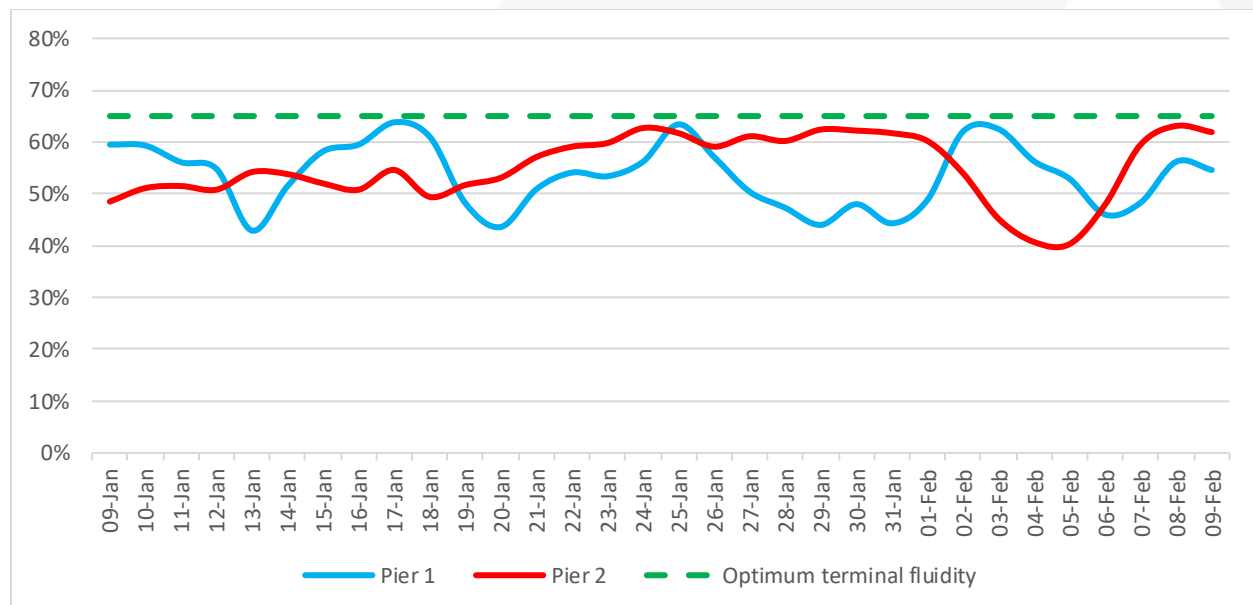
Figure 5 – 7-day forecast reported for total container movements (10 to 16 February; per port; a day on the day)



Source: Calculated using data from Transnet, 2024 and updated 09/02/2024.

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

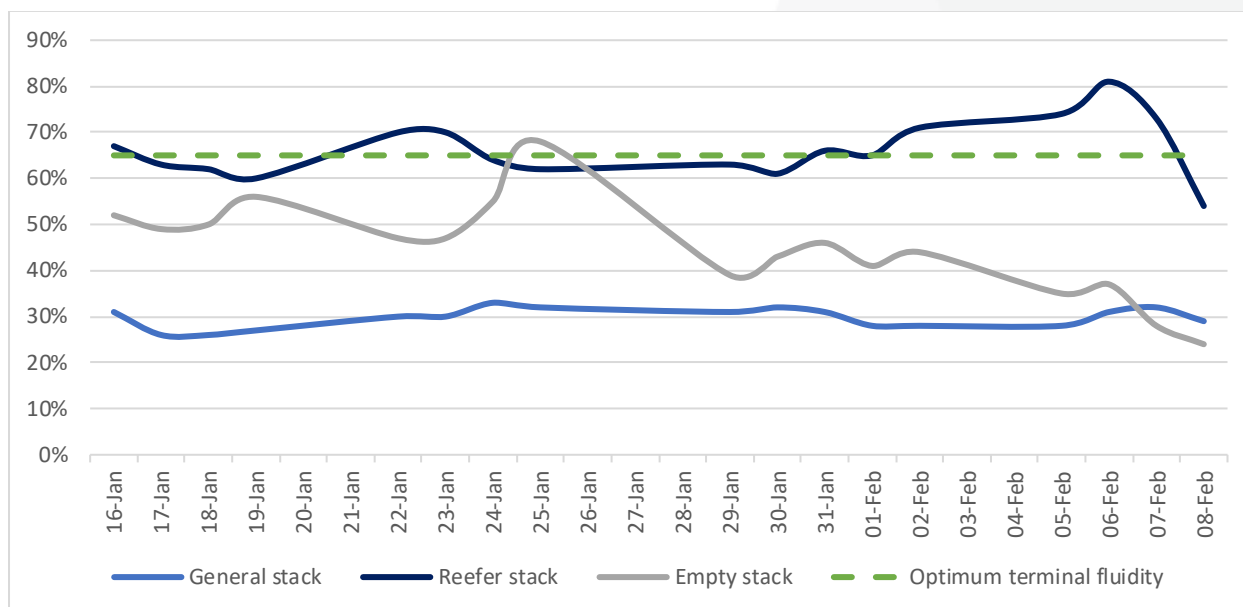
Figure 6 – Stack occupancy in DCT, general-purpose containers (9 January to present; a day on the day)



Source: Calculated using data from Transnet, 2024 and updated 09/02/2024.

The following figure shows daily stack occupancy in Cape Town over a similar period.

Figure 7 – Stack occupancy in CTCT, GP, reefer, and empty stack (16 January to present, day on day)



Source: Calculated using data from Transnet, 2024 and updated 09/02/2024.

b. Summary of port operations

The following sections provide a more detailed picture of the operational performance of our commercial ports over the last seven days.

i. Weather and other delays

- Dense fog and union engagements were the most prominent operational constraints in Cape Town.
- The Morning Celesta was delayed in Durban for approximately 12 hours due to occupied and unavailable marine resources.
- NCT went windbound for the most significant part of Wednesday, while GCT also struggled with adverse weather.
- Unfavourable weather conditions proved to be an operational constraint in Richards Bay.

ii. Cape Town

On Wednesday, CTCT recorded three vessels at berth and four at anchor as the terminal embarked on recovery operations after being extensively delayed by dense fog on the waterside. In the preceding 24 hours, stack occupancy for GP containers was recorded at 32%, reefers at a high of 73%, and empties at 28%. In this period, the terminal moved 1 314 containers across the quay while operating with eight STS cranes and 27 RTGs. Towards the end of the week, crane LC6 made a welcome return to service before LC5 was taken out of service for load testing operations. On the landside, despite facilitating union engagements across all three shifts, 947 trucks were serviced, while 21 export- and 14 import rail units were handled.

The multi-purpose terminal recorded zero vessels at anchor and three at berth on Monday. In the 24 hours leading to Tuesday, the terminal managed to service 119 external trucks at an undisclosed truck turnaround time on the landside. During the same period, 348 TEUs and 3 072 tons of wheat were handled across the quay on the waterside. Stack occupancy was recorded as very low at 2% for GP containers, 7% for reefers, and 4% for empties during the same period.

During the week of 29 January - 04 February 2024, the FPT terminal serviced seven vessels comprising two container vessels, four multi-purpose vessels, and a dry bulk vessel. During that period, 2 735 TEUs were handled at ~ ten containers per hour, as well as 67 tons of breakbulk at ~45 tons per hour. Additionally, 29 629 tons of dry bulk was handled at ~192 tons per hour, and 8 855 pallets of fruit were handled at ~24 pallets per hour. The terminal planned to handle seven vessels between 5 and 11 February, with another seven planned between 12 and 18 February. Crane breakdowns delayed most vessels at the terminal during this period, while the late arrival of cargo and adverse weather also created delays.

iii. Durban

Pier 1 on Wednesday recorded two vessels at berth, operated by four gangs, and four vessels at anchor. Stack occupancy was 48% for GP containers and remained undisclosed for reefers. During the same period, the terminal recorded 1 158 gate moves on the landside, with an undisclosed number of cancelled slots and 102 wasted. The truck turnaround time was recorded at ~129 minutes, with an average staging time of ~103 minutes. At the beginning of this week, the terminal had 2 263 imports on hand, with 255 having road stops and 247 being unassigned. Several block extensions were granted this week due to equipment challenges causing high traffic volumes.

