

Cargo movement update¹

Date: 10 March 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)	23 665	31 125	54 790	20 501	23 315	43 816	↑25%
Air Cargo (tons)	4 496	2 803	7 298	4 277	3 003	7 279	↑0,3%

Monthly Snapshot

Figure 1 – Monthly⁴ cargo volume levels, year on year (100% = baseline; >100% = growth)

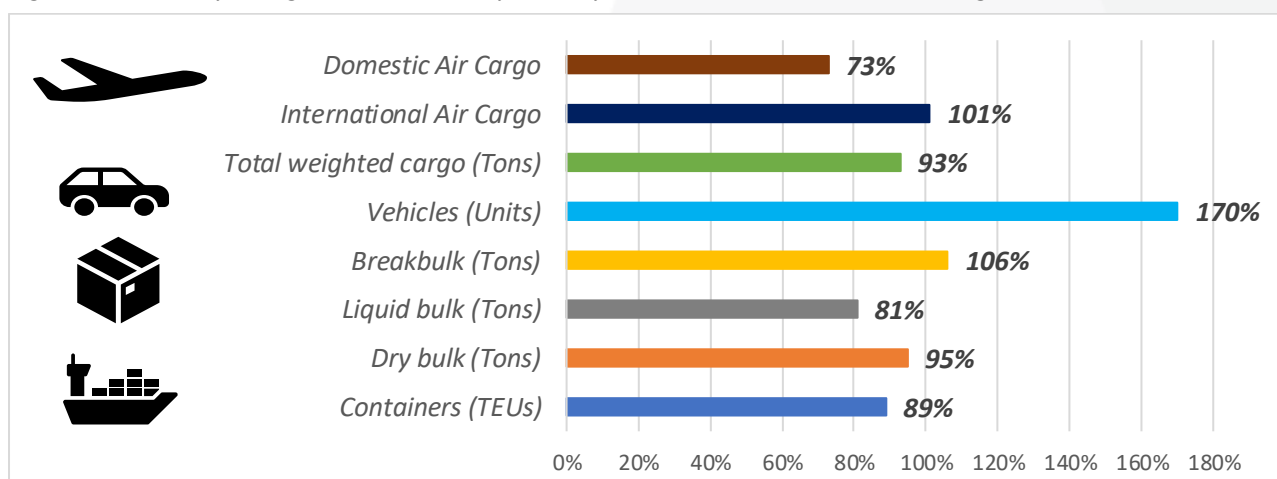
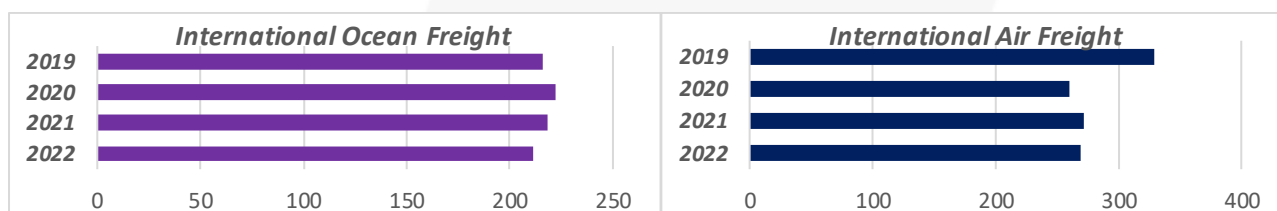


Figure 2 – Global year-to-date flows 2019-2022⁵: ocean, y/y (metric tonnes) & air freight, y/y (kg millions)



Key Notes

- An average of **~7 827 containers** was handled per day, with **~9 374 containers** projected for next week.
- Rail cargo handled out of Durban amounted to **1 961 containers**, **↑8%** compared to last week.
- Cross-border queue times were **↓4,0 hours**, with transit times **↑1,3 hours**, SA borders **~13,9 hours (↑11%)**.
- Supply chain pressures ease (**↓0,26**), reaching negative territory for the first time since August 2019.
- CTS container throughput (dry & reefer) is down by **↓5,6%**, m/m and **↓9,9%**, y/y for January.
- Global freight rates continue to fall, as the "WCI" is down by **↓3%** (\$53) this week to **\$1 806** per 40 ft.
- Global air cargo volumes continue to fall in January (**↓15%**, y/y); fortunately, space has returned (**↑4%**).

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 127th 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; Ocean: Jan vs Jan. Air: Feb vs Feb.

⁵ For ocean, total Jan-Dec cargo in metric tonnes, as reported by [Transnet](http://www.transnet.co.za) is used, while for air, Jan-Dec cargo to and from ORTIA is used.

Executive Summary

This update – *the 127th of its kind* – contains a consolidated overview of the South African supply chain and the current state of international trade. Port operations this week were as usual impacted by adverse weather, frequent equipment breakdowns and shortages, power outages, delays, and congestion. The congestion at Cape Town has worsened in the last seven days, with poor weather adding to the delays resulting in average berthing delays exceeding the 12-day mark. To date, a total of 14 vessels have omitted the Cape Town port in 2023, with the latest vessels for March being **(1)** the APL Charleston, **(2)** Maersk Sheerness, and **(3)** CMA CGM Lebu. Additionally, in the wake of the supposed national shutdown on 20 March 2023, the Port of Richards Bay has issued its contingency plans to ensure that waterside and landside operations flow as effectively and efficiently as possible. The tug situation in the Eastern Cape is creating cause for concern across the industry as both the Port of Port Elizabeth and the Port of Ngqura are operating with one tug each. Furthermore, intermittent cable theft on several rail lines persisted this week, and as a result, rail operations remain largely inefficient, with the most substantial delays this week spanning up to 12 hours.

Global supply chain pressures have finally completely eased, as the "Global Supply Chain Pressure Index" for February dropped below the historical average for the first time since August 2019. The residual congestion in China and Europe is no longer causing severe global container supply chain bottlenecks. Chinese ports are mostly fluid with the recent build-up of ships in Shanghai/Ningbo due more to scheduling than berthing delays, while European congestion is mainly limited to French ports due to the recent strikes. Export orders in China have also turned positive, as the global merchandise trade industry is nearly bottoming out. The current fluidity is a far cry from the peak experienced at the end of 2021, which is what really ignited the massive surge in freight rates at that time. Fortunately, those astronomical rates have fallen by an average compound rate of **↓3%** per week over the last year. The latest container throughput shows desperately low figures for January; however, with the improved outlook, volumes are set to return to healthier levels for February and March, led by a resurgence in China. Other developments include **(1)** "Multipurpose Time Charter Index" decreased by **↓4,3%** (m/m), **(2)** the US container throughput slumped by **↓20%** in January-February, and **(3)** CMA-CGM shifted its focus to intra-European trade.

In the air freight market, weekly international cargo volumes remained largely unchanged (**↑0,3%**), as domestic volumes increased somewhat (**↑7%**) but remained very low, which speaks to the general economic woes in the country. The external environment has not improved much, as global air cargo continues the trend set at the end of last year. Available capacity has increased with additional passenger flights; however, the cripplingly low rates sold recently demonstrate that an up-take of space has not yet been forthcoming. As a result, industry-wide volume is down annually by a massive **~3,25 billion CTKs**. In other air cargo news, several airlines led by KLM are taking the Dutch government to court in their attempt to cut flights from Schiphol due to decarbonisation trajectories.

Regional cross-border road flows slowed again this week. South African land border crossing in the region has averaged **~13,9 hours** (**↑11%**, w/w) for the week. In contrast, the greater SADC region (excluding ex-South Africa) increased by approximately the same magnitude, averaging **~15,3 hours** (**↑9%**, w/w). The worse performing regional border crossing was Santa Clara on the Trans Cunene corridor – taking four days to cross. Other congested SADC borders this week included Beitbridge, Groblersbrug, Kasumbalesa, Kasumbalesa, Katima/Mulilo, Oshikango, and Zobue/Mwanza – all taking more than a day on average to cross. Further notable developments included **(1)** network issues delaying flows through Beitbridge and

Groblersbrug, (2) vehicles impounded at Katima Mulilo, and (3) an impending upgrade of the 327km road between Lusaka and Ndola to a dual carriageway.

In concluding this week's report, the GDP growth figures⁶ of Q4 (↓1,3%) confirm the economic crisis at hand, which permeates through many sub-sectors of the economy, including transport and logistics. As with the energy crisis, it is becoming abundantly clear that government cannot manage the crisis alone – it needs the involvement of the private sector⁷. And not only in arms-length "*engagement*" but rather visibly and tangibly on a far grander scale. Businesses can work around the negatives and even adjust to weak policies. It can deliver less-than-optimal yet still positive responses, but not if faced with chronic uncertainty in key policies and projects⁸. We need to fix our logistics network to allow for smooth trade flows and consequent trade growth – and we need to fix it now, especially with global pressures easing and external business sentiment around merchandise trade improving.

⁶ Stats SA. 07/03/2023. [GDP decreased by 1,3% in the fourth quarter of 2022](#).

⁷ Barron, C. 05/03/2023. ['Let private sector sort out logistics nightmare'](#).

