2. Logistics Challenges for South Africa

Global Context

- South Africa is distant from its key trading partners
- Maritime transport costs is a significant component of total transport costs
- South Africa is strategically placed to service Southern African, Asian and South American trade routes
- SA can establish itself as a global transshipment hub focused on certain trade routes
2. Logistics Challenges for South Africa

Southern Africa Context

- South Africa is well positioned to serve East and West Coasts by sea
- The Rail network provides strategic lines to landlocked countries (all on similar gauge)
- SADC partnerships to stimulate and sustain regional growth
2. Logistics Challenges for South Africa

National Context

- Gauteng acts as regional hub for production and consumption
- Industrial hub (Gauteng) and mining activities far from ports
- SA contributes 0.4% to world GDP but accounts for 2.2% of world surface tonne km.
- Transnet’s key role is to assist in economic growth through providing appropriate port, rail and pipeline infrastructure and operations in a cost effective and efficient manner and within acceptable international benchmark standards.