Pier 2 had four vessels at berth and six at anchorage on Thursday. In the preceding 24 hours, stack occupancy was 63% for GP containers and undisclosed for reefers. The terminal operated with ten gangs while moving 2 696 TEUs across the quay. During the same period, there were 2 403 gate moves on the landside with a truck turnaround time of ~139 minutes and a staging time of ~211 minutes. Additionally, 249 rail import containers were on hand, with 192 moved by rail. Towards the end of the week, the terminal had about 54 straddles in operation. This brings the straddle carrier availability figure in the terminal to about 56%. That is currently approximately ↓29% below the number of machines that would be the minimum to satisfy industry demand.

TPT in Durban further communicated that due to new shift patterns in their respective terminals, slot review times have changed to 06:10, 09:30, 13:30, and 18:10, respectively. Additionally, the port struggled with its marine equipment this week, as only four tugs were operational for the most significant part of the week. The technical team acted swiftly to ensure that the fifth tug was recommissioned by the end of the week. The port helicopter also went out of commission; however, a backup helicopter was rapidly sourced and refuelled to aid waterside operations. Lastly, the floating crane is anticipated to make a welcome return next week.

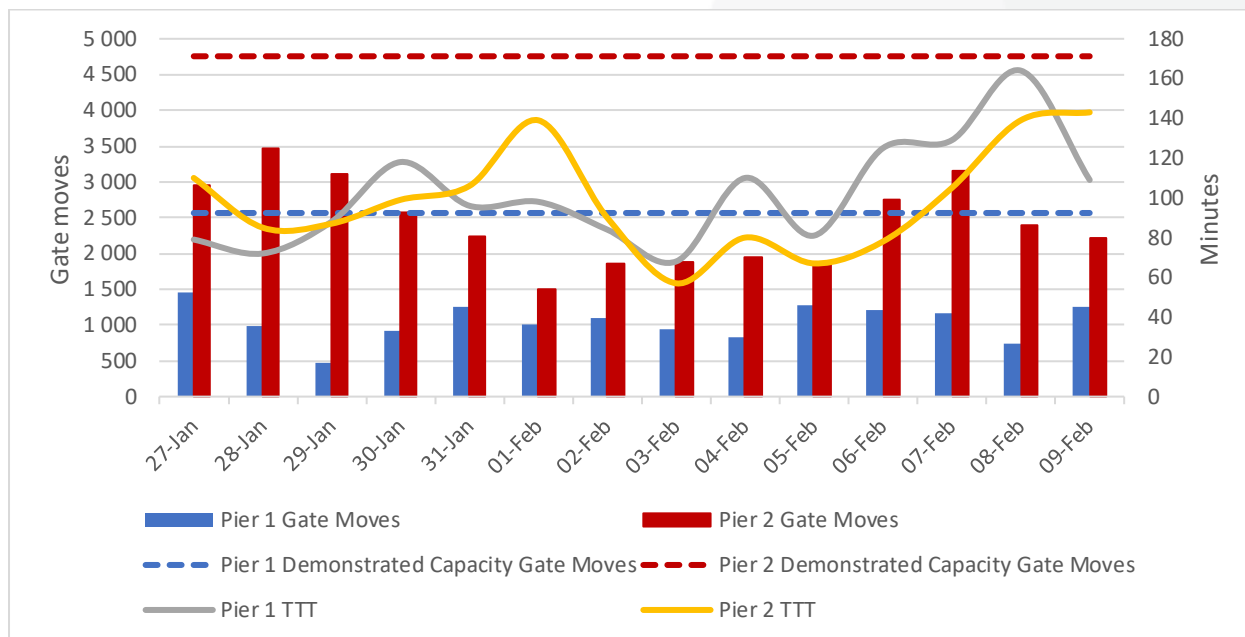
Durban's MPT terminal recorded one container vessel at berth on Tuesday and two at outer anchorage while handling 255 TEUs on the waterside. Stack occupancy for breakbulk was recorded at 35% during that time and at 52% for containers. The terminal handled 280 container road slots, while 14 breakbulk road visits containing 420 tons were facilitated on the landside. During the same period, two cranes, five reach stackers, one empty handler, seven forklifts and 14 ERFs were in operation. On Tuesday, at the Maydon Wharf MPT, 8 647 volumes were handled on the waterside. The terminal also managed to service 138 RMTs containing 4 276 tons on the landside. At the Agri-bulk facility, 7 255 tons were moved across the quay on the waterside, but no volumes were handled on the landside.

On Tuesday, the Ro-Ro terminal in Durban recorded one vessel on the berth, with none at anchorage. In the 24 hours leading to Wednesday, the terminal handled no road units but 392 rail units on the landside while handling 1 573 units on the waterside. During the same period, general stack occupancy was recorded at 79%, Q/R was recorded at 30%, and the G-berth stack was recorded at 10%. The terminal had 198 high-and-

heavies (abnormal loads) on hand while despatching 36. A shortage of rail wagons ensured that operational targets on the landside were not met.

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.

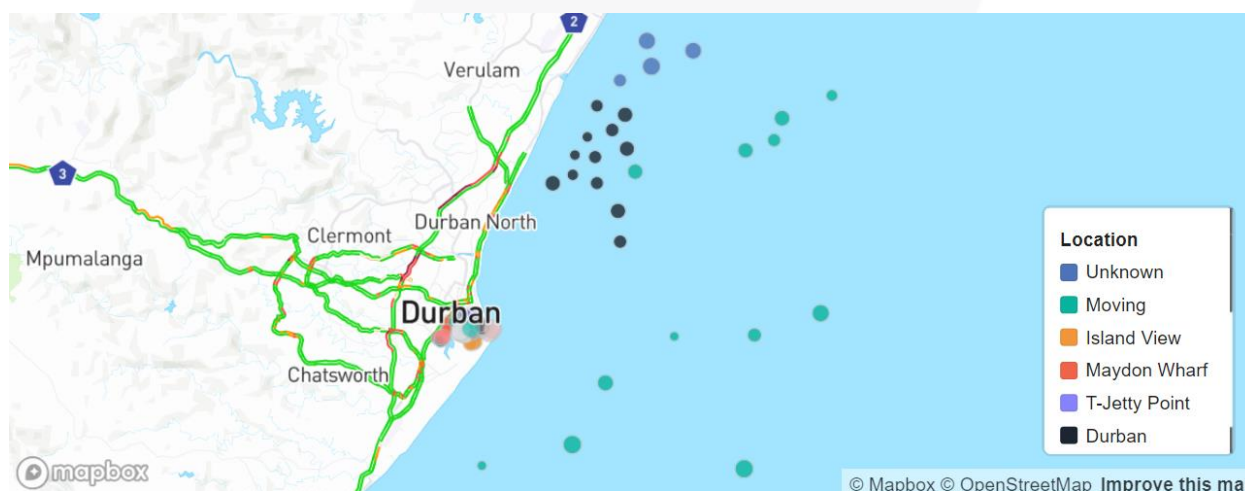
Figure 8 – Gate moves (left axis) and time spent in the terminal (in minutes, right axis)



Source: Calculated using data from Transnet, 2024 and updated 09/02/2024.

The recovery from port congestion continues, as all hands are on deck to alleviate the situation. At the end of Friday, 12 vessels were at anchorage (consisting of all vessel types), with the following snapshot of the port and vessels waiting to berth:

Figure 9 – Durban vessel view (per vessel group)



Source: Crickmay LMS, 2024. Updated 09/02/2024 at 14:00.

iv. Richards Bay

On Tuesday, Richards Bay recorded 13 vessels at anchor, translating to four vessels destined for DBT, four vessels destined for MPT, and five vessels destined for RBCT. A further 11 vessels were recorded on the

berth, consisting of four at DBT, four at MPT, two at RBCT, and one at the liquid bulk terminal. Two tugs and one helicopter were in operation for marine resources, while the pilot boat remained out of service. During the same period, the coal terminal had two vessels at anchor and two at berth while handling 180 289 tons on the waterside. On the landside, 12 trains were serviced. The latest reports suggest that TNPA has appointed FFS Tank Terminal (Pty) Ltd as the preferred bidder to develop and operate a liquid bulk terminal specialising in bunker fuels at the port.

v. Eastern Cape ports

On Thursday, NCT recorded two vessels on the berth and three vessels at the outer anchorage. Marine resources of two tugs, two pilots, and one berthing gang were in operation in the 24 hours leading up to Friday. The port's original pilot boat remains out of service; however, they are still sharing resources with GCT to service waterside activities. Stack occupancy was 44% for GP containers and 63% for reefer ground slots, as a total of 1 600 TEUs were processed on the waterside. Additionally, 485 trucks were serviced on the landside at a truck turnaround time of ~37 minutes. On Wednesday, the terminal went windbound for the most significant part of the day.