⁸ Parsons, R. 07/03/2023. [Revamped cabinet, an instruction to deliver?](#)

Contents

Weekly Snapshot	1
Monthly Snapshot.....	1
Key Notes	1
Executive Summary	2
Contents	4
1. Ports Update	5
a. Container flow overview	5
b. Summary of port operations	8
i. Weather and other delays	8
ii. Cape Town.....	8
iii. Durban and Richards Bay	9
iv. Eastern Cape ports	10
v. Saldanha Bay	11
vi. Transnet Freight Rail (TFR)	11
2. Air Update	11
a. International air cargo	11
b. Domestic air cargo	12
3. Road and Regional Update	13
a. Cross-border and road freight delays	13
4. International Update	16
b. Global supply chains.....	16
c. Global shipping industry	17
i. Container throughput.....	17
ii. Container freight rates	18
iii. Further developments of note	19
d. Global air cargo industry.....	20

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 4 to 10 March ⁹

7-day flow forecast (04/03/2023 – 10/03/2023)		
TERMINAL	NO. OF CONTAINERS ¹⁰ TO DISCHARGE (IMPORT)	NO. OF CONTAINERS TO LOAD (EXPORT)
DURBAN CONTAINER TERMINAL PIER 1:	4 529	5 719
DURBAN CONTAINER TERMINAL PIER 2:	10 821	10 526
CAPE TOWN CONTAINER TERMINAL:	3 572	7 549
NGQURA CONTAINER TERMINAL:	4 215	6 631
GQEBERHA CONTAINER TERMINAL:	528	700
TOTAL:	23 665	31 125

Source: Transnet, 2021. Updated 10/03/2023.

Table 3 – Container Ports – Weekly flow predicted for 11 to 17 March

7-day flow forecast (11/03/2023 – 17/03/2023)		
TERMINAL	NO. OF CONTAINERS TO DISCHARGE (IMPORT)	NO. OF CONTAINERS TO LOAD (EXPORT)
DURBAN CONTAINER TERMINAL PIER 1:	4 805	5 068
DURBAN CONTAINER TERMINAL PIER 2:	9 482	14 927
CAPE TOWN CONTAINER TERMINAL:	6 233	9 835
NGQURA CONTAINER TERMINAL:	6 707	7 560
GQEBERHA CONTAINER TERMINAL:	400	600
TOTAL:	27 627	37 990

Source: Transnet, 2021. Updated 10/03/2023.

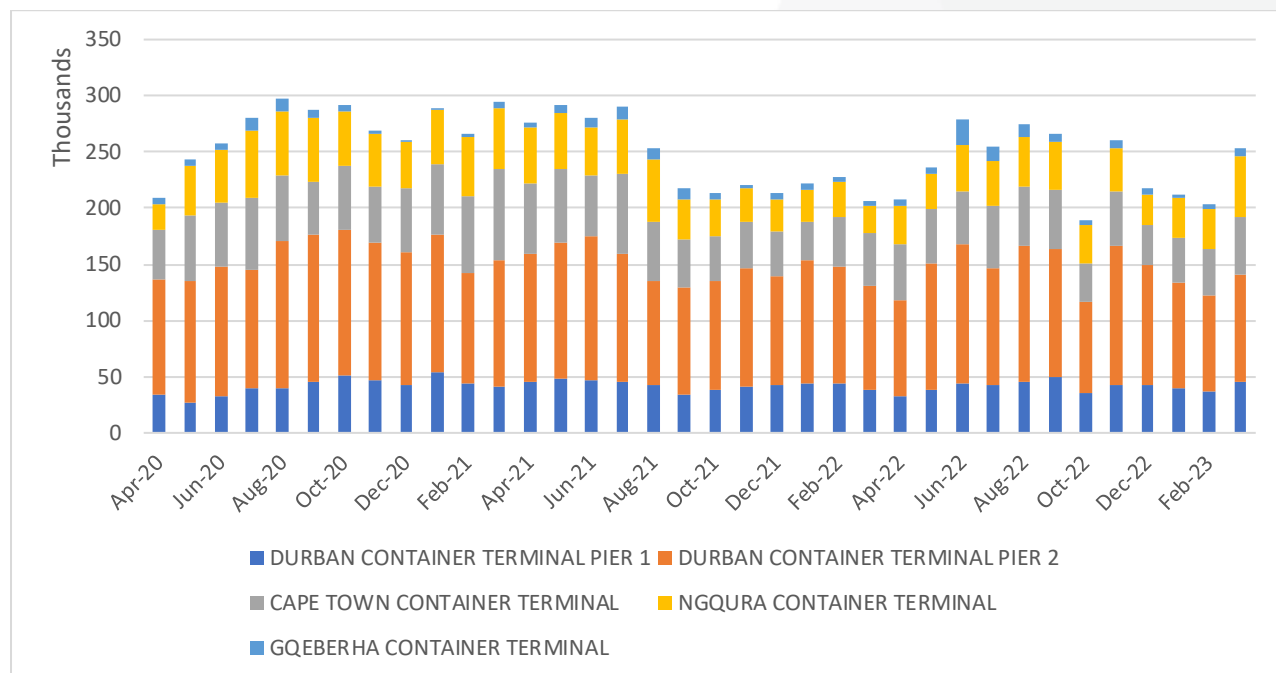
An average of **~7 827 containers** (**↑25%**) was handled per day for the last week (4 to 10 March, Table 2) compared to the projected average of **~9 403 containers** (**↓17%** actual versus projected) noted in last week's report. An increased average of **~9 374 containers** (**↑20%**) is predicted to be handled next week (11 to 17 March, Table 3). Port operations this week were as usual impacted by adverse weather, frequent equipment breakdowns and shortages, power outages, delays, and congestion.

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

⁹ It remains important to note that a large percentage (approximately 39% according to the latest year-to-date TNPA figures) of containers is neither imported nor exported, but rather consists of empties and transshipments.

¹⁰ 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.

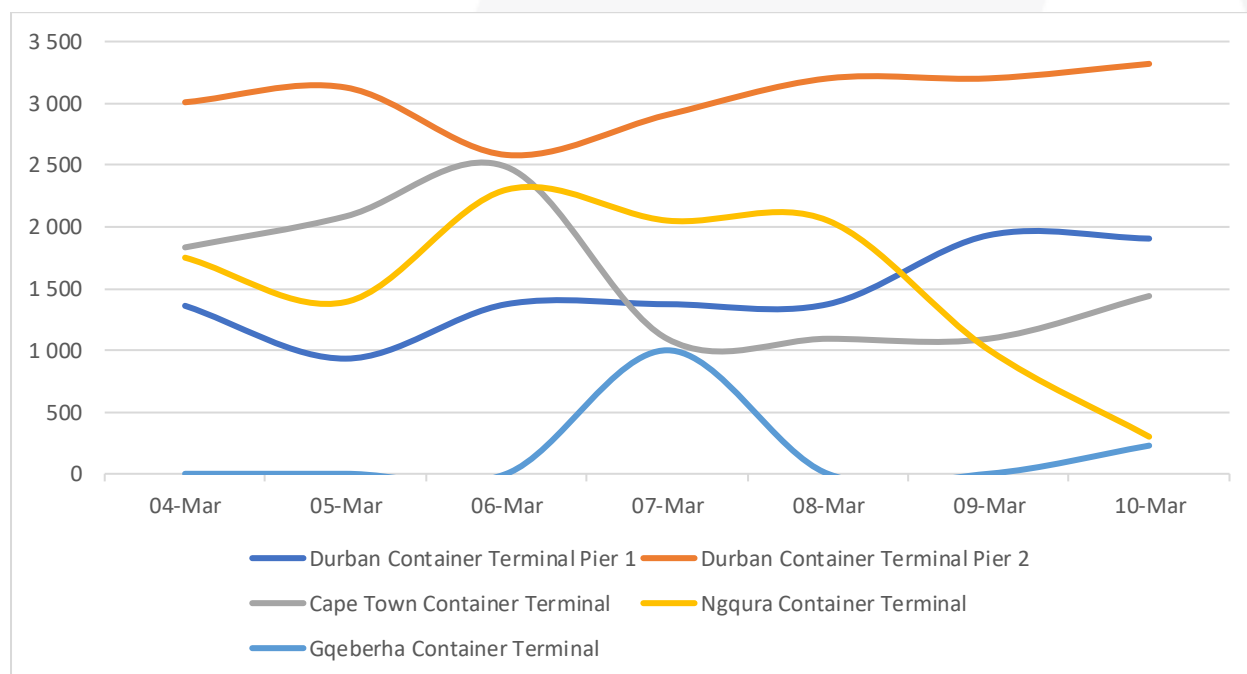
Figure 3 – Monthly flow reported for total cargo movement (containers April 2020 to present, m/m)



Source: Calculated using data from Transnet, 2023. Updated 10/03/2023.

