

Cargo movement update #163¹

Date: 17 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)	26 629	30 935	57 564	29 444	28 371	57 815	↓0,4%
Air Cargo (tons)	3 329	2 133	5 462	3 535	2 238	5 773	↓5%

Monthly Snapshot

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

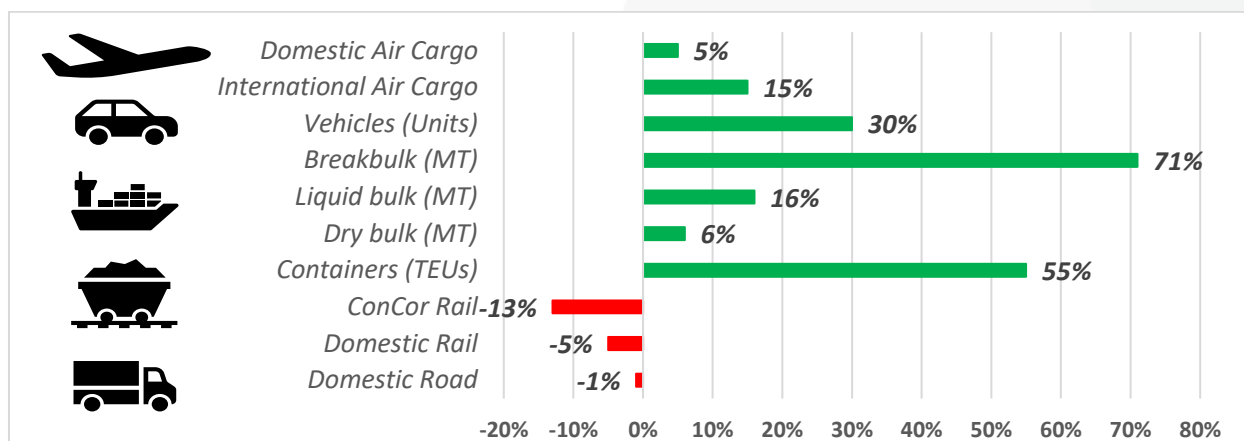
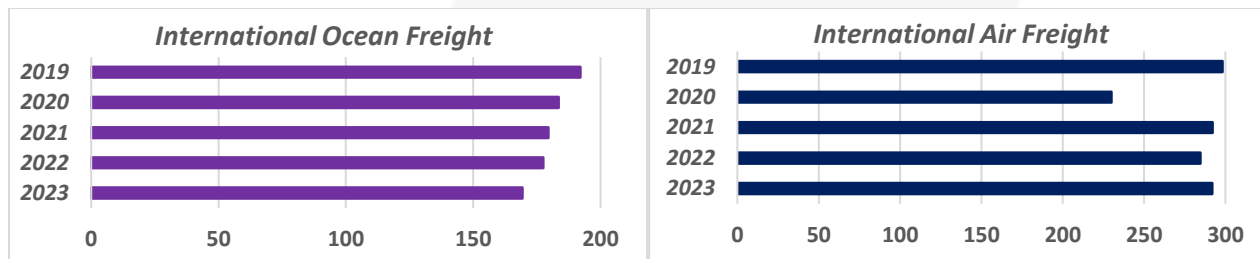


Figure 2 – Global year-to-date flows 2019-2023⁵: ocean, y/y (metric tonnes) & air freight, y/y (kg millions)



Key Notes

- An average of **~8 329 containers** was handled per day, with **~8 120 containers** projected for next week.
- TNPA stats for October: containers: down by **↓20%** (m/m), up by **↑55%** (y/y), but down by (YTD). Total bulk: down by **↓1%** (m/m) but up by **↑10%** (y/y). Vehicles: down by **↓13%** (m/m) and up by **↑30%** (y/y).
- Rail cargo handled out of Durban amounted to **2 834 containers**, up by **↑8%** from last week.
- Cross-border queue times were **unchanged** (w/w), with transit times **↑1,7 hours** (w/w); SA borders increased by **~3,3 hours**, averaging **~13,0 hours** (**↑34%**); Other SADC borders averaged **~7,7 hours** (**↑33%**).
- Global freight rates have subsided again and are down by **↓2%** (or **\$35**) to **\$1 469** per 40-ft container.
- Global air cargo is stable compared to the previous week, with a **↑2%** increase in average 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 163rd 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 **8 223 containers** per day, slightly down from the **8 329** reported last week. Port operations in the last week were once again bedevilled by poor weather conditions as well as equipment breakdowns and shortages. Adverse weather returned to the Port of Cape Town this week as several operational hours were lost while the estimated time of arrival for the new shore tensioning units has been shifted to the second week of December. The backlogs and congestion persisted in Durban, as there were 63 vessels at anchor by the end of the week, while equipment challenges at Pier 2 persisted, as the terminal had only 55 straddle carriers in operation towards the end of the week. Furthermore, minimal reports were received from TFR this week, and therefore, no accurate reports can be provided on the cable theft and vandalism situation on our rail network.

In the container industry, carriers slashed mid-November rates after recent hikes, anticipating further weakening before a December rate increase. Despite a decrease in the idle fleet, Alphaliner warns of a possible resumption of the upward trend as vessels exit maintenance. Container scrapping is anticipated to remain low in 2024, mainly due to weak prices. Port congestion stands at around **1,6 million TEU**, with selected ports experiencing high volumes at anchorage, including Durban.

In the air freight market, international air cargo to and from South Africa has recently dipped, as inbound cargo (**↓6%**) and outbound cargo (**↓5%**) both decreased this week. Nevertheless, the longer-term trend remains positive, especially with our other two international airports. For October, Cape Town cargo increased by **↑40%** (m/m) and **↑62%** (y/y), and Durban cargo increased by **↑68%** (m/m) and **↑106%** (y/y). Domestically, air cargo decreased last month (**↓23%**, m/m) but was up versus October last year (**↑5%**, y/y). Internationally, despite a gradual increase in worldwide average air cargo prices after the summer, global airfreight demand has not exhibited a robust peak in the fourth quarter, according to high-frequency data from World ACD. Preliminary figures for week 45 (6 to 12 November) indicate stable tonnages compared to the previous week, with a 2% increase in global average rates, reflecting a trend closely mirroring last year's patterns but with slight improvements compared to 2022's trends.

In regional cross-border road freight trade, average queue times were **again unchanged**, while transit times increased by approximately **one and a quarter hours** last week. The median border crossing times at South African borders decreased by **more than three hours**, averaging **~13,0 hours (↑34%, w/w)** for the week. In contrast, the greater SADC region (excluding South African controlled) increased by almost **two hours** and averaged **~7,7 hours (↑33%, w/w)**. On average, four SADC border posts took more than a day to cross, notably the usual suspects of Beitbridge, Kasumbalesa, Katima/Mulilo, and Kazungula OSBP. Further notable developments included **(1)** ongoing traffic congestion leading to closures on the N4 and into Mozambique, **(2)** Beitbridge network issues, and **(3)** insufficient parking on the Botswana side through Skilpadshek.

In summary, South Africa's commercial ports are presently operating significantly below the threshold performance levels across various key metrics. The current state of these ports indicates a substantial gap between their current operational performance and the desired benchmarks in multiple critical aspects of maritime logistics, often referred to as demonstrated capacity. Transnet must improve its performance, or the South African economy will continue to bleed unnecessarily. Nevertheless, as we have often mentioned – logistics take place on a shared infrastructure with shared responsibility by all parties – it is not only Transnet that must improve its performance, but indeed, all role players operating within the extended logistics network.

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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 11 to 17 November⁶

7-day flow forecast (11/11/2023 – 17/11/2023)		
TERMINAL	NO. OF CONTAINERS ⁷ TO DISCHARGE (IMPORT)	NO. OF CONTAINERS TO LOAD (EXPORT)
DURBAN CONTAINER TERMINAL PIER 1:	3 307	6 521
DURBAN CONTAINER TERMINAL PIER 2:	10 585	9 637
CAPE TOWN CONTAINER TERMINAL:	5 828	5 313
NGQURA CONTAINER TERMINAL:	5 646	8 343
GQEBERHA CONTAINER TERMINAL:	1 263	1 121
TOTAL:	26 629	30 935

Source: Transnet, 2023. Updated 17/11/2023.