GCT on Thursday recorded one vessel at the outer anchorage with one vessel on the berth. Available waterside resources were two tugs, a pilot boat, two pilots, and one berthing gang in the preceding 24 hours. Stack occupancy was recorded at 36% for GP containers and 38% for reefers. On the waterside, 620 TEUs were handled across the quay. Additionally, 105 trucks were serviced on the landside at a truck turnaround time of ~18 minutes. Strong winds and dense fog challenged the terminal throughout the week.

At the Ro-Ro terminal, on Wednesday, one vessel was recorded on berth with no vessels at outer anchorage. On the waterside, 1 051 units were handled, leading to a stack occupancy figure of 40%.

On Thursday, the Port of East London recorded one vessel at berth and none at anchor. In the 24 hours leading to Thursday, the terminal managed to handle 240 TEUs at a GCH of ~16 on the waterside. On the landside, the terminal received 67 trucks at a truck turnaround time of ~13 minutes, resulting in a stack occupancy figure of 53% on the container side. The Ro-Ro terminal had 3 998 units on hand while receiving a further 468 units, resulting in a stack occupancy figure of 79%.

vi. Saldanha Bay

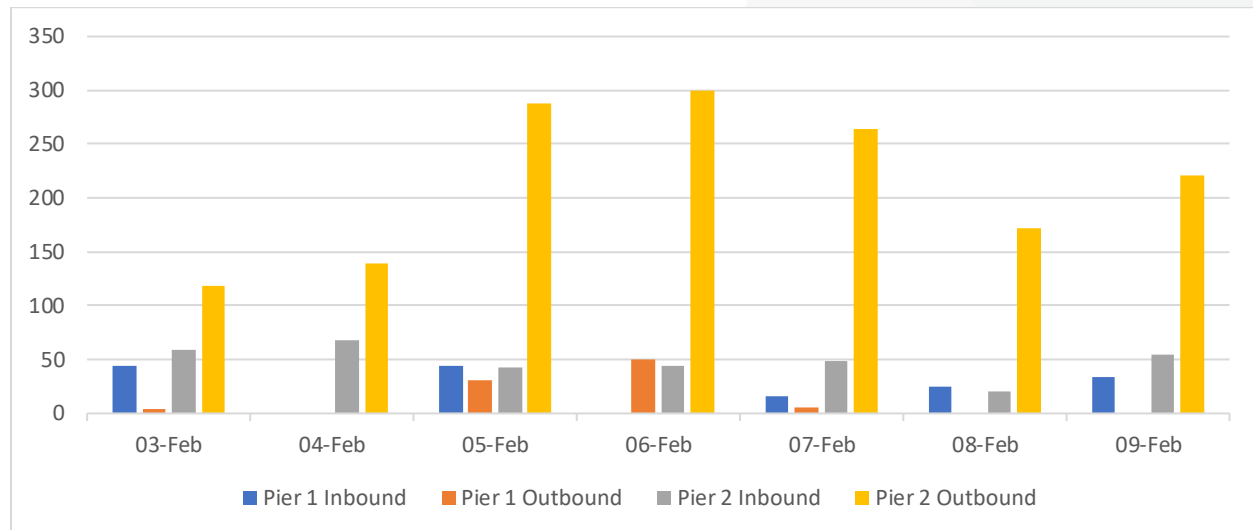
On Friday, the iron ore terminal had three vessels at anchorage and two on the berth, while the multi-purpose terminal had three vessels at anchor and two on the berth. The vessels at anchor have been waiting outside for approximately 1-6 days, while the vessels in port have been on the berth for between 1 and 3 days.

vii. Transnet Freight Rail (TFR)

No reports were received from TFR this week; however, a shortage of rail wagons ensured that operational targets at the Ro-Ro terminal in Durban could not be met on several occasions throughout the week. Additionally, out of the six scheduled rail plans, DCT Pier 2 could only complete two load plans, mainly due to the strong winds experienced. The latest reports indicated that DCT Pier 2 had 156 over-border units on hand with a dwell time of 25 days and 88 ConCor units on hand with a dwell time of 120 hours. Rail containers on hand were split as follows: Pier 1: 36, Pier 2: 247. Lastly, Transnet announced that third-party access to

rail would be opened in April, which has been widely welcomed by the industry wanting to participate in moving rail-friendly goods from road to rail⁹.

Figure 10 – TFR: Rail handled (Pier 1 and Pier 2)



Source: Calculated using data from Transnet, 2024. Updated 09/02/2024.

In the last week (3 to 9 February), rail cargo handled out of Durban was reported at **2 092** containers, down by **↓14%** from the previous week's **2 441** containers.

2. Air Update

a. International air cargo

The following table shows the in- and outbound air cargo flows to and from ORTIA for the week beginning 29 January. For comparative purposes, the average air freight cargo (inbound and outbound) handled at ORTIA in February 2023 averaged **~754 516 kg** per day.

Table 4 – International inbound and outbound cargo from OR Tambo¹⁰

Flows	29-Jan	30-Jan	31-Jan	01-Feb	02-Feb	03-Feb	04-Feb	Week
Volume inbound	320 929	355 378	337 579	314 850	359 407	358 844	937 479	2 984 466
Volume outbound	124 760	210 253	237 871	200 915	214 962	230 018	398 478	1 617 257
Total	445 689	565 631	575 450	515 765	574 369	588 862	1 335 957	4 601 723

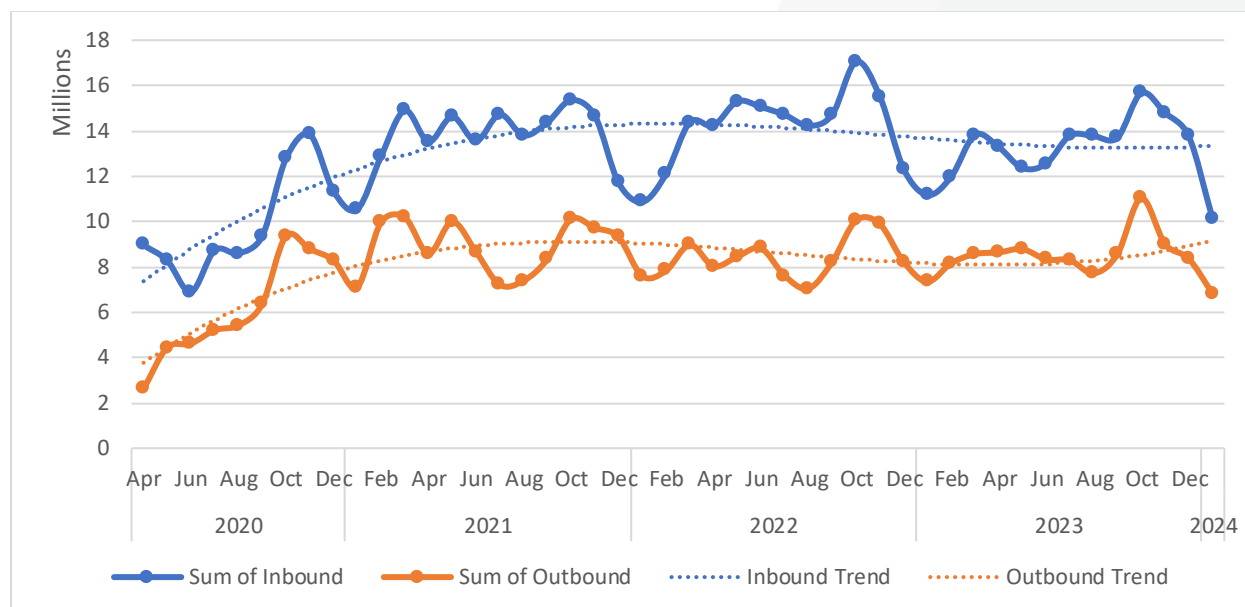
Courtesy of ACOC. Updated: 05/02/2024.

The daily average volume of air cargo handled at ORTIA the previous week amounted to **426 352 kg** inbound (**↑9%**, w/w) and **231 037 kg** outbound (**↓10%**), resulting in an average of **657 389 kg per day**. The industry remains slightly down on historical levels (in fact, both inbound and outbound cargo are **↓9%** versus January 2023). Moreover, the levels remain down on the pre-pandemic levels of February 2020 (**~74%**). The following graphs show the movement since the pandemic's onset for ORTIA, with the recent drop-off noticeable:

⁹ Moodley, N. 06/02/2024. [Transnet to open up third-party rail network access from April.](#)

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

Figure 11 – International cargo from OR Tambo – volumes per month (kg millions)



Courtesy of ACOC. Updated: 05/02/2024.

b. Domestic air cargo

The following table shows the domestic inbound and outbound air cargo flows as reported by the industry. By way of comparison, the average domestic air freight cargo (inbound and outbound) handled in *February 2023* was ~57 284 kg per day.

