

Petredec and Transnet Freight Rail Enter Agreement to Enhance LPG Distribution in South Africa

Singapore – Petredec, a leading LPG value chain company, and South Africa’s state-owned logistics infrastructure company, Transnet today announced a groundbreaking rail freight solution that is set to transform LPG distribution in South Africa. This landmark project, featuring a dedicated train system, modern LPG intermodal hub and storage facility at Sentrarand in Gauteng, marks a significant milestone and investment in the country’s energy infrastructure, which is needed to meet the growing demand for LPG over the coming decades.

The new LPG hub at Sentrarand, Benoni will serve as a much-needed staging post for South Africa’s economic heartland and the broader SADC region. The hub will receive bulk LPG via rail from the initial load point at the Richards Bay LPG terminal in KwaZulu-Natal, developed in partnership with Bidvest Tank Terminals in 2020. Through the project, Petredec will introduce South Africa’s first scheduled LPG train system, with each 75-wagon trainset capable of transporting over 2,500t of LPG. Initially operating up to three times per week, this enhanced logistics system will further improve the efficiency, cost-effectiveness and environmental friendliness of LPG distribution in the country.

“The strategic partnership between Petredec and Transnet Freight Rail marks a significant step in improving LPG accessibility in South Africa. This investment reflects our commitment to developing key LPG infrastructure and implementing more efficient, optimised logistical solutions - ultimately making LPG more affordable to end users. Our goal is clear: to make clean cooking solutions like LPG more accessible to those who need it, thus contributing to a broader vision of improved energy security, public health, energy affordability and environmental conservation in South Africa and beyond,” said Jonathan Fancher, CEO of Petredec.

Michelle Phillips, Transnet Group Chief Executive, commented, “This landmark project marks a major advancement in the supply of LPG across the country, enabling bulk distribution of LPG on a scale never before achieved in Africa. The Sentrarand LPG hub and rail freight solution is critical infrastructure that will support South Africa’s long-term energy security and developmental ambitions.”

The Sentrarand LPG rail intermodal hub represents the latest investment by Petredec, reinforcing the company's dedication to bringing cleaner energy to those that need it most. This initiative is particularly crucial in the context of sub-Saharan Africa, where, according to the International Energy Agency, one billion people still rely on solid biomass and kerosene for cooking, disproportionately negatively impacting women and girls. Such investments in LPG infrastructure can greatly enhance the affordability and accessibility of clean cooking solutions, delivering substantial health, developmental and environmental benefits to the region.

Project Engineering and Construction will be undertaken by long-standing technical partner Lloyd Jones Construction with the intended commissioning of the Sentrarrand facility and operation of first trains commencing in 1H 2028.

Note to editors

About Petredec

Petredec is a leading fully integrated, LPG shipping, trading, and land-based wholesale and terminal operating platform. For almost 45 years, the company has grown its reputation of being forward thinking, agile and adaptable. With a focus on the environment, Petredec has built and operates one of the youngest, most fuel-efficient fleets of LPG vessels on the water today.

Petredec's Downstream division has focused on the development of LPG infrastructure with a series of LPG import terminals in operation, and under construction, around the Indian Ocean. The first of these was commissioned in Mauritius in 2014, followed by the Richards Bay terminal in 2020, launched in South Africa in partnership with Bidvest Tank Terminals. In 2024, Petredec commenced operations at its largest terminal built to date, the 34,000mts import facility in Krishnapatnam, India with further developments underway in other key developing markets.

Petredec South Africa operates two subsidiary companies, Petrefuel and Petregaz, which distribute products in the liquid fuels and LPG sectors, respectively.

About Transnet

Transnet is wholly owned by the Government of the Republic of South Africa. The company is uniquely positioned to provide integrated, seamless transport solutions for its customers in the bulk and manufacturing sectors. This is part of its drive to improve the efficiency and competitiveness of the South African economy.

Transnet has six operating divisions:

Transnet Freight Rail transports bulk and containerised freight along 30 400 kilometres of which 1 500 kilometres comprises rail networks heavy haul lines for export coal and export iron ore.

Transnet Engineering manufactures, assembles and maintains railway rolling stock including locomotives, freight wagons, passenger coaches and port equipment.

Transnet Port Terminals owns and operates 16 cargo terminals situated at seven South African ports. It provides cargo-handling services for the container, bulk, automotive and break-bulk sectors.

Transnet National Ports Authority is responsible for the safe, efficient and effective functioning of the national ports system, which it manages in a landlord capacity. The National Ports Authority also provides port infrastructure and marine services at all commercial ports in South Africa.

Transnet Pipelines transports a range of petroleum products and gas through 3 800 kilometres of underground pipelines, which traverse five provinces, thereby ensuring the security of supply of petroleum products to the inland market, especially Gauteng.



Transnet Property manages a portfolio of commercial and residential properties, with a mandate to maximise the returns from the Transnet property portfolio and grow the asset base using best practice asset management principles.

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