Table 3 – Container Ports – Weekly flow predicted for 18 to 24 November

7-day flow forecast (18/11/2023 – 24/11/2023)		
TERMINAL	NO. OF CONTAINERS TO DISCHARGE (IMPORT)	NO. OF CONTAINERS TO LOAD (EXPORT)
DURBAN CONTAINER TERMINAL PIER 1:	5 869	5 774
DURBAN CONTAINER TERMINAL PIER 2:	10 332	10 893
CAPE TOWN CONTAINER TERMINAL:	6 533	5 039
NGQURA CONTAINER TERMINAL:	7 150	6 005
GQEBERHA CONTAINER TERMINAL:	1 455	1 299
TOTAL:	31 339	29 010

Source: Transnet, 2023. Updated 17/11/2023.

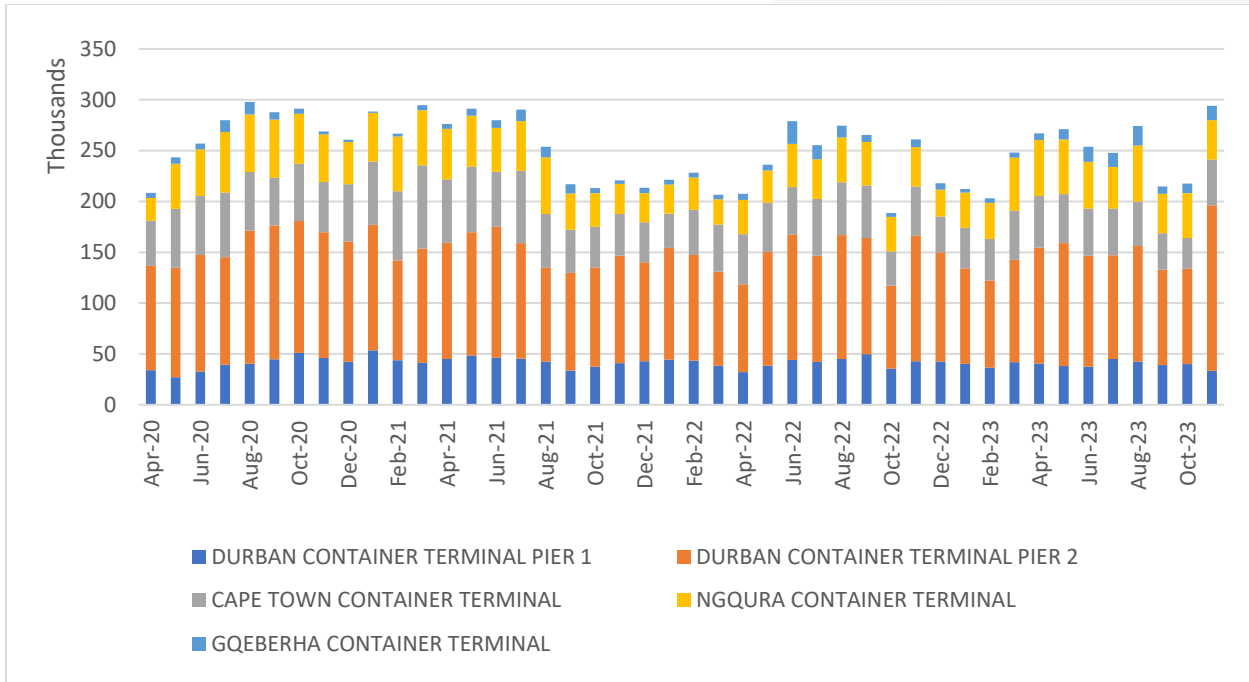
An average of **~8 223 containers** (**↓0,4%**) was handled per day for the last week (11 to 17 November, Table 2), compared to the projected average of **~8 120 containers** (**↑1%** actual versus projected) noted in last week's report. For this week, a slightly increased average of **~8 621 containers** (**↑5%**) is predicted to be handled (18 to 24 November, Table 3) next week as our commercial ports continue to tackle the backlog, which has added nearly two weeks to the supply chains of many cargo owners. Port operations in the last week were once again defined by inclement weather conditions as well as avoidable equipment breakdowns and shortages.

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

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

⁷ 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.

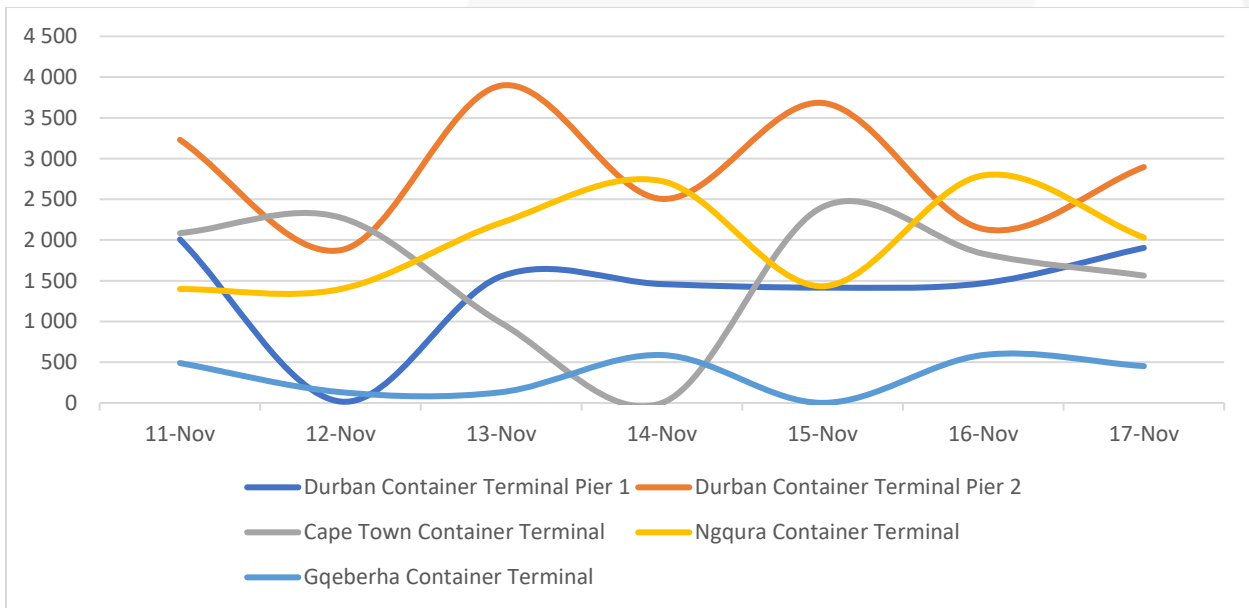
Figure 3 – Monthly flow reported for total cargo movement (containers April 2020 to present, m/m)



Source: Calculated using data from Transnet, 2023. Updated 17/11/2023.

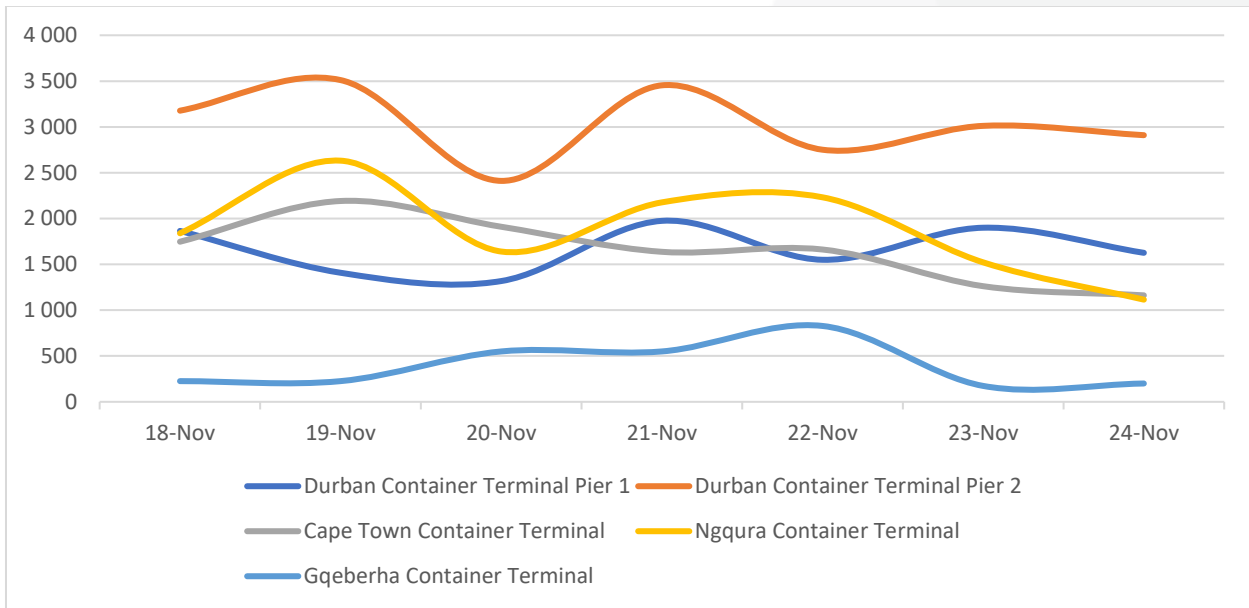
The following figures show the weekly container flows for the last seven days, followed by the projections for the seven days after that.