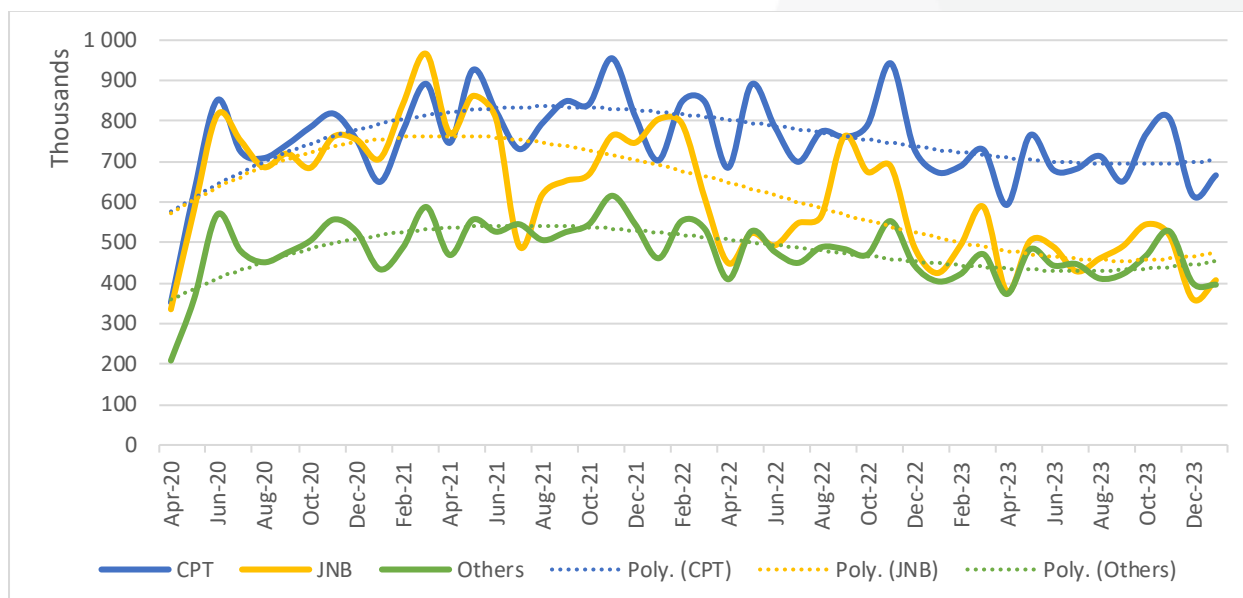
Table 5 – Total domestic inbound and outbound cargo (average daily)

DATE / AIRPORT	CPT	DUR	ELS	JNB	PLZ	OTHERS	TOTAL
2020 Average	22 928	2 514	3 441	21 890	5 818	3 141	59 733
2021 Average	26 852	3 776	3 474	24 379	6 828	3 309	68 619
2022 Average	25 922	3 263	3 232	20 278	6 633	2 909	62 237
2023 Average	22 931	2 791	2 623	15 573	6 302	2 734	52 954
29-Jan	33 565	3 308	3 103	22 559	12 187	4 303	79 026
30-Jan	44 791	4 141	3 889	25 576	9 390	3 817	91 604
31-Jan	36 284	3 229	3 564	22 612	8 945	4 749	79 384
01-Feb	38 292	4 070	3 664	22 656	9 284	4 095	82 059
02-Feb	17 004	2 522	2 485	12 061	4 769	2 543	41 384
03-Feb	5 294	283	244	954	952	151	7 878
04-Feb	1 053	303	99	753	353	26	2 587
Total for 2024:	808 199	84 160	84 877	489 301	217 076	95 947	1 779 560

Courtesy of ACOC. Updated: 05/02/2024.

The average domestic air cargo moved last week was ~57 284 kg per day, up by ↑4% compared to the previous week and remains slightly down compared to last year's level (~96%). However, the level is currently trending only at ~54% compared with the same period pre-pandemic in 2019. The following graphs show the domestic movement at our main airports since the pandemic's onset:

Figure 12 – Domestic inbound and outbound cargo (thousands)



Courtesy of ACOC. Updated: 05/02/2024.

3. Road and Regional Update

a. Cross-border and road freight delays

This week, the following points should be noted in terms of challenges and delays on roads in South Africa and the surroundings in the SADC region.

- The median border crossing times at South African borders decreased by **around 20 minutes**, averaging **~10,6 hours (↓3%, w/w)** for the week. In contrast, the greater SADC region (excluding South African controlled) decreased by **nearly half an hour** and averaged **~5,9 hours (↓6%, w/w)**.
- EDI delays were experienced on the SARS platform on Monday; technicians were able to isolate the issue later that day, but that required a complete restart. SARS made upgrades during the week, which appear to be running smoothly.
- Last week, reports of unrest in Tenke led to villagers halting mining operations after a fatal accident.
 - Drivers faced hostility, prompting a directive for transporters to steer clear of the area. FESARTA is coordinating with DRC authorities
 - As of Sunday, the situation in Tenke seems to have calmed.
- Last week, Friday (2 February), Korridor notified that changes to specific payment systems offline have hindered the availability of physical currency at Chirundu, Kazungula, and Kasumbalesa.
 - Updates on the situation will be provided promptly as they become available.
- The Likasi bypass in southeastern DRC was reopened at a fee of \$80.
- Transporters, traders, and cargo owners are encouraged to use the non-tariff barrier (NTB) [online tool](#) developed by UNCTAD and the AfCFTA Secretariat. However, given the questionable effectiveness of this platform, transporters are encouraged to contact FESARTA and join their TRANSIST Bureau¹¹, which arguably provides better and more reliable information.

¹¹ [FESARTA TRANSIST Bureau](#).

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

Table 6 – Delays¹² summary – South African borders (both directions)

Border Post	Direction	HGV ¹³ Arrivals per day	Queue Time (hours)	Border Time – Best 5% (hours)	Border Time – Median (hours)	Est. HGV Tonnage per day	Weekly HGV Arrivals
Beitbridge	SA-Zimbabwe	379	31,0	9,6	31,0	11 370	2 653
Beitbridge	Zimbabwe-SA	379	12,1	3,2	12,1	11 370	2 653
Groblersbrug	SA-Botswana	236	16,5	3,3	16,5	7 080	1 652
Martins Drift	Botswana-SA	181	1,5	0,3	1,5	5 430	1 267
Kopfontein	SA-Botswana	225	0,4	1,2	4,6	6 750	1 575
Tlokweng	Botswana-SA	15	0,1	0,2	0,3	450	105
Violsdrift	SA-Namibia	30	0,2	1,2	6,3	900	210
Noordoewer	Namibia-SA	20	0,2	0,5	2,2	600	140
Nakop	SA-Namibia	30	0,3	1,0	4,0	900	210
Ariamsvlei	Namibia-SA	20	0,3	0,4	1,6	600	140
Skilpadshek	SA-Botswana	214	1,3	1,5	5,2	6 420	1 498
Pioneer Gate	Botswana-SA	56	0,6	1,1	2,1	1 680	392
Lebombo	SA-Mozambique	1 446	2,0	1,3	6,5	43 380	10 122
Ressano Garcia	Mozambique-SA	125	0,5	0,4	13,2	3 750	875
Weighted Average/Sum		3 356	4,8	1,8	7,6	100 680	23 492

Source: TLC, FESARTA, & Crickmay, week ending 04/02/2024.

