

**ECONOMIC OUTLOOK** || **2<sup>nd</sup> quarter 2016**



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## FOREWORD



### « Mastering key indicators for better action »

One of the key concerns of the Cameroon National Shippers' Council (CNSC) is the continuing monitoring of international trade performance indicators with a view to mastering information relating to import, export and transit operations.

A regular analysis of these indicators and some highlights of transport and foreign trade updates in Cameroon are of great importance for us since we are committed to helping sector players anticipate their logistics arrangements and to make relevant decisions for the success of their activities.

**The Economic Outlook**, a publication of the CNSC, which is a supply chain monitoring tool that seeks to provide full information on a regular basis regarding the evolution of data throughout the entire chain, therefore seeks to provide inputs into private and public policy design.

This issue contains a special dossier on the transport of goods by rail in Cameroon. It addresses aspects of packaging prior to cargo transport, the necessary documentation, pricing and the deadlines. In addition, the advantages of rail transport and how to forward cargo by this mode of transport are also presented.

As usual, this publication also contains an extensive analysis of the evolution of key freight transport indicators. It reveals that during the second quarter of 2016, 294 ships docked at the port of Douala, representing 17 more ships as compared to the first quarter of 2016. The overall dwell time for General Cargo ships rose from 7 to 9 days, while that for Container Ships remained at 2.2 days.

Between Q1 2016 and Q2 2016, air cargo dropped by 8% while rail freight rose by 12%.

This publication contains detailed information these issues.

Have an enjoyable reading!

**Auguste MBAPPE PENDA**

**General Manager**

## DOSSIER | Rail freight transport: less used transportation mode

When it comes to long-distance transport of goods, few modes of transport are as effective as rail. That is why it has always been part of the supply chain.

In Cameroon, this mode of transport is managed the CAMRAIL, which ensures the transport of passengers and goods. However, in our context, shippers pay little attention to this mode of transport compared to road transport. Indeed, for the specific case of goods in transit to the Central African Republic and Chad in 2015, just over 11,350 TEUs used rail transport. Statistics for the first half of 2016 show a decrease of about 40%.

The lack of interest for this mode of transport could be attributable to, inter alia, conditions relating to the cost of transport and the requisite logistics, or the lack of knowledge concerning the mechanisms and formalities for the carriage of goods by rail.

The purpose of this article is to provide shippers with a set of information on the mechanisms and formalities for the carriage of goods by rail with a view to eliminating any existing information deficit on the subject.

### Rules governing the carriage of goods

Rail freight transport is done using full wagon loads. The term "full wagon" applies to items for which wagon prices are provided. The loading and unloading of shipments is carried out by shippers and consignees.

As regards the packaging of goods, packages must be adapted to the duration, conditions of travel and ensure good preservation of the goods and wagons.

With regard to the request for a wagon, the shipper must send a written request to the loading station no later than

24 hours before the date of loading. Such a request must indicate the number of wagons solicited, the date on which the shipper wishes to obtain them, the name of the destination station and information on the cargo to be transported (description of goods, weight, volume etc.).

The next step is **provisioning** which is the positioning of the wagons for loading or unloading. This operation, which materialises the take-over statement issued by the station master and handed over to the shipper, is carried out in adversarial manner with the latter, who eventually pens their reservations on the condition of the wagon. The statement of availability is signed by both parties, the original given to the shipper and the other copies kept by the station.

Concerning **wagon capacity use**, the shipper must not exceed the maximum load, as well as the grid size of the wagon. However, it should be noted that the maximum load of wagons varies between 20 and 70 tons depending on the type of wagon solicited.

### Contract for rail carriage

The contract of carriage of goods by rail in Cameroon is the consignment note. It is a form that is sold to the sender at the dispatch station. Each consignment is accompanied by a consignment note dated and signed by the sender, and including:

- a sticker showing the number (of the wagon or wagons);
- identification (name, address, telephone number) of the sender and the consignee;
- destination station;
- nature of packages and goods;



- quantities ;
- dimensions ;
- weight and / or volumes;
- tariffs applied;
- all other characteristics, including all risks inherent in the goods and the corresponding precautions taken by the consignor to cover them;
- indications provided for by the legislation in force;
- amount of the declared value;
- the words "tied (and / or leaded) by the consignor" for carriage in covered wagons or in containers.

Transit goods are given a special treatment because they are subject to additional operations, notably customs procedures, due of the justifications regarding exemption from VAT.

Only one individual or legal person should be shown on the consignment note as a consignor. It is the same for the recipient. In the case of fraud on the nature or weight of goods (excess of 5% or more of the declared weight), a penalty equal to three times the equivalent of the amount defrauded shall be applied, without prejudice to any legal proceedings.

In the event of non-compliance with the time for loading or unloading wagons, the customer shall pay a corresponding fine for keeping wagons out of use:

- from the 7<sup>th</sup> to the 12<sup>th</sup> hour: 60,000 FCFA;
- from the 13<sup>th</sup> to the 18<sup>th</sup> hour: 120,000 FCFA;
- from the 18<sup>th</sup> to the 24<sup>th</sup> hour: 180,000 FCFA;
- beyond the 24<sup>th</sup> hour;
- the right to unemployment will be 360,000 FCFA per indivisible daily rate.

### Services and station opening arrangements

The service provided differs according to the stations in terms of boarding and weighing equipment. On working days, stations are open continuously from 7 a.m. to 7 pm

for transporting and delivery of goods. CAMRAIL declines its responsibility for any operation carried out outside these hours and reserves the right to refuse the transportation declarations relating to it. On non-working days (Sunday, statutory holidays and other public holidays), a minimum service is provided in the stations from 7 a.m. to 12 noon. The main itineraries of CAMRAIL and its delivery times are as follows:

- Douala-Yaounde and vice versa: 1 day;
- Douala-Belabo and vice versa: 2 days;
- Douala-Ngaoundere and vice versa: within 3 days.

In order to ease cargo transport operations, CAMRAIL has space within its main premises in Douala, Yaounde, Belabo and Ngaoundere for the storage of goods.

However, the principle is to forward cargoes duly announced 24 hours after loading.

### Pricing elements

Pricing elements for rail freight transport include weight/volume, distance and type of goods. After weighing, the weight to be taxed is obtained by rounding the actual gross weight to the next lowest or highest ton, depending on whether the first decimal of the actual gross weight expressed in tons is less than or equal to or greater than 5. If the taxable weight is less than the lowest tonnage requirement constituting the minimum weight required for the application of the tariff, the tax shall be obtained by applying the price of that tonnage to the corresponding minimum weight.

The distance to be used for the calculation of the transport fare is that derived from the table of railway taxation distance. The minimum distance to be taxed is 85 kilometers. Thus, the tax applicable for the wagon is obtained on the basis of the elements of the generic table giving the applicable prices per invoicing unit.

In the case of cargo loaded in several wagons, the transport fare shall be established wagon per wagon, each of which shall be deemed to be a separate consignment. The declaration of an overall weight for several wagons is an unacceptable practice.

The shipper is obliged in this case to indicate the weight loaded in each wagon.

On the other hand, if the cargo consists of more than 4 separate goods, only the goods with the highest weights are taken into consideration for taxation. The weight of the other goods is added to the commodity which dominates in weight.