Figure 4 – 7-day flow reported for total container movements (11 to 17 November; per port; day on day)



Source: Calculated using data from Transnet, 2023. Updated 17/11/2023.

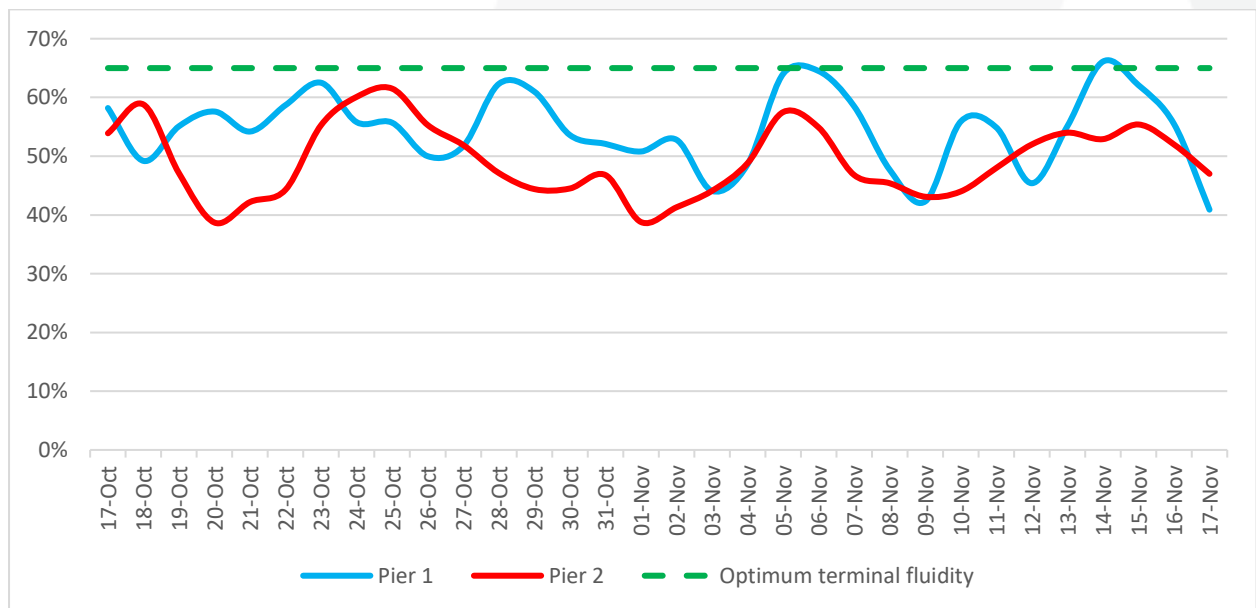
Figure 5 – 7-day forecast reported for total container movements (18 to 24 November; per port; day on day)



Source: Calculated using data from Transnet, 2023. Updated 10/11/2023.

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

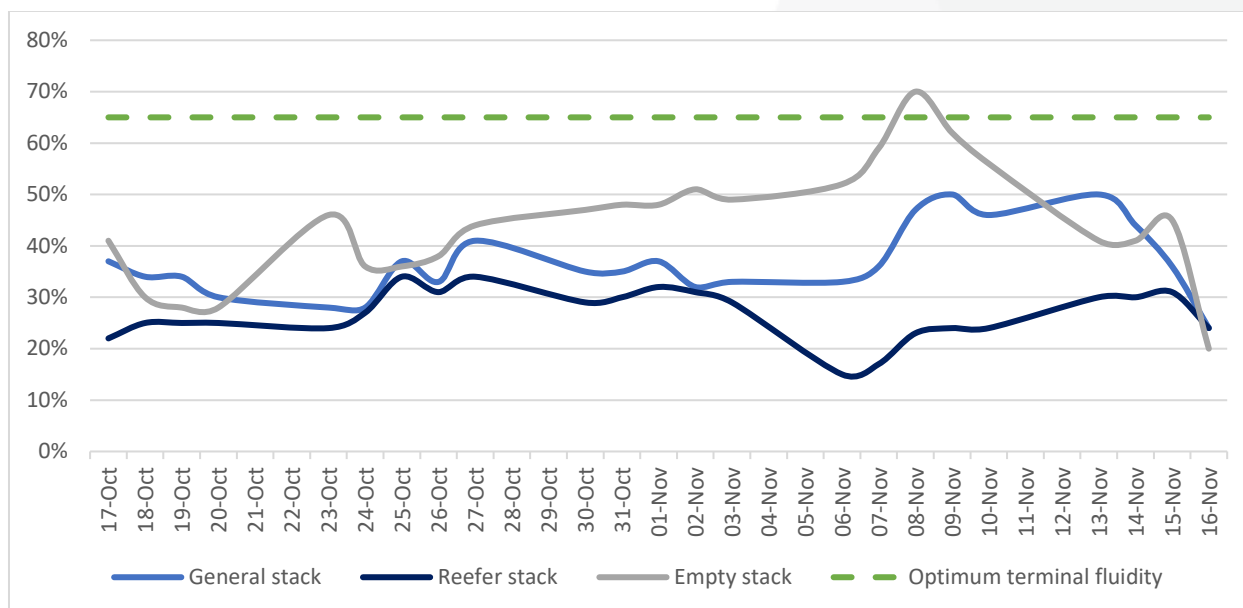
Figure 6 – Stack occupancy in DCT, general-purpose containers (17 October to present; day on day)



Source: Calculated using data from Transnet, 2023. Updated 17/11/2023.

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 (17 October to present, day on day)



Source: Calculated using data from Transnet, 2023. Updated 17/11/2023.

From these figures, a few points are important to note that low percentages actually mean there is no volume. Anything over 65% and the terminal starts losing fluidity, but 50 to 60% usually means the terminal is operating at peak efficiency.

b. TNPA: October update

TNPA has released consolidated port statistics for October⁸, with several mixed results evident, most notably because of the dubious circumstances surrounding our ports' economy. These include the fact that the yearly figures are significantly up versus October last year – which can be primarily attributed to the strike of October 2022 (note the sector-specific performance in *Figure 1* on the cover page) – but monthly volumes being down on most major sectors, as our commercial ports did not have a good October whatsoever. Furthermore, the year-to-date figures continue to affirm the slow, constant decay of our merchandise trade – in line with the performance of the rest of the economy in recent years, as noted in an excellent report by the Harvard Growth Lab released this week.

For October, the two main sectors show that containers are down by **↓10%** (m/m), and total cargo shipped is down by **↓9%**, with vehicle trade also down at **↓13%** (m/m) – much the same as last month. The following table shows the respective changes versus September:

Table 4 – TNPA – Volume and Growth: October 2023

	Sep	Oct	Movement	Change (%)
Containers (TEUs)	368 304	295 546	-72 758	-20%
Landed	195 085	152 074	-43 011	-22%
Shipped	173 219	143 472	-29 747	-17%
Dry bulk (MT)	13 838 768	12 449 298	-1 389 470	-10%

⁸ Transnet. 2023. Port statistics. [TNPA](https://www.tnpa.co.za)

Liquid bulk (MT)	2 749 079	3 515 868	766 789	28%
Breakbulk (MT)	316 217	722 195	405 978	128%
Vehicles (Units)	75 543	66 063	-9 480	-13%
Total cargo (excl. Vehicles)	16 904 064	16 687 361	-216 703	-1%

Source: [TNPA](#), updated 22/09/2023.