Table 7 – Delays summary – Corridor perspective

Corridor	HGV Arrivals per day	Queue Time	Border Time – Best 5%	Border Time – Median	Est. HGV Tonnage per day	Monthly HGV Arrivals
Beira Corridor	320	3,3	2,3	11,6	9 600	2 240
Central Corridor	798	0,0	0,2	1,1	23 940	5 586
Dar Es Salaam Corridor	1 819	9,9	3,1	17,7	54 570	12 733
Maputo Corridor	1 571	1,2	0,9	9,9	47 130	10 997
Nacala Corridor	127	0,0	0,0	0,0	3 810	889
North/South Corridor	3 487	8,7	2,3	10,7	104 610	24 409
Northern Corridor	2 817	0,1	0,1	1,1	92 520	21 588
Trans Caprivi Corridor	116	0,0	2,7	18,5	3 480	812
Trans Cunene Corridor	100	0,0	0,0	0,0	3 000	700
Trans Kalahari Corridor	300	0,7	0,9	2,8	9 000	2 100
Trans Oranje Corridor	100	0,2	0,8	3,5	3 000	700
Weighted Average/Sum	11 555	3,4	1,2	6,3	354 660	82 754

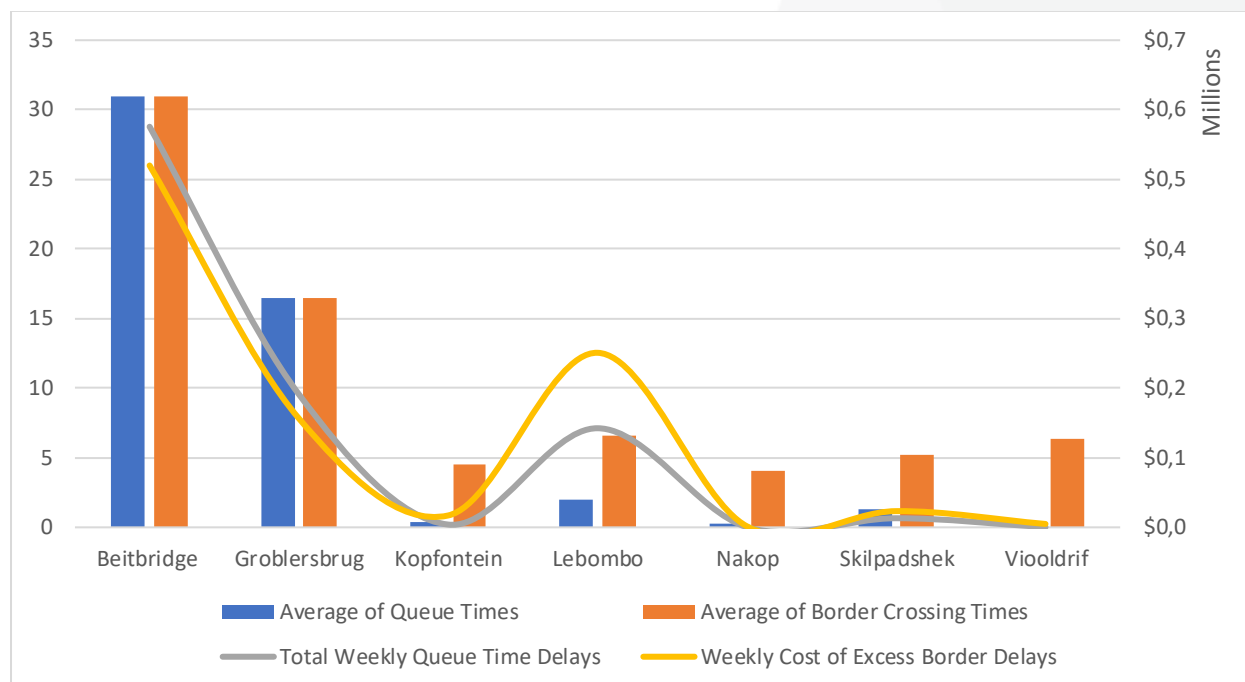
Source: TLC, FESARTA, & Crickmay, week ending 04/02/2024.

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

¹² It should be noted that the root cause of the reported delays is uncertain at this point. Moreover, the delays may be multiple and widely distributed. Therefore, they cannot be exclusively attributed to a specific common cross-border problem since we do not have a transparent view of the entire border process in granular detail. The causes of these bottlenecks typically include poor infrastructure, road congestion, and a lack of coordination between neighbouring countries and Customs (or OGA) stops, among other trade obstacles—data provided by the LMS (Logistics Monitoring System), which Crickmay produces in collaboration with SAAFF.

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

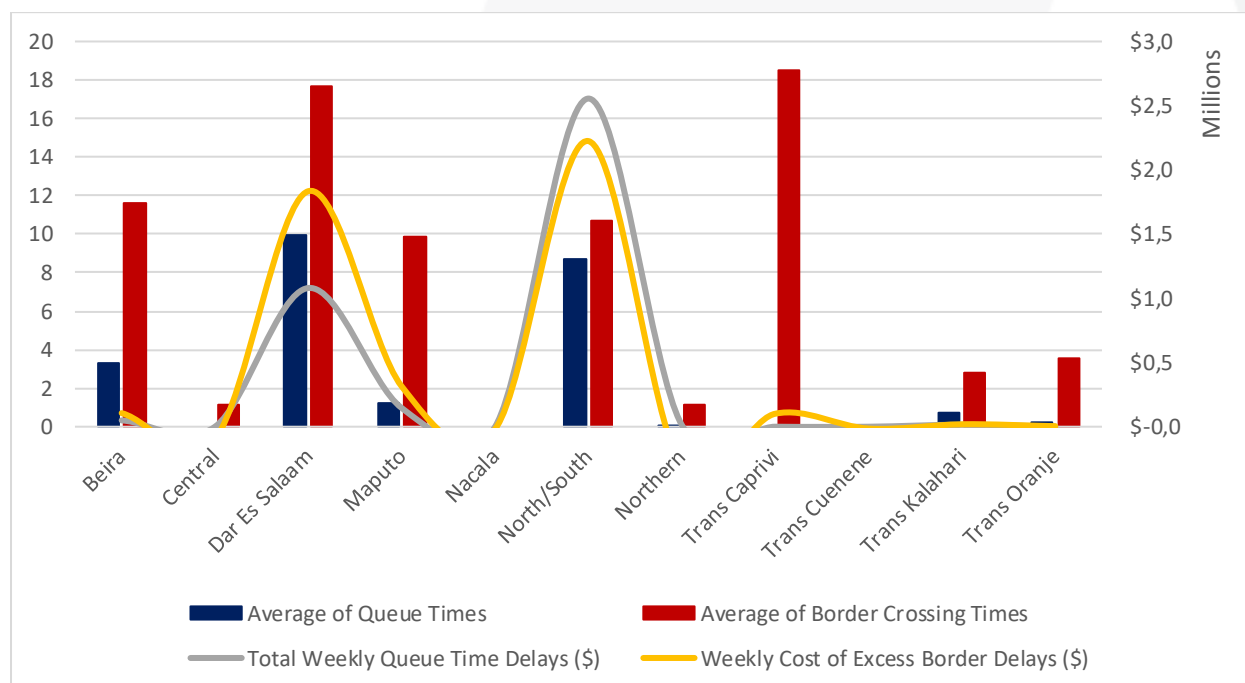
Figure 13 – Weekly cross-border delays & est. cost from a SA border perspective (hours & \$ millions)



TLC, FESARTA, & Crickmay, week ending 04/02/2024.

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

Figure 14 – Weekly cross-border delays & est. cost from a corridor perspective (hours & \$ millions)



Source: TLC, FESARTA, & Crickmay, week ending 04/02/2024.

In summary, cross-border queue time averaged **~3,4 hours** (up by **~1,1 hours** from the previous week's **~2,3 hours**), indirectly costing the transport industry an estimated **\$3,9 million (R73 million)**. Furthermore, the week's average cross-border transit times hovered around **~6,3 hours** (down by **~0,5 hours** from the **~6,8**

hours recorded in the previous report), at an indirect cost to the transport industry of ~\$4,1 million (R78 million). As a result, the total indirect cost for the week amounts to an estimated ~\$8 million (R152 million, up by ~R10 million or ↑6,5% from ~R142 million in the previous report).