### Practical guide for forwarding cargo

Go to the dispatching station or connect to [www.camrail.net](http://www.camrail.net) in order to make a transport request;

- ✓ After informing the station / mail / sms of the provision of a wagon , note the actual positioning for loading of the wagon by adversarial recognition and signature of the statement of availability;
- ✓ Proceed to the loading of the wagon according to deadlines (6 hours after signing the release statement), packaging, the wagon's capacities and the grid dimension.
- ✓ Proceed to the declaration of the shipment (D-day for local consignments and D-day + 1 for goods in transit).

Note the following requirements:

- Provision of the following documents for companies:
  - status of the company;
  - exact name and full address of the company (P.O. Box, Fax, Tel., E-mail and location map of the registered office);
  - business licence;
  - taxpayer's card;
  - bank domiciliation;
  - certificate of taxation;
  - Certificate of non-indebtedness;
  - names, first names of the managers.

□ Payment for prepaid (TPA) shipments by bank transfer or payment to one of the following five bank accounts:

- CITIBANK 10007 00001 00015071001 71;
- CA SCB CAMEROON 10002 00030 02327463150 85;

- BICEC 10001 06800 75232501001 78;
- ECOBANK CAMEROON 10029 00010 01011003688 28;
- ECOBANK TCHAD 60001 00020 37193714601;
- SGC 10003 00100 05000345055 45.

Generally speaking, rail transport holds enormous advantages.

Some of these advantages are:

- Massification/economies of scales, which involves the transport of large volumes over long distances and within competitive times;
- safety and security through low accident rates and related losses;
- traceability of consignments;
- overall low cost compared to other modes;
- it is environmentally friendly ;
- no traffic jam;

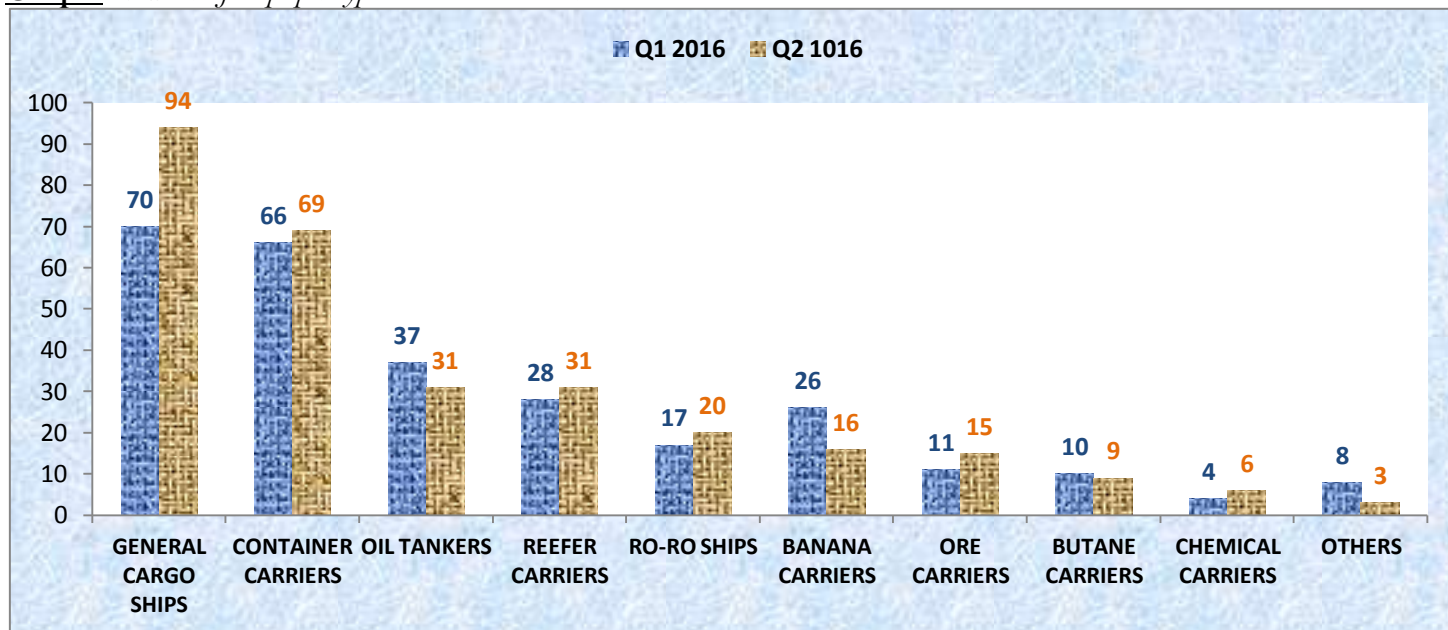


## SHIPS | Type of ships having accosted

**Simultaneous increase of General Cargo ships (34.3%) and Container ships (4.5%) in the 2<sup>nd</sup> quarter of 2016**

In the 1st quarter of 2016, the port of Douala received 277 ships. This figure reflects a decrease of 1.4% compared to the 4th quarter of 2015 during which 281 ships called the port of Douala.

**Graph:** Number of ships per type at the Douala Port



*Source: PAD*

The main types of vessels that docked at the Port of Douala during the second quarter of 2016 were General Cargo ships (32%), Container Ships (23.5%), Oil Tankers (10.5%) and Reefer Carriers (10.5%). Like in the first quarter of 2016, they represent more than 70% of the vessels that berthed at the port of Douala during the period under study.

General Cargo recorded the most significant increase in value. They leaped from 70 to 94 ships, representing an increase of 34.3%. They therefore ranked first. Container ships, which ranked second, recorded the lowest variation observed during the second quarter of 2016. They rose from 66 to 69 ships, representing an increase of 4.5%.

The number of Oil Tankers dropped by 3 ships, showing a total of 31 vessels during the period under study.

Reefer carriers and Ro-RO ships each recorded an increase of 3 ships. They stood at 31 and 20 ships respectively during the second quarter of 2016.

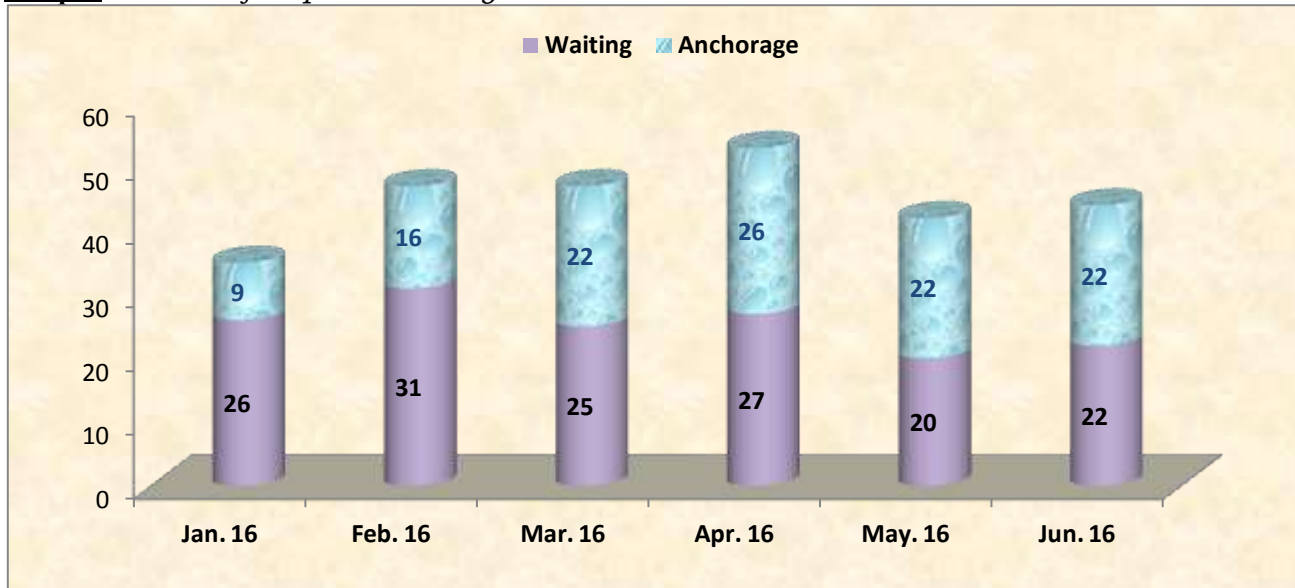
Ore Carriers (+4 ships) and Chemical Carriers (+2 ships) also experienced an increase in their numbers. Over the period under study, 15 Ore Carriers and 6 Chemicals Carriers docked at the port of Douala.