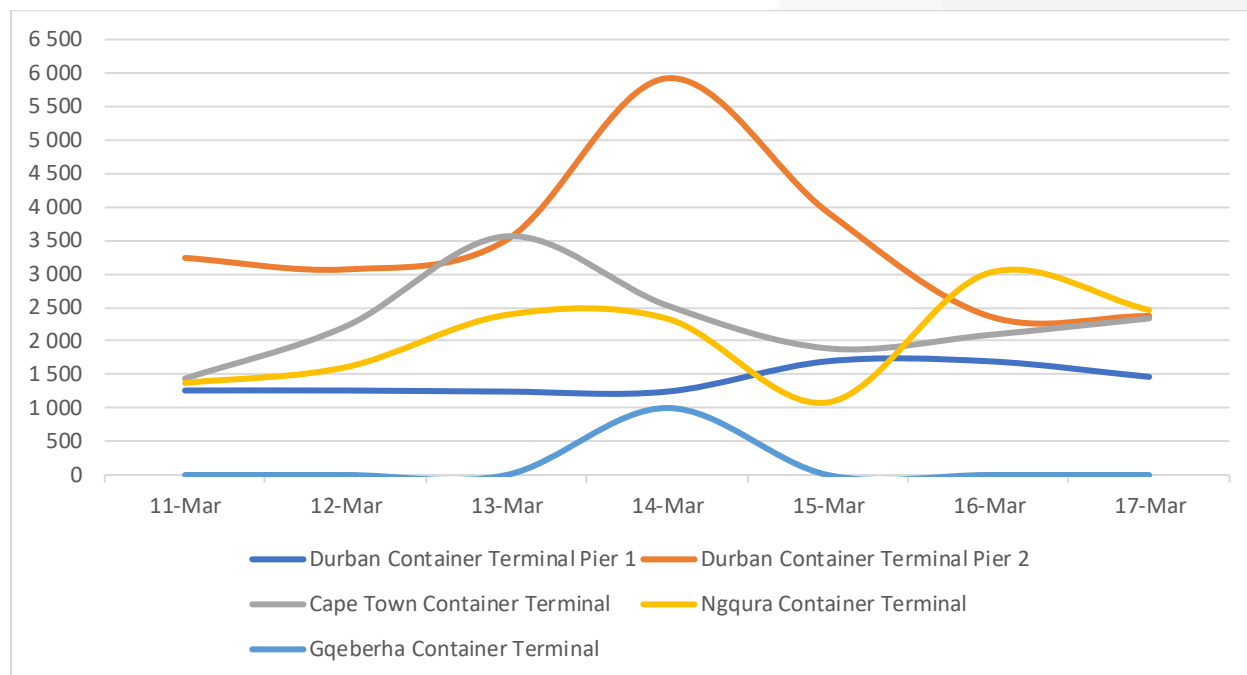
The following figures show the weekly container flows for the last seven days, followed by the projections for the seven days after that.

Figure 4 – 7-day flow reported for total container movements (4 to 10 March; per port; day on day)



Source: Calculated using data from Transnet, 2023. Updated 10/03/2023.

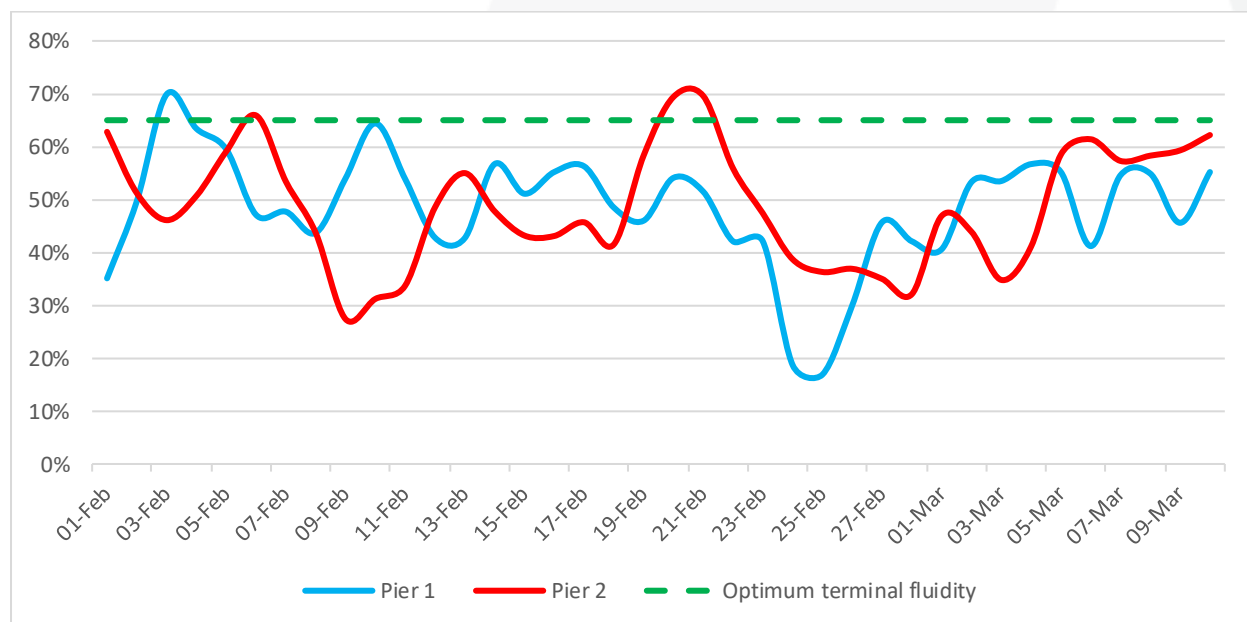
Figure 5 – 7-day forecast reported for total container movements (11 to 17 March; per port; day on day)



Source: Calculated using data from Transnet, 2023. Updated 10/03/2023.

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

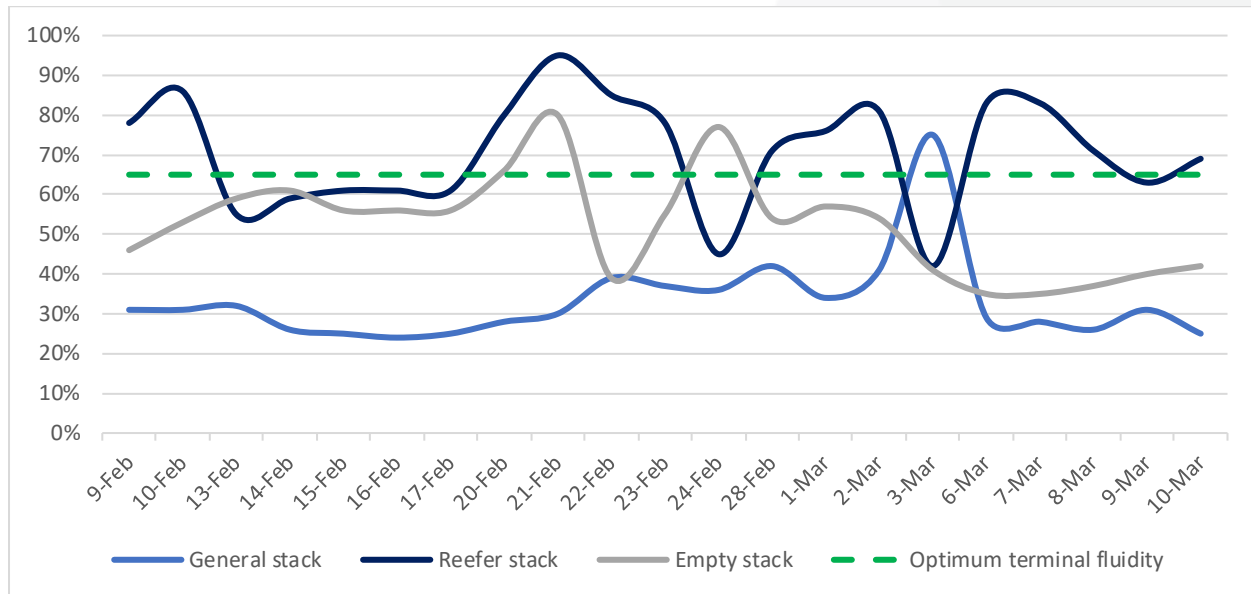
Figure 6 – Stack occupancy in DCT, general-purpose containers (2 February to present; day on day)



Source: Calculated using data from Transnet, 2023. Updated 10/03/2023.

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 (13 February to present, day on day)



Source: Calculated using data from Transnet, 2023. Updated 10/03/2023.

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

The extensive weather challenges resumed in Cape Town this week as average berthing delays exceeded 12 days.

This week, the main contributors responsible for operational delays in Durban remained equipment breakdowns, shortages, and adverse weather conditions. Richards Bay experienced a more challenging week as adverse weather and terminal operators ensured above-average delays.

Operational delays at The Eastern Cape ports were mainly due to adverse weather and equipment breakdowns.

ii. Cape Town

On Friday, CTCT recorded three vessels at berth, as berthing delays remained very high. Stack occupancy for GP containers was 25%, reefers 69%, and empties 42%. In the latest 24-hour period to Friday, the terminal handled 1 802 TEUs across the quay. On the landside, 1 024 trucks were serviced while executing 41 rail moves.

The congestion at Cape Town has worsened, with nine vessels anchored by the weekend, as the total berthing delay reaches nearly 12 days. As reported last week, Cape Town remains on the "Port Congestion Watch" as more than 59 000 TEUs (↑48%, w/w) is currently stuck at anchorage, with a queue-to-berth ratio

at a high of 2,4¹¹. Consequently, we can expect some further vessel bypasses to add to the 14 vessels that have already bypassed the Mother City port this year, with the latest vessels for March being:

- APL Charleston (7 March)
- Maersk Sheerness (7 March)
- CMA CGM Lebu (8 March)

On Thursday, Cape Town MPT recorded three vessels at anchor and two at berth. In the 24 hours to Friday, the terminal managed to service 256 external trucks while handling 501 TEUs on the landside. It should, however, be noted that this terminal is not nearly as badly affected by wind speed as CTCT on the other side of the harbour. Stack occupancy was captured at 10% for GP containers, 50% for reefers and 9% for empties.

iii. Durban and Richards Bay

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.

Pier 1 on Wednesday recorded no vessels at anchor and one at berth. Stack occupancy was 52% for GP containers, with 1 446 imports on hand and 81 unassigned units. The terminal recorded 1 398 landside gate moves on Wednesday, with 104 slots wasted. In addition, on Friday, four gangs were in operation and managed to move 1 883 TEUs across the quay against a target of 1 929.

Pier 2 had four vessels at berth and none at anchorage on Wednesday. In the most recent 24 hours to Thursday, stack occupancy was 59% for GP containers and 53% for reefers. The terminal operated with 11 gangs while having 1 742 imports on hand. On Friday, there were 2 704 gate moves on the landside with a truck turnaround time of ~65 minutes and staging time of ~76 minutes. Lastly, an undisclosed number of rail import containers were on hand, with 326 moved by rail.