4. International Update

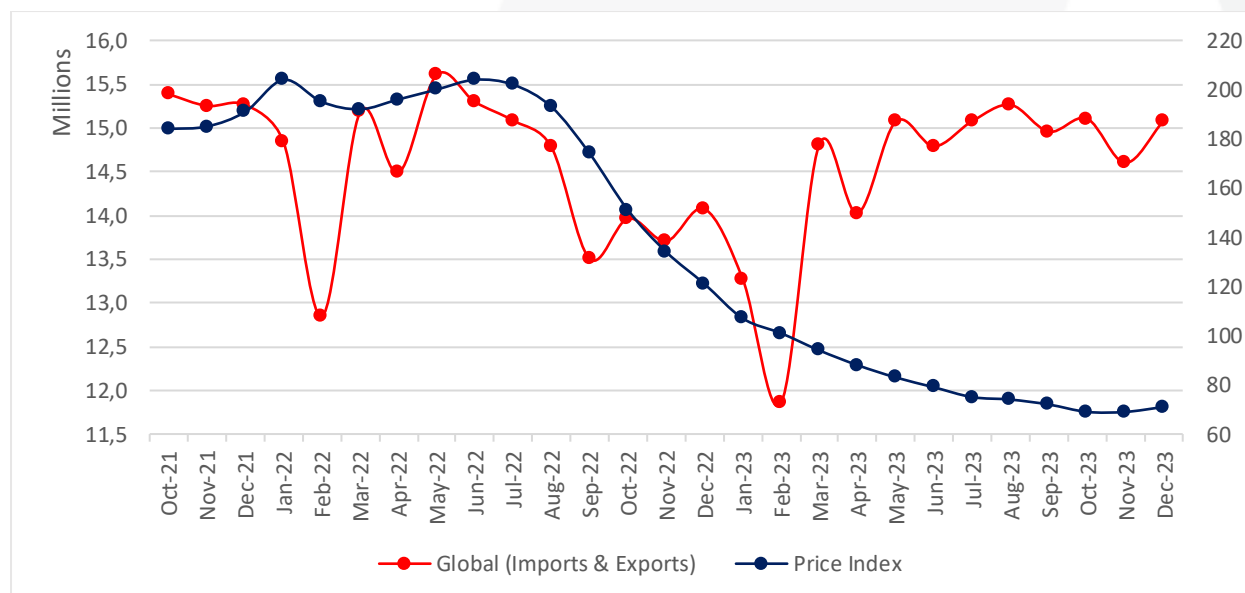
The following section provides some context around the global economy and its impact on trade, mainly an update on the (a) global shipping industry and the (b) global aviation industry.

a. Global shipping industry

i. Global container trade statistics - December

The latest container throughput figures for December from Container Trade Statistics (CTS) – an online statistics portal measuring global containerised trade – show that container volume has increased by ↑3,3% (m/m) after global volume decreased in November (by a revised ↓2,6%). Annual figures indicate that throughput is up by a considerable ↑7,2% (y/y) versus December 2023. However, for the entire year, 2023 volumes were very similar to 2022 levels (up by a mere ↑0,3%), reaffirming the subdued nature of global trade in general and the global containerised industry in particular in 2023. Concerning freight rates, the price index (reefer and dry) finally picked up in December (↑2,9%, m/m) after 17 consecutive months of declines. Nevertheless, compared to this time last year, rates are still down by a considerable ↓41,3% (y/y) versus a year ago. The following figure illustrates the global container throughput and price index over the last two- and a-bit years:

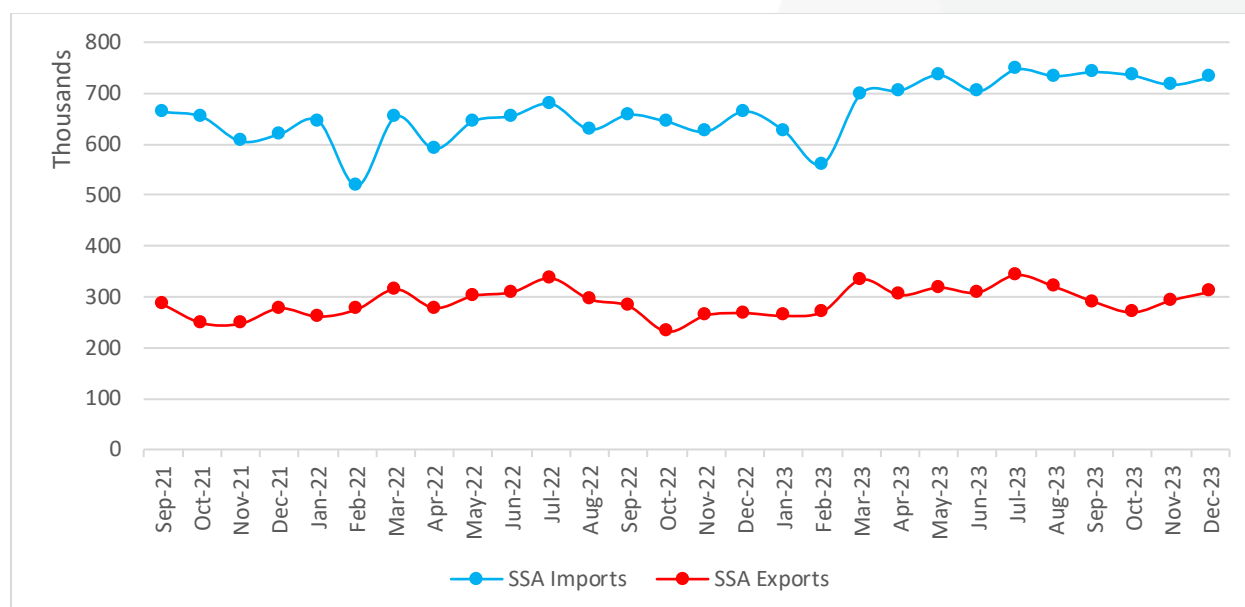
Figure 15 – Global Containerised Throughput (TEUs) and price index



Source: Calculated from [CTS](http://www.cts.org.za)

As illustrated, container throughput has crept up slightly in December, with a throughput of around **15,1 million TEUs**. Geographically, all seven regions registered slight increases in both imports and exports (ranging from ↑0,4% to ↑12,6%), with the exception of the Far East (which was approximately the same as in November). Europe registered the most significant increase in imports at ↑11,3%), whereas South and Central America registered the most significant increase in exports at ↑12,6%. The following figure shows Sub-Saharan African trade over the same period:

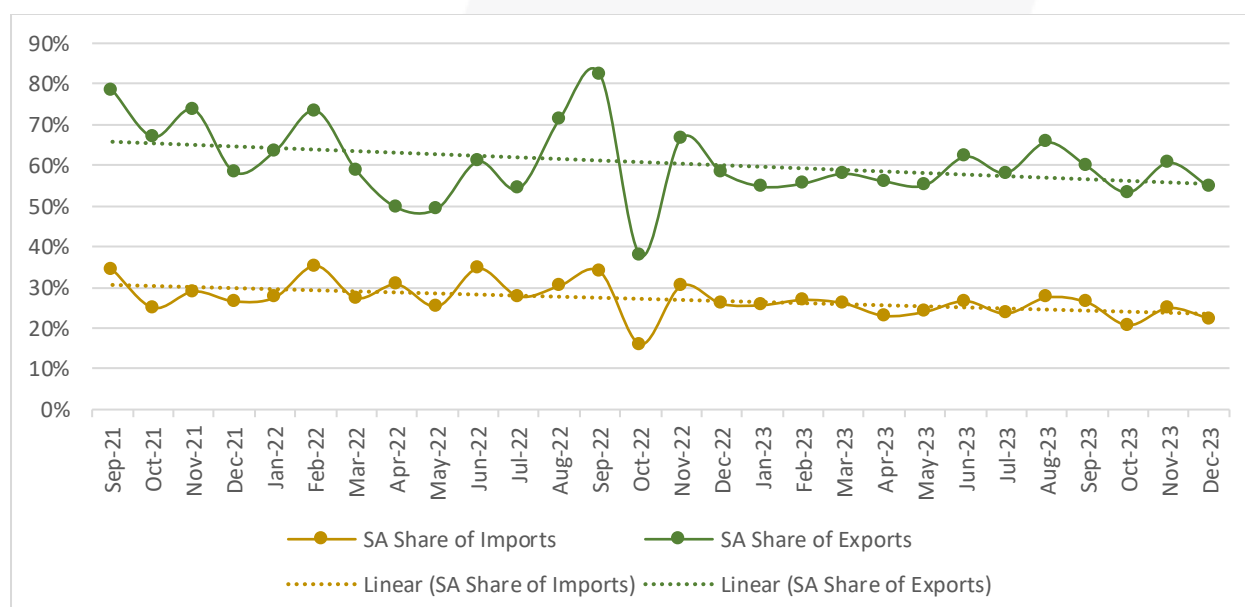
Figure 16 – Sub-Saharan Africa Containerised Throughput (TEUs)



Source: Calculated from [CTS](#)

As with the overall trade, yearly SSA trade shows that imports continue to grow substantially ($\uparrow 10,0\%$, y/y), while exports are also significantly up versus December 2022 (by $\uparrow 15,6\%$). However, the glaring issue is that's portion of regional trade is steadily dropping, consequently diminishing our role as the leading maritime entry point to Africa:

Figure 17 – South Africa's share in regional containerised throughput (% share)



Source: Calculated from [CTS](#)

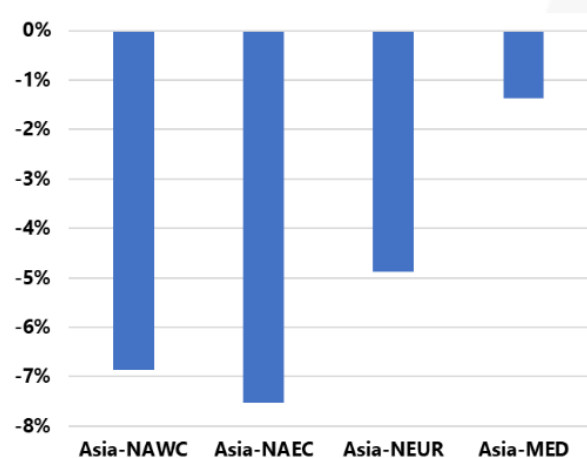
South Africa accounted for **22%** of SSA imports and **55%** of SSA exports in December when measuring these versus TNPA figures. These respective shares are significantly less than the highs of **35%** in February 2022 for imports and **82%** in September 2022 for exports – coincidentally, right before the October union strikes.

The ongoing trend underscores a troubling reality: South Africa's gradual erosion of regional market share in containerised trade underscores our diminished position in the global port hierarchy. TPT and related role players have made several critical recent strides in trying to repair our containerised industry, but the urgency of the current scenario remains acute – and we must continue to collaborate to restore the situation to its former health.

ii. Global container summary

Global port congestion remains stable this week and is currently affecting ~5,3% of the total fleet, as both Durban and Cape Town remain on the first page of the “*Port Congestion Watch*” – albeit both with queue-to-berth ratios of **less than one**¹⁴, which is a far cry from the height of the congestion and backlog around October/November of last year. The “*Cancelled Sailings Tracker*” has also remained elevated, currently trending at around 15%¹⁵. Indeed, there is no excess capacity in the market, as the Red Sea diversions have absorbed all of the excess capacity in the market, with the supply of vessel space and box equipment expected to remain tight in the next two months¹⁶. Despite wide-ranging capacity numbers quoted throughout the crisis, *Sea Intelligence* this week showed that the actual figure is not as significant as some sources say when investigating the cumulative change in capacity from mid-December to the present for the four main trade routes¹⁷:

Figure 18 – Cumulative capacity change from mid-December 2023 to now



Source: [Sea Intelligence](#)

As illustrated, the cumulative change in capacity from mid-December to the present for four trade routes is displayed. Notably, the Transpacific trade experienced the most significant contraction, with the Asia-North America East Coast down by ↓7,5% and the West Coast by ↓6,9%. Meanwhile the Asia-North Europe trade decreased by ↓4,9%, and the Asia-Mediterranean by only ↓1,4%. Despite vessel schedule upheavals, capacity from Asia to Europe was marginally reduced due to the Red Sea crisis. The reduction reflects planned schedules in mid-December versus actual capacity. The Transpacific trade suffered a larger impact, especially on the Asia-North America West Coast route.

A milestone in terms of new capacity was reached with the introduction to the service of the Ane Maersk – the world’s first methanol-powered main-line container carrier. Tuesday, 6 February 2024, will be remembered as a historical day in container shipping as the **16 592 TEU vessel** started her maiden voyage

¹⁴ Linerlytica. 07/02/2024. [Port Congestion Watch](#).

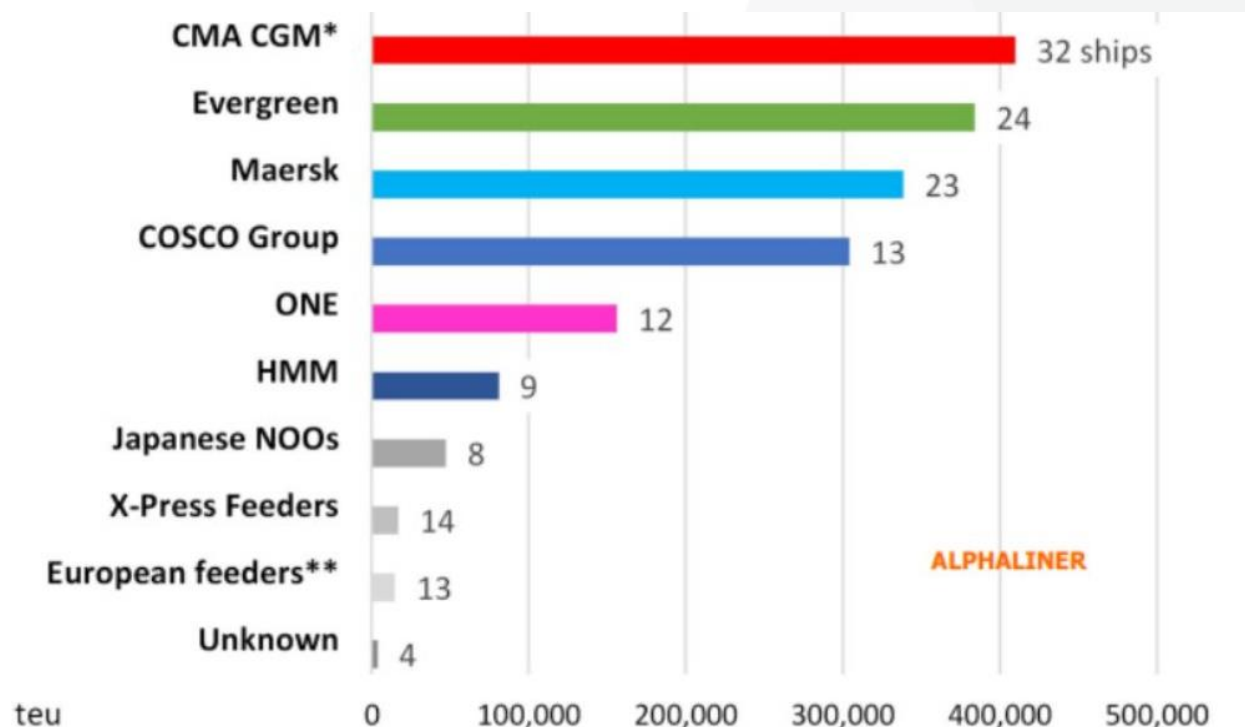
¹⁵ Drewry. 09/02/2024. [Cancelled Sailings Tracker](#).

¹⁶ Linerlytica. 07/02/2024. [Market Pulse 2024 Week 06](#).

¹⁷ Murphy, A. 08/02/2024. [Red Sea: Only modest capacity change](#).

in Ningbo. The introduction of the first methanol-powered ULCV will set off a shift in the shipping industry's green attempt, as several carriers have methanol and other dual-fuel vessels on their order books:

Figure 19 – Orderbook of methanol dual-fuel vessels by carrier¹⁸



Source: Alphaliner

This new building is the first mainline ship with methanol dual-fuel propulsion and the second methanol-powered vessel in the container fleet following the 2 136 TEU Laura Maersk, which was christened in mid-September 2023 in Copenhagen and is now trading in Scandinavia. While Maersk undoubtedly played a crucial pioneering role in introducing methanol as an alternative fuel in liner shipping, some other carriers already have more capacity for methanol dual-fuel ships on order. The Danish carrier has not only invested in ships, but also took the lead in committing to long-term procurement contracts for sustainably-sourced methanol. The current orderbook already counts **152 units** under construction for a total capacity of over **1,75 million TEU**. These numbers are expected to increase as methanol has proved to be the fuel of preference in the recent wave of orders.