Banana carriers witnessed the most significant decline. From 26 vessels during the first quarter of 2016 they dropped by 38.5% and totalled 16 vessels in the second quarter of 2016.

## SHIPS | Number of ships at anchorage per day/ awaited

Many ships at anchorage during the month of April 2016 (an average of 26 vessels waiting per day)

**Graph:** Number of ship at anchorage and awaited



**Source :** PAD

During the second quarter of 2016, the daily number of ships waiting at anchorage increased, on average, from 16 to 23 ships. This situation is all the more worrying since the daily number of vessels awaited at the port of Douala dropped. They registered an average of 27 to 23 ships.

The transition between the 1<sup>st</sup> and 2<sup>nd</sup> quarter of 2016 took place with an increase in the daily number of ships waiting at anchorage. During the month of March, an average of 22 ships was on hold per day, whereas in April the number was 26.

This situation improved during the last two months of the period under study. Indeed, in May and June 2016, the number of vessels waiting at anchorage averaged 22 per day. The same number was recorded in March.

Further analysis confirms that the situation at anchorage was more preoccupying in the second quarter of 2016. During this period, the number of vessels was more than 22, three days out of four. In the first quarter, such a number was observed at anchorage only one day in four.

During the month of April, between 21 and 35 vessels were registered daily at anchorage, and they ranged from 11 to 28.





## SHIPS | WAITING / Stay period per type of ship

**Overall General Cargo ship average increase (+ 2 days) and stable number of container ships**

**Table :** Average waiting time at anchorage per type of ship ( hrs)

Type of ship	Q1 2016	Q2 2016	Variation
REEFER CARRIER	96	186	93.7%
GENERAL CARGO	25	90	267.4%
CHEMICAL CARRIERS	75	81	7.9%
ORE CARRIERS	17	60	247.3%
OIL TANKERS	29	39	33.5%
BANANA CARRIERS	5	21	347.5%
BUTANE CARRIERS	18	21	11.4%
CONTAINER SHIPS	14	17	26.3%
RO-RO SHIPS	13	10	-25.9%

**Source :** PAD

Unlike the first quarter of 2016, in most cases, the waiting time at anchorage increased, while docking time reduced.

Reefer carriers registered the longest waiting time at anchorage. During the second quarter, this type of vessel registered an average anchorage waiting time of about 8 days, twice as long as in the previous quarter. This average value is attributed to the fact that four Reefer carriers spent more than a month at anchorage. It is noteworthy that 50% of these vessels spent up to one day at anchorage and 25% stayed there for more than a week.

It should be noted that the waiting time of General Cargo and Banana carriers quadrupled while that of Ore Carriers tripled. The explanation for this is similar to that given for Reefer Carriers. For General Cargo, half of the vessels stayed less than one day at anchorage. On the other hand, 25% of ships spent at least three and a half days at anchorage. Two vessels of this type spent more than a month at anchorage.

The longest waiting time for Ore Carriers was 8 days. However, it is noteworthy that 50% of these vessels waited no more than 4 hours before docking.

Anchorage waiting time for other types of vessels was much lower (less than 10 hours on average).

**Table:** Average quay waiting time per type of ship (days)

Type of ships	Q1 2016	Q2 2016	Variation
ORE CARRIER	5.2	5.9	13.5%
GENERAL CARGO	6.0	5.4	-10.1%
REEFER CARRIER	3.3	2.8	-16.4%
RO-RO SHIPS	2.3	2.0	-11.4%
OIL TANKERS	2.1	2.0	-6.2%
BUTANE CARRIERS	1.7	1.9	13.7%
CONTAINER SHIPS	1.7	1.5	-12.8%
BANANA CARRIERS	1.8	1.4	-21.3%
CHEMICAL CARRIERS	2.5	0.9	-63.1%

**Source :** PAD

In the second quarter of 2016, Ore Carriers registered the longest quay stay time, about 6 days, representing an increase of 13.5% compared to the first quarter of 2016. Butane Carriers recorded a similar increase (13.7%). They spent about 2 days at quay during the referenced period. All other vessels experienced a reduction in their quay stay time.

Overall, Reefer carriers (+3.2 days), Ore Carriers (+2.5 days) and the General Cargo ships (+2.1 days) witnessed an increase in their port transit time (anchorage and quay). On average, their overall stay time in the port varied between 8 and 11 days.

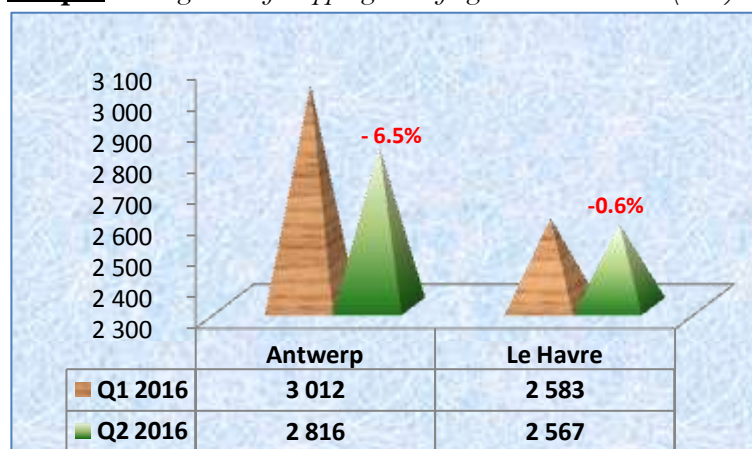
Container Ships were the only types of vessels whose overall duration at the port of Douala did not vary. They spent an average of 2.2 days at the port.

Ro-Ro ships (-2 hours) and Chemical Carriers (-1.3 days) were the only types of vessels that witnessed a reduction in their overall port stay time in the second quarter of 2016. They spent, on average, 2.4 days and 4.3 days respectively.

## SHIPPING COST | 20'Container

1% variation in the average shipping cost of a 20' dry container at the ports of Hamburg (increase) and Antwerp

**Graph:** Average cost of shipping 20'refrigerated containers (in €)



Source : CNSC

**Table:** Average cost of shipping a 20' dry container (in €)

COUNTRY	PORT	Q1 2016	Q2 2016	Variation
Côte d'Ivoire	Abidjan	1,204	1,218	1.0%
South Africa	Durban	1,327	1,420	7.0%
Germany	Hamburg	1,635	1,654	1.2%
Belgium	Antwerp	1,637	1,621	-1.0%
Spain	Valencia	1,647	1,636	-0.7%
France	Le Havre	1,726	1,618	-6.2%

Source : CNSC

In main African ports from which 20-foot dry containers were loaded for the port of Douala, there was an increase in the cost of transport; 1.2% in the port of Abidjan and 7% in the port of Durban.

