

Cargo movement update #164¹

Date: 24 November 2023

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)	28 988	30 415	59 403	26 477	30 169	56 646	↑5%
Air Cargo (tons)	3 683	2 399	6 081	3 329	2 133	5 462	↑11%

Monthly Snapshot

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

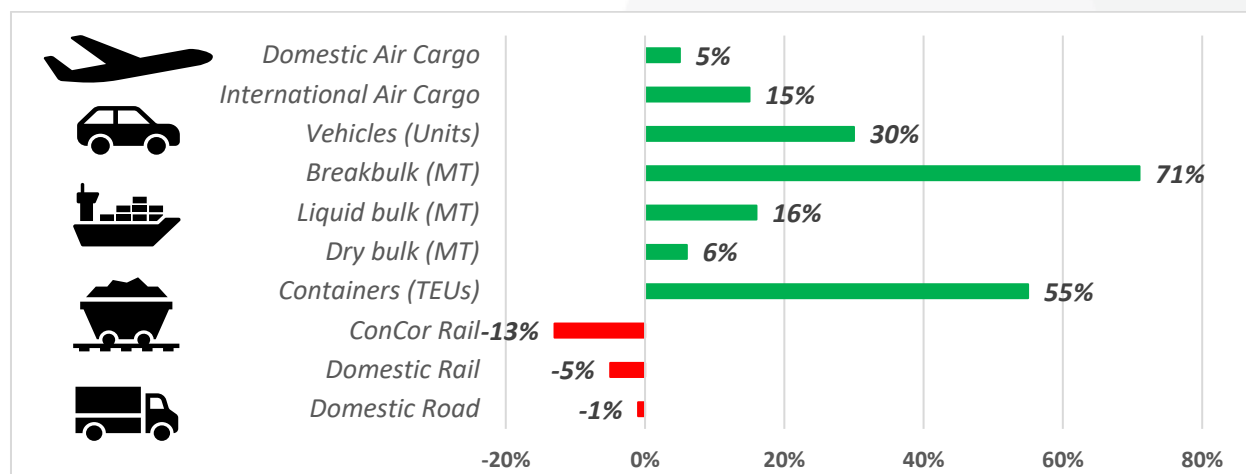
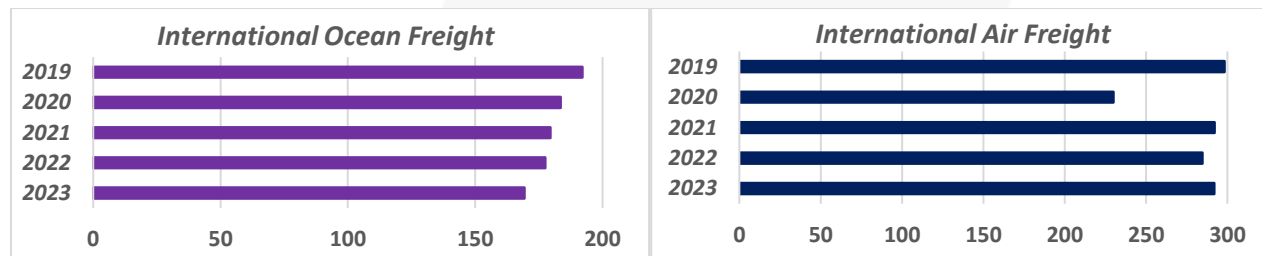


Figure 2 – Global year-to-date flows 2019-2023⁵: ocean, y/y (metric tonnes) & air freight, y/y (kg millions)



Key Notes

- An average of **~8 486 containers** was handled per day, with **~8 852 containers** projected for next week.
- Rail cargo handled out of Durban amounted to **2 429 containers**, down by **↓14%** from last week.
- Cross-border queue times were **↑0,8 hours (w/w)**, with transit times **↓0,7 hours (w/w)**; SA borders increased by **~1,2 hours**, averaging **~14,2 hours (↑9%)**; Other SADC borders averaged **~6,8 hours (↓12%)**.
- Container throughput surged by **↑5,4%** in September, marking the highest monthly growth in 2023.
- Global freight rates have continued to fall and are down by **↓6%** (or **\$85**) to **\$1 384** per 40-ft container.
- Global air cargo tonnages have been stable since mid-October, with a **↑3%** increase in global rates.

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 164th update.

² 'Current' means the last 7 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; All metrics: Oct vs Oct.

⁵ For ocean, total Jan-Oct cargo in metric tonnes, as reported by Transnet is used, while for air, Jan-Oct cargo to and from all airports are 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 **8 486 containers** per day, slightly up from the **8 329** reported last week. The concerted efforts to clear the current port backlog continued; however, some notable operational constraints continued, particularly adverse weather conditions as well as continuous and unnecessary equipment breakdowns and shortages. Poor weather continued in Cape Town as more than 24 operational hours were conceded to vessel ranging and strong winds, while equipment woes in Durban are exacerbating the current backlogs at the port (at around **61 968 TEU** at anchorage). The inefficiencies at the Port of Cape Town are being harshly felt at the Ports of 8 Gqeberha and Ngqura, as they have made an appearance on Linerlytica's top 30 most congested ports in the world this week. Statistics recorded on Wednesday indicated that the two ports combined had more than **46 000 TEUs** stuck at outer anchorage with a very high queue-to-berth ratio of **6,62**. This also goes some way towards explaining the relative lack of business for Cape Town. Additionally, the latest reports from TFR indicate that a derailment on the Kaapmuiden section (single line) on the Selati line occurred on 17 November 2023 at 17:50. Teams are attending to the derailment as the train service between Phalaborwa and Komatipoort has been suspended.

Internationally, the global container industry can still be summarised as weak; however, some green shoots are appearing. Preliminary Linerlytica data shows that global container throughput surged in September, marking the highest monthly growth in 2023. However, this must be seen against the backdrop of a low base in September 2022. The strong growth contributed to a **↑1,9%** increase in third-quarter throughput, the first positive quarter of the year. However, the industry is facing challenges with excess capacity growth, prompting concerns about maintaining recent freight rate gains. The article suggests carriers need to announce significant blank sailings or deal with downward pressure on freight rates into the new year. Meanwhile, average operating margins for leading container carriers fell to **↑1,5%** in Q3 2023, lower than pre-pandemic levels. Other developments this week included **(1)** more Panama Canal surcharges, **(2)** Abu Dhabi ports expansion, **(3)** the world's largest coal port facing blockade this weekend, and **(4)** MSC extending the deadline on HHLA share offer.

In the air freight market, international air cargo to and from South Africa had a bumper week, with both inbound cargo (**↑11%**) and outbound cargo (**↑12%**) volumes increasing substantially last week, as airfreight continues to see some light amid the grim multi-modal, end-to-end logistics network experienced in South Africa. Internationally, global air cargo demand in the fourth quarter period so far has been stronger than tonnages in the equivalent period last year, and average rates have continued their gradual post-summer rise.

In regional cross-border road freight trade, average queue times increased by **almost an hour**, while transit times decreased by approximately **three-quarters of an hour** last week. The median border crossing times at South African borders increased by **an hour and a quarter hours**, averaging **~14,2 hours (↑9%, w/w)** for the week. In contrast, the greater SADC region (excluding South African controlled) decreased by almost **an hour hours** and averaged **~6,8 hours (↓12%, w/w)**. On average, four SADC border posts took more than a day to cross, notably the usual suspects of Kasumbalesa, Katima/Mulilo, Martins Drift, and Santa Clara. Further notable developments included **(1)** Lebombo queues stretching some 24km on Thursday, as the issue persists, and **(2)** transporters requesting the reinstatement of the old processing system.

South Africa's commercial ports and its entire logistics network are currently mired in a crisis that demands immediate attention, with cargo owners, logistics service providers across the entire scope of the public and private sector, and even the President⁶ having their say this week. Urgent and collaborative efforts are underway to alleviate this dire situation. The government underscores the vital role of private-sector partnerships to modernise infrastructure and enhance operational efficiency at Transnet, emphasising ongoing collaboration for improved service delivery. The equipment drive must be expedited as fast as possible, as the proposed changes are central to our potential recovery, as the current operating model is outdated and requires a revolutionary overhaul. It is imperative that all stakeholders, including Transnet, the extended government, cargo owners, freight agents, shipping lines, and others, unite with a sense of urgency to drive positive change. The urgency is paramount as the effective movement of goods relies on seamless collaboration at every critical juncture, and all parties must fulfil their responsibilities promptly. Operational efficiency and increased throughput are essential to prevent the trade, transport, and logistics industries from hindering South Africa's crucial economic growth. Every economic actor has a vested interest in ensuring our commercial ports operate at full capacity, regardless of the present challenges.

⁶ Duma, N. 24/11/2023. [Ramaphosa talks tough over Transnet incompetence as ports nightmare rages on.](#)

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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 18 to 24 November⁷

7-day flow forecast (18/11/2023 – 24/11/2023)		
TERMINAL	NO. OF CONTAINERS ⁸ TO DISCHARGE (IMPORT)	NO. OF CONTAINERS TO LOAD (EXPORT)
DURBAN CONTAINER TERMINAL PIER 1:	3 997	4 999
DURBAN CONTAINER TERMINAL PIER 2:	10 637	11 909
CAPE TOWN CONTAINER TERMINAL:	4 583	5 656
NGQURA CONTAINER TERMINAL:	8 391	5 717
GQEERHA CONTAINER TERMINAL:	1 380	2 134
TOTAL:	28 988	30 415

Source: Transnet, 2023. Updated 24/11/2023.