One tug in Durban went out of commission during night-shift operations due to the engine overheating. The engine gaskets were swiftly replaced, and the marine fleet was restored to five operational tugs.

The Durban MPT terminal, on Thursday, recorded three vessels at berth and three at outer anchorage while handling 526 containers and 1 769 breakbulk tons on the waterside. Stack occupancy for breakbulk worsened this week to 85%, while stack occupancy on the container side was recorded at 59%. On Friday, two cranes, eight reach stackers, one empty handler, seven forklifts and 17 ERFs were in operation. According to the latest reports, the gearbox for the crane on a short-term outage was anticipated to arrive on Friday, 10 March 2023. The installation of the new gearbox should take between four to five days, leading to anticipation that the crane will return to service on Friday, 17 March 2023. On a longer-term outage, the fourth crane is anticipated to return to service in mid-June after a setback was experienced with its repairs.

On Wednesday, Richards Bay recorded 22 vessels at anchor: four bulk, 11 coal, four general, two bunkers, and one tanker vessel. In addition, there were 13 vessels on berth, six at DBT, five at MPT, one at RBCT, and one at the liquid bulk terminal. Two tugs, one pilot boat, and one helicopter were in operation in the 24 hours leading up to Thursday.

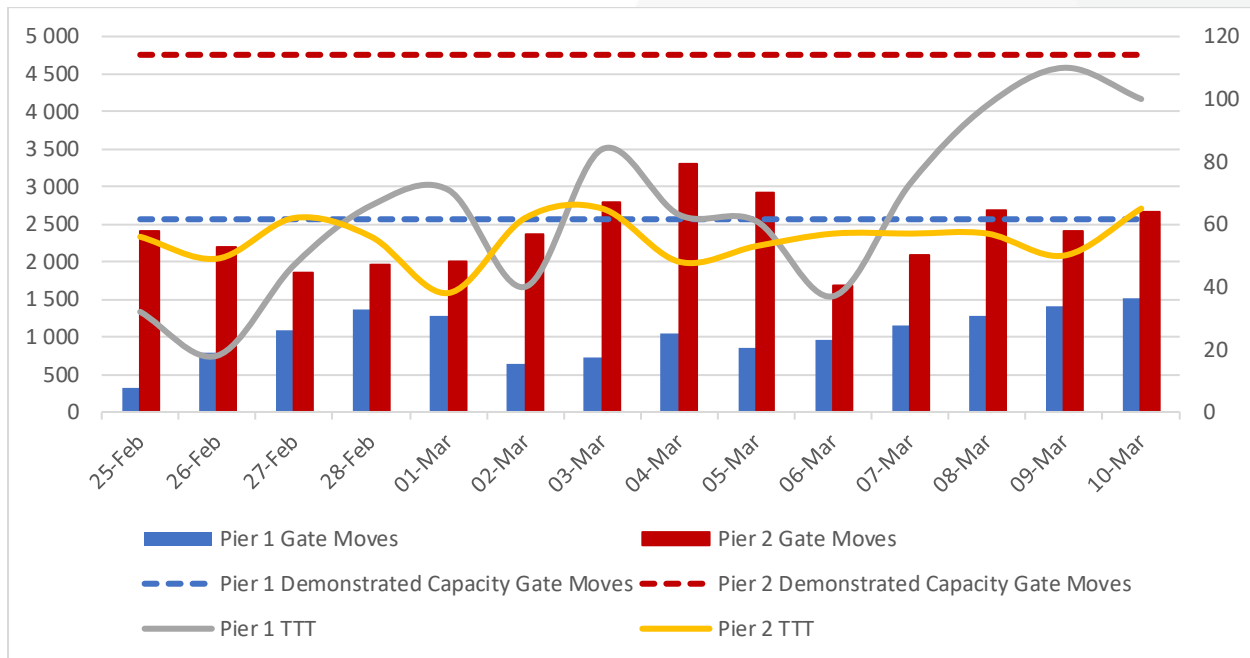
¹¹ Linerlytica. 03/03/2023. [Global Containership Port Congestion – as of 9 March 2023](#).

In the wake of the supposed national shutdown on 20 March 2023, the Port of Richards Bay has issued its contingency plans to ensure that waterside and landside operations flow as effectively and efficiently as possible. They have thus recommended the following to interested stakeholders:

- Customers are urged not to dispatch trucks to the Port of Richards Bay three days before the date of this event. In addition, all long-distance trucks must have evacuated the port by 18:00 on 19 March.
- The dispatching of the harbour-bound trucks to the Port of Richards Bay should be suspended a day before the date of this event. All local trucks must have evacuated the port by 18:00 on 19 March.

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 10/03/2023.

iv. Eastern Cape ports

NCT on Thursday recorded three vessels on berth, with two at outer anchorage. Marine resources of one tug, one pilot boat, two pilots, and one berthing gang were in operation in the 24 hours leading into Friday. In the same period, stack occupancy was 25% for GP containers and 18% for reefers, while 144 reefers were handled and 2 666 TEUs were moved across the quay. On the landside, 531 trucks were serviced at a truck turnaround time of ~32 minutes.

GCT on Thursday recorded one vessel at outer anchorage and one at berth. Available waterside resources were one tug, a pilot boat, two pilots, and one berthing gang in the 24 hours before Friday. In the same period, stack occupancy was 29% for GP containers, 11% for reefers, and 32% for reefer ground slots while moving 743 TEUs across the quay. In addition, 191 trucks were serviced at a truck turnaround time of ~30 minutes on the landside.

The tug situation in the Eastern Cape is giving serious cause for concern across the industry as both the Port of Port Elizabeth and the Port of Ngqura are operating with one tug each. The Port Elizabeth tug is currently

in the East London dry dock after going out of commission for its annual service. The Ngqura tug experienced starter motor failure, which ensured that it, too, could not work, so that tug went out of commission. No estimated time of return is available for either tug as yet.

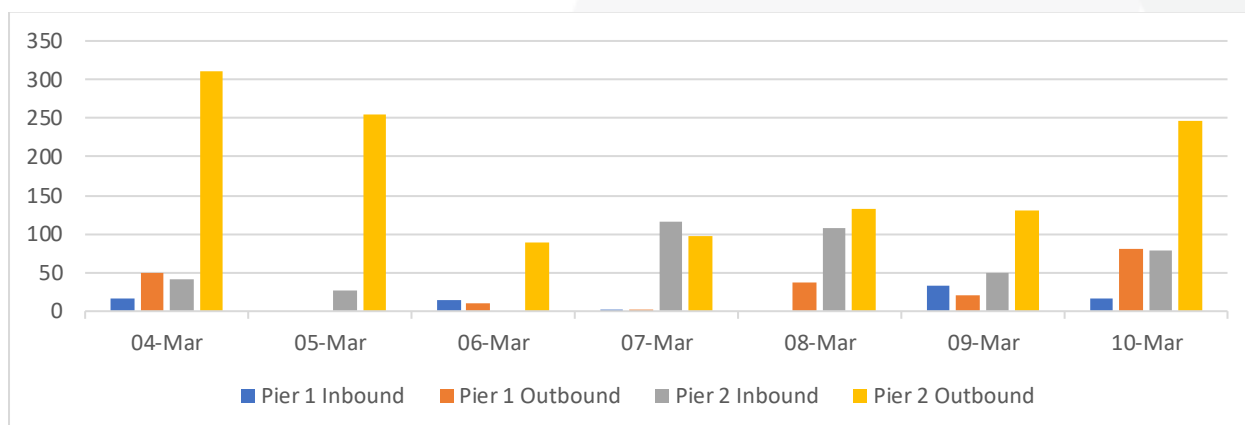
v. Saldanha Bay

On Friday, the Iron Ore terminal had three vessels at anchorage and one on the berth, while the multipurpose terminal had none at anchor and two on the berth. The vessels at anchor have been waiting at anchorage for approximately 1-2 days, while the vessels at berth have been on berth for approximately 1-3 days.

vi. Transnet Freight Rail (TFR)

Intermittent cable theft on several rail lines persisted this week, with no end in sight to this increasingly serious problem. As a result, rail operations remain largely inefficient, with the most substantial delay this week spanning up to 12 hours. This criminality and sabotage of our national industry speaks volumes about the socio-economic state of the country and the failure of good governance and policing.

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



Source: Calculated using data from Transnet, 2022. Updated 10/03/2023.

In the last week (4 to 10 March), rail cargo handled out of Durban was reported at **1 961** containers, up by **↑8%** from the previous week's **1 824** 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 27 February. For comparative purposes, the average air freight cargo (inbound and outbound) handled at ORTIA in February 2022 averaged ~711 659 kg per day.