Transnet Port Terminals handled **16,7 million metric tonnes** of bulk cargo during October, roughly similar to the year-to-date averages (**16,93 million**), which remains significantly down on the 10-year monthly average of **18,3 million** (see *Figure 2* for the comparison across the last five years) With containers, the cyclical average for October is (although it reflects a seasonal low) **~327 000 TEUs** in the seven years, including this. Consequently, October 2023 is still only around **~90%** of the long-term average. The following table shows the comparative overview for September since the pandemic, with 2023 compared to the same month in 2022, 2021 and 2020:

Table 5 – TNPA – Volume and Growth: October 2020-2023

	2020	2021	2022	2023	Growth: '22-'23	Growth: '21-'23	Growth: '20-'23
Containers (TEUs)	325 711	329 822	190 606	295 546	55%	-10%	-9%
Landed	152 194	163 590	103 076	152 074	48%	-7%	0%
Shipped	173 517	166 232	87 530	143 472	64%	-14%	-17%
Dry bulk (MT)	16 389 328	12 963 097	11 751 923	12 449 298	6%	-4%	-24%
Liquid bulk (MT)	3 280 324	2 236 799	3 023 681	3 515 868	16%	57%	7%
Breakbulk (MT)	298 824	358 039	421 346	722 195	71%	102%	142%
Vehicles (Units)	44 772	50 182	51 007	66 063	30%	32%	48%
Total cargo (excl. Vehicles)	19 968 476	15 557 935	15 196 950	16 753 424	10%	8%	-16%

Source: [TNPA](#), updated 18/10/2023.

Yearly figures for the primary industries indicate some curious movements, as all figures are up versus last year because of the strike. However, looking back further, we are significantly down versus 2020 – a time when the country (like the rest of the world) had just emerged from a hard lockdown and was still in recovery mode. How far we have come! But at least, as shown in the green across-the-board in *Figure 1*, all sectors have increased since last year's October crisis.

Unfortunately, the crisis this time around is much of our own doing, as the structural decline in our ports is evident for all to see, and this must be addressed as soon as possible. We desperately need a sense of urgency from all parties involved! We need more serviceable equipment than is currently available, and we need it fast. We must improve our efficiency (and not waste time analysing reasons why we have not achieved our targets, such as weather, congestion, and equipment shortages), as not only are we shipping the same containerised volumes as in 2009, but we are doing it at **productivity** levels that are **~25% below what was achieved** then, which is deeply concerning. The year-to-date figures for containers further emphasise the sorry state of affairs, as there has been no tangible and sustainable growth in this sector since the pre-pandemic levels of 2019:

Table 6 – TNPA – Volume: YTD January-October 2019-2023: Containerised cargo

	2019	2020	2021	2022	2023
	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL
LANDED:					
DEEPSEA	1 556 927	1 323 878	1 513 653	1 471 703	1 459 922

COASTWISE	36 913	38 637	31 021	43 914	40 975
TRANSHIPPED ⁹	363 051	286 960	342 137	301 427	243 875
TOTAL LANDED	1 956 891	1 649 475	1 886 811	1 817 044	1 744 772
SHIPPED:					
DEEPSEA	1 472 589	1 366 416	1 484 668	1 437 817	1 468 926
COASTWISE	25 903	35 531	29 180	36 707	51 992
TRANSHIPPED	371 395	292 651	330 813	265 743	227 241
TOTAL SHIPPED	1 869 887	1 694 598	1 844 661	1 740 267	1 748 159
GRAND TOTAL	3 826 778	3 344 073	3 731 472	3 557 311	3 492 931

Source: [TNPA](#), updated 18/10/2023.

Compared to last year, total containers shipped are down by **↓0,5%** (y/y), with containers landed down by a considerable **↓4,0%**. Total container trade down is by **↓1,8%** (y/y). Versus the pre-pandemic year of 2019, the picture becomes bleaker, as total containers shipped are down by **↓6,5%** (y/y), with total containers landed down by **↓10,8%** (y/y), with total container trade down by **↓8,7%** (y/y). Therefore, not only has our industry not grown in the last five years, but we have, in fact, gone backwards – and backwards by a lot!

c. 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

- Adverse weather (wind and fog) returned to Cape Town this week as several operational hours were lost.
- Backlogs and congestion persisted in Durban as there were 63 vessels at anchor by week's end.
- Our Eastern Cape Ports lost the most significant part of Tuesday due to strong winds.
- Richards Bay had minimal weather disruptions, but the struggles on the landside against staging truckers with the influx of coal-carrying trucks continued.

ii. Cape Town

On Thursday, CTCT recorded three vessels at berth and four at anchor as the terminal continues to try and recover. In the 24 hours leading to Friday, stack occupancy for GP containers was recorded at 24%, reefers at 24%, and empties at 20%. In this period, despite being fogbound for two hours and experiencing a system failure lasting for eight hours, the terminal handled 1 563 TEUs across the quay while 1 106 trucks were serviced on the landside. Additionally, equipment challenges at the terminal continued this week as Cranes LC1 and LC4 remained out of commission. The spares for these cranes arrived earlier this week after the estimated time of return for LC1 was communicated as 17 November and for LC4 as 15 November. Furthermore, the estimated time of arrival for the new shore tensioning units has been shifted to the second week of December, with the seven second-hand RTGs due in the first week.

The multi-purpose terminal recorded zero vessels at anchor and two at berth on Wednesday. In the 24 hours leading to Thursday, the terminal managed to service 272 external trucks at an undisclosed truck turnaround

⁹ 'Transhipped' means an act of off-loading cargo from one ship (generally at a hub port) and loading it onto another ship to be further carried to the final port of discharge. In the process, the cargo is often held at the transshipment port for a period.

time on the landside. During the same period, 134 TEUs and 3 708 tons of general cargo were handled across the quay on the waterside. Additionally, 237 tons of agri-bulk cargo was also handled on the waterside. Stack occupancy was recorded at 23% for GP containers, 8% for reefers, and 28% for empties during the same period.

The FPT private terminal reported zero vessels at anchorage while having no working vessels at berth on Thursday. During the 24 hours leading to Friday, the terminal handled no volumes on the waterside but managed to service 74 trucks and 12 trains on the landside. At the same time, reefer stack occupancy was recorded at 65%.

As a general comment, it will be noted that congestion at Cape Town has eased considerably. Unfortunately, this is not due to any improvements in performance or productivity but rather to a drop in cargo volume and the bypassing of Cape Town, which is clearly visible in the Ngqura statistics, with some overflow into Durban as well.

iii. Durban

Pier 1 on Wednesday recorded two vessels at berth, operated by five gangs, and four vessels at anchor. Stack occupancy was 56% for GP containers and remained undisclosed for reefers. During the same period, 2 500 imports were on hand, with 81 units having road stops and 50 unassigned. The terminal recorded 863 gate moves on the landside, with an undisclosed number of cancelled slots and 127 wasted. The truck turnaround time was recorded at ~100 minutes, with an average staging time of ~126 minutes. During the same period, the terminal had 13 RTGs in operation.