Table 3 – Container Ports – Weekly flow predicted for 25 November to 1 December

7-day flow forecast (25/11/2023 – 01/12/2023)		
TERMINAL	NO. OF CONTAINERS TO DISCHARGE (IMPORT)	NO. OF CONTAINERS TO LOAD (EXPORT)
DURBAN CONTAINER TERMINAL PIER 1:	5 784	4 697
DURBAN CONTAINER TERMINAL PIER 2:	11 602	12 825
CAPE TOWN CONTAINER TERMINAL:	5 688	5 932
NGQURA CONTAINER TERMINAL:	6 380	7 566
GQEERHA CONTAINER TERMINAL:	200	1 292
TOTAL:	29 654	32 312

Source: Transnet, 2023. Updated 24/11/2023.

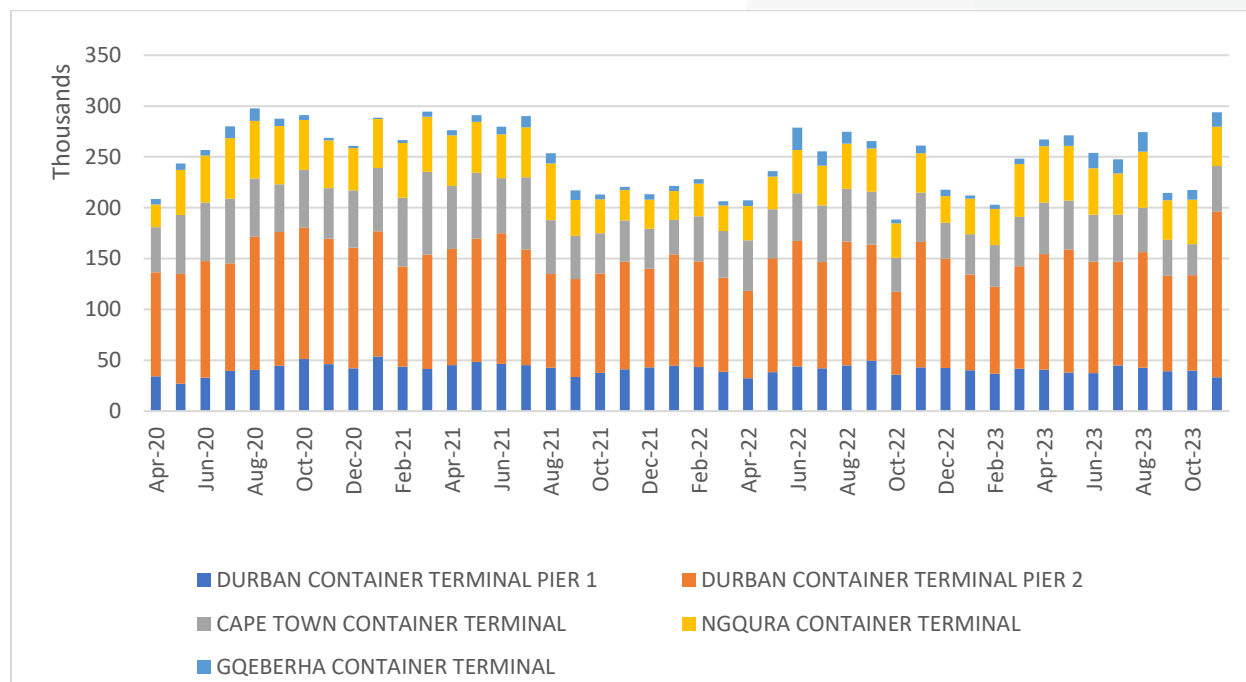
An average of **~8 486 containers** (↑4%) was handled per day for the last week (18 to 24 November, Table 2), compared to the projected average of **~8 621 containers** (↓2% actual versus projected) noted in last week's report. For this week, a slightly increased average of **~8 852 containers** (↑4%) is predicted to be handled (25 November to 1 December, Table 3) next week as our commercial ports continue to tackle the backlog, which indicates that best-case scenarios only sees a full recovery by approximately February or March next year. TPT is trying its best to improve efficiencies and increase throughput (against the well-documented issue of equipment shortages); however, some operational constraints persisted this week, including adverse weather conditions as well as continuous and unnecessary equipment breakdowns and shortages.

⁷ It remains important to note that a large percentage (approximately 35% according to the latest year-to-date TNPA figures) of containers is neither imported nor exported, but rather consists of empties and transshipments.

⁸ As mentioned before, in previous versions of the report, the measurement was incorrectly indicated as "TEUs", when it should have been 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. Incidentally, the US uses 1,5 to 1,8, depending on the port.

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.

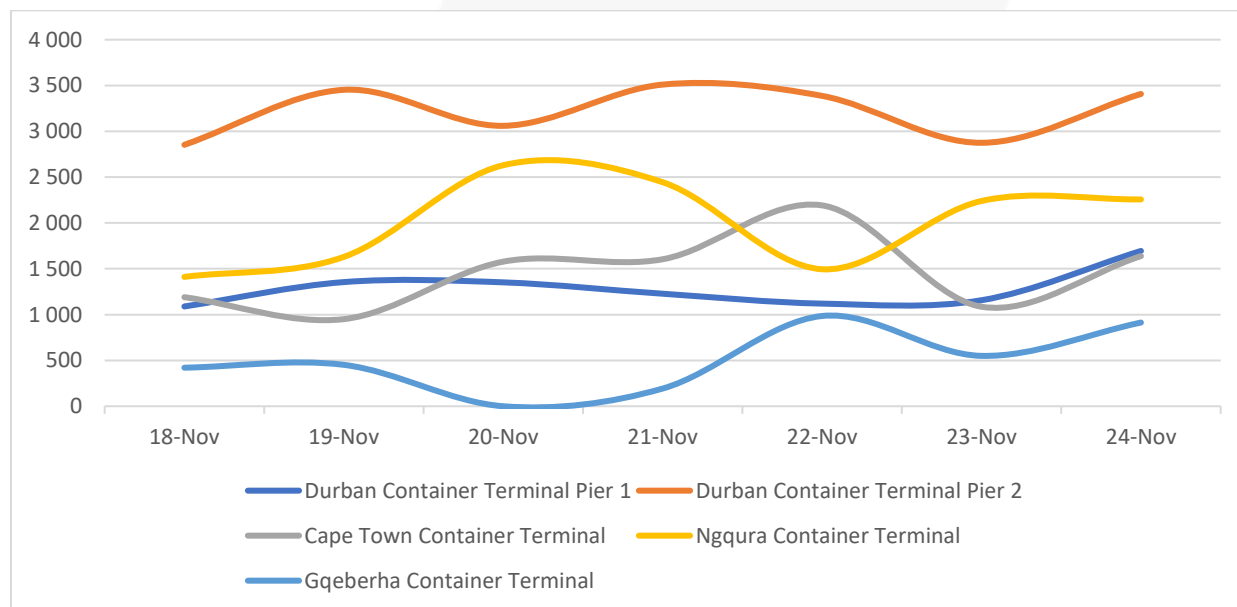
Figure 3 – Monthly flow reported for total cargo movement (containers April 2020 to present, m/m)



Source: Calculated using data from Transnet, 2023. Updated 24/11/2023.

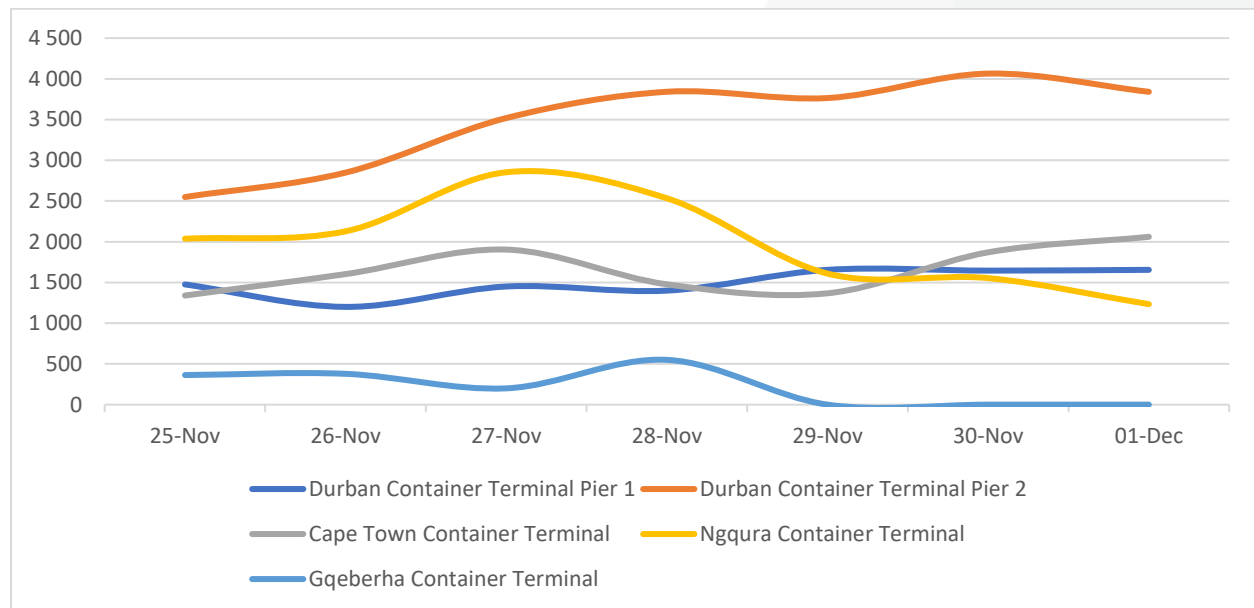
The following figures show the weekly container flows for the last seven days, followed by the projections for the seven days after that.