Table 4 – International inbound and outbound cargo from OR Tambo

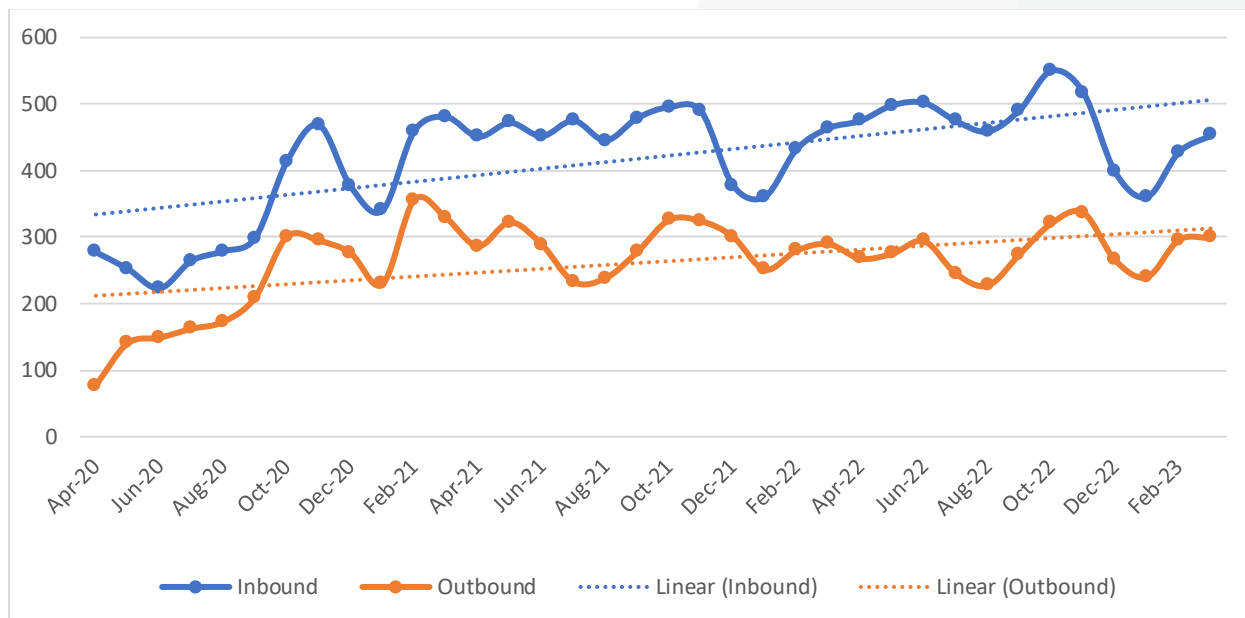
Flows	27-Feb	28-Feb	01-Mar	02-Mar	03-Mar	04-Mar	05-Mar
Volume inbound	544 283	339 899	409 602	314 354	387 947	345 774	805 056
Volume outbound	263 301	204 645	235 769	202 823	290 700	245 015	519 642
Total	807 584	544 544	645 371	517 177	678 647	590 789	1 324 698

Courtesy of ACOC. Updated: 06/03/2023.

The daily average volume of air cargo handled at ORTIA the previous week amounted to **449 559 kg** inbound and **280 271 kg** outbound, resulting in an average of **729 830 kg per day** or **~103%** compared with February 2022. Also, the level is currently at **~82%** compared with the same period pre-pandemic in 2019.

The following figure shows the comparative quarterly global freight movement at ORTIA since the pandemic outbreak.

Figure 10 – International cargo from OR Tambo (millions)



Courtesy of ACOC. Updated: 06/03/2023.

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* 2022 was **~78 412 kg** per day.

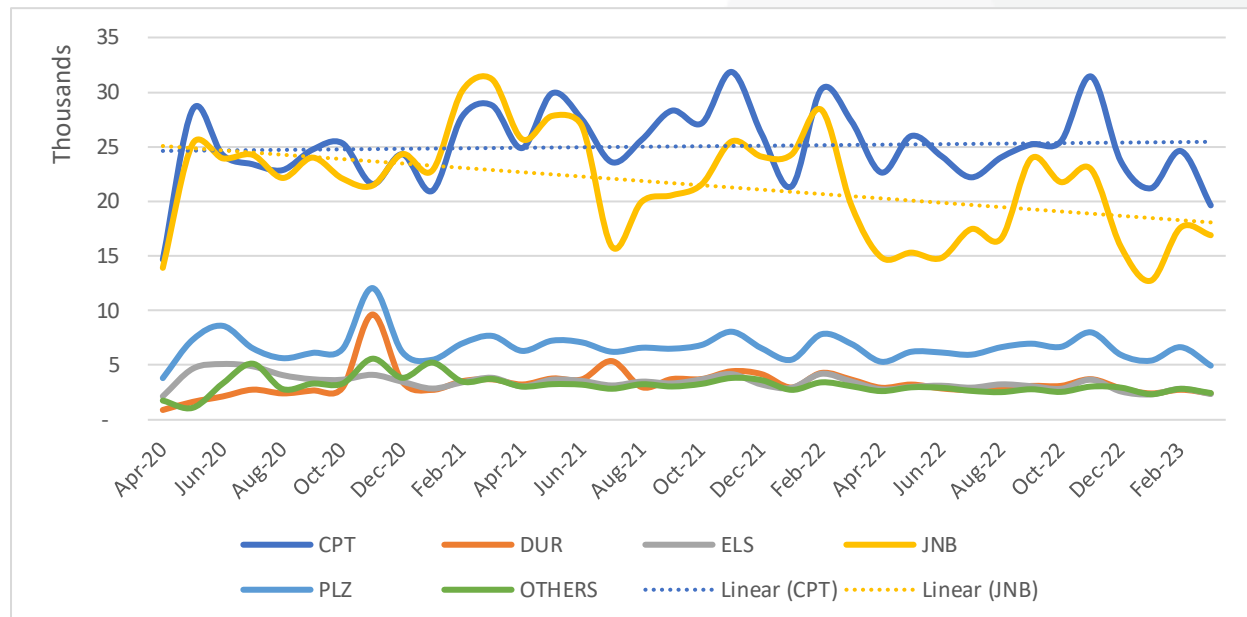
Table 5 – Total domestic inbound and outbound cargo

DATE / AIRPORT	CPT	DUR	ELS	JNB	PLZ	OTHERS	TOTAL
Mar-Dec '20 Ave.	21 813	2 941	3 751	20 539	6 571	3 176	56 713
Jan-Dec '21 Ave.	26 817	3 754	3 452	24 270	6 789	3 483	68 218
Jan-Dec '22 Ave.	25 230	3 295	3 244	19 449	6 312	2 952	60 480
January Ave.	23 644	2 881	2 593	15 834	5 942	2 946	53 839
February Ave.	36 199	3 738	4 843	28 654	11 342	3 958	88 735
27-Feb-23	36 199	3 738	4 843	28 654	11 342	3 958	88 735
28-Feb-23	33 822	3 547	4 308	32 079	8 900	4 579	87 235
01-Mar-23	36 473	4 113	4 193	32 006	9 350	4 787	90 922
02-Mar-23	37 181	4 307	4 685	25 643	8 962	4 475	85 254
03-Mar-23	20 047	2 971	2 596	26 209	5 121	2 571	59 515
04-Mar-23	3 112	414	34	487	496	14	4 556
05-Mar-23	1 331	260	268	143	863	396	3 260
Total for 2023:	1 460 838	163 960	166 796	1 002 262	388 828	167 632	3 350 316

Courtesy of BAC. Updated: 06/03/2023.

The average domestic air cargo moved last week was **~59 925 kg** per day, which is **↑7%** compared with the previous week, but **only ~76%** of what was moved in February 2022.

Figure 11 – Average domestic inbound and outbound cargo (thousands)



Courtesy of BAC. Updated: 06/03/2023.

3. Road and Regional Update

a. Cross-border and road freight delays

This week, the following points are worth mentioning in terms of challenges and delays on roads in South Africa and the surroundings in the SADC region.

- This week, the median border crossing times at South African borders increased slightly and averaged **~13,9 hours (↑11%, w/w)** for the week.
- Last week, there was no network for seals at Beitbridge which caused some delays; Zimborders noted the erratic nature of the network but found a way to keep traffic moving.
- Groblersbrug has been experiencing long queues due to network issues of late; poor planning has also contributed to the waiting times.
- Last week, FESARTA had to intervene on a matter at Katima Mulilo concerning a vehicle being impounded because the issuing office did not stamp the consignment note on entry into Namibia.
- Lastly, the Zambian government had signed an agreement to upgrade the 327km road between Lusaka and Ndola to a dual carriageway, which the industry has welcomed.
- 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 Bureau](#)¹², which has arguably achieved much greater success.

The following table shows the changes in bidirectional flows through South African borders:

Table 6 – Delays¹³ summary – South African borders

Border Post	Direction	HGV ¹⁴ Arrivals per day	Queue Time (hours)	Border Time – Best 5% (hours)	Border Time – Median (hours)	HGV Tonnage per day	Weekly HGV Arrivals
Beitbridge	SA-Zimbabwe	391	9	19	25	11 730	2 737
Beitbridge	Zimbabwe-SA	410	4	2	13	12 300	2 870
Groblersbrug	SA-Botswana	248	1	4	37	7 440	1 736
Groblersbrug	Botswana-SA	157	0	0	2	4 710	1 099
Violsdrif	SA-Namibia	30	0	1	3	900	210
Noordoewer	Namibia-SA	20	0	0	1	600	140
Nakop	SA-Namibia	30	0	1	6	900	210
Ariamsvlei	Namibia-SA	20	0	1	1	600	140
Lebombo	SA-Mozambique	1 552	0	1	9	46 560	10 864
Ressano Garcia	Mozambique-SA	133	0	0	1	3 990	931
Skilpadshek	SA-Botswana	200	2	1	4	4 800	1 400
Pioneer Gate	Botswana-SA	100	1	1	3	2 400	700
Average/Sum		3 291	02:00	02:30	09:00	96 930	23 037

Source: TLC, FESARTA, & Crickmay, week ending 05/03/2023.

Table 7 – Delays summary – Corridor perspective

Corridor	HGV Arrivals per day	Queue Time (hh:mm)	Border Time – Best 5% (hh:mm)	Border Time – Median (hh:mm)	HGV Tonnage per day	Weekly HGV Arrivals
Beira Corridor	320	0	3	16	9 600	2 240
Dar Es Salaam Corridor	1 819	4	6	14	54 570	12 733
Maputo Corridor	1 685	0	1	5	50 550	11 795
Nacala Corridor	127	0	0	0	3 810	889
North/South	3 278	2	12	16	74 791	22 946
Trans Caprivi Corridor	116	0	1	31	3 480	812
Trans Cunene Corridor	100	0	60	90	3 000	700
Trans Kalahari Corridor	330	1	1	3	7 920	2 310
Trans Oranje Corridor	100	0	1	3	3 000	700
Average/Sum	7 875	02:00	09:00	15:00	210 721	55 125

Source: TLC, FESARTA, & Crickmay, week ending 05/03/2023.