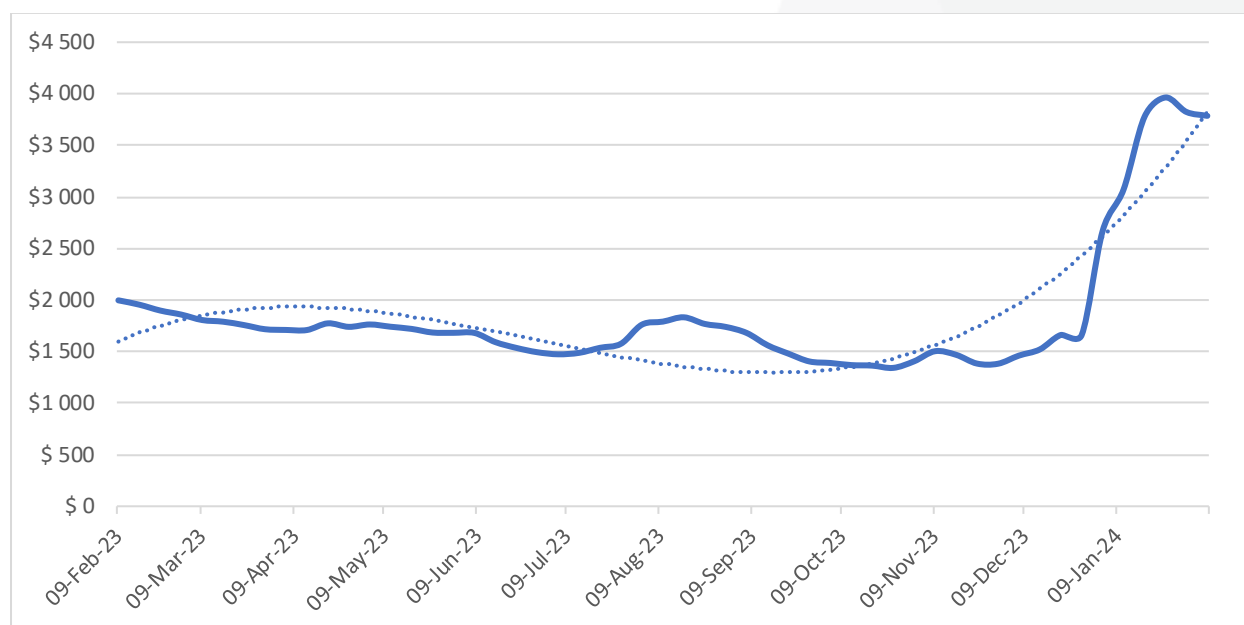
iii. Global container freight rates and carrier profits

Continuing from last week's decrease, global container rates dropped again, as the "World Container Index" is down by **↓1,0%** (or **\$38**) to **\$3 786** per 40-ft container¹⁹. The following figure shows the movement of rates in the last 12 months:

¹⁸ CMA CGM figures include eight 9 200 TEU vessels which might sail on LNG – European feeders include orders for Unifeeder, NCL, A2B, and Zephyr & Boree.

¹⁹ Drewry. 08/02/2024. World Container Index.

Figure 20 – World Container Index assessed by Drewry (last six months, \$ per 40 ft. container)



Source: [Compiled from Drewry Ports and Terminal Insights](#)

The composite index remains up by **↑90%** higher compared to the same week last year and **↑167%** higher than the average 2019 pre-pandemic rates of **\$1 420**. Drewry expects rates to remain stable next week due to the CNY holidays. Charter rates continue to rapidly catch up, as the Harper Petersen Index (*Harpex*) is currently trending at **1 097 points**, up by **↑3,4%** (w/w) and getting closer to 2023 levels (**↓1%**)²⁰.

iv. Further developments of note

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

1. HMM talks reach another stalemate:

- The negotiations between HMM's significant shareholders, Korea Development Bank and Korea Ocean Business Corp, and the Harim Group-JKL Partners consortium, selected as the preferred bidder for a **57,9%** stake in HMM, have failed to reach an agreement²¹.
- The consortium offered around **\$4,9 billion** for the shares. Still, disagreements persist over convertible bonds, with Harim-JKL seeking a three-year moratorium on bond conversion and exemption from restrictions on share sales. Amidst industry challenges like the Red Sea crisis and Hapag-Lloyd's departure from THE Alliance, concerns linger about HMM's future competitiveness and operational decisions. At the same time, employee unions express doubts and demands for improved conditions and benefits.

²⁰ Harper Petersen Index. 09/02/2024. [HARPER PETERSEN Charter Rates Index](#).

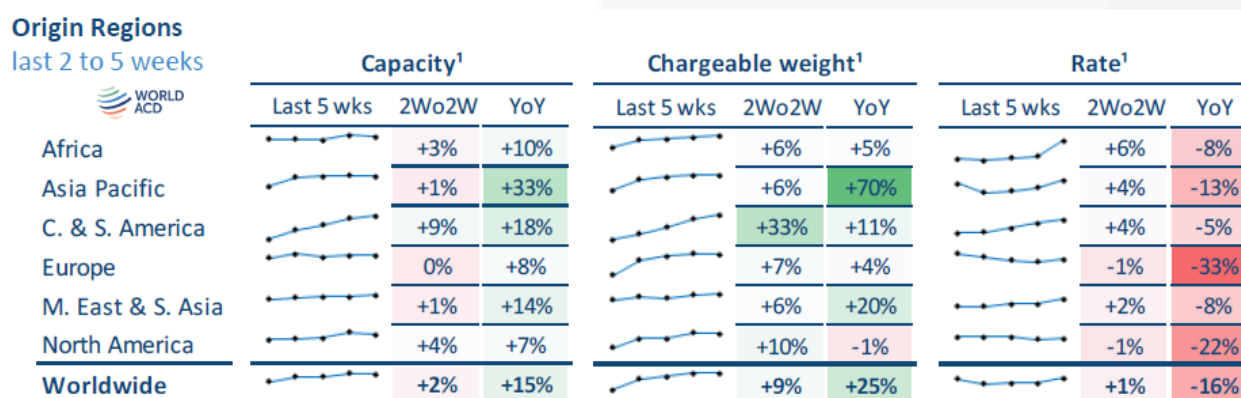
²¹ Li, M. 08/02/2024. [HMM sale talks with Harim-JKL hit another stalemate](#).

- c. The consortium's **\$4,9 billion** offer for the shares was hindered by differences over convertible bonds and management rights, leading to the breakdown of the deal, with Harim Group expressing regret over the failed negotiations²².

b. Global air cargo industry

In the high-frequency data, air cargo rates from China have surged in the final whole week ahead of the Lunar New Year (LNY) on 10 February, according to the latest figures from World ACD Market Data, as shippers rush to get goods shipped before the holiday period (overall rates are currently trending at **\$2,35 per kg**). Fresh analysis this week by World ACD reveals that rates for air cargo shipments from China to North America rose by **↑14%** (w/w) in week 5 (29 January to 4 February). However, rates are still well below their level in early December. Similarly, China to Europe rates rose by **↑8%**, although rates on this lane are also still well below their fourth-quarter peak levels in early December. The following figure provides a summary:

Figure 21 – Capacity, chargeable weight and rates (% , weeks two to five)



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

The January 2024 air cargo figures reflect a **↑15%** increase in tonnages compared to January 2023, with a slight uptick in tonnages in week five, as well as a **↑2%** rise in global rates compared to the previous week. The data is influenced by the Lunar New Year (LNY) falling on January 22 last year, typically resulting in decreased tonnages ex-Asia Pacific the following week. Despite this, there's a consistent upward trend in year-on-year tonnages, attributed to solid e-commerce demand from Asia Pacific since Q4 of the previous year and some conversion of sea freight to air and sea-air cargo due to disruptions in container shipping in the Red Sea. Over a two-week comparison, total tonnages for weeks four and five saw a **↑9%** global increase, with outbound tonnages rising from all significant global air cargo regions, notably from Central & South America and North America. Intercontinental lanes experienced tonnage increases, notably from Central & South America to North America, due to Valentine's Day flower demand. Despite some fluctuations, rates generally rose, with capacity significantly up from various regions compared to last year. Year-on-year comparisons show significant differences, mainly due to the timing of LNY, with rates remaining above pre-pandemic levels despite a slight decrease from the previous year.

In other air cargo news, Ver.di has called for a warning strike among Lufthansa ground staff, including those at Lufthansa Cargo, from 04:00 on Wednesday, February 7, to 07:10 on Thursday, February 8, affecting all German locations, including the Frankfurt and Munich hubs. The strike impacted the majority of Lufthansa's

²² Li, M. 07/02/2024. [HMM sale fails due to differences over management rights](http://HMMsalefails.due.to.differences.over.management.rights).

passenger flights and a significant number of freighter flights on Wednesday, with additional restrictions at the Frankfurt hub prohibiting road feeder services during the strike period.

ENDS²³

²³ **ACKNOWLEDGEMENT:**

*This initiative – **The Cargo Movement Update** – was developed collectively by Business at large to provide visibility of the movement of goods during the COVID-19 pandemic. The report is authored by the South African Association of Freight Forwards (SAAFF) and distributed by Business Unity South Africa (BUSA). SAAFF acknowledges the input of several key business partners in compiling these reports, which have become a weekly industry staple.*