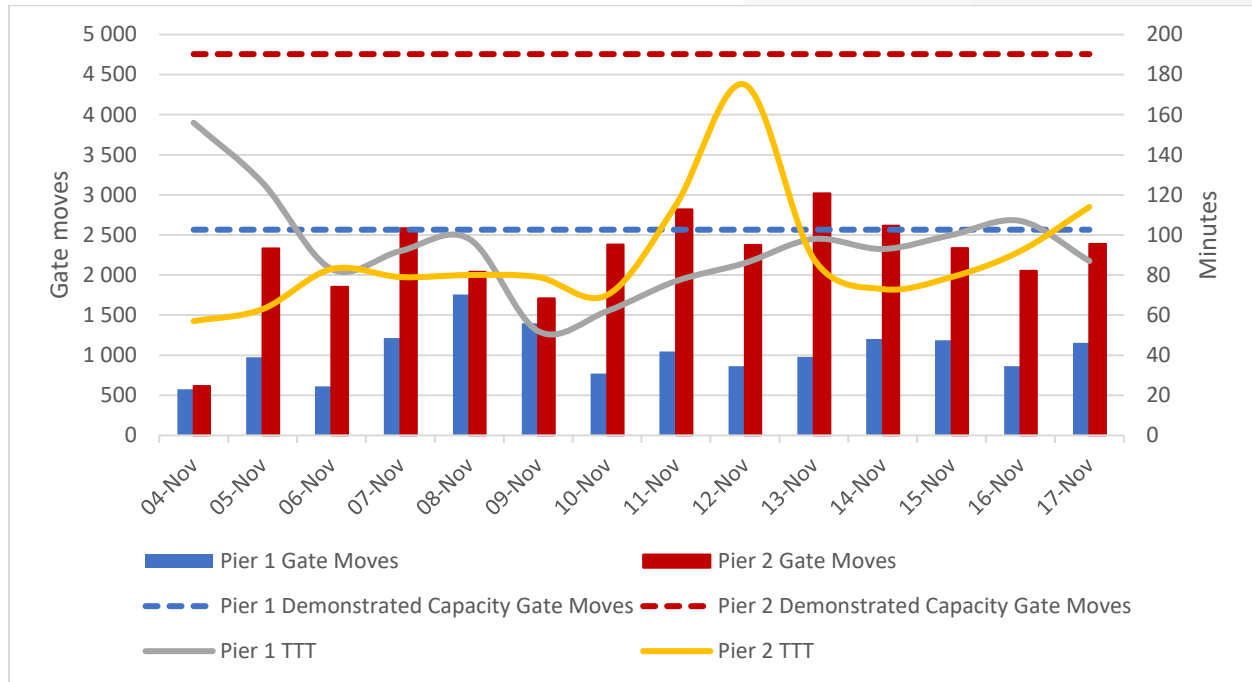
Pier 2 had four vessels at berth and 16 at anchorage on Friday. In the preceding 24 hours, stack occupancy was 47% for GP containers and undisclosed for reefers. The terminal operated with ten gangs while moving 2 896 TEUs across the quay. During the same period, there were 2 390 gate moves on the landside with a truck turnaround time of ~114 minutes and a staging time of ~174 minutes. Of the landside gate moves, 1 120 (46%) were for imports and 1 270 (54%) for exports. Additionally, 360 rail import containers were on hand, with 359 moved by rail. The terminal experienced a much more challenging week on the weather front, as adverse weather conditions were reported on numerous occasions. However, equipment challenges persisted, as the terminal had 55 straddle carriers in operation towards the end of the week. The terminal currently sits on an availability figure of approximately 48% when it comes to straddles and is currently approximately 32% below the number of machines that would satisfy industry demand.

Durban's MPT terminal recorded three vessels at berth on Thursday and two at outer anchorage while handling 411 TEUs and 1 659 breakbulk tons on the waterside. Stack occupancy for breakbulk was recorded at 50% during that time and at 36% for containers. The terminal handled 105 container road slots and 69 breakbulk RMTs containing 2 100 tons on the landside. During the same period, three cranes, seven reach stackers, one empty handler, seven forklifts and 18 ERFs were in operation. According to the latest reports, the third crane at the terminal made a welcome return to service on Thursday night around 22:00 after a lengthy outage.

On Friday, the Ro-Ro terminal in Durban recorded two vessels on the berth, with none at anchorage. In the 24 hours leading to Friday, the terminal handled 1 533 units on the landside while handling 3 552 units on the waterside. During the same period, general stack occupancy was recorded at 75%, comprising 40% imports, 50% exports, and 10% transshipments. Stack occupancy at Q/R was 20%, while the G-berth stack was 50%. The terminal had 3 576 import units on hand, 4 548 units were destined for export markets, and 878 were subject to transshipments.

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, 2022. Updated 17/11/2023.

iv. Richards Bay

On Thursday, Richards Bay recorded 19 vessels at anchor, with ten vessels destined for DBT, eight destined for MPT, and one destined for RBCT. Additionally, ten vessels were recorded on the berth, translating to four at DBT, five at MPT, one at RBCT, and none at the liquid bulk terminal. Two tugs and one helicopter were in operation for marine resources in the 24 hours leading to Friday while the pilot boat remained out of commission. During the same period, the coal terminal had one vessel at anchor and one at berth while handling 90 885 tons on the waterside and 23 trains on the landside.

v. Eastern Cape ports

NCT on Wednesday recorded three vessels on the berth and one vessel at the outer anchorage, with seven 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 Thursday. In the same period, stack occupancy was 40% for GP containers and undisclosed for reefers, as a total of 2 793 TEUs were processed. Additionally, 745 trucks were serviced on the landside at a truck turnaround time of ~36 minutes. The latest reports suggest that Crane 6 went out of commission this week, with no estimated time of return as yet. Furthermore, TNPA noted that the MoorMaster will be out for service towards the end of November into early December; however, final dates will be communicated to the industry once available.

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. Stack occupancy was recorded at 78% for GP containers and remained undisclosed for reefer ground slots. On the waterside, 462 volumes were handled across the quay. Additionally, 225 trucks were serviced on the landside at a truck turnaround time of ~21 minutes.

Minimal operations took place at the Ro-Ro terminal this week due to no vessel being on the berth. The first vessel of the week only arrived on 17 November, which meant that no reports were received from the terminal. However, stack occupancy was recorded at 55% by the end of the week.

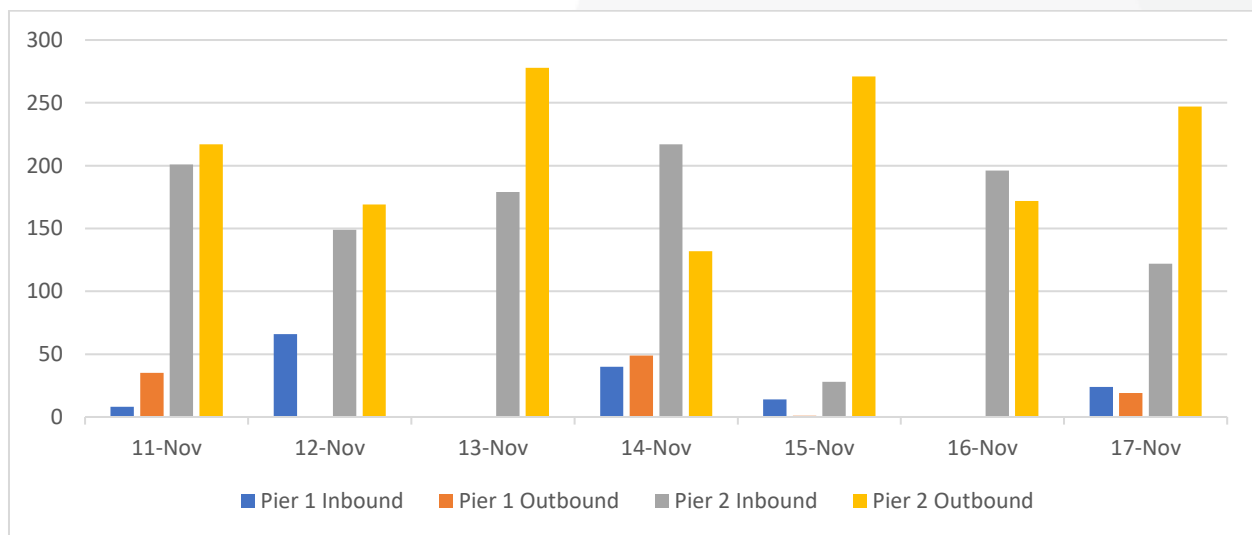
vi. Saldanha Bay

On Wednesday, the iron ore terminal had two vessels at anchorage and two on the berth, while the multi-purpose terminal had three vessels at anchor and three on the berth. The vessels at anchor have been waiting outside for approximately 2-6 days, while the vessels in port have been on berth for between 2 and 3 days.

vii. Transnet Freight Rail (TFR)

Minimal reports were received from TFR this week, and therefore, no accurate reports can be provided on the cable theft and vandalism situation on our rail network. However, the latest reports indicate that DCT Pier 2 had 74 over-border units on hand with a dwell time of 34 days and 286 ConCor units on hand with a dwell time of 120 hours towards the end of the week.

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



Source: Calculated using data from Transnet, 2022. Updated 17/11/2023.

In the last week (11 to 17 November), rail cargo handled out of Durban was reported at **2 834** containers, up **↑8%** from the previous week's **2 636** 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 6 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 7 – International inbound and outbound cargo from OR Tambo¹⁰

Flows	06-Nov	07-Nov	08-Nov	09-Nov	10-Nov	11-Nov	12-Nov	Week
Volume inbound	332 416	245 305	355 897	351 777	546 493	376 905	1 120 090	3 328 883
Volume outbound	212 017	206 850	305 803	246 692	247 505	317 742	596 813	2 133 422
Total	544 433	452 155	661 700	598 469	793 998	694 647	1 716 903	5 462 305

Courtesy of ACOC. Updated: 14/11/2023.