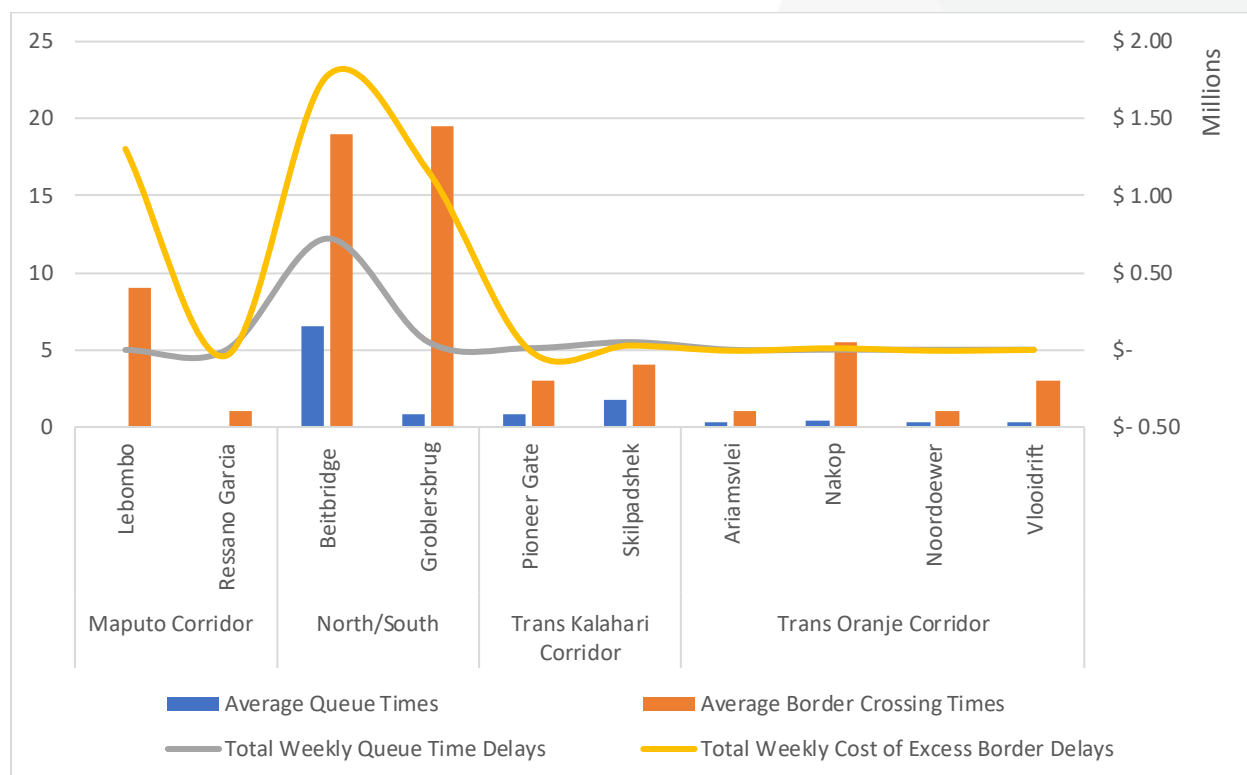
The following graph shows the weekly change in cross-border times and associated estimated costs:

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.

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

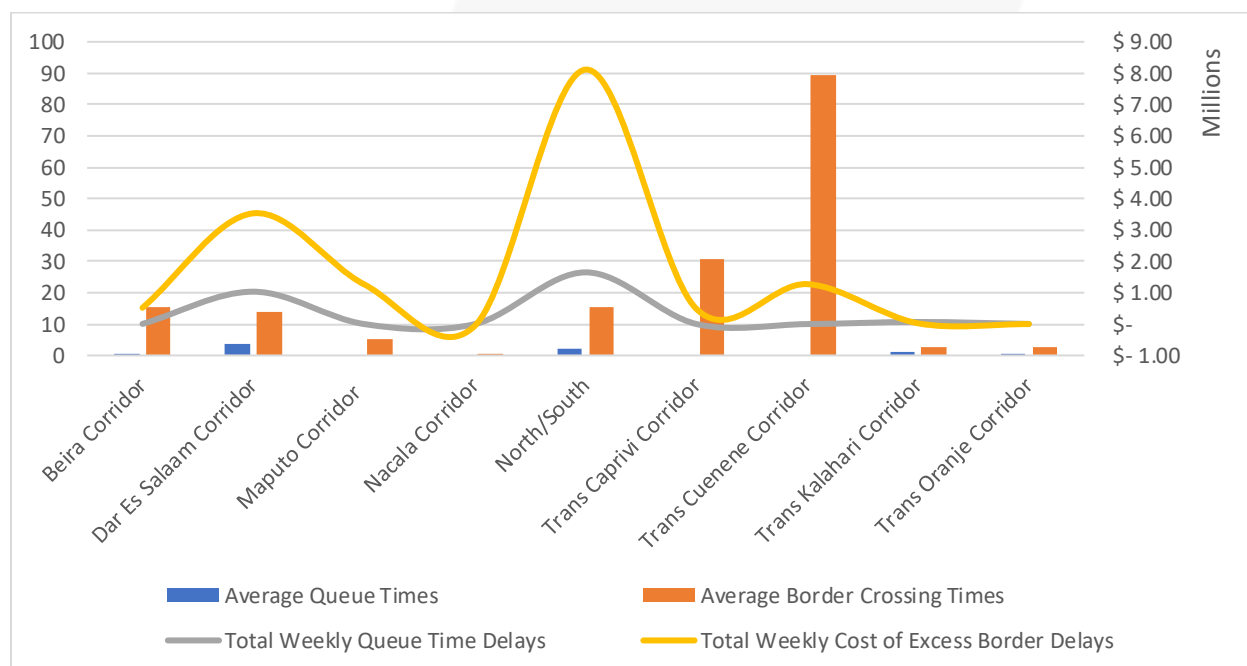
Figure 12 – Weekly cross-border delays & est. cost from a SA border perspective (hours & \$ thousands)



Source: TLC, FESARTA, & Crickmay, week ending 05/03/2023.

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 & \$ thousands)



Source: TLC, FESARTA, & Crickmay, week ending 05/03/2023.

In summary, cross-border queue time has averaged **~1,5 hours** (down by **~4,0 hours** from the previous week's **~4,0 hours**), indirectly costing the transport industry an estimated **3 million (R49 million)**. Furthermore, the week's average cross-border transit times hovered around **~15,1 hours** (up by **~1,3 hours** from the **~13,8 hours** recorded in the previous report), at an indirect cost to the transport industry of **\$15 million (R267 million)**. As a result, the total indirect cost for the week amounts to an estimated **~R489 million** (down by **~R17 million** or **↓5%** from **R489 million** in the previous report).

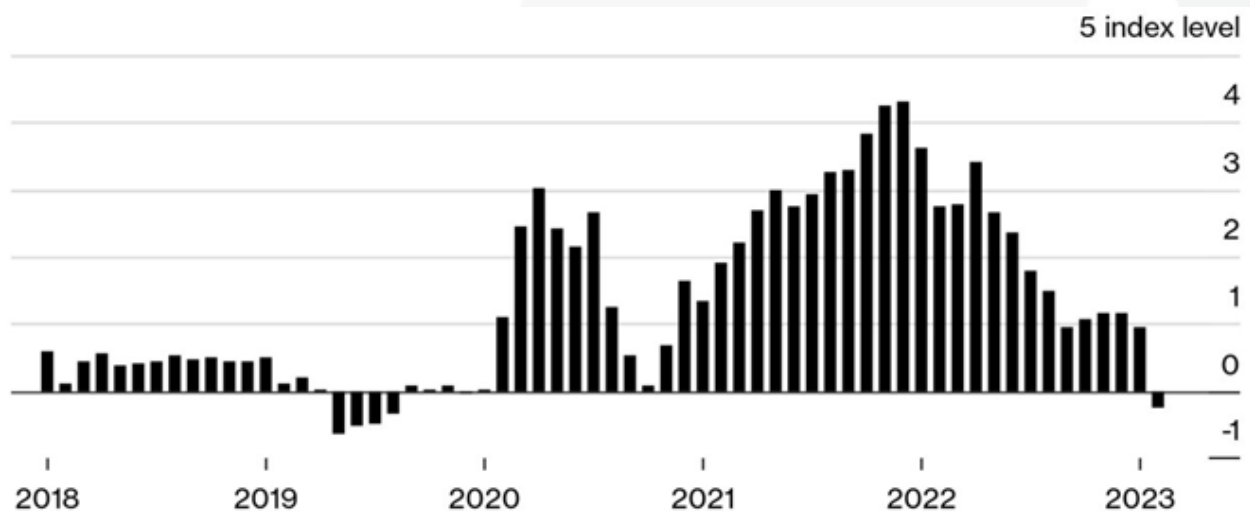
4. International Update

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

b. Global supply chains

Global supply chain pressures have finally completely eased, as the "Global Supply Chain Pressure Index" (GSCPI) for February dropped below the historical average for the first time since August 2019. Most of the index's factors had significant downward contributions, with the most considerable negative contribution from European Area delivery times. Nevertheless, the GSCPI's recent movements suggest that global supply chain conditions have returned to normal after experiencing temporary setbacks around the turn of the year.