Of the main European ports of loading, only that of Hamburg recorded an increase (1.2%). There, the average cost of transport rose from € 1,635 to € 1,654. In Antwerp and Valencia, the cost of transporting a 20-foot dry container dropped by about 1%. The port of Le Havre recorded the biggest decline (-6.2%). A shipper paid an average of € 1,618 for the transport of his container during the second quarter of 2016.

### 20' refrigerated containers

At the port of Antwerp, the cost of transporting a 20 foot refrigerated container increased from € 3,012 to € 2,816 between the 1<sup>st</sup> and 2<sup>nd</sup> quarter of 2016. This represents a decrease of 6.5%. At the Port of Le Havre, the decrease was less (-0.6%). Here, shippers spent an average of € 2,567 in the second quarter of 2016 for the shipping of one container. During this period, the tariffs in these two ports stood at a maximum of 150 € from their respective average.

COUNTRY	PORT	Q1 2016	Q2 2016	Variation
China	Qingdao	2,045	1,972	-3.6%
	Shanghai	2,116	2,038	-3.7%
India	Nhava Sheva	2,019	1,990	-1.5%
UAE	Jebel Ali	1,994	2,002	0.4%
USA	Houston	2,453	2,333	-4.9%

On the other hand, in these European ports, 50% of importers reportedly spent less than € 1,800 for the transport of a container.

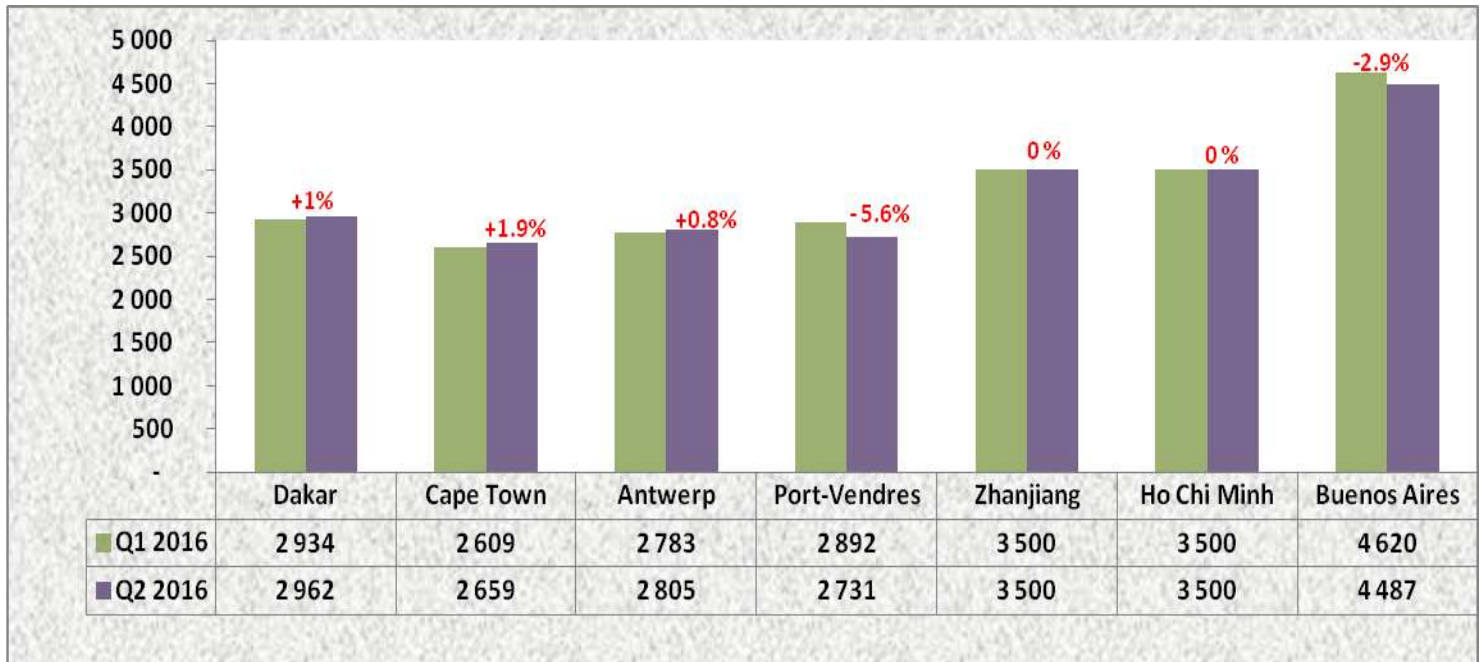
In Asia, only the port of Jebel Ali registered a stable shipping cost, all other main ports of embarkation of 20-foot containers witnessed a drop in their average shipping cost. In China, where shipping costs in the second quarter of 2016 revolved around an average of € 2,000, the decrease was around 4%. Here, the rates deviated from the average by more or less than 170 € and less than 25% of shippers reportedly paid more than 2 000 € as shipping costs.



## SHIPPING COST | 40' container

**5.6% decrease in average cost of shipping a 20' refrigerated container Port-Vendres and stable prices at main Asian ports of loading**

**Graph :** Average cost of shipping a 40' refrigerated container (in €)



**Source :** CNSC

In the main African ports of loading, the cost of shipping a 40-foot refrigerated container witnessed average increases of 1% in Dakar and about 2% in Cape Town. The tariffs practiced in the West African port were much closer (more or less 200 € of the average) compared to those of the South African port (more or less 350 € of the average).

At the port of Buenos Aires, which is the main port of loading in the Americas, the cost of shipping a 40-foot refrigerated container to the port of Douala dropped witnessed an average decrease of almost 3% during the second quarter of 2016. The amounts paid by the shippers for the transport of their container were very volatile (roughly 400 € of the average).

In Europe, there was a slight increase (0.8%) in the average cost of shipping at the port of Antwerp, while in Port-Vendres, it witnesses a reduction of 5.6%. In these two ports, one out of every two shippers reportedly paid exactly 2,800 € for shipping a container. However, it is noteworthy that the disparity in prices charged was more pronounced in the Belgian port (roughly 300 € of the average) compared to the French port (roughly 200 €).

In the main Asian ports of loading, almost all shippers reportedly paid 3,500 € for the transporting one container to Douala as was the case in the first quarter of 2016.

## SHIPPING COST | 40' container

**Apart from Hamburg (+ 2%) all the main European ports of loading witnessed a decrease in the average cost of shipping a 40 feet dry container**

**Table:** Average cost of shipping a 40'- dry container (in €)

COUNTRY	PORTS	Q1 2016	Q2 2016	Variation
South Africa	Durban	2,041	2,041	0.0%
China	Ningbo	2,915	2,797	-4.1%
	Qingdao	3,038	2,948	-3.0%
India	Nhava Sheva	2,783	2,774	-0.3%
UAE	Jebel Ali	2,969	3,082	3.8%
Canada	Montreal	3,199	3,101	-3.1%
USA	Baltimore	3,570	3,346	-6.3%

COUNTRY	PORTS	Q1 2016	Q2 2016	Variation
Germany	Hamburg	2,556	2,607	2.0%
France	Le Havre	2,592	2,576	-0.6%
Spain	Valencia	2,635	2,501	-5.1%
UK	Felixstowe	2,674	2,664	-0.4%
Belgium	Antwerp	2,699	2,612	-3.2%
Holland	Rotterdam	2,766	2,691	-2.7%
Italy	Genoa	2,873	2,790	-2.9%

**Source:** CNSC

At the port of Durban, which is the main African port of loading for 40 feet dry containers bound for the port of Douala, the rates remained the same - an average of € 2,041. Over 50% of shippers reportedly paid 2,000 € for shipping one container during the period under study.

