



Logistics, Transport & Infrastructure Sector Report

This is where
Africa's trade flows



South Africa



EXECUTIVE SUMMARY

Africa's Gateway to 1.4 Billion Consumers

SOUTH AFRICA'S LOGISTICS sector contributes ~6% to GDP (R400 billion+) and employs over 1 million people, operating Africa's largest integrated transport system. The freight and logistics market reached US\$15 billion in 2025, growing at ~6% annually, anchored by eight commercial ports, 20,000 km of rail, three international airports, and arterial highways carrying ~82% of the country's freight.

DURBAN PORT HANDLES ~60% OF CONTAINER traffic—2.6 million TEUs annually—making it sub-Saharan Africa's busiest. Richards Bay moves bulk commodities, Cape Town exports fruit and agricultural products, while Ngqura and Coega link directly to Special Economic Zones. The N3 corridor between Durban and Johannesburg carries the majority of road freight. OR Tambo Airport processes over 650,000 tonnes of air cargo annually, with Dube TradePort scaling perishables and e-commerce logistics.

THE WORLD BANK COMMITTED US\$1.5 BILLION in June 2025 for port and rail upgrades. Operation Vulindlela drives rail concessions worth R15+ billion and port corporatization. The African Continental Free Trade Area boosted intra-African trade by ~10% in 2025, with South Africa as the logistics gateway. Green pilots in LNG trucking, EV buses, and hydrogen freight corridors align with ESG standards.

FOR INVESTORS, SOUTH AFRICA DELIVERS CONTINENTAL-SCALE INFRASTRUCTURE, proven PPP models (Beitbridge Border Post: R3.8 billion), corporate anchors like Transnet and Imperial, and policy momentum opening rail, ports, and roads to private capital.



EXECUTIVE SUMMARY

Sector Highlights

~6%

GDP CONTRIBUTION

1M+

DIRECT JOBS

\$15B+

MARKET SIZE
(~6% CAGR)

4.3–5M

TEUS HANDLED ANNUALLY

~82%

ROAD FREIGHT SHARE

\$1.5B

WORLD BANK LOAN
(2025)

R15B +

RAIL CONCESSION PIPELINE





FULL SECTOR BRIEF

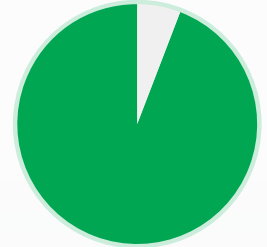
The Big Picture

South Africa's logistics, transport, and infrastructure sector contributes approximately 6% to GDP (R400 billion+) and employs over 1 million people as of 2025. The freight and logistics market reached US\$15 billion in 2025, growing at ~6% annually through 2029, driven by e-commerce expansion and African Continental Free Trade Area protocols.

The country operates Africa's largest integrated transport system: eight commercial ports (Durban, Richards Bay, Cape Town, Ngqura, Coega, Port Elizabeth, East London, Mossel Bay), 20,000 km of rail, three international airports (OR Tambo, Cape Town, King Shaka), and arterial highways including the N3 corridor between Durban and Johannesburg. This multi-modal connectivity positions South Africa as the gateway to 1.4 billion African consumers.

Durban Port handles approximately 60% of South Africa's container traffic—2.6 million TEUs annually—making it sub-Saharan Africa's busiest container port. Capacity expansions target 4 million+ TEUs by 2027. Road freight accounts for ~82% of volumes, while pipeline transport grows fastest at 10-12% annually. Air cargo through OR Tambo exceeds 650,000 tonnes yearly.

The World Bank committed US\$1.5 billion in June 2025 for port and rail infrastructure upgrades, de-risking private co-investment. Operation Vulindlela reforms enable rail concessions worth R15+ billion and port corporatization. The Government of National Unity (formed 2024) reinforces bipartisan commitment to infrastructure modernization. African Continental Free Trade Area protocols boosted intra-African trade by ~10% in 2025.