Figure 14 – Global Supply Chain Pressure Index (standard deviations from the average value)



Source: [Federal Reserve Bank of New York via Bloomberg](#)

The February reading in the New York Federal Reserve's GSCPI was **↓0,26**, reaching negative territory for the first time since August 2019. Zero marks the historical average, and changes in either direction mark standard deviations from that trend. Maximum disruptions pushed the gauge to a peak of **↑4,31** in December 2021. Elsewhere, the "Bloomberg Trade Tracker" – which measures ten gauges across shipping, volume, and sentiment – has shown some positive signs for the immediate outlook for the first time in a while¹⁵. Factory managers see a healthy flow of orders ahead after putting the quirks of the Lunar New Year

¹⁵ Jamrisko, M. et. al. 06/03/2023. [First Real Signs of China Resurgence: Bloomberg Trade Tracker](#).

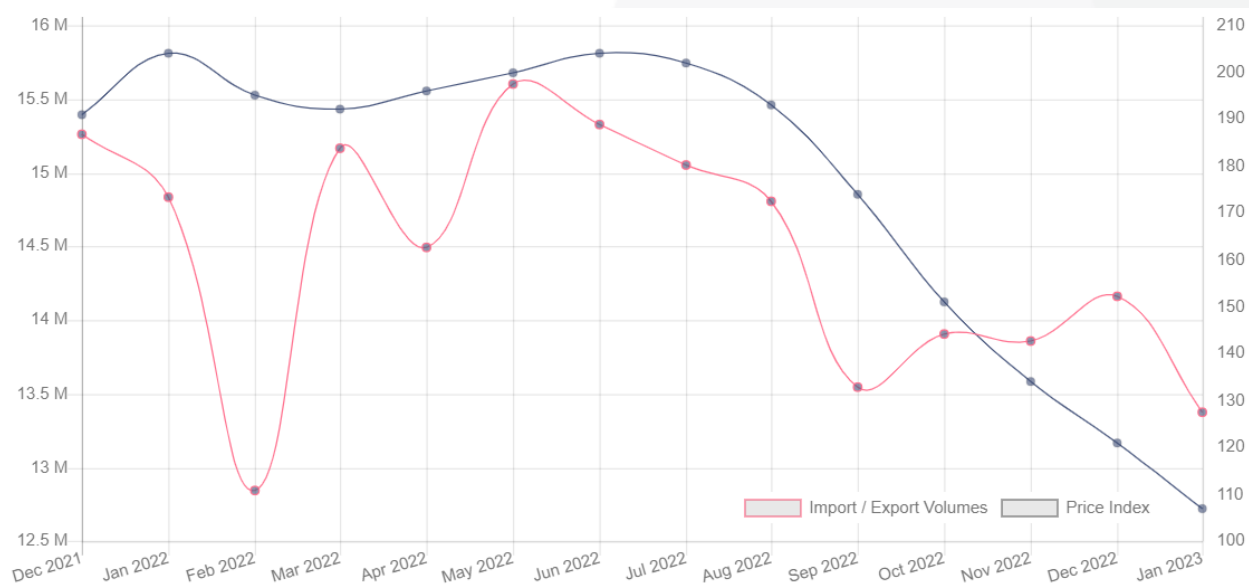
season behind them. All four sentiment gauges improved in February, including a remarkable surge in China's resurgent exports, resulting in the sentiment measures moving to the above-average territory. That means five of 10 measures were in the normal territory as of early March, with the other half in the below-normal range against long-run averages. That's much brighter than the landscape at the start of the year when all but one gauge was underperforming. Ultimately – in conjunction with the supply chain pressures index – the global merchandise trade industry is close to bottoming out and geared for improved conditions.

c. Global shipping industry

i. Container throughput

This GSCPI pressures index shows a marked correlation to the massive drop in the latest container throughput figures for January ($\downarrow 5,6\%$, m/m and $\downarrow 9,9\%$, y/y), as collected by CTS:

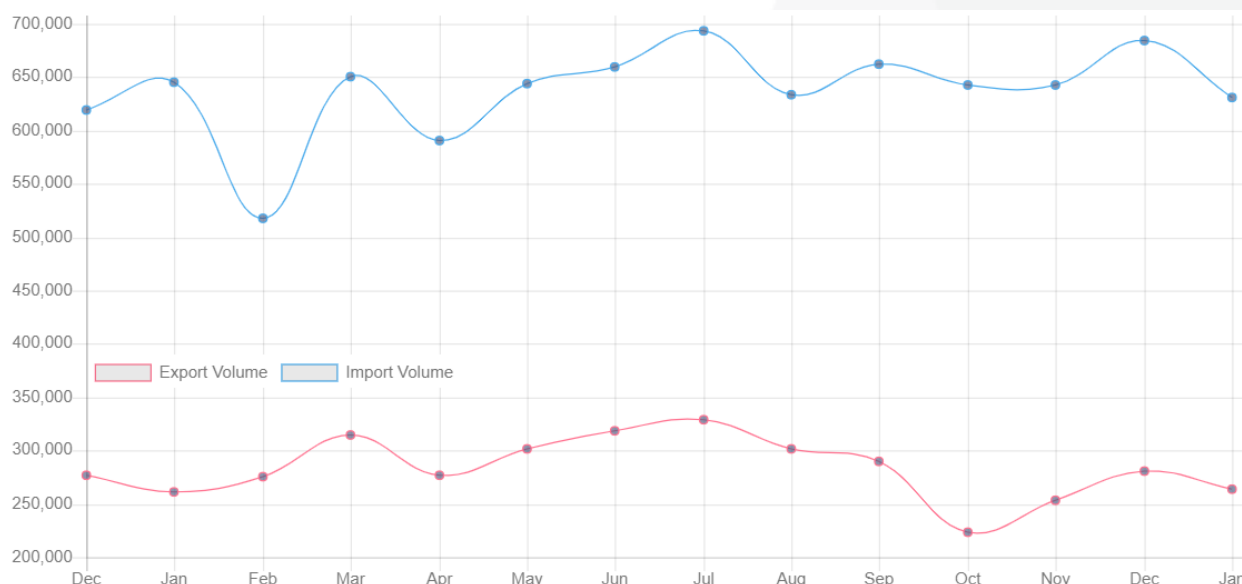
Figure 15 – Global Containerised Throughput (TEUs) and price index



Source: [CTS](#)

As aptly illustrated, the data from the end of 2021 show the monumental drop in cargo volumes in the last quarter. Like Drewry, the CTS price index also plummeted ($\downarrow 47,5\%$, y/y, dry and reefer goods). Regionally, Sub-Saharan Africa shows imports are down by $\downarrow 8\%$ (m/m), with exports down by $\downarrow 6\%$ (m/m), mainly mirroring the global image. Incidentally, South Africa accounted for **25,5%** of SSA imports and **54,5%** of SSA exports; however, the share has decreased over the last 12 months as regional competitors (such as Dar-Es-Salaam, Maputo, Walvis Bay, Mombasa, and the like) are fast picking up the trade.

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



Source: [CTS](#)

With the low figures reported for January, containership supply-demand remains imbalanced. Despite softening freight rates, the idle fleet still falls as carriers add capacity for the new 2023 shipping season¹⁶. Incidentally, Drewry's "Cancelled Sailings Tracker" continues to moderate this week, as the tracker registered an approximate **9% cancellation rate**¹⁷.

ii. Container freight rates

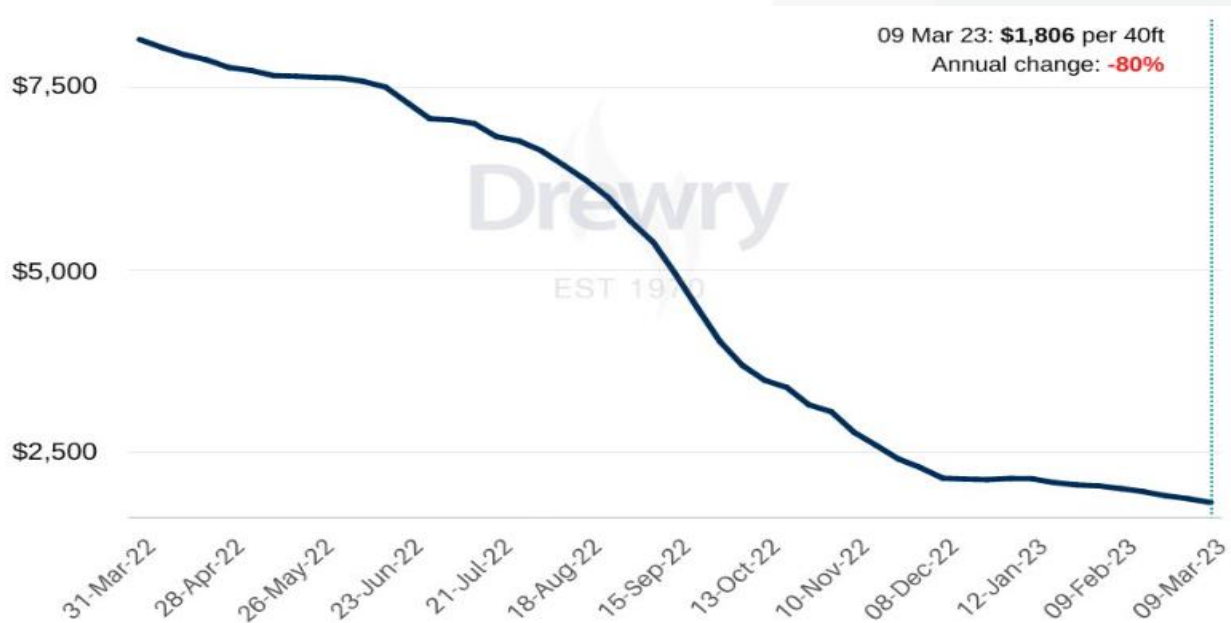
Container rates decreased further this week, as the "World Container Index" decreased by **↓3% (\$53)** to **\$1 806** per 40-ft container. The composite index is **↓80%** below the corresponding spot price quoted last year and **↓33%** lower than the 10-year average of **\$2 691**. After the unprecedented surge in rates during the second half of 2021, the rates have almost exactly mirrored the surge in their collapse. Moreover, in the last year, the average rate almost splits the peak (**\$10 377**) and current rate and has decreased by an average compound rate of **↓3,1% (w/w)**, which is extraordinary considering that freight rates were stable for almost years on end. Despite some carriers reporting record profits for year-end 2022, the "*party is definitely over*" for carriers' balance sheets¹⁸.