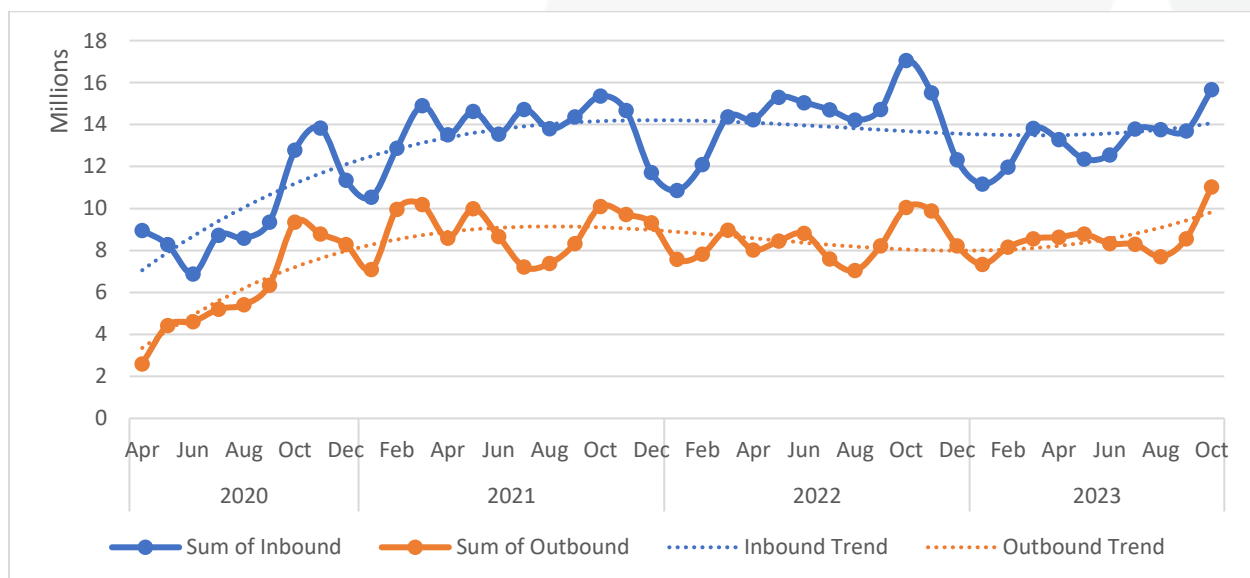
The daily average volume of air cargo handled at ORTIA the previous week amounted to **475 555 kg** inbound (↓6%, w/w) and **304 775 kg** outbound (↓5%), resulting in an average of **780 329 kg per day** or around ~95% compared with November 2022. The numbers keep hovering below the pre-pandemic levels (~81%).

For the other two international airports, cargo handled in October showed some very positive growth and largely mirrors the positive developments in Johannesburg – and indeed globally – and are as follows:

- Cape Town cargo increased by **↑40%** (m/m) and **↑62%** (y/y).
- Durban cargo increased by **↑68%** (m/m) and **↑106%** (y/y).

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

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



Courtesy of ACOC. Updated: 07/11/2023.

b. Domestic air cargo

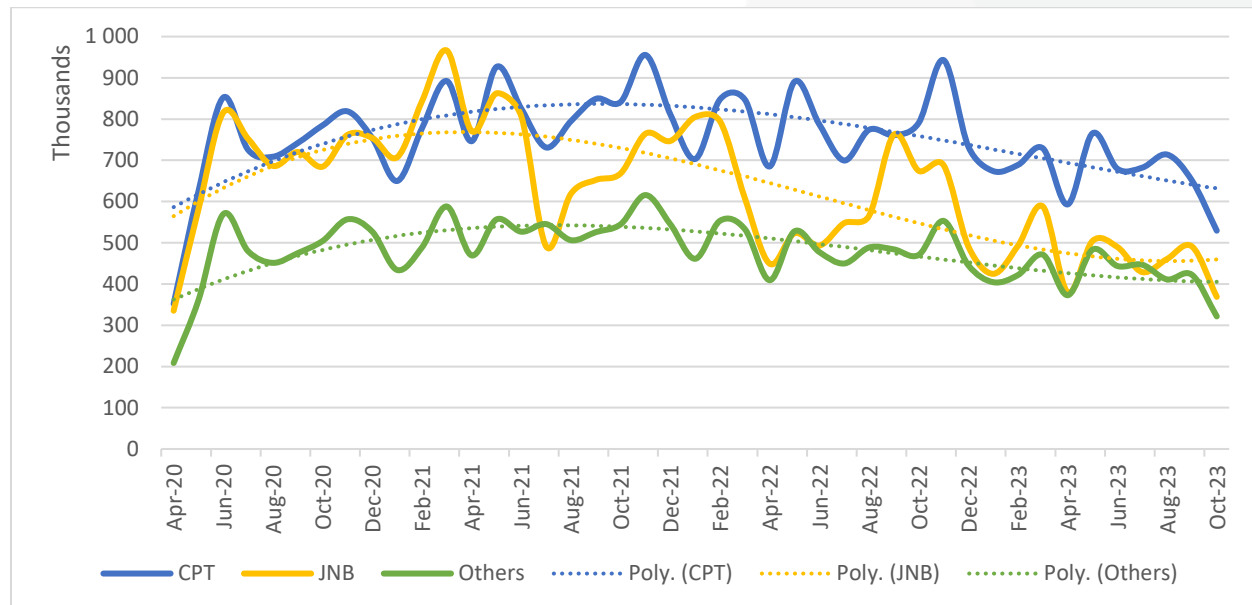
For our three primary airports, domestic cargo handled in October shows the following:

- Johannesburg cargo decreased monthly by **↓17%** (m/m) but increased annually by **↑9%** (y/y).
- Cape Town cargo also decreased monthly by **↑36%** (m/m) and increased annually by **↑15%** (y/y).
- Lastly, Durban cargo followed the same trend and decreased monthly by **↓3%** (m/m) but also decreased annually – by **↓21%** (y/y).

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

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

Figure 11 – Domestic inbound and outbound cargo (thousands)



Courtesy of ACOC. Updated: 23/10/2023.

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 decreased by **more than three hours**, averaging **~13,0 hours (↑34%, w/w)** for the week. In contrast, the greater SADC region (excluding South African controlled) increased by almost **two hours** and averaged **~7,7 hours (↑33%, w/w)**.
- Traffic congestion in South Africa led to the closure of the N4 near Moamba in Mozambique, causing a queue of approximately 30 km before Matola at the Port in Maputo.
- Beitbridge experienced network issues for seals, resulting in no movement, and a bridge breakdown further delayed the resumption of movement in the area.
- Insufficient parking on the Botswana side is causing limitations in processing vehicles through Skilpadshok, particularly on Thursdays and Fridays.
- The President of the DRC views the recent strike as sabotage and has taken direct action to address the situation, with trucks being released and escorted back to the border.
- 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 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 8 – 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	460	7,4	8,5	33,0	13 800	3 220
Beitbridge	Zimbabwe-SA	415	8,4	2,3	20,2	12 450	2 905
Groblersbrug	SA-Botswana	181	0,2	0,3	1,3	5 430	1 267
Martins Drift	Botswana-SA	258	0,0	4,1	20,5	7 740	1 806
Kopfontein	SA-Botswana	24	0,1	0,2	0,3	720	168
Tlokweng	Botswana-SA	216	1,5	1,1	4,5	6 480	1 512
Noordoewer	Namibia-SA	20	0,2	0,3	1,3	600	140
Vioolsdrift	SA-Namibia	30	2,1	0,6	4,3	900	210
Ariamsvlei	Namibia-SA	20	0,2	0,4	2,1	600	140
Nakop	SA-Namibia	30	0,2	1,3	4,0	900	210
Skilpadshek	Botswana -SA	52	0,6	1,1	2,2	1 560	364
Pioneer Gate	SA-Botswana	235	5,1	2,5	15,2	7 050	1 645
Lebombo	SA-Mozambique	125	3,0	1,3	11,5	3 750	875
Ressano Garcia	Mozambique-SA	1 446	4,2	3,1	9,4	43 380	10 122
Weighted Average/Sum		2,4	1,9	9,3	6,3	105 360	24 584

Source: TLC, FESARTA, & Crickmay, week ending 12/11/2023.