Figure 4 – 7-day flow reported for total container movements (18 to 24 November; per port; day on day)



Source: Calculated using data from Transnet, 2023. Updated 24/11/2023.

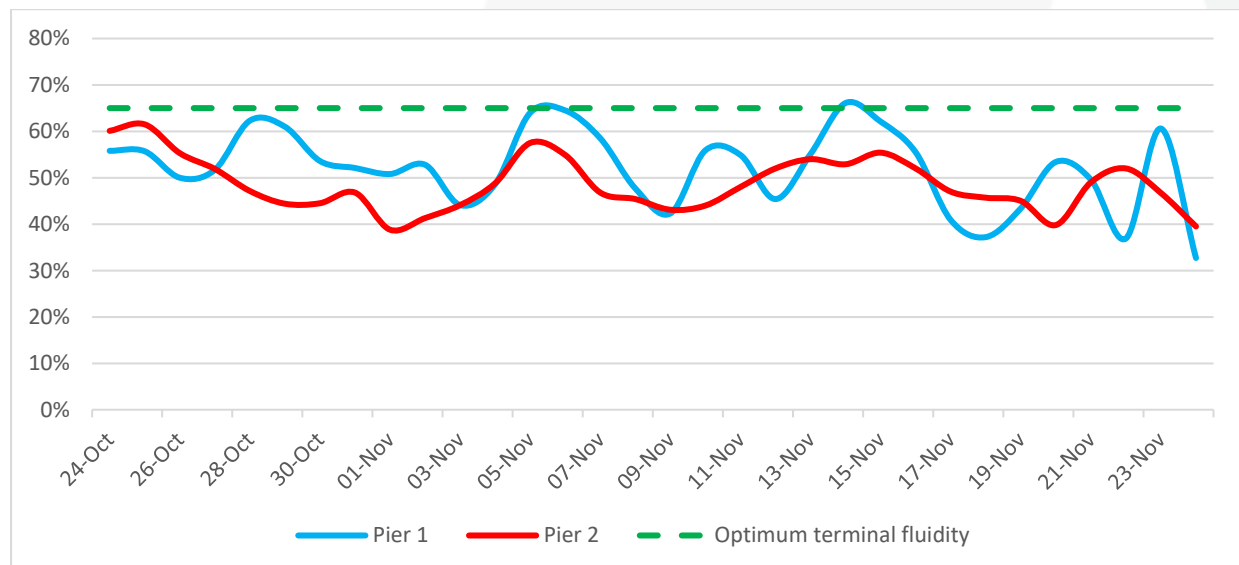
Figure 5 – 7-day forecast reported for total container movements (25 November to 1 December; per port; day on day)



Source: Calculated using data from Transnet, 2023. Updated 24/11/2023.

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

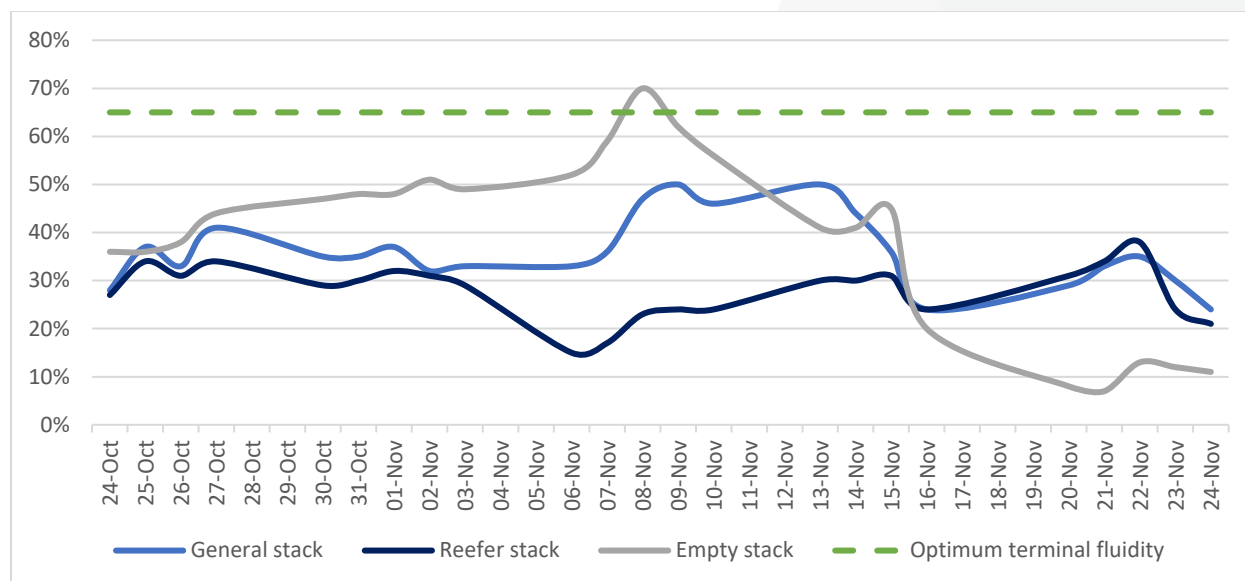
Figure 6 – Stack occupancy in DCT, general-purpose containers (24 October to present; day on day)



Source: Calculated using data from Transnet, 2023. Updated 24/11/2023.

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 (24 October to present, day on day)



Source: Calculated using data from Transnet, 2023. Updated 24/11/2023.

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

- Poor weather continued in Cape Town as more than 24 operational hours were lost to vessel ranging and strong winds.
- Equipment woes in Durban are exacerbating the current backlogs at the port.
- In the Eastern Cape, crane breakdowns proved to be the most significant operational constraint.
- The influx of coal trucks into Richards Bay remains the biggest operational constraint at the port, while the poor performance of the rail link persists.

ii. Cape Town

On Wednesday, CTCT recorded two vessels at berth and two at anchor as adverse weather and vessel ranging continued to disrupt the port's recovery. In the preceding 24 hours, stack occupancy for GP containers was recorded at 35%, reefers at 38%, and empties at 13%. In this period, despite vessel ranging for approximately nine hours and a crane breakdown disrupting operations for 13 hours, the terminal handled 2 192 TEUs across the quay while 874 trucks were serviced on the landside. The crane mentioned above breakdown, referred to as LC 3, went out of commission for a hoist wire replacement. Unfortunately, the port returned to the "Port Congestion Watch" this week but swiftly got removed from the top 30 most congested ports in the world due mainly to a continuous drop in cargo volume and vessels bypassing Cape Town rather than as a result of any improvement in the port's performance.

The multi-purpose terminal recorded zero vessels at anchor and two at berth on Tuesday. In the 24 hours leading to Wednesday, the terminal managed to service 179 external trucks at an undisclosed truck turnaround time on the landside. During the same period, 654 TEUs were handled across the quay on the waterside. Stack occupancy was recorded at a very high 94% for GP containers, 24% for reefers, and a shocking 145% for empties during the same period. This shows a significant increase in shipping lines

repositioning equipment, yet at the same time, the industry sees some lines instituting an imbalance surcharge on 20' equipment!

The FPT private terminal reported zero vessels at anchorage while having three vessels at berth on Tuesday. During the 24 hours leading to Wednesday, the terminal handled 462 TEUs and 108 tons of breakbulk on the waterside while managing to service 468 trucks on the landside. At the same time, reefer stack occupancy was recorded at 54%.

iii. Durban

Pier 1 on Wednesday recorded two vessels at berth, operated by five gangs, and six vessels at anchor. Stack occupancy was 37% for GP containers and remained undisclosed for reefers. During the same period, 821 imports were on hand, with 38 units having road stops and 24 unassigned. The terminal recorded 1 245 gate moves on the landside, with an undisclosed number of cancelled slots and 30 wasted. The truck turnaround time was recorded at ~151 minutes, with an average staging time of ~120 minutes.