¹⁶ Linerlytica. 07/03/2023. [Market Pulse – 2023 Week 10](#).

¹⁷ Drewry. 10/03/2023. [Cancelled Sailings Tracker - 10 March](#).

¹⁸ Wackett, M. 06/03/2023. [Party definitely over for ocean carriers, despite some strong numbers](#).

Figure 17 – World Container Index assessed by Drewry (\$ per 40 ft. container)



Source: [Drewry Ports and Terminal insights](#)

Elsewhere, The Drewry "Multipurpose Time Charter" Index decreased by **↓4,3%** (m/m), significantly below the forecast made in February¹⁹. The current index is now around **\$9 430 per day** – significantly lower than Drewry's forecasted value of **\$9 795 per day** in February. In addition, Shortsea rates which were slowing the speed at which the index fell, have seen a lack of cargoes and their rates took a dip. These determinants resulted in a more substantial reduction in the index; nevertheless, the deterioration is far from those in other segments.

iii. Further developments of note

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

1. US inbound containers slump by 20% in January-February:

- US container imports dropped **20%** during the first two months of the year, new figures showed, returning to more normal levels reached before the pandemic ignited almost three years of global shipping disruptions.
- The volume of inbound containers, measured in TEUs, totalled **3,8 million** in January and February, down from **4,78 million** in the first two months of 2022, according to data released Tuesday by Canada-based logistics company Descartes Systems Group. However, the latest reading aligns with **3,86 million** in January-February of 2019.

2. CMA-CGM shifts its focus to intra-European trade despite waning demand:

- The French carrier CMA CGM records the highest capacity growth in intra-Europe trades (including Containerships, its intra-European short-sea operator, and feeder carrier) and is

¹⁹ Drewry. 07/03/2023. [Multipurpose Time Charter Index - Mar 23](#).

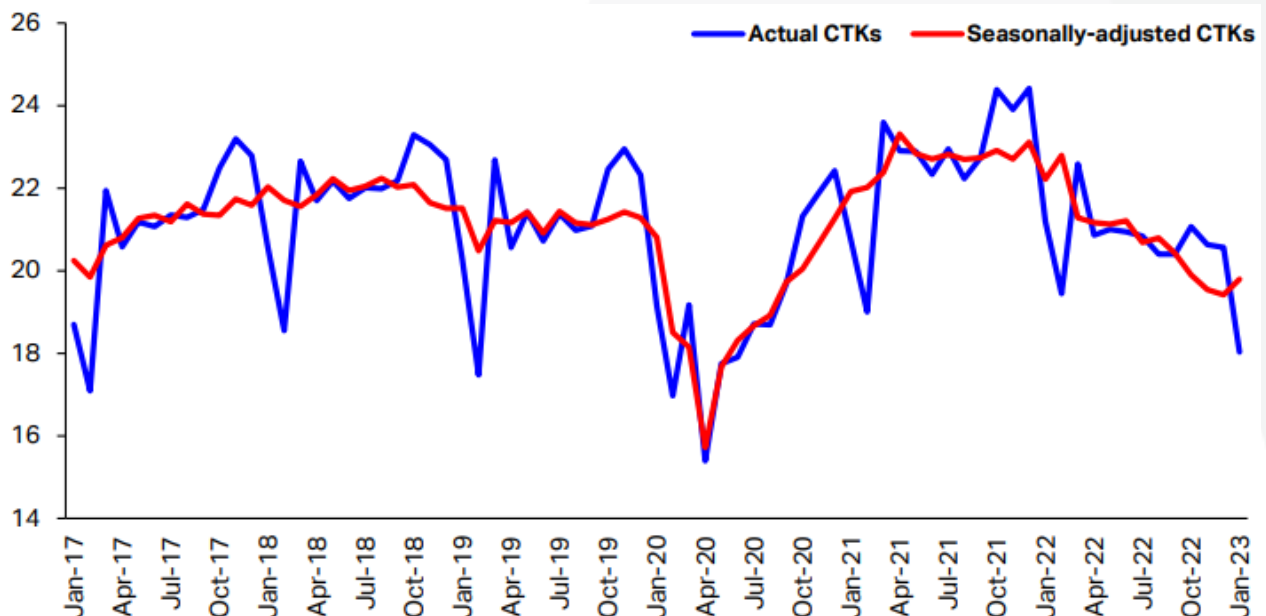
the only carrier to increase market share in the intra-European market over the last year, according to the latest Alphaliner data²⁰.

- b. Overall, intra-European service capacity has declined **↓1,2%** since February 2022, mainly due to the Russia/Ukraine conflict. Alphaliner further reports that, unlike other carriers who have eliminated entire services to and from Russia, CMA CGM has shifted tonnage to other intra-European services or replaced Russian calls with other ports in the Baltic or the Black Sea region.

d. Global air cargo industry

Global air cargo continues the trend set at the end of last year and is down by **↓14,9%** (y/y) in January, according to the latest IATA "Air Cargo Market Analysis"²¹. The decrease in volume – measured in industry-wide cargo tonne-kilometres (CTKs) – marks the 11th consecutive month of declines. In total, the air cargo industry shipped **~18 billion CTKs** in January, roughly **↓11%** compared with pre-pandemic levels:

Figure 18 – Global Industry CTKs (billions per month)



Source: [IATA](http://www.iata.org)

Despite weak demand, capacity has increased by **↑4%** versus January 2022, as measured by available CTKs. Returning passenger flights and accompanying belly space was the primary determinant boosting available space. Nevertheless, the disparity in capacity versus volume means that the cargo load factor was a mere **~45%** - which is desperately low for this metric (**↓9,9%**, y/y). As has been the case of late, the macroeconomic outlook for the industry remains very challenging. IATA notes that multiple macroeconomic headwinds stemming from the global pandemic persist, and the ongoing war in Ukraine has disrupted significant trade flows and economic activity across various regions. Incidentally, the annual changes for Africa include volume **↑2%**, capacity **↓9,5%**, load **↓2,7%**, and load level **~45,3%**. On the pricing side, the latest "Baltic Exchange Airfreight Index" is slightly up monthly (**↑3,3%**, m/m) but still significantly down annually (**↓32,3%**, y/y)²².

²⁰ Alphaliner. 09/03/2023. [Alphaliner](http://www.alphaliner.com).

²¹ IATA. 06/03/2023. [Air Cargo Market Analysis](http://www.iata.org).

²² Calculated from BAI. 08/03/2023. [Airfreight Rates – Baltic Exchange Airfreight Index](http://www.balticexchange.com).

In the frequently published air cargo data from World ACD's analysis²³, international air cargo tonnages are slowly rebounding over the short term, as average rates – similarly to the BAI – continue to be subdued:

Figure 19 – Global capacity, weight, and yield (% bi-weekly and annually)

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		+3%	+23%		-6%	+10%		-2%	-12%
Asia Pacific		+2%	+14%		+11%	-35%		-2%	-37%
C. & S. America		-3%	+7%		-8%	+3%		-1%	-8%
Europe		+5%	+21%		-0%	-7%		-3%	-22%
M. East & S. Asia		+3%	+17%		+5%	-10%		+2%	-43%
North America		+2%	+12%		-1%	-18%		-3%	-13%
Worldwide		+2%	+15%		+2%	-18%		-1%	-28%

Source: [World ACD](#)

Figures for week 9 (27 February to 5 March) show a slight increase (**↑1%**) in worldwide tonnages compared with the previous week, which had also seen a modest (**↑2%**) tonnage rise. On the pricing side, global average rates decreased (**↓2%**) compared with the previous week. On a regional level, the post-Lunar New Year recovery in air cargo tonnages was still notable on ex-Asia Pacific flows to North America (**↑18%**), Middle East & South Asia (**↑14%**), and Europe (**↑13%**), respectively. The most notable decreases were recorded ex-Central & South America (**↓8%**) and ex-Africa (**↓6%**).

In other air cargo developments, several airlines led by KLM are taking the Dutch government to court, challenging its decision to cut flights at Schiphol. KLM, which accounts for **60%** of the airport's traffic, has joined Martinair, Delta, Corendon, easyJet and TUI to argue that airlines can cut noise levels and emissions while maintaining flight numbers. Moreover, the airlines claim the decision to cut Schiphol's capacity from **half a million** to **460 000 flight** movements a year "is incomprehensible", according to the airlines with interest in Schiphol²⁴.

ENDS²⁵

²³ World ACD. 17/02/2023. [Global tonnages rebound while average rates soften](#)

²⁴ Lennane, A. 06/03/2023. [Airlines take legal action over 'damaging' reduction in slots at Schiphol](#).

²⁵ **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 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 [DACHSER](#).*