In Asia, the port of Nhava Sheva maintained the same prices as in the first quarter of 2016. The average remained at around 2,780 €. In Jebel Ali, the average cost of transporting a 40-foot dry container increased by 3.8%. It went from 2,969 € to 3,082 €. The average difference in this port sometimes reached 400 €. At the main Chinese ports, the cost of transport was on a downward trend. The average cost of transportation in the 2nd quarter of 2016 in Ningbo was 2,797 € compared to 2,948 € in Qingdao. The variation of the tariffs charged was the same in both ports (roughly 400 € of the average). Three shippers out of four whose containers left the abovementioned main Asian ports said that during the study period they spent less than € 2,800 for transporting a container.

At the ports of Montreal (-3.1%) and Baltimore (-6.3%), the cost of transportation decreased. However, there was a greater dispersion of tariffs at the Canadian port (at least 380 € of the average compared to 270 € for the port of Baltimore).

Among the main European ports of loading, only Hamburg (2%) recorded an increase in the average shipping cost. The average for the second quarter of 2016 was € 2,607. The port of Le Havre witnessed a slightly decrease (-0.6%) and the average was € 2,576. For these two ports, the rate applied varied by no more than 250 € from the average and one shipper out of two reportedly paid 2,600 € for the transport of a container.

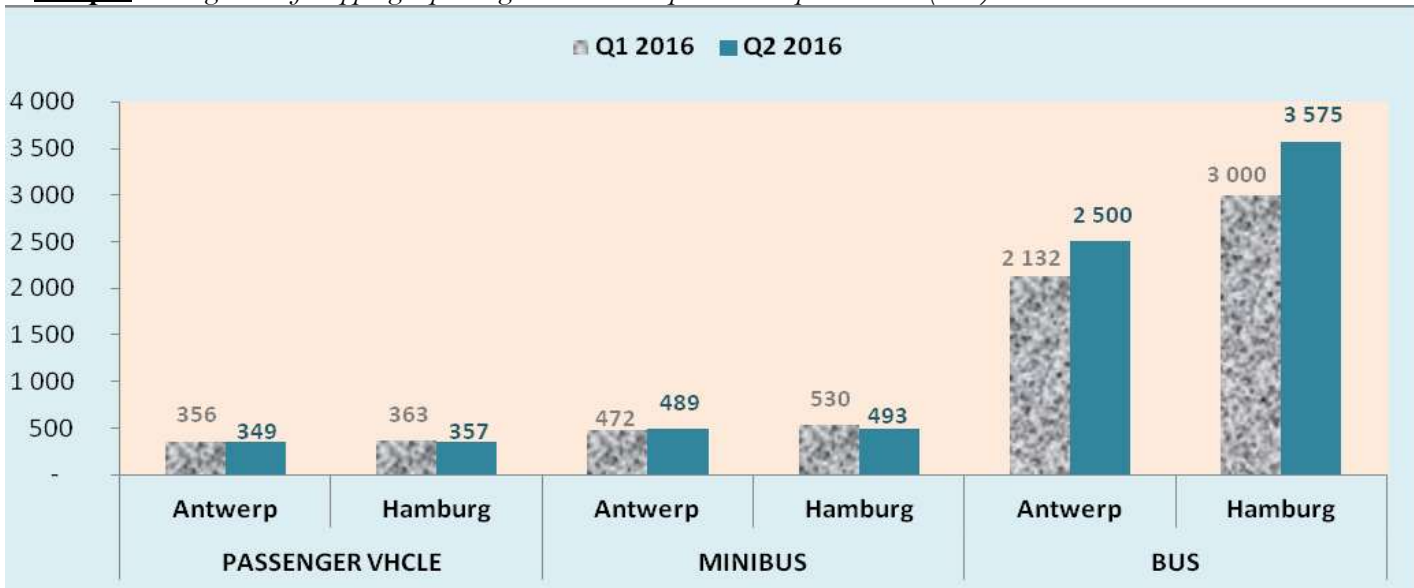
The most significant decrease was recorded in the port of Valencia (-5.1%). Here, the average cost of transport dropped from € 2,635 to € 2,501. The trend was similar to the port of Antwerp (-3.2%) where 25% of importers paid less than € 1,800 for transport of one container.

At the ports of Rotterdam and Genoa, the average cost of transport decreased by 3%. The variation in the amounts paid by shippers in these ports was higher at Genoa (roughly € 500 from the average against € 235 for Rotterdam).

## SHIPPING COST | Vehicles

About 2% decrease in the average cost of shipping a passenger vehicle from Antwerp and Hamburg

**Graph:** Average cost of shipping a passenger vehicle and public transport vehicle (in €)



**Source :** CNSC

During the second quarter of 2016, the average cost of transporting a passenger vehicle dropped from € 356 to € 349 in the port of Antwerp, representing a decrease of 2.1%. This downward trend was witnessed at the port of Hamburg (-1.5%) where the average cost of transport decreased from € 363 to € 357. The costs were more dispersed at the port of Antwerp (roughly 80 € of the average) compared to the port of Hamburg (roughly 50 € of the average). In both ports, less than 25% of passenger cars were transported for more than € 350.

Concerning public transport vehicles, there was a similar trend (upward trend) for buses in the two main ports of loading: Antwerp (17.3%) and Hamburg (19.2%). Transport costs for minibuses declined in Hamburg (-7%) and increased in Antwerp (+ 3.6%).

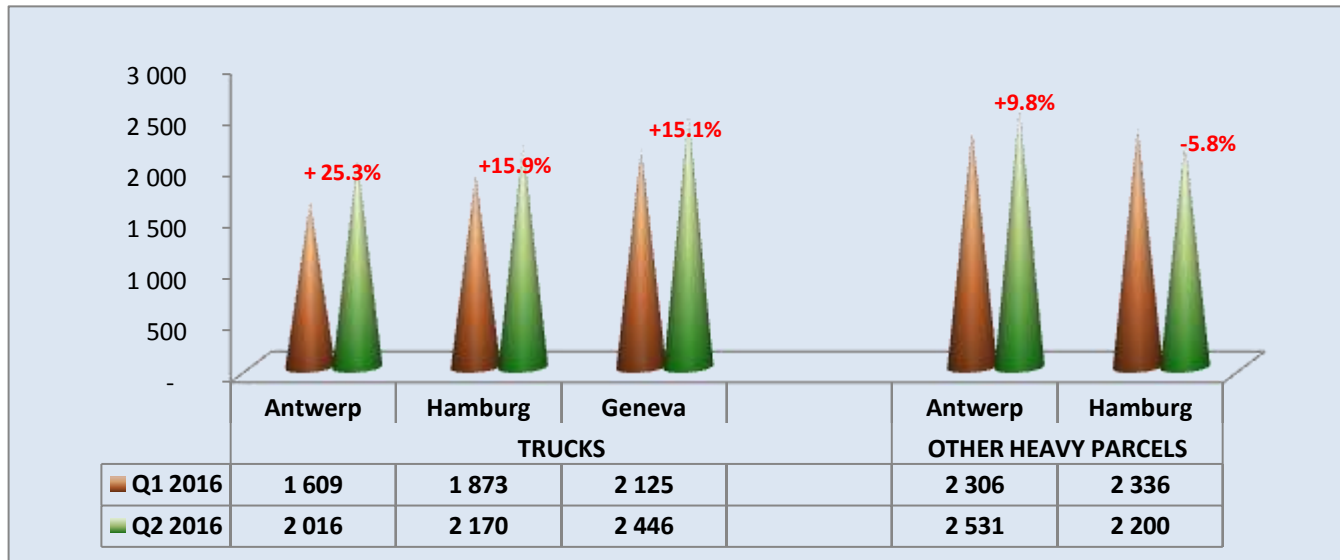
It should be noted that in the 2nd quarter of 2015, all busses were shipped from Antwerp at € 2,500 each. In the port of Hamburg, however, prices ranged between € 3,500 and € 3,600.