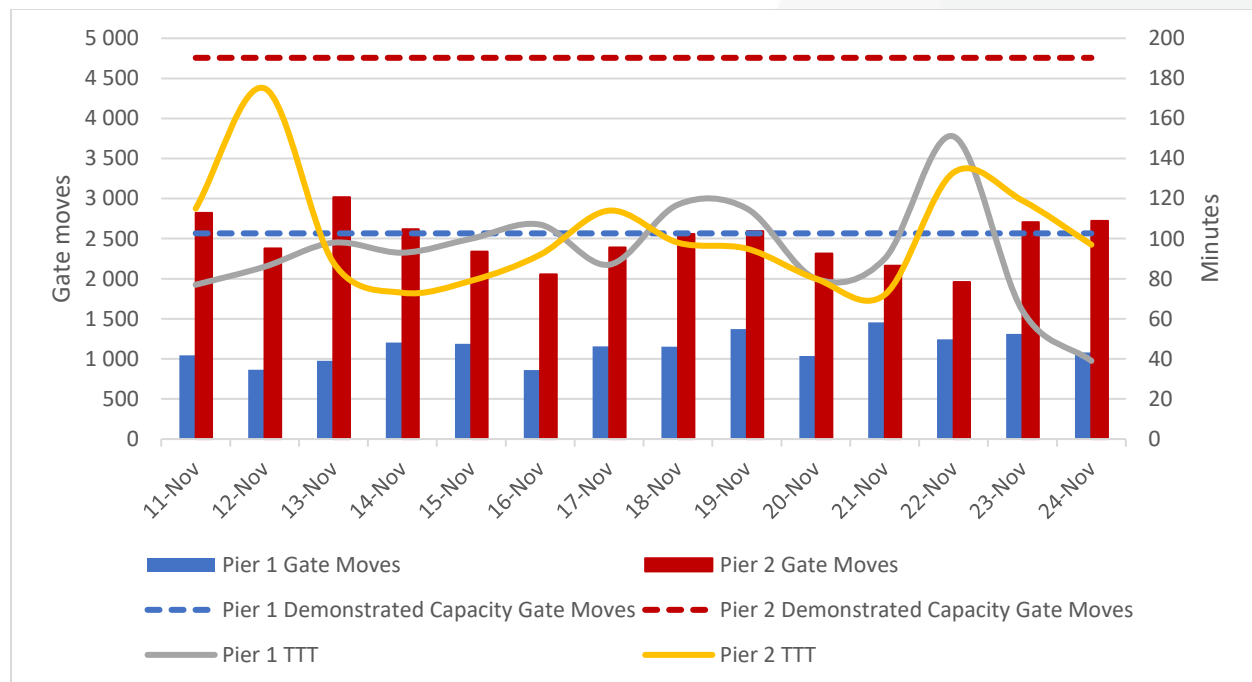
Pier 2 had three vessels at berth and 18 at anchorage on Wednesday. In the preceding 24 hours, stack occupancy was 52% for GP containers and undisclosed for reefers. The terminal operated with nine gangs while moving 3 242 TEUs across the quay. During the same period, there were 1 958 gate moves on the landside with a truck turnaround time of ~133 minutes and a staging time of ~174 minutes. The number of gate moves during this period was well below target due to continuous equipment breakdowns on the landside. Of the landside gate moves, 1 370 (69%) were for imports and 588 (31%) for exports. Additionally, 301 rail import containers were on hand, with 362 moved by rail. Equipment challenges persisted, as the terminal had 62 straddle carriers in operation towards the end of the week. Despite the slight improvement, the terminal currently sits on an availability figure of approximately 54% when it comes to straddles and is currently approximately 23% below the number of machines that would be the minimum to satisfy industry demand.

Durban's MPT terminal recorded three vessels at berth on Tuesday and two at outer anchorage while handling 292 TEUs and 1 383 breakbulk tons on the waterside. Stack occupancy for breakbulk was recorded at 50% during that time and at 45% for containers. The terminal handled 370 container road slots and 75 breakbulk RMTs containing 2 293 tons on the landside. During the same period, three cranes, seven reach stackers, one empty handler, seven forklifts and 18 ERFs were in operation. The third crane went out of service for brief periods during the week due to training commitments it had to fulfil.

On Wednesday, 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 1 174 units on the landside while handling only 826 units on the waterside. The reason for the terminal not reaching their targets during this time was because of the 'Piranha' berthing later than expected on the waterside and export carriers arriving late on the landside. During the same period, general stack occupancy was recorded at 49%, comprising 23% imports, 57% exports, and 20% transshipments. Stack occupancy at Q/R was 60%, while the G-berth stack was 80%. The terminal had 1 363 import units on hand, 3 348 units were destined for export markets, and 1 156 were to be transhipped.

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.

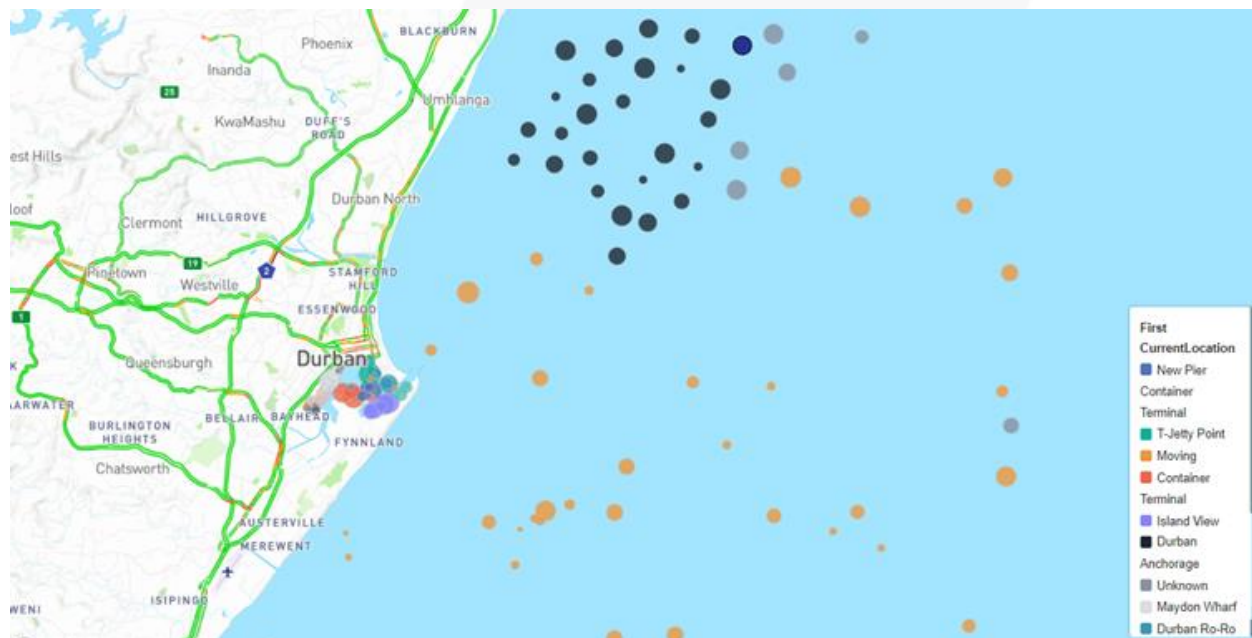
Figure 8 – Gate moves (left axis) and time spent in the terminal (in minutes, right axis)



Source: Calculated using data from Transnet, 2023. Updated 24/11/2023.

The recovery from port congestion continues, as all hands are on deck in an attempt to alleviate the situation. At the end of Friday, 79 vessels were at anchorage (with the current containers at anchorage outside Durban at around **61 968 TEU**), with the following image painting a concerning picture:

Figure 9 – Durban vessel view (per vessel group)



Source: Crickmay LMS, 2023. Updated 24/11/2023 at 18:00.

Transnet, facing a complex port congestion issue, attributes it to years of underinvestment in equipment maintenance. Chairperson Andile Sangqu notes the prolonged resolution time frame, with lead times for necessary equipment ranging from 12 to 18 months⁹. Acting CEO Michelle Phillips emphasises the urgent need for maintenance and infrastructure investment at the Durban port, referring to the situation as “*Rome is burning*”¹⁰. Hopefully previous ‘fiddling’ has now stopped!

iv. Richards Bay

On Wednesday, Richards Bay recorded 17 vessels at anchor, with eight vessels destined for DBT, five destined for MPT, and four destined for RBCT. Additionally, 16 vessels were recorded on the berth, translating to seven at DBT, six at MPT, two at RBCT, and one at the liquid bulk terminal. Two tugs and one helicopter were in operation for marine resources in the 24 hours leading to Thursday. During the same period, the coal terminal had two vessels at anchor and none at berth while loading 130 611 tons on the waterside and handling 18 trains on the landside. During the week, Transnet suspended the receipt of goods at Richards Bay due to congestion and loss of fluidity in the road system. This resulted in numerous objections, and the trucking industry was particularly vocal in this respect, with queues of trucks over 30 kilometres long on the N2.

v. Eastern Cape ports

NCT on Tuesday recorded three vessels on the berth and two vessels at the outer anchorage, with five vessels drifting. Marine resources of two tugs, a pilot boat, two pilots, and one berthing gang were in operation in the 24 hours leading up to Wednesday. The ‘Tstitsikamma’ pilot boat, however, went out of commission on Wednesday as it is experiencing challenges with its starboard engine and has no estimated time of return just yet. Stack occupancy was 40% for GP containers and undisclosed for reefers, as a total of 2 410 TEUs were processed. Additionally, 541 trucks were serviced on the landside at a truck turnaround time of ~32 minutes. Two trains were also serviced on the landside with a rail turnaround time of ~1.5 hours. Additionally, STS cranes 4 and 8 were out of commission this week, with Crane 4 returning to service promptly and Crane 8 only returning towards the end of the week.

GCT on Wednesday recorded zero vessels at outer anchorage with one on berth. Available waterside resources were two tugs, a pilot boat, two pilots, and one berthing gang in the prior 24 hours. From Wednesday, the port has been sharing its pilot boat with the Port of Ngqura. Stack occupancy was recorded at 54% for GP containers and remained undisclosed for reefer ground slots. On the waterside, 193 TEUs were handled across the quay. Additionally, 286 trucks were serviced on the landside at a truck turnaround time of ~17 minutes. No vessel was on berth at the Ro-Ro terminal this week.

The inefficiencies at the Port of Cape Town are being harshly felt at these two particular Eastern Cape ports as they have made an appearance on Linerlytica’s top 30 most congested ports in the world, with vessels omitting Cape Town and electing to discharge and load at the Eastern Cape ports. Statistics recorded on Wednesday indicated that the two ports combined had more than 46 000 TEUs stuck at outer anchorage with a very high queue-to-berth ratio of 6,62.