Table 9 – 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	11,3	3,7	19,4	9 600	2 240
Central Corridor	798	0,1	0,5	1,5	23 940	5 586
Dar Es Salaam Corridor	1 819	20,0	2,7	21,6	54 570	12 733
Maputo Corridor	1 571	3,6	2,2	10,4	47 130	10 997
Nacala Corridor	127	0,0	0,0	0,0	3 810	889
North/South Corridor	3 626	7,5	2,1	12,6	108 780	25 382
Northern Corridor	2 817	0,2	0,2	1,9	92 520	21 588
Trans Caprivi Corridor	116	0,1	1,2	26,0	3 480	812
Trans Cunene Corridor	100	0,0	2,3	9,1	3 000	700
Trans Kalahari Corridor	317	2,1	1,2	5,8	9 510	2 219
Trans Oranje Corridor	100	0,7	0,6	2,9	3 000	700
Weighted Average/Sum	11 711	4,4	1,3	8,3	359 340	83 846

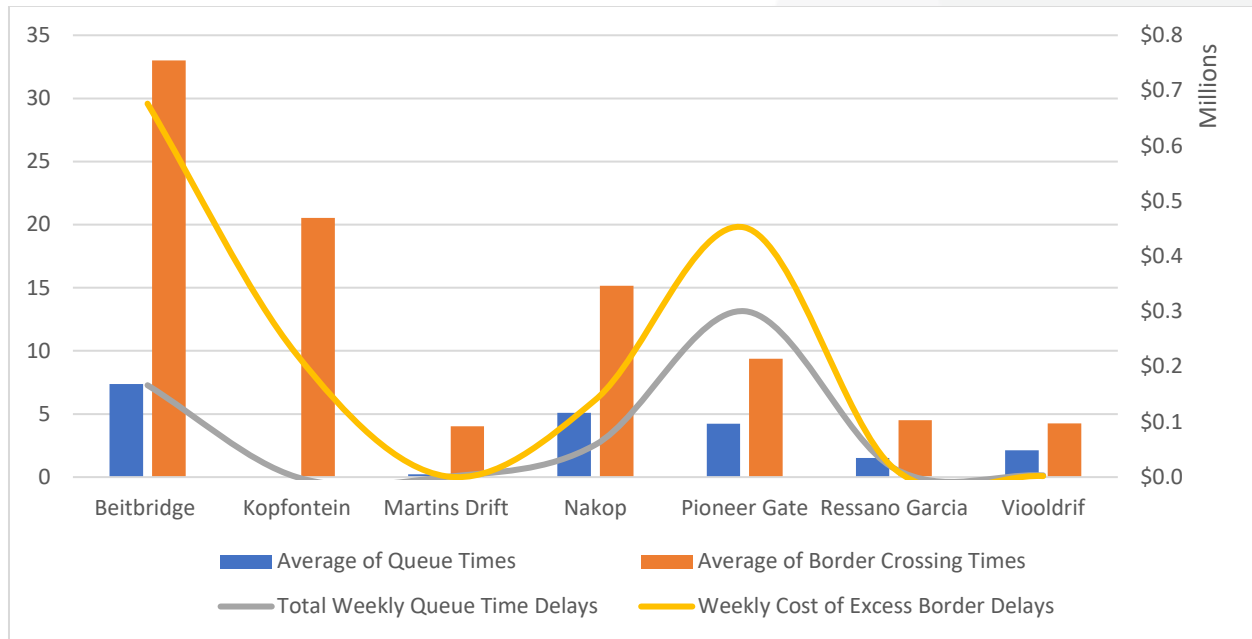
Source: TLC, FESARTA, & Crickmay, week ending 12/11/2023.

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 is produced by Crickmay in collaboration with SAAFF.

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

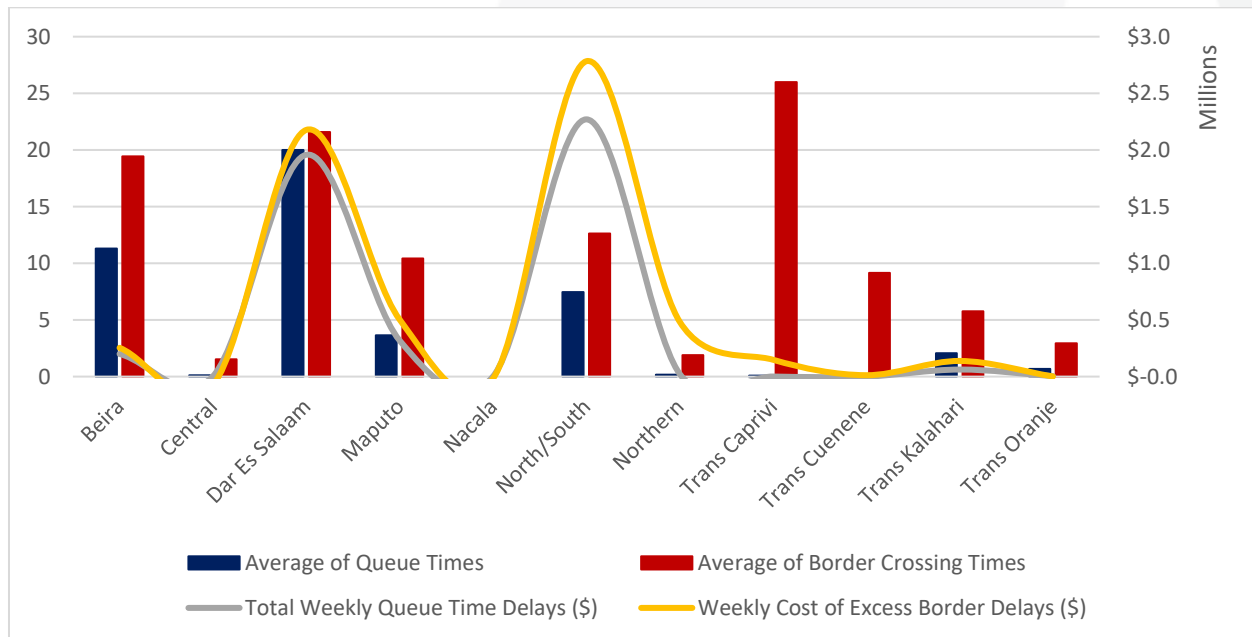
Figure 12 – Weekly cross-border delays & est. cost from a SA border perspective (hours & \$ millions)



TLC, FESARTA, & Crickmay, week ending 05/11/2023.

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

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



Source: TLC, FESARTA, & Crickmay, week ending 05/11/2023.

In summary, cross-border queue time averaged **~4,4 hours (unchanged from the previous week's ~4,4 hours)**, indirectly costing the transport industry an estimated **\$4,8 million (R89 million)**. Furthermore, the week's average cross-border transit times hovered around **~8,3 hours (up by ~1,7 hours from the ~6,5 hours recorded in the previous report)**, at an indirect cost to the transport industry of **\$6,4 million (R118 million)**. As a result, the total indirect cost for the week amounts to an estimated **~\$11,2 million (~R207 million, up by ~R25,2 million or ↑14% from ~R182 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.