6%

SECTOR CONTRIBUTION
TO GDP

60%

SOUTH AFRICA'S CONTAINER
TRAFFIC HANDLED BY
DURBAN PORT

10-12%

PIPELINE TRANSPORT
ANNUAL GROWTH RATE



FULL SECTOR BRIEF

Ports: Trade Anchors

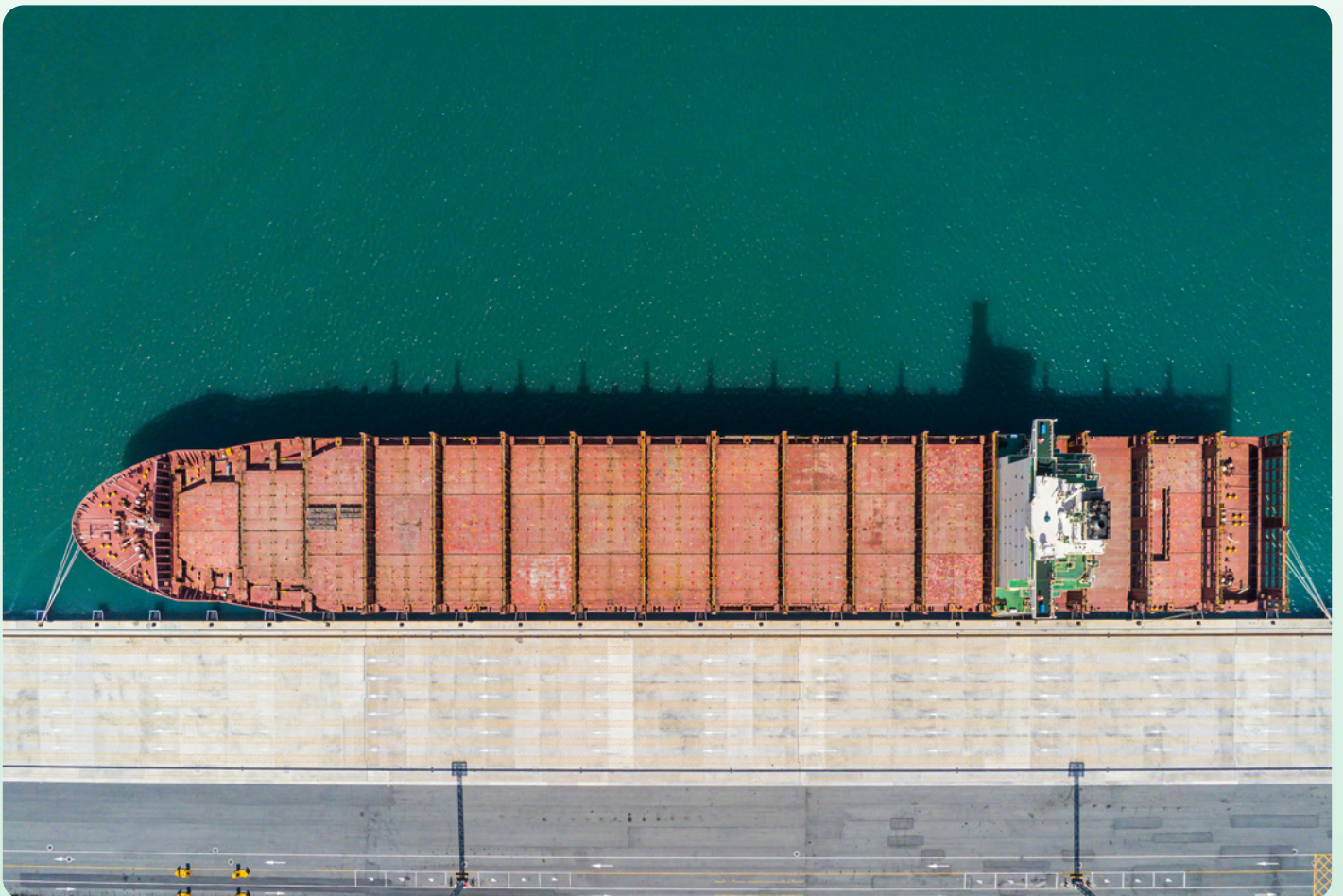
Durban dominates container traffic (2.6 million TEUs, ~60% national share), serving as the primary gateway for Gauteng's industrial heartland and regional trade corridors extending into Zambia, Zimbabwe, and beyond. Richards Bay handles bulk commodities—coal, iron ore, minerals—supporting South Africa's export economy. Cape Town specializes in fruit, wine, and agricultural exports. Ngqura and Coega link directly to Special Economic Zones, integrating manufacturing with logistics.