⁹ Transnet. 20/11/2023. [TRANSNET FULLY FOCUSED ON DEALING WITH DELAYS AT PORTS.](#)

¹⁰ Ebrahim, N. 20/11/2023. [‘Rome is burning’, says Transnet CEO as port backlog to be cleared in February.](#)

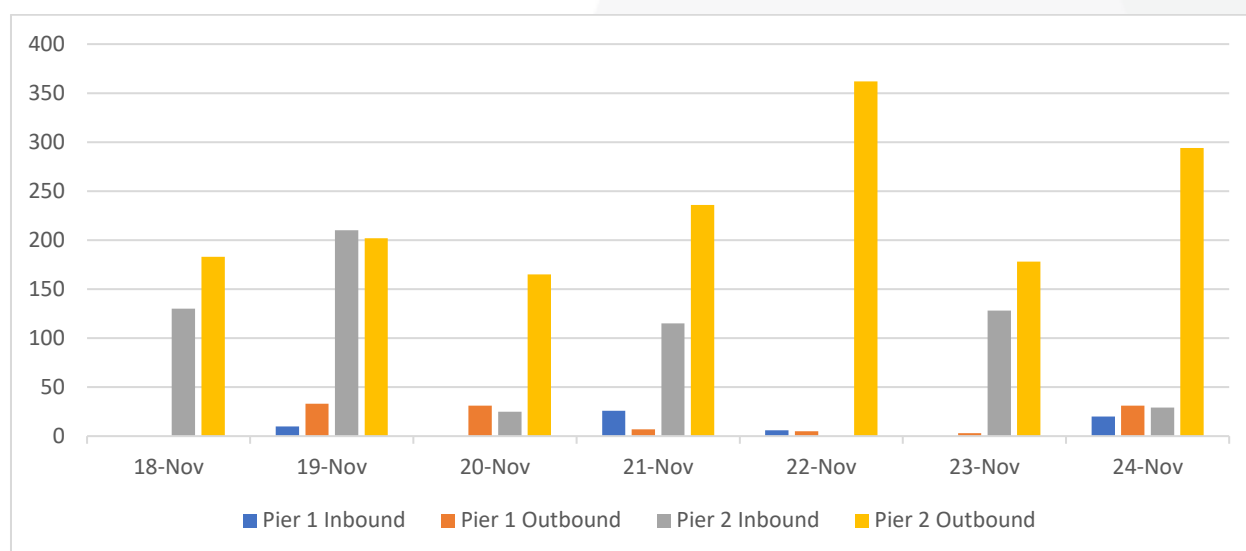
vi. Saldanha Bay

On Monday, the iron ore terminal had two vessels at anchorage and one on the berth, while the multi-purpose terminal had two vessels at anchor and three on the berth. The vessels at anchor have been waiting outside for approximately 2-5 days, while the vessels in port have been on berth for between 1 and 5 days.

vii. Transnet Freight Rail (TFR)

According to the latest reports received from TFR, a derailment on the Kaapmuiden section (single line) on the Selati line occurred on 17 November 2023 at 17:50. TFR teams are attending to the derailment as the train service between Phalaborwa and Komatipoort has been suspended. The line's estimated time of return to service will be communicated in due course. Additionally, this week was seemingly another good week on the cable theft and vandalism front as minimal incidents were reported this week. On Wednesday, DCT Pier 2 had 57 over-border units on hand with a dwell time of 31 days and 244 ConCor units on hand with a dwell time of 72 hours. Rail containers on hand were split as follows: Point: 137, Pier 1: 25, Pier 2: 302.

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



Source: Calculated using data from Transnet, 2023. Updated 24/11/2023.

In the last week (18 to 24 November), rail cargo handled out of Durban was reported at **2 429** containers, down **↓14%** from the previous week's **2 834** 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 13 November. For comparative purposes, the average air freight cargo (inbound and outbound) handled at ORTIA in *November 2022* averaged **~824 751 kg** per day.

Table 4 – International inbound and outbound cargo from OR Tambo¹¹

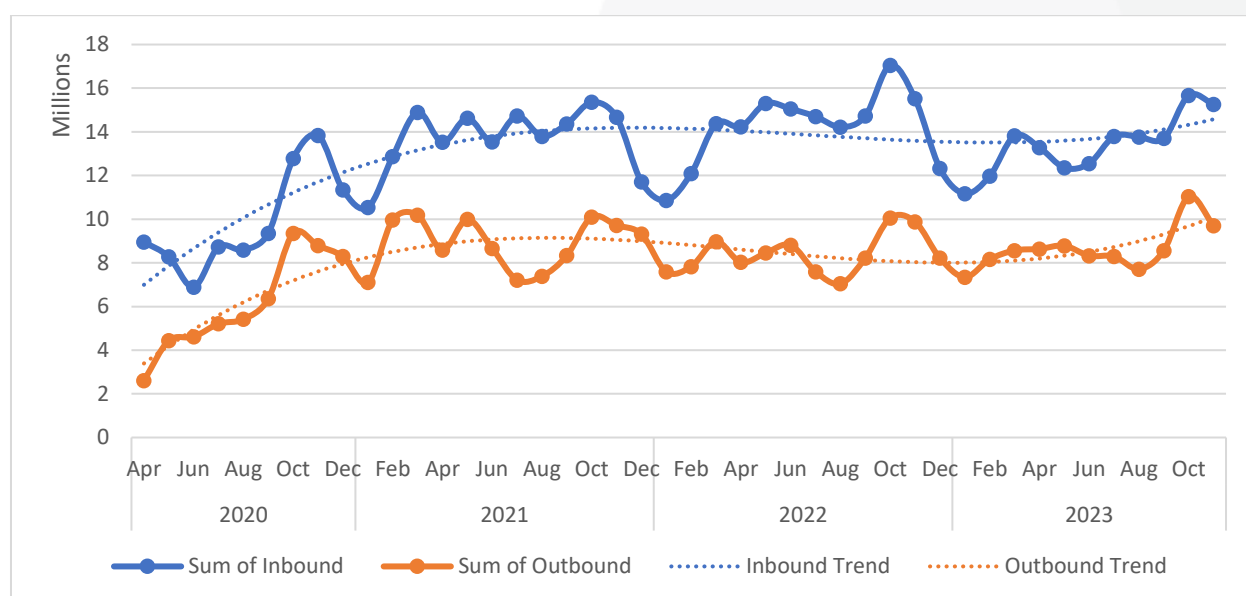
Flows	13-Nov	14-Nov	15-Nov	16-Nov	17-Nov	18-Nov	19-Nov	Week
Volume inbound	480 105	405 878	318 029	381 243	496 635	425 130	1 175 870	3 682 890
Volume outbound	343 311	275 654	249 114	252 544	289 853	281 408	706 637	2 398 521
Total	823 416	681 532	567 143	633 787	786 488	706 538	1 882 507	6 081 411

Courtesy of ACOC. Updated: 21/11/2023.

The daily average volume of air cargo handled at ORTIA the previous week amounted to **526 127 kg** inbound (**↑11%**, w/w) and **342 646 kg** outbound (**↑12%**), resulting in an average of **868 773 kg per day**. These levels – for the first time in quite a while – not only exceed last year’s cargo volumes (**~107%**) but also the pre-pandemic levels of November 2019 (**~103%**).

The following graphs show the movement since the pandemic’s onset for ORTIA:

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



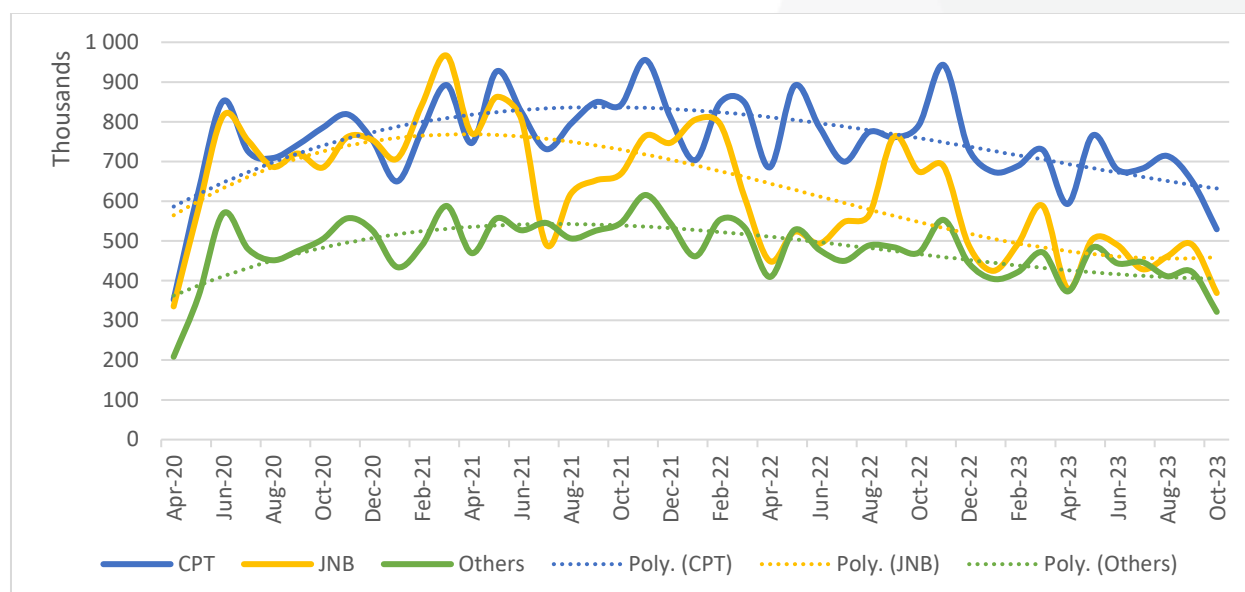
Courtesy of ACOC. Updated: 21/11/2023.

b. Domestic air cargo

The following table shows the cargo movement since the pandemic, with the drop-off in domestic air cargo very evident:

¹¹ Only ORTIA’s international volumes are shown. ORTIA handles ~87% of international cargo to and from South Africa.