In the second quarter of 2016, the cost of shipping a minibus from the main ports of loading was around € 490. The variability of the prices borne by shippers was higher at the port of Antwerp (roughly € 200 of the average) compared to the port of Hamburg (roughly € 150). However, only two out of ten shippers reportedly spent more than € 500 for transporting each of their vehicles.

## SHIPPING COST | Vehicles

**Double-digit increase in the average cost of shipping a truck from all major ports of loading**

**Graph:** Average cost of shipping a truck / other heavy duty vehicles (in €)



*Source : CNSC*

Generally speaking, shipping vehicles intended for the transport of goods or for public works cost more in the second quarter of 2016 than in the previous quarter.

The average cost of shipping a truck doubled in all major ports of loading. The most significant variation was observed at the port of Antwerp (+ 25.3%). Here, the cost of shipping a truck rose from an average of 1,609 € to 2,016 €. In Hamburg, the average shipping cost was € 2,170 following an increase of 15.9%. The amounts paid by shippers in these ports witnessed a variation of roughly 650 € of their respective average. It should be noted that one out of every two shippers paid less than € 2,000 for shipping each of their vehicles.

In the port of Geneva, where the growth rate was 15.1% in the second quarter of 2016, volatility was much higher. The tariffs witnessed a variation of roughly 1,000 € from the average.

With less than 2,000 €, barely 40% of shippers were able to have their cargo shipped to the port of Douala.

The cost of shipping other Heavy Machinery witnessed an upward trend (9.8%) in the port of Antwerp. However, it should be noted that the volatility of the tariffs charged during the 2<sup>nd</sup> quarter (roughly 800 € of the average) was less than in the 1<sup>st</sup> quarter 2016 (roughly 1,000 € of the average). The situation was the different at the port of Hamburg (lower average cost of shipping but high dispersion of tariffs). One in four shippers using these ports reportedly paid more than 3,100 € for shipping each of their vehicles.



## PORT DWELL TIME | Containers

The month of June registered the fastest container clearance time in the 1<sup>st</sup> quarter of 2016

**Table:** Port dwell times for containers bound for Cameroon (in days)

	Jan.-16	Feb.-16	Mar.-16	Apr.-16	May.-16	June.-16
Average	18.0	17.2	16.5	16.2	17.5	15.8
Variation	17.2%	-4.8%	-4.0%	-2.1%	8.3%	-9.7%
1 <sup>st</sup> Quartile	9	8	7	7	8	7
2 <sup>nd</sup> Quartile	15	13	13	12	13	13
3 <sup>rd</sup> Quartile	24	22	21	21	22	21

**Source :** National Committee for the Facilitation of International Maritime Traffic (FAL Committee)

Port turnaround time for import containers at the port of Douala reduced during the period under study. On average, a container spent 17 days at the port of Douala during the first quarter of 2016, compared to 16 days in the 2<sup>nd</sup> quarter of 2015, representing a 1% reduction.

The turnaround time between the months of March and April 2016 witnessed a decrease of 2.1%. On the other hand, it was observed that in the month of May 2016, port dwell time for containers at the port of Douala decreased. On average, shippers took 17 and half days to remove cargo from the port - a little more than a day compared to April. This trend was reversed during the month of June. Here, it took about 16 days on average to complete all the clearance formalities. This shows a drop of almost two days thus making the month of June similar to that of April in terms of average speed of removal of containers at the port of Douala.

With regard to quartiles, there was a close similarity in the removal of containers during the months of April and June 2016.

During this period, one container in four spent less than a week at the container terminal, and 25% of shippers were unable to remove their containers after at least three weeks. It was noticed that the months of April and June witnessed virtually the same turnaround time.

The month of May, on the other hand, in addition to having the highest average, recorded quartiles that exceeded, by one day, those of the other months of the second quarter of 2016. The longest turnaround time was recorded in the month of May during the second quarter of 2016.

Furthermore, it should be noted that the proportion of cargo taken out of the port by road remained the same (95%) while 5% of the containers were taken out of the port of Douala by rail.

## PORT DWELL TIME | Vehicles

**May saw the worst records concerning vehicle clearance in the first half of 2016**

**Table:** *Port dwell time for vehicles (in days)*

	Jan.-16	Feb.-16	Mar.-16	Apr.-16	May.-16	Jun.-16
<b>Average</b>	<b>17.6</b>	<b>17.7</b>	<b>16.7</b>	<b>13</b>	<b>24.6</b>	<b>15.2</b>
<b>Variation</b>	<b>5.4%</b>	<b>0.6%</b>	<b>-5.6%</b>	<b>-22.2%</b>	<b>89.2%</b>	<b>-38.2%</b>
<b>1<sup>st</sup> Quartile</b>	<b>7.1</b>	<b>7.1</b>	<b>7</b>	<b>6.8</b>	<b>9.1</b>	<b>7.2</b>
<b>2<sup>nd</sup> Quartile</b>	<b>12</b>	<b>10.1</b>	<b>12.1</b>	<b>9.4</b>	<b>15</b>	<b>10.2</b>
<b>3<sup>rd</sup> Quartile</b>	<b>18</b>	<b>18,9</b>	<b>21</b>	<b>14</b>	<b>28.2</b>	<b>16.1</b>

**Source :** *Douala Mixed Fruit Terminal (TMFD)*

During the second quarter of 2016, it took, on average, 17 days, to clear imported second-hand cars at the TMFD. This figure shows some stability compared to the 1<sup>st</sup> quarter of the same year. The period from March to April was marked by a 22.2% decrease in average vehicle dwell time at TMFD. The downward trend observed during the month of March was thus maintained. In addition, a monthly analysis shows that the month of May recorded the worst results in the first half of 2016. The average vehicle dwell time at the terminal stood at about 25 days. This represents a sharp contrast compared to the month of April during which the duration was half (13 days) and June (15 days).

The analysis of the quartiles confirms that the month of April was the fastest. During this period, 25% of the vehicles left the port within a week, and 75% left the car terminal after two weeks.

In May, the situation deteriorated remarkably - barely a quarter of the vehicles left the Douala Port after 9 days.

In addition, half of the vehicles spent two weeks at the terminal upon arrival. The situation is all the more worrying when one realizes that nearly a quarter of vehicles that left the vehicle terminal had stayed there for at least a month.