Port congestion and inefficiencies cost approximately 5% of GDP annually (~R1 billion daily). Operation Vulindlela reforms address bottlenecks through corporatization, private terminal operators, and digital customs systems. The World Bank's US\$1.5 billion loan targets port infrastructure, berth expansion, and equipment modernization.

INVESTMENT OPPORTUNITY

PPPs in Durban, Cape Town, Ngqura. Durban handles 2.6M TEUs, expanding to 4M+ by 2027. Partner with Transnet via concession models.

US\$1.5B World Bank loan de-risks investment.





FULL SECTOR BRIEF

Rail: Regional Lifelines

South Africa's 20,000 km rail network links ports to mining belts, agricultural regions, and industrial centers. The North-South Corridor connects Zambia and Democratic Republic of Congo mineral flows through South African ports. However, decades of underinvestment reduced rail's freight share from over 50% historically to under 20% currently.

Rail concessions worth R15+ billion under Operation Vulindlela allow private operators to rehabilitate lines, procure rolling stock, and restore capacity. Early-stage concessions focus on coal, manganese, and container corridors. Private rail investment reduces road congestion, lowers logistics costs, and improves export competitiveness.

INVESTMENT OPPORTUNITY

Operate freight corridors. R15B+ pipeline for mining/agricultural exports. Concessions with Transnet under Operation Vulindlela.

Early-stage pilots launched 2025





FULL SECTOR BRIEF

Roads: Africa's Busiest Arteries

Road freight accounts for ~82% of volumes, dominated by the N3 corridor between Durban and Johannesburg—one of Africa's busiest freight routes. The N4 connects Gauteng to Maputo Port in Mozambique, while the N1 serves Cape Town and the Western Cape.

SANRAL (South African National Roads Agency) manages road PPPs and toll concessions. Recent upgrades reduced N3 delays by 15%. Fleet digitalization—GPS tracking, IoT sensors, route optimization—expands as spectrum allocations (2022) enable 5G connectivity. Green pilots in LNG trucking and electric fleet vehicles align with ESG standards

INVESTMENT OPPORTUNITY

Upgrade N3/N4 highways.
~82% freight share drives toll revenues. SANRAL toll PPPs.
N3 upgrades cut delays 15%.





FULL SECTOR BRIEF

Air Cargo: Global Gateways

OR Tambo Airport in Johannesburg processes over 650,000 tonnes of air cargo annually, handling pharmaceuticals, electronics, perishables, and e-commerce parcels. Cape Town International and King Shaka (Dube) airports expand cargo capacity, with Dube TradePort adjacent to King Shaka Airport creating an integrated logistics hub for perishables and time-sensitive goods.

Air freight grows 10% annually, driven by e-commerce, express logistics, and high-value agricultural exports (flowers, seafood, wine). ACSA (Airports Company South Africa) partnerships with private operators expand cold-chain infrastructure and customs efficiency.

INVESTMENT OPPORTUNITY

Fund OR Tambo, Lanseria cargo hubs. Air freight grows 10% annually. ACSA partnerships. Dube TradePort perishables surge 2025.





FULL SECTOR BRIEF

E-Commerce Logistics: Last-Mile Boom

Amazon's 2024 South African launch, alongside Takealot and Mr D, drives warehouse construction, fulfillment centers, and last-mile delivery networks. E-commerce logistics grows faster than traditional freight, requiring urban distribution hubs, micro-fulfillment centers, and digital platforms.

Third-party logistics providers scale operations to serve e-commerce clients. Pargo's pickup networks, Courier Guy's express services, and regional players expand capacity. Investment opportunities span warehousing, sortation facilities, technology platforms, and last-mile fleets.

INVESTMENT OPPORTUNITY

Build logistics parks at Coega/Dube.
Industrial-logistics integration.
SEZ incentives.
Coega exports up 2025.





ON THE GROUND

AfCFTA Corridors: Continental Connectivity

The African Continental Free Trade Area protocols reduce tariffs and harmonize customs, boosting intra-African trade by ~10% in 2025. South Africa anchors multiple trade corridors:

MAPUTO CORRIDOR: Links Gauteng to Maputo Port (Mozambique), shortening routes to Asian markets.