Figure 12 – Domestic inbound and outbound cargo (thousands)



Courtesy of ACOC. Updated: 21/11/2023.

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 increased by **an hour and a quarter**, averaging **~14,2 hours (↑9%, w/w)** for the week. In contrast, the greater SADC region (excluding South African controlled borders) decreased by almost **an hour** and averaged **~6,8 hours (↓12%, w/w)**.
- Queue times have remained relatively stable, but Lebombo queue times have significantly increased in the past month. As of Thursday afternoon, the Eastbound queue at Lebombo was measured at 24km.
 - Consequently, drivers are now spending four days or more in the queue to cross into Mozambique.
 - Transporters have requested the reinstatement of the old processing system, at least until after the Festive Season.
 - There are frequent complaints of deflated tires, with incidents of burnt-out taxi association vehicles and damaged property.
 - This road link has a finite capacity, and these delays can be attributed almost entirely to the collapse of the railway service.
- The following notable changes in queuing and border times have been observed this week:
 - Tlokweng Northbound queue times increased from 1,51 hours to 4,14 hours last week.
 - Kasumbalesa Southbound queue times dropped from 9,01 hours (min), 42 hours (avg), 104 hours (max) to 1,32 hours (min), 6,16 hours (avg), 61 hours (max) last week.
 - Songwe Southbound maximum crossing times decreased from 91 hours to 14,45 hours, while minimum and average times remained similar.

- Nakonde Northbound maximum crossing times decreased from 141 hours to 48 hours last week.
- Skilpadshek Southbound maximum crossing times increased from 19,6 hours to 44 hours.
- Nakop Eastbound average crossing times increased from 2,1 hours to 3,26 hours, while maximum times decreased from 46 hours to 10,20 hours.
- Katima Mulilo's average crossing times decreased from 52 hours to 26 hours.
- Tlokweng Southbound average crossing times increased from 2 hours to 9,58 hours.
- As always, transporters, traders, and cargo owners are encouraged to use the non-tariff barrier (NTBs) [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 Bureau¹², which arguably provides better and more reliable information.

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

Table 5 – Delays¹³ summary – South African borders (both directions)

Border Post	Direction	HGV ¹⁴ 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	460	5,0	5,2	23,3	13 800	3 220
Beitbridge	Zimbabwe-SA	415	6,5	2,4	13,4	12 450	2 905
Groblersbrug	SA-Botswana	181	0,5	0,2	1,5	5 430	1 267
Martins Drift	Botswana-SA	258	1,6	2,4	30,0	7 740	1 806
Kopfontein	SA-Botswana	24	0,1	0,2	0,3	720	168
Tlokweng	Botswana-SA	216	4,1	2,3	9,6	6 480	1 512
Noordoewer	Namibia-SA	20	0,5	0,4	2,4	600	140
Violsdrift	SA-Namibia	30	0,1	1,3	3,3	900	210
Ariamsvlei	Namibia-SA	20	0,2	0,5	3,3	600	140
Nakop	SA-Namibia	30	0,3	1,4	5,1	900	210
Skilpadshek	Botswana -SA	52	0,6	1,1	2,3	1 560	364
Pioneer Gate	SA-Botswana	235	3,4	2,6	13,3	7 050	1 645
Lebombo	SA-Mozambique	125	3,1	1,2	12,1	3 750	875
Ressano Garcia	Mozambique-SA	1 446	50,0	2,2	15,1	43 380	10 122
Weighted Average/Sum		3 512	5,4	1,7	9,6	105 360	24 584

Source: TLC, FESARTA, & Crickmay, week ending 19/11/2023.

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	Monthly HGV Arrivals
Beira Corridor	320	11,4	3,0	18,4	9 600	2 240
Central Corridor	798	0,0	0,6	1,7	23 940	5 586
Dar Es Salaam Corridor	1 819	21,2	1,0	13,2	54 570	12 733

¹² FESARTA TRANSIST Bureau.

¹³ 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 is produced by Crickmay in collaboration with SAAFF.

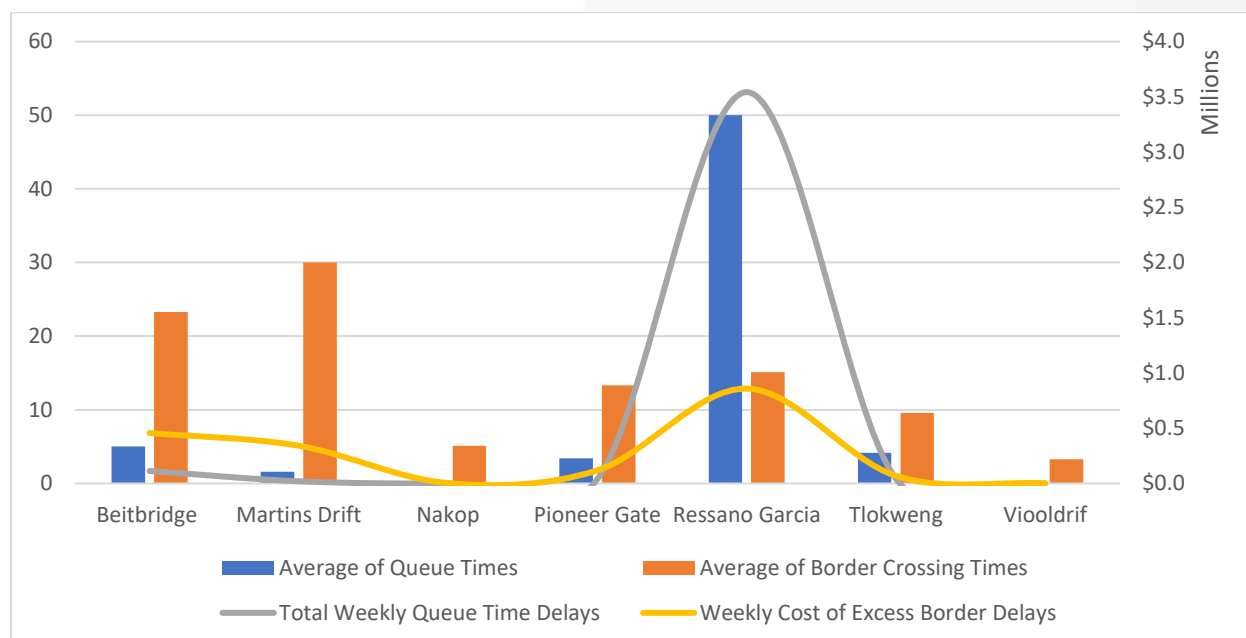
¹⁴ Heavy Goods Vehicles. Note: These statistics are rolling averages; therefore, they would not typically change weekly, rather monthly.

Corridor	HGV Arrivals per day	Queue Time	Border Time – Best 5%	Border Time – Median	Est. HGV Tonnage per day	Monthly HGV Arrivals
Maputo Corridor	1 571	26,5	1,7	13,6	47 130	10 997
Nacala Corridor	127	0,0	0,0	0,0	3 810	889
North/South Corridor	3 626	7,9	1,9	12,6	108 780	25 382
Northern Corridor	2 817	0,2	0,1	1,2	92 520	21 588
Trans Caprivi Corridor	116	0,0	0,7	13,0	3 480	812
Trans Cunene Corridor	100	0,0	1,5	25,5	3 000	700
Trans Kalahari Corridor	317	1,6	1,3	5,7	9 510	2 219
Trans Oranje Corridor	100	0,3	0,9	3,5	3 000	700
Weighted Average/Sum	11 711	5,2	1,0	7,6	359 340	83 846

Source: TLC, FESARTA, & Crickmay, week ending 19/11/2023.

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

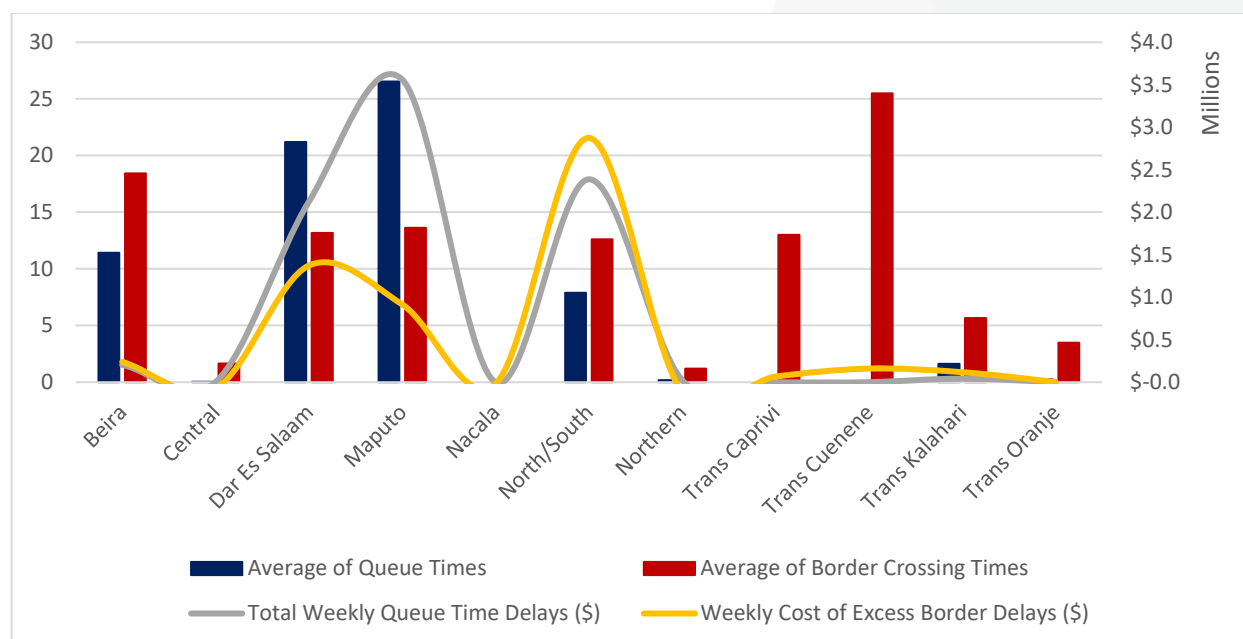
Figure 13 – Weekly cross-border delays & est. cost from a SA border perspective (hours & \$ millions)



TLC, FESARTA, & Crickmay, week ending 19/11/2023.