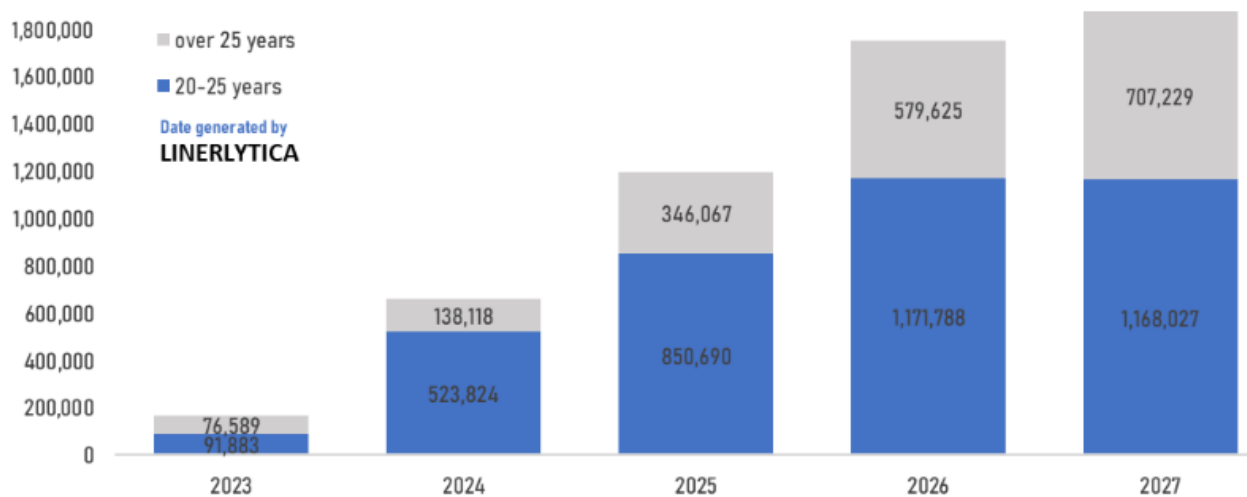
a. Global shipping industry

i. Container industry summary

Carriers are reducing freight rates in mid-November, reversing earlier hikes, as new capacity is introduced. Zim and CMA CGM's capacity additions on the US West Coast counteract cuts made by The Alliance. Transpacific rates are under pressure, and further weakening is expected in the next two weeks before carriers attempt another rate increase on 1 December. The idle fleet is decreasing despite a weak earnings outlook, as carriers take advantage of a **↓30%** drop in charter rates since June to expand their fleets. The surge of inactive tonnage in the container shipping industry appears to have paused, with the number of idle container vessels experiencing a marginal reduction¹⁴. However, Alphaliner warns that this may not last long as an increasing number of vessels, around **64%** of the inactive fleet, are leaving dry docks and retrofit yards after maintenance. While historically, shipping tends to respond to overcapacity concerns by scrapping; weak prices are keeping many older box ships afloat.

As mentioned last week, container scrapping is expected to remain low in 2024, with only 82 ships totalling **145 950 TEU** scrapped in 2023. The scrapping rate is projected to stay below **300 000 TEU** in 2024, with MSC extending the lifespan of its fleet through a drydocking program. The pool of scrap candidates with ships over 20 years old and special surveys due in 2024 is relatively low at **662 000 TEU**, increasing significantly in 2025-2027:

Figure 14 – Total capacity of container fleet older than 20 years (TEU millions)



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

Elsewhere in the industry, port congestion continues to be stable at around **1,60 million TEU**, of the industry, with only the mega dual-port of Shanghai/Ningbo, Savannah, and Busan currently having more TEU waiting

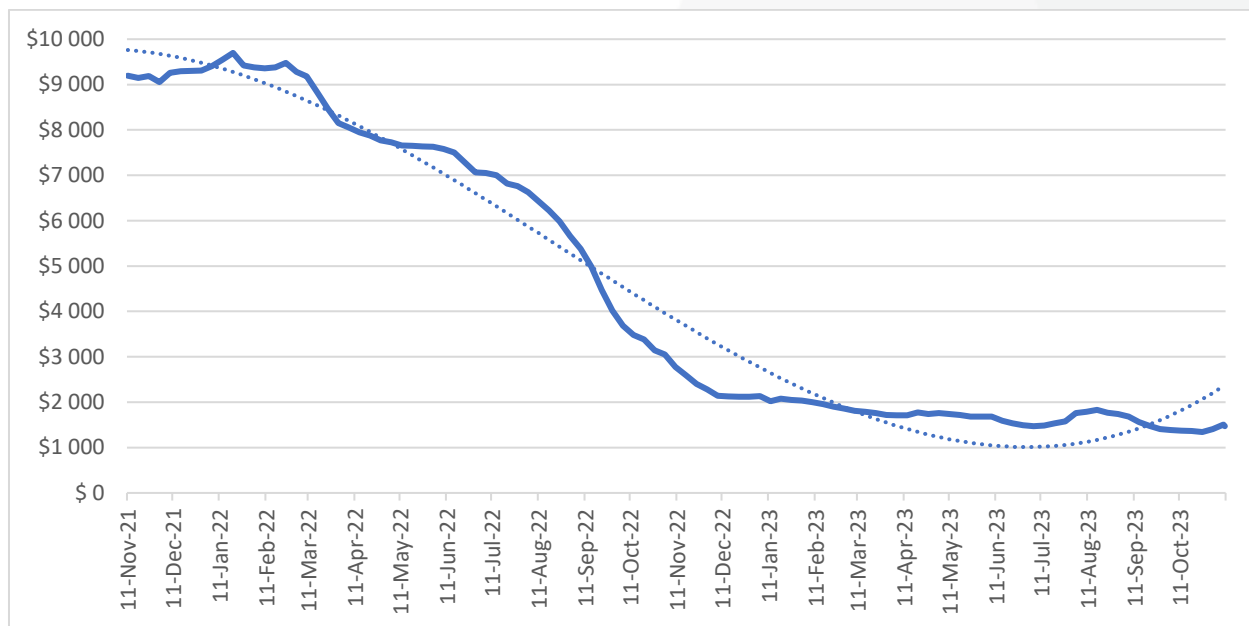
¹⁴ Bartlett, C. 16/11/2023. [Idle vessel fleet set to grow as large newbuilds continue to arrive.](#)

outside at anchorage than Durban (at around **70 000 TEU**)¹⁵. Drewry's "Cancelled Sailings Tracker" is stable and is trending at an **8% cancellation rate**¹⁶.

ii. Global container freight rates

After two weeks of substantial increases, the "World Container Index" decreased again this week and is down by **↓2%** (or **\$35**) to **\$1 469** per 40-ft container¹⁷. The following figures show the roller-coaster ride of the respective highs and lows of ocean freight rates in the last two years, which has been unprecedented.

Figure 15 – 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 **↓43%** lower compared to the same period last year and trending at similar levels (**↑3%**) compared to the average 2019 pre-pandemic rates. The year-to-date average composite index is **\$1 695** per 40ft container, **\$980** below the 10-year average rate of **\$2 675**. Some commentators have warned that forwarders should avoid the "race-to-the-bottom" on ocean rates, risking customer and margin loss, as low rates lead to minimal margins for forwarders¹⁸. Maersk's CEO, Vincent Clerc, expressed concerns about a "dire 2024" if spot rates do not rise. Forwarders are urged to reconsider participating in tenders that lead to unsustainable rates and to take responsibility for the pressure on carriers.

b. Global air cargo industry

Despite a gradual rise in worldwide average air cargo prices post-summer, the global airfreight demand has not shown signs of a strong peak in the fourth quarter, according to the high-frequency data from World ACD. Preliminary figures for week 45 (6 to 12 November) reveal stable tonnages compared to the previous week, with a **↑2%** increase in global average rates. The overall trend in tonnages closely mirrors last year's patterns but with slight improvements compared to 2022's trends. In the weeks leading up to week 45, overall tonnages dropped by **↓5%** in the two weeks to the week ended 12 November, driven mainly by a fall in chargeable weight in week 44:

¹⁵ Linerlytica. 14/11/2023. [Market Pulse – Week 46](#).

¹⁶ Drewry. 03/11/2023. [Cancelled Sailings Tracker - 14 November](#).

¹⁷ Drewry. 02/11/2023. [World Container Index – 2 November 2023](#).

¹⁸ Whiteman, A. 16/11/2023. ['Feeding frenzy' over low rates must end, say forwarders](#).

Figure 16 – 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](#)

On the regional front, negative two-week-over-two-week trends in tonnages were observed for most region-to-region flows, notably outbound from North America to Asia Pacific (**↓13%**), intra-Asia Pacific (**↓11%**), and outbound from Central and South America to Europe (**↓11%**). The Asia Pacific to Europe recorded a slightly positive tonnage development (**↑2%**). In terms of pricing, the overall two-week-over-two-week increase of **↑3%** was driven mainly by the Asia Pacific region (**↑6%**), including increases to Europe (**↑5%**), North America (**↑4%**), and Middle East and South Asia (**↑4%**). Worldwide average rates are currently **↓25%** below their levels at the same time last year, at an average of **\$2,48/kg** in week 45, 7 cents up from last week, but more importantly, the rates are still significantly above pre-pandemic levels (**↑36%** compared to November 2019).

ENDS¹⁹

¹⁹ACKNOWLEDGEMENT:

*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. This edition is proudly sponsored by [AIMS Global Logistics \(AGL\)](#).*