BEITBRIDGE BORDER POST: R3.8 billion PPP (completed 2021) streamlines Zimbabwe trade.

NORTH-SOUTH CORRIDOR: Connects DRC/Zambia copper belt through South African ports.

WALVIS BAY CORRIDOR: Alternative western route via Namibia

Smart borders, digital customs, and corridor authorities reduce transit times. South Africa's role as continental logistics hub scales with AfCFTA implementation.

INVESTMENT OPPORTUNITY

Build logistics parks at Coega/Dube.
Industrial-logistics integration.
SEZ incentives.
Coega exports up 2025.





ON THE GROUND

Green Logistics Transition

LNG trucking pilots, electric bus fleets, and hydrogen freight corridors align South Africa with global ESG standards. Port and SEZ embedded solar/wind microgrids reduce energy costs and grid dependence. IoT-enabled fleet management improves fuel efficiency by 15-25%.

Development Bank of Southern Africa (DBSA) green finance facilities and World Bank climate windows support decarbonization. European and North American buyers increasingly require low-carbon logistics—South Africa's green pilots position exporters competitively.

INVESTMENT OPPORTUNITY

Back LNG, EV, hydrogen trucking. ESG mandates; IoT adoption up 25%.
Green finance and DBSA facilities.
2025 LNG truck pilots operational.





ON THE GROUND

Policy & Reform Framework

Operation Vulindlela removed licensing caps, accelerated REIPPPP bid windows, and launched NTCSA. The 2023 EV White Paper integrates transport electrification with grid planning. SAREM mandates local content targets for turbines, panels, and hydrogen tech. JET-IP coordinates concessional finance from World Bank, EU, UK, Germany, France, US. EU Global Gateway's €4.7 billion supports hydrogen infrastructure. Japan and UK signed hydrogen MOUs.



LOOKING AHEAD

Investment Opportunities

1

PORT CONCESSIONS

PPPs in Durban, Cape Town, Ngqura. Durban handles 2.6M TEUs, expanding to 4M+ by 2027.
Partner with Transnet via concession models.
US\$1.5B World Bank loan de-risks investment.

2

PRIVATE RAIL CONCESSIONS

Operate freight corridors. R15B+ pipeline for mining/agricultural exports.
Concessions with Transnet under Operation Vulindlela.
Early-stage pilots launched 2025.

3

ROAD PPPS

Upgrade N3/N4 highways. ~82% freight share drives toll revenues.
SANRAL toll PPPs.
N3 upgrades cut delays 15%.

4

AIRPORT CARGO EXPANSIONS

Fund OR Tambo, Lanseria cargo hubs.
Air freight grows 10% annually. ACSA partnerships.
Dube TradePort perishables surge 2025.

5

SEZ-LINKED LOGISTICS PARKS

Build logistics parks at Coega/Dube. Industrial-logistics integration.
SEZ incentives.
Coega exports up 2025.

6

FLEET DECARBONIZATION

Back LNG, EV, hydrogen trucking. ESG mandates; IoT adoption up 25%.
Green finance and DBSA facilities.
2025 LNG truck pilots operational.



LOOKING AHEAD

Challenges & Fixes

- ✓ **RAIL AND PORT DELAYS** cost approximately 5% of GDP annually (~R1 billion daily)—addressed through reforms, concessions, and World Bank financing.
- ✓ **PORT CONGESTION** at Durban and Cape Town mitigated by capacity expansion and private operators.
- ✓ **RISING ENERGY COSTS** addressed via embedded solar/wind at ports and SEZs.
- ✓ **SKILLS SHORTAGES** tackled through TVET academies and digital training.
- ✓ **GEOPOLITICAL RISKS** diversified through multiple corridor strategies across SADC and East Africa.



IN SUMMARY

The Bottom Line

South Africa combines scale (~6% GDP, 1M+ jobs), infrastructure (8 ports, 20,000 km rail, 3 international airports), reform momentum (US\$1.5B World Bank loan, R15B+ rail concessions), and continental reach (AfCFTA ~10% trade boost).

For investors, it's Africa's only logistics platform offering multi-modal integration, proven PPP models, corporate anchorst (Transnet, Imperial, Grindrod), and gateway access to 1.4 billion consumers.

GET IN TOUCH WITH BRAND SOUTH AFRICA

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