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 19/11/2023.

In summary, cross-border queue time averaged **~5,2 hours** (up from the previous week's **~4,4 hours**), indirectly costing the transport industry an estimated **\$8,3 million (R157 million)**. Furthermore, the week's average cross-border transit times hovered around **~7,6 hours** (down by **~0,7 hours** from the **~8,3 hours** recorded in the previous report), at an indirect cost to the transport industry of **\$5,5 million (R104 million)**. As a result, the total indirect cost for the week amounts to an estimated **~\$13,9 million (~R261 million)**, up by **~R54 million** or **↑26,3%** from **~R207 million** in the previous report).

4. International Update

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

a. Global shipping industry

i. Container industry summary

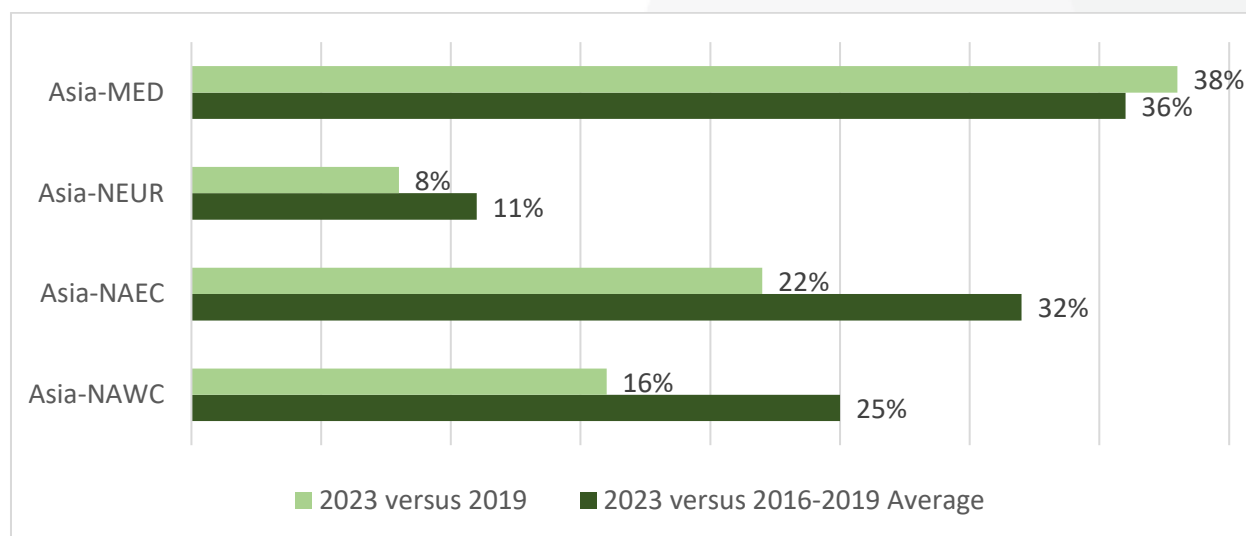
In September, global container throughput saw a significant **↑5,4%** increase, marking the highest monthly growth rate in 2023¹⁵. However, this growth must be viewed in the context of the low base in September 2022, when container volumes began to show signs of weakness after two years of frenetic growth. The robust growth in September contributed to a **↑1,9%** increase in throughput for the third quarter, marking the first positive quarter in 2023. The global containership fleet passed **28 million TEU** last week, with total new ship deliveries since the start of this year reaching **1,94 million TEU**. Curiously, more than one new vessel has been delivered each day since June this year, with the same pace to continue through the next 12

¹⁵ Linerlytica. 21/11/2023. [Early Data Suggested Decent Throughput Growth Globally in Sep.](https://www.linerlytica.com/early-data-suggested-decent-throughput-growth-globally-in-sep/)

months against a trend of declining freight rates. Carriers are facing a difficult time maintaining recent freight rate gains in the face of the capacity influx, with vessel scrapping and idling remaining low¹⁶.

Sea Intelligence this week reports that the industry is running out of time to remove capacity and compares the current growth spurt post Golden Week with 2019 and the 2016-2019 average¹⁷. The post-Golden week capacity deployment on Transpacific and Asia-Europe saw substantial overcapacity in both trades. Absent any serious demand growth, we expected that the carriers would announce a host of blank sailings to counteract this supply-side growth. Four weeks on, hardly any new blank sailings have been announced (Drewry's "Cancelled Sailings Tracker" is stable and is still trending at an **8% cancellation rate**¹⁸), and capacity growth for the remainder of 2023 is still quite excessive:

Figure 15 – Week 42-52 capacity growth (TEU millions)



Source: [Alphaliner](https://www.alphaliner.com)

Capacity growth post-Golden Week 2023 shows increases of 16%-25% for Asia-North America West Coast, 22%-32% for Asia-North America East Coast, 8%-11% for Asia-North Europe, and 36%-38% for Asia-Mediterranean. These figures are considered unsustainable. The author suggests two possible scenarios for the remainder of 2023: carriers announcing a massive blank sailings program to reduce capacity or carriers maintaining high capacity and dealing with downward pressure on freight rates into the new year.

ii. Global container freight rates and carrier profits

This week, average global spot rates have seen another decrease, as the "World Container Index" is down by **↓6%** (or \$85) to **\$1 384** per 40-ft container¹⁹. The following figures show the year-to-date levelling off.

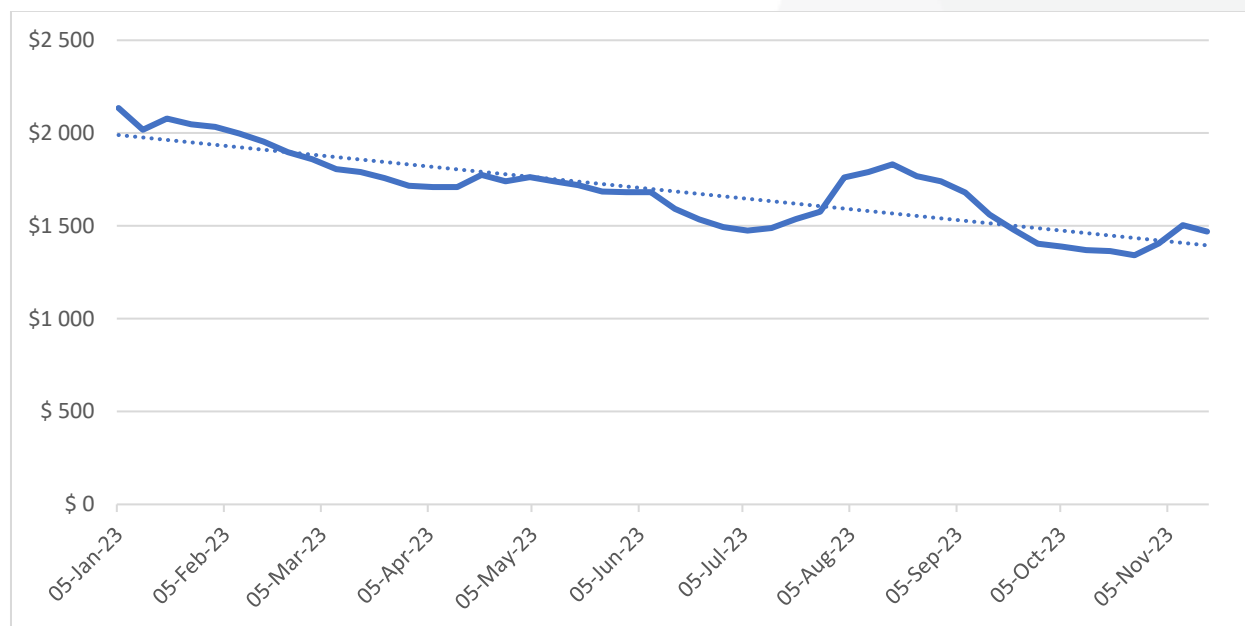
¹⁶ Linerlytica. 21/11/2023. [Market Pulse – Week 47](https://www.linerlytica.com).

¹⁷ Murphy, A. 22/11/2023. [Running out of time to bring capacity down](https://www.seainelligence.com).

¹⁸ Drewry. 24/11/2023. [Cancelled Sailings Tracker - 24 November](https://www.drewry.com).

¹⁹ Drewry. 23/11/2023. [World Container Index](https://www.drewry.com).

