



Logenix

Global Insider

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Delivering Last Mile Solutions in the DRC

Delivering specialized cargo always demands a combination of expertise, strategic planning and precise operational execution. When that cargo must reach perhaps the most remote and challenging region of the world, the Democratic Republic of Congo (DRC), the logistical complexities multiply exponentially.

Whether it's dangerously underdeveloped infrastructure, painstaking and moribund exemption processing or widespread geopolitical violence mandating the need for armed security to prevent cargo theft, the obstacles inherent to the DRC have become familiar territory for Logenix.

This unmatched expertise was precisely why Logenix was entrusted in early 2024 to manage the delivery of eighteen specialized incinerators across the DRC. With our proven track record of delivering cost-effective solutions to complex logistical challenges in developing countries, our client recognized that Logenix was the only partner for the job.

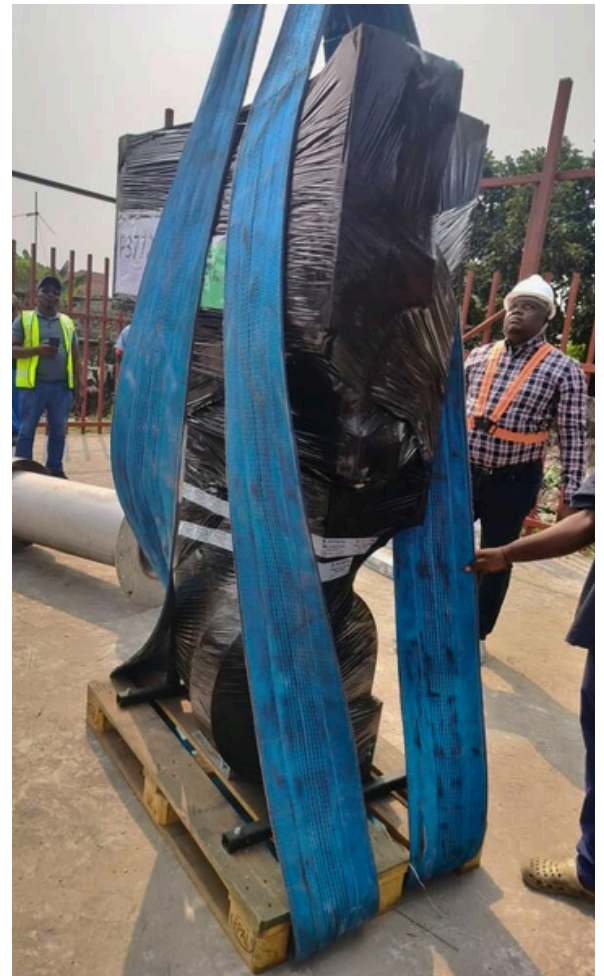


Each of the eighteen incinerators was manufactured for a specific destination in the DRC. Two of the largest incinerators, considered out-of-gauge in the language of logistics, were destined for the two most heavily populated cities in the DRC; Kinshasa and Lubumbashi. These cities are 2,200 kilometers away from each other, and to give perspective, about the distance from Washington DC to Denver. Kinshasa, on the west coast of Africa, is serviced by the port of Matadi, DRC, and the best current route into Lubumbashi is via the eastern Africa port of Dar es Salaam, Tanzania.

Beyond the transport and installation for these large units into the sites in Kinshasa and Lubumbashi, there existed several additional challenges to overcome. From coordinating pre-delivery site surveys that were consistently postponed due to construction delays, planning a highly complex crane-operated unloading, sourcing expert riggers with a knowledge of oversized goods or knocking down stone walls to allow access to required delivery sites, our teams went far 'above and beyond' to ensure successful deliveries of the two oversized incinerators.

Sixty percent of the DRC is an impassable dense jungle, rendering trucking impossible into the remote cities of the interior DRC. Two incinerators had to be airlifted, one entering the country from the east side of Africa and the other from the west, each with their own distinct challenges to overcome.

From the west, a machine destined for the small remote city of Kindu had documentation disputes at customs and an unexpected strike of the DRC port authority in Matadi causing weeks of delays. To prevent potentially excessive ocean container demurrage fees, our team arranged for the cargo to be offloaded in Kinshasa. Once the strike and bureaucratic delays resolved, the cargo then was airlifted due to the road inaccessibility of Kindu. Once there, even after weeks of delay, the site construction had not been completed by the local recipient, requiring our teams to scour the region for secured warehousing.





On the eastern side, Logenix was faced with very different logistical challenges to make delivery to the remote interior city of Shabunda. The cargo traveled by truck from Dar es Salam to Lake Kivu where it was placed on a barge to the city of Goma. From Goma, it was then airlifted via charter directly to Shabunda. Once there, a final challenge required our teams to contract local laborers to ensure the incinerator was properly positioned on the constructed site.



Fourteen of the incinerators bound for the eastern DRC, all originating in the United Kingdom, were small enough to be consolidated into three ocean containers and the myriad of delivery challenges put our last mile problem-solving capabilities into sharp focus. After arriving via Dar es Salaam, both trucking to and storage in the eastern city of Bukavu was required before distribution. In Bukavu, a warehouse equipped with 24/7 monitoring and armed security was required for over three months due to delays with engineering and construction at the delivery sites.

Distributing the incinerators across eastern DRC underscored the region's unique logistical challenges. Despite meticulous route planning, delays in site readiness extended the operation into the rainy season, exacerbating the already poor road conditions and forcing our teams to find alternative routes to almost every destination. One delivery to the eastern city of Kamituga suffered significant hurdles as the roads had been literally washed away by the monsoon rains, leaving them nearly impassable due to quicksand-like mud. Another shipment to Idjwi Island, a destination also requiring barge transport across Lake Kivu, encountered similar terrain issues upon approaching the delivery site.