In conclusion, it is noteworthy that the month of May recorded the worst car clearance speed in the second quarter of 2016. However, it should be noted that in the first half of 2016, the months of April and June recorded the best performances with half of the vehicles being removed within 10 days.





## RAIL FREIGHT | Tonnage

**7.6% decrease in rail freight transported from Douala to Ngaoundere**

Between the 1<sup>st</sup> and 2<sup>nd</sup> quarter 2016, rail freight dropped from 459,815 to 319,409 tons, representing a decrease of 7.8%.

**Table:** Import rail freight per type of cargo (in tons)

DOUALA -----> NGAOUNDERE	Q1 2016		Q2 2016		Variation
Type of goods	Tonnage	%	Tonnage	%	
Hydrocarbons	141,151	40.8	129,922	40.7	-8.0%
Pipe-line Exxon	60,121	17.4	49,507	15.5	-17.7%
Fertilizers & insecticides	18,816	5.4	33,706	10.6	79.1%
Containers	30,495	8.8	31,455	9.8	3.1%
Flour & cereals	26,633	7.7	28,652	9.0	7.6%
Building materials	13,418	3.9	6,593	2.1	-50.9%
Home-made sugar	4,603	1.3	6,354	2.0	38.0%
Alumina (raw mat.)	1,230	0.4	1,765	0.6	43.5%
Consolidations	0	-	40	0.0	
Other goods	49,122	14.2	31,415	9.8	-36.0%
<b>TOTAL</b>	<b>345,589</b>	<b>100</b>	<b>319,409</b>	<b>100</b>	<b>-7.6%</b>

**Source :** CAMRAIL

In the 2<sup>nd</sup> quarter of 2016, some 319,409 tons of freight were transported from Douala to Ngaoundere, representing a decrease of 7.6% compared to the previous quarter. This freight was mainly driven by hydrocarbons (56.2%), fertilizers and insecticides (10.6%), containerised goods (9.8%) and flour and cereals (9%).

Hydrocarbons declined, showing 17.7% for pipeline and 8% for others. Their tonnage in the second quarter amounted to 179,429.

Building materials, which accounted for 2.1% of freight transported in the second quarter of 2016, stood at 6,593 tons, half of that recorded in the first quarter of 2016.

The other main products transported by rail from Douala to Ngaoundere witnessed an increase in volume during the period under study. The most significant increase concerned fertilizers and insecticides (79.1%), which rose from 18,816 to 33,706 tons.

Home-made sugar and alumina each witnessed an increase of around 40%. Containerised goods increased by 3.1% with a tonnage of 31,455 in the second quarter of 2016.

In addition, consolidations, which did not feature in the first quarter of 2016, resurfaced in the second quarter and totalled 40 tons.

## RAIL FREIGHT | Tonnage

**8.3% of rail freight transported from Ngaoundere to Douala**

**Table:** *Export rail freight per type of goods (in tons)*

NGAOUNDERE -----> DOUALA	Q1 2016		Q2 2016		Variation
	Tonnage	%	Tonnage	%	
Wood logs	46,322	40.6	33,482	32.0	-27.7%
Cotton fibre	20,210	17.7	28,350	27.1	40.3%
Sawn wood	23,602	20.7	22,522	21.5	-4.6%
Containers	9,957	8.7	10,315	9.8	3.6%
Seeds & oil cakes	10,294	9.0	7,807	7.5	-24.2%
Livestock	3,841	3.4	2,280	2.2	-40.6%
<b>TOTAL</b>	<b>114,226</b>	<b>100</b>	<b>104,756</b>	<b>100</b>	<b>-8.3%</b>

**Source :** CAMRAIL

Rail freight transported from Ngaoundere to Douala represented one quarter of the total freight for the second quarter of 2016. Its tonnage dropped from 114, 26 in the first quarter of 2016 to 104,756 tons, representing a decline of 8.3%. During the study period, export freight was driven by wood logs (32%), cotton fibre (27.1%) and sawn wood (21.5%).

The analysis of the main types of goods transported by rail from Ngounadere to Douala shows that only cotton fibre and containerised goods witnessed an increase in their tonnage. Cotton fibre rose from 20,210 tons in the first quarter of 2016 to 28,350 tons in the second quarter of 2016, representing an increase of 40.3%.

Containerised goods recorded an increase of 3.6% with 10,315 tons in the second quarter of 2016.

Livestock registered the most significant decline, dropping from 3,841 to 2,280 tons, representing a 40.6% decrease. Wood logs recorded a similar trend. Its tonnage, which stood at 46, 322 tons in the first quarter of 2016, reduced by 27.7%.

Seeds and oil cakes (-24.2%) and woodworks (-4.6%) also showed a smaller tonnage compared to the first quarter of 2016.



## RAIL FREIGHT | Transport cost

**Hydrocarbons (excluding pipeline), Alumina and containerised cargo almost maintained the same cost of rail transport for import**

**Table:** Cost of transport per type import goods (FCFA / ton/km)

Type of goods	Q1 2016	Q2 2016	VARIATION
Hydrocarbons	61.9	61.7	-0.3%
Alumina (Raw mat.)	56.9	57.2	0.4%
Containers	56.9	57.1	0.5%
Pipe-line Exxon	59.4	44.3	-25.5%
Home-made sugar	36.5	38.7	6.1%
Fertilizer & insecticides	37.0	37.7	1.8%
Flour and cereals	36.9	36.4	-1.1%
Building materials	36.1	35.8	-0.9%
Consolidations		35.7	
Other goods	39.3	37.8	-3.7%

**Source :** CAMRAIL

The cost of rail freight transport from Douala to Ngaoundere evolved depending on the type of goods transported.

The most significant decline was observed in the cost of transportation of pipeline hydrocarbons. It dropped by 25.5%, with a value of CFAF 44.3 per ton/km during the second quarter of 2016. Flour and cereals and building materials also witnessed a decline (around 1%) in their cost of transport and the rates charged during the study period were as follows: CFAF 36.4 / ton/km and CFAF 35.8 / ton/km respectively.

The cost of transporting one ton of home-made sugar dropped from CFAF 36.5 / km to 36.1 CFAF / km, representing an increase of 6.1%.

Fertilizers and insecticides were transported at CFAF 37.7 / tonne/km in the second quarter of 2016, representing an increase of 1.8%.

The costs of transporting other hydrocarbons, alumina and containerised cargo remained stable.

## RAIL FREIGHT | Transport cost

4% increase in the cost of transporting containers

**Table :** *Transport cost per of type export goods (in FCFA / ton/km)*

Type of goods	Q1 2016	Q2 2016	VARIATION
Livestock	35.7	35.3	-0.9%
Containers	23.8	24.7	3.9%
Sawn wood	40.4	39.8	-1.5%
Wood logs	47.7	49.3	3.4%
Cotton fibre	32.5	32.7	0.5%
Seeds & oil cakes	16.5	16.5	0.4%

**Source :** CAMRAIL

The cost of transporting the following goods by rail from Ngaoundere to Douala remained virtually stable: livestock (CFAF 35.3 / ton/km), cotton fibre (CFAF 32.7 / ton/km) and grains and oil cakes (16.5 FCFA /ton/km). Indeed, the variation in the cost of transporting these types of cargo in the 1<sup>st</sup> and the 2<sup>nd</sup> quarters of 2016 was less than 1%.

Wood logs were the only commodity that witnessed a significant decline in their transportation costs during the study period. It dropped from CFAF 40.4 / ton/km to CFAF 39.8 / ton/km, representing a decrease of 1.5%.