Figure 16 – World Container Index assessed by Drewry (last 12 months, \$ per 40 ft. container)



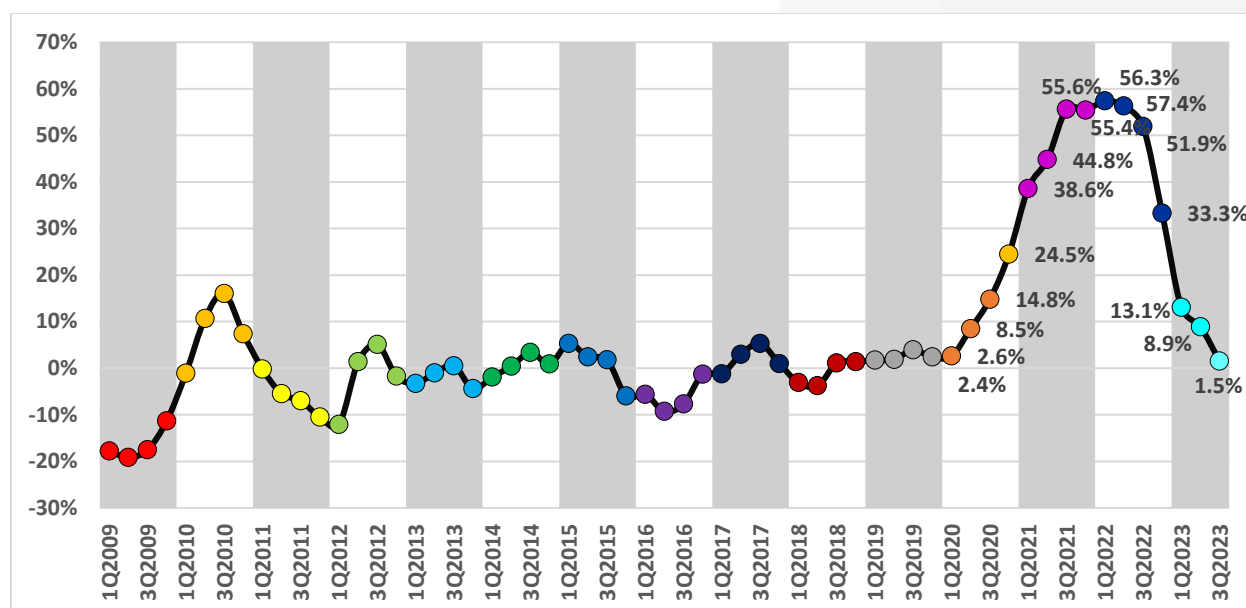
Source: [Compiled from Drewry Ports and Terminal Insights](#)

The composite index is now only **↓42%** lower compared to the same period last year and trending at lower levels (**↓3%**) compared to the average 2019 pre-pandemic rates. As illustrated, there has been a concerted drop in rates; however, we are reaching a stage where shipping is again entering the unprofitable territory of the 2010s. The year-to-date average composite index is **\$1 688** per 40ft container, which is more than **\$1000** below the 10-year average rate of **\$2 674**. For charter rates, the Harper Petersen Index (*Harpex*) is currently trending at **838 points**, down by **↓7%** (w/w) and **↓39%** (y/y)²⁰.

Elsewhere, average operating margins for the leading container carriers continued to fall and came in at **↑1,5%** for the third quarter of 2023. The figure – now lower than pre-pandemic levels – compares to an average margin of **↑8,9%** in the previous quarter and **↑51,9%** a year earlier. Shareholders in the major shipping lines will regard this as unsatisfactory and unsustainable, so the possibility exists that they will be voting with their feet.

²⁰ Harper Petersen Index. 24/11/2023. [HARPER PETERSEN Charter Rates Index](#).

Figure 17 – Main carriers: average core EBIT margin (% , per quarter)



Source: [Alphaliner](#)

China's COSCO Group topped the rankings for a second consecutive quarter with a margin of **↑15,8%**, assisted by a sweeping cost-cutting programme. In terms of earnings, the group was in line with other carriers, with revenue falling **↓60%** and average rates per TEU **↓64%**. US-listed ZIM again reported the lowest margin, of **↓16,7%**, based on a quarterly adjusted EBIT of **-\$213 million**. The carrier continues to pay high rates on its chartered fleet and has an elevated exposure to the spot market.

iii. Further developments of note

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

1. More surcharges loom for shippers as Panama Canal restrictions tighten:

- CMA CGM is set to be the first major carrier to impose a new surcharge on shipments passing through the Panama Canal due to ongoing capacity reductions²¹. The canal authority's series of capacity-cutting measures, in response to a lack of precipitation is expected to continue into 2024.
- These restrictions, combined with an earlier increase in the canal tariff, are impacting CMA CGM's operations, prompting the surcharge. Additionally, public protests over a mining company's plans are complicating matters, causing blockades on major roads, including access routes to container terminals at each end of the canal.

2. Abu Dhabi Ports eyeing \$2 billion swoop on Indonesia's Meratus Line:

- Abu Dhabi Ports (AD Ports) is reportedly in serious discussions to acquire Indonesian logistics and coastal container shipping company PT Meratus Line²². AD Ports seeks vertical integration of the maritime supply chain, mirroring DP World's approach. The potential acquisition would extend AD Ports' footprint, as Meratus operates two terminals in

²¹ Van Marle, G. 20/11/2023. [More surcharges loom for shippers as Panama Canal restrictions tighten](#).

²² Li, M. 21/11/2023. [Abu Dhabi Ports eyeing \\$2 billion swoop on Indonesia's Meratus Line](#).

Indonesia. It would also enhance its shipping and logistics operations, aligning with its expansion strategy beyond the core port/terminal business.

3. World's largest coal port faces blockade this weekend:

- a. Thousands are set to participate in a peaceful civil disobedience protest by Rising Tide at the Newcastle coal port, aiming to be Australia's largest climate action demonstration²³.
- b. The group demands a halt to new coal projects, proposing a 75% tax on fossil fuel export profits to fund community and industrial transitions and address climate loss and damage. The 30-hour flotilla blockade will commence on Saturday, expecting over 3 000 participants.

4. MSC extends deadline on HHLA share offer in move for more control:

- a. MSC has extended the deadline for its share purchase offer to HHLA shareholders to 7 December as it aims to jointly own the Hamburg port logistics company with the City of Hamburg²⁴. The municipal authority would own a strategic 50,1%, and MSC the remaining 49,9%. MSC and the City of Hamburg now collectively control around 84,21% of HHLA's share capital and voting rights, surpassing the 80% mark that reduces the power of remaining shareholders to prevent important decisions. Interestingly enough this proposed shareholding structure mirrors very closely the situation at Maputo, where the port's partnerships with DP World (Maputo) and Grindrod (Matola) appear to be functioning very well.
- b. The extended acceptance period allows MSC to acquire additional shares, bringing it closer to the 90% control threshold that would enable it to "squeeze out" remaining shareholders.
- c. Klaus Michael Kuehne's ambitions to acquire a stake in HHLA and his quest to shake up Hamburg might face a setback as MSC progresses in securing the majority ownership of the terminal operator.

b. Global air cargo industry

Global air cargo demand in Q4 has shown strength, surpassing last year's tonnages with average rates gradually increasing, according to the latest weekly figures from World ACD Market Data. However, signs of a robust peak season are scarce, resembling last year's lacklustre Q4. Despite an improvement compared to the unusually soft demand in the same period last year, this year's performance is only moderately better. A notable difference is the recovery of tonnages ex-Asia Pacific, while volumes ex-North America and ex-Europe remain down year on year. Worldwide tonnages have remained stable since mid-October, with a **↑3%** increase in global average rates in week 46. The following figure shows the movement of capacity, weight, and rates across the last five weeks:






















²³ Chambers, S. 22/11/2023. [World's largest coal port faces blockade this weekend](#).

²⁴ Desk One. 24/11/2023. [MSC extends deadline on HHLA share offer in move for more control](#).

Figure 18 – Global capacity, weight, and yield/rate over the last five weeks (% , weekly)

Origin Regions

last 2 to 5 weeks

	Capacity ¹			Chargeable weight ¹			Yield/rate ¹		
	Last 5 wks	2Wo2W	YoY	Last 5 wks	2Wo2W	YoY	Last 5 wks	2Wo2W	YoY
Africa		+2%	+8%		-3%	+7%		-0%	-10%
Asia Pacific		+1%	+42%		-3%	+10%		+6%	-25%
C. & S. America		+2%	+10%		-3%	+5%		+3%	-11%
Europe		-6%	+5%		-7%	-8%		-2%	-32%
M. East & S. Asia		+1%	+11%		-2%	+8%		+0%	-27%
North America		-4%	+8%		-6%	-13%		-2%	-25%
Worldwide		-2%	+13%		-5%	+1%		+3%	-25%

Source: [World ACD](#)

Despite a flat global tonnage performance, there are regional variations, with a **↑7%** increase in ex-Central and South America and **↑6%** in North America and Europe. Tonnages ex-Asia Pacific are relatively flat, with a **↑4%** increase in Europe but a **↓2%** drop in North America. Intra-Asia Pacific tonnages are up **↑3%**. Notable rate increases include **↑11%** and **↑9%** (2w/2w) from Shanghai to Europe and the USA, respectively. Global and regional volumes are **↑4%** higher annually. However, available capacity has increased by **↑16%**, and worldwide average rates are currently **↓23%** below last year's levels but **↑38%** compared to November 2019 and trending at an average of **\$2,52/kg** in week 46.

ENDS²⁵

²⁵ACKNOWLEDGEMENT:

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 Forwarders (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 [AIMS Global Logistics \(AGL\)](#).