Some of the remaining incinerators faced more dangerous challenges. Many of the site deliveries were further complicated by ongoing local gang violence. For the delivery of an incinerator to a very remote area of northwest DRC, our team had arranged transport to the city of Bandundu along the Kwilu river. The transit was prolonged in mid-journey for several weeks as militia violence in the region led to military roadblocks, requiring our team to seek shelter along the route until the fighting subsided.

With our decades of experience operating all over the developing world, Logenix believes this last mile operation makes a strong case that, in terms of the number and severity of logistical challenges, the DRC is somewhat in a class all its own. Add in the complexity of highly specialized and oversized cargo, and it amounts to as tall an order as one can find in our industry.

Fortunately for the organizations we serve, Logenix has been successfully overcoming the challenges of the remotest regions of the DRC as well as practically every other country in the developing world.





GLOBAL MARKET UPDATE

The global freight markets in late November 2024 show a mixed landscape as peak season continues to ramp up through the remainder of 2024. Ocean freight sees rates begin to ease and stabilize due to improvements in vessel reliability and a stabilized container supply, although they remain high. Meanwhile, air freight experiences upward pressure with rising demand for holiday and ecommerce shipments. Macro-level factors such as U.S. trade dynamics and evolving geopolitical landscapes continue to influence supply chain planning globally.

Ocean freight rates have begun to fully stabilize across major trade lanes, with an ongoing recovery in vessel schedule reliability. This can be viewed alternatively as an adaption by shippers to significant schedule changes in 2024, and their active role in controlling demand levels. However, challenges persist in Southeast Asia, where demand remains robust. Increased blank sailings on underperforming lanes have helped carriers maintain a balance between capacity and demand, supporting rate stabilization.

AIR INSIGHTS

- VIETNAM AIRLINES HAS DOWNGRADED SERVICE FOR PHNON PENH, CAMBODIA (PNH), NOW NOT ACCEPTING PALLET CARGO.
- EMIRATES NOW NOT ACCEPTING NIGERIA CARGO DUE TO BACKLOGS.
- THE EUROPEAN AIRFREIGHT MARKET IS SEVERELY CONGESTED WITH HIGH PEAK SEASON DEMAND, LEADING TO SEVERE RATE LEVEL INCREASES ON ALL CARGO TO AND THROUGH MAJOR EUROPEAN HUBS. ASIDE FROM RATE CONSTRAINTS, SCHEDULE RELIABILITY HAS BEEN IMPACTED AS WELL.

OCEAN INSIGHTS

- PORT AUTHORITIES WORKERS ANNOUNCE THEY WILL STAGE STRIKES FROM DECEMBER 17 IN PROTEST OF THE LACK OF ACTION SINCE RESOLUTIONS REACHING IN AUGUST.
- CARRIERS ARE SET TO IMPLEMENT A PEAK SEASON SURCHARGE (PSS) STARTING DECEMBER FOR SHIPMENTS FROM INDIA TO EAST AFRICA TO MAINTAIN RATE LEVELS. CMA IS CURRENTLY IN DISCUSSIONS TO INTRODUCE THE SURCHARGE, WITH OTHER CARRIERS EXPECTED TO FOLLOW SUIT.
- CMA CGM IMPLEMENTS PEAK SEASON SURCHARGE (PSS) FOR ALL CARGO FROM SOUTH EAST ASIA TO WEST AFRICA.
- MSC ANNOUNCES ENHANCEMENTS TO ITS WEST AFRICA, ADDING INCREASED PORT CALLS TO POINTE NOIRE, LUANDA, AND MATADI.

Air freight markets are characterized by capacity constraints and heightened demand as peak season accelerates during November. Chargeable weight flown rose by +3% globally throughout November, with all regions reflecting increases of at least +1% in outbound volume. From an annual perspective, global volumes rose by +9% year-over-year. Globally, air rates increased in the 3 consecutive weeks through the first half of November. This increase was led primarily by significant price hikes from European origins, of +6% over that time.

Looking at airfreight rates from an annual perspective, rate levels remain +10% over 2023 rates at this time. Air cargo rates from the Middle East & South Asia (+48%), Africa (+12%), and Asia Pacific (+10%), boast the most notable increases year-over-year.

While the markets are continually adapting to seasonal pressures and logistical challenges, strategic flexibility and early booking remain essential for managing cost and ensuring reliability.





Industry News

Reefer Output Bounces Back

“The production of reefer containers has increased this year, with output for the full year expected to be 24% higher than in 2023. A further increase is expected in 2025, with the world pool of reefer equipment expanding to over 4.1m TEU in 2027.”

[Read Article](#)

CMA CGM's Revenue Up 38.5% in Q3 2024

“CMA CGM reported a 38.5% year-on-year revenue increase to US\$ 15.8b in Q3 2024, driven by strong shipping results, with EBITDA reaching US\$ 5b.”

[Read Article](#)

Indian Shippers Brace for Port Strikes Over 'Promises Not Kept'

“Indian shippers are fearful of major supply chain disruptions after dockworkers called for strikes at key ports, claiming the government has failed to meet commitments.”

[Read Article](#)

Airfreight Rates Level Out, but Looming Turbulence Could See Prices Rise Again

“Airfreight rates on transpacific routes have flattened as an overshot of capacity eclipses demand, but predicted supply chain turbulence could see prices take off again soon.”

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Thank You

We would like to thank all of our clients and partners for the impactful collaborations both featured and not featured in this newsletter.

Connect with us to learn more



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