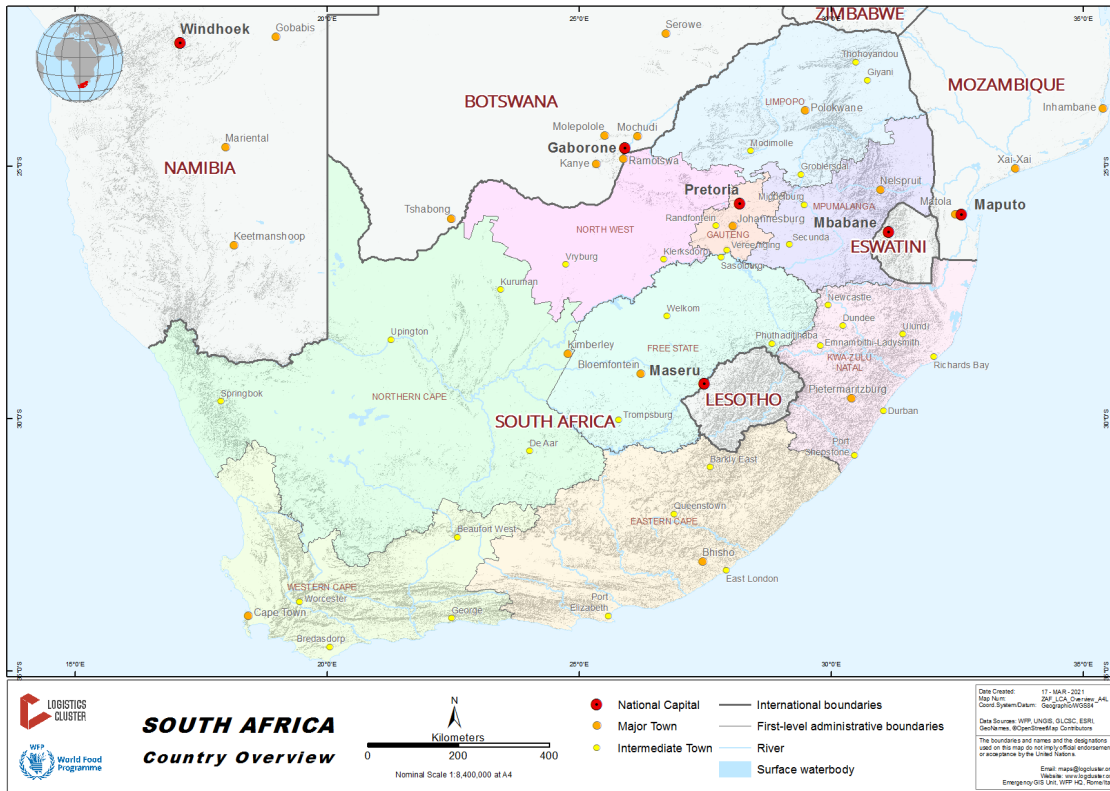


2 South Africa Logistics Infrastructure



South Africa's logistics infrastructure, the hard engineered, designed and constructed infrastructure – which includes but not limited to sea ports, airports, road, rail and fuel pipeline infrastructure, that supports the physical movement of goods and people is significantly well developed and maintained in comparison with its continental counterparts. Prompting many international organizations, both public and private, to use South Africa as a gateway into the rest of the continent.

Strategic logistics infrastructure, which include road, rail, fuel pipeline, airport and port networks, is owned and operated by the state or state owned companies (SOC), with reporting and oversight ultimately under the Department of Transport. At a national level all national roadways are under the authority of national government, whilst provincial and municipal secondary roads fall under the mandate and responsibility of the relevant provincial or district authorities. The freight rail network however is solely managed by the SOC Transnet Freight Rail (TFR), whilst passenger rail in the Western Cape and Gauteng are managed by the Passenger Rail Agency of South Africa (PRASA). Under the National Transport Master Plan (NATMAP) 2050 private sector participation in usage and operation of the rail network has been seen as a mean of unlocking potential to increase the market share and profitability of this infrastructure segment.

For more information about the National Transport Master Plan (NATMAP) 2050, please see this link: https://www.transport.gov.za/documents/11623/39906/0_ExecutiveSummary2017.pdf/cb353369-bc94-4d2f-8f7e-efe2f041e434.

The national road network consists of interconnected freeways that services every province and connects all major cities. Most major cities have intermodal logistics hubs of some form. The warehousing and road transports sectors are entirely privatized with both local and international firms (small to large scale) actively invested. Government and its SOC responsible for freight rail TFR are pursuing the potential to cover more long distance tonnage from road to rail, sighting benefit in transport cost saving, reduction of impact on of roadways by heavy vehicle traffic and congestion and elevating environmental pressures and footprint. However commercially competitive efficiency will be needed to promote the swing from road to rail and will likely require public-private partnership.

The spear tip of investment in the country's freight infrastructure is aimed at the port network capacity, especially containerized capacity. The ports of Durban, Cape Town, and Port Elizabeth are currently the three main container ports with nearly 4 million twenty foot equivalent unit (TEU) (2008/09). With the addition of Ngqura at Port Elizabeth to handle about 70% of what Durban would usually handle, the expectation is that containerization will increase to 20 million TEU by 2034 from the same ports.