The cost of transporting sawn wood increased by 3.4%. In the second quarter of 2016, shippers paid 49.3 CFAF/ton/km for rail transport, representing an increase of 1.6 CFA compared to the first quarter.

The cost of transporting containerised goods witnessed an upward trend. Following an increase of about 4%, shippers paid 24.7 CFAF/km/ton for rail transport in the second quarter of 2016.



## AIR FREIGHT | Tonnage

**6.1% decrease in transporting air cargo bound for Cameroon**

After witnessing some stability during the first quarter of 2016, air freight grew by about 12% during the second quarter of 2016. It rose from 5,314 to 5,935 tons.

**Table:** *Import airfreight per type of good (in tons)*

Type of goods	Q1 2016		Q2 2016		Variation
	Tonnage	%	Tonnage	%	
OTHERS PARCELS	1,423	62.9	1,203	56.6	-15.5%
CONSOLIDATION	226	10.0	344	16.2	52.2%
DANGEROUS PRODUCTS	130	5.7	229	10.8	76.4%
PHARMACEUTICALS	200	8.8	102	4.8	-49.2%
PERISHABLES	67	3.0	78	3.7	16.4%
DIPLOMATIC POUCHES	32	1.4	48	2.2	48.8%
OTHERS	184	8.1	121	5.7	-34.5%
<b>TOTAL</b>	<b>2,262</b>	<b>100</b>	<b>2,124</b>	<b>100</b>	<b>-6.1%</b>

*Source : ADC*

Import air freight decreased by 6.1% in the second quarter of 2016 with 2,124 tons. It accounted for only 36% of total airfreight, with 7 points less than in the first quarter of 2016.

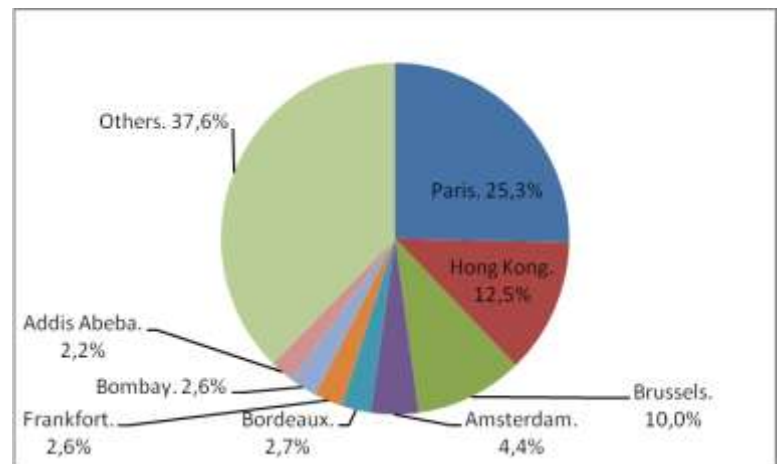
Import freight was still driven by miscellaneous parcels (56.6%), consolidation (16.2%) and hazardous products (10.8%). Pharmaceuticals (4.8%), which ranked third in the first quarter, finished fourth after their volume dropped by half. They dropped from 200 to 102 tons.

Other parcels which stood at 1,423 tons in the first quarter of 2016, dropped by 15.5% with 1,203 tons in the second quarter of 2016.

All other major cargo types recorded a two-digit growth rate in their tonnage. The most outstanding concerned hazardous products (76.4%), which represented 229 tons in the second quarter compared to 130 tons in the previous quarter.

Consolidations and diplomatic pouches each increased by half, with 344 and 48 tons respectively in the second quarter of 2016. The least significant increase concerned perishables (16.4%).

The main cities from which air freight was imported in the second quarter of 2016 were Paris (25.3%), Hong Kong (12.5%) and Brussels (10%).



## Airfreight | Tonnage

**Approximately 25% increase in airfreight from Cameroon**

In the second quarter of 2016, air freight, both for imports and exports, was less frequent at Yaounde-Nsimalen International Airport (about 30%). Douala International Airport captured 71% of the freight.

**Table:** *Export airfreight per type good (in tons)*

Type of goods	Q1 2016		Q2 2016		Variation
	Tonnage	%	Tonnage	%	
PERISHABLES	1,461	47.9	1,584	41.6	8.4%
FOOD	1,236	40.5	1,567	41.1	26.8%
OTHERS PARCELS	245	8.0	419	11.0	71.0%
FLOWERS	33	1.1	50	1.3	52.8%
DANGEROUS PRODUCTS	4	0.1	46	1.2	1038.4%
PHARMACEUTICAL PRODUCTS	9	0.3	29	0.8	221.7%
CONSOLIDATIONS	2	0.1	4	0.1	99.4%
OTHERS	64	2.1	112	3.0	75.7%
<b>TOTAL</b>	<b>3,052</b>	<b>100</b>	<b>3,811</b>	<b>100</b>	<b>24.9%</b>

**Source :** ADC

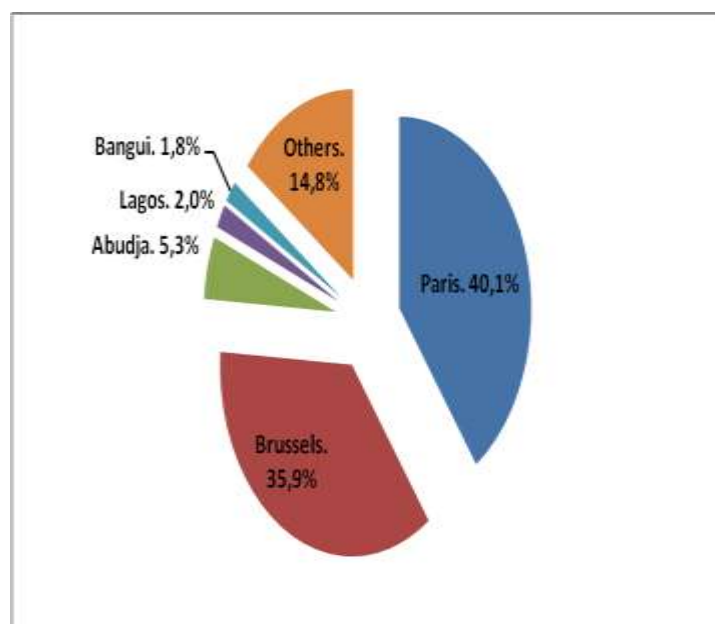
Air freight for export rose from 3,052 tons in the first quarter of 2016 to 3,811 tons in the second quarter of 2016, representing an increase of about 25%. Such freight comprised mainly of perishables (41.6%), food (41.1%) and miscellaneous parcels (11%).

During the second quarter of 2016, all types of cargoes experienced an increase in their tonnage. The most significant increase was recorded by hazardous products, which saw their tonnage increase by 11 in the second quarter. It leaped from 4 to 46 tons. Pharmaceuticals rose from 9 tons to 29 tons, a little over three times its previous tonnage.

Miscellaneous parcels, whose tonnage amounted to 245 in the first quarter of 2016, increased by 71%, thus recording 419 tons in the second quarter of 2016.

Food rose from 1,236 to 1 567 tons, representing an increase of about 27%.

Paris (40.1%) and Brussels (35.9%) were the main destinations for export freight. These two cities alone accounted for  $\frac{3}{4}$  of the Cameroon exports by air.





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## ECONOMIC OUTLOOK

2<sup>nd</sup> Quarter 2016



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