



Press Release

For release on 30 August 2024

NDB Signs R5 Billion Loan Agreement with Transnet to improve and modernise South Africa's Freight and Rail Sector

Cape Town, South Africa – 30 August 2024 – The New Development Bank (NDB) is pleased to announce a R5 billion loan agreement with Transnet, South Africa's leading freight transport and logistics company. This investment, aligned with the theme of NDB's 9th Annual Meeting, "Investing in a Sustainable Future," will support the modernisation and improvement of South Africa's freight rail sector.

Key Highlights:

Loan Amount: R5 billion

Purpose: Modernisation and improvement of South Africa's freight rail sector

Beneficiary: Transnet State Owned Company

The loan agreement, signed during NDB's 9th Annual Meeting, aims to enhance the efficiency and capacity of South Africa's freight rail systems. The improvement and modernization of freight rail sector program includes rail network infrastructure renewal, locomotive overhauls, and wagon fleet renewal. This program is expected to restore freight rail volumes in South Africa, improving operational performance and reliability, and contributing to a sustainable future.

NDB President, H.E. Dilma Rousseff, said, "We are delighted to partner with Transnet in this transformative initiative. This loan underscores NDB's commitment to supporting sustainable development and economic growth in South Africa. By modernizing the freight rail sector, we aim to facilitate more efficient logistics operations that will benefit the entire region and align with our goal of investing in a sustainable future."

Transnet Group Chief Executive, Michelle Phillips added, "This investment is important for Transnet, as we accelerate implementation of the Recovery Plan and economic reforms. The modernisation programme will enhance our operational capabilities and contribution to the growth and competitiveness of the economy. We are grateful for NDB's support and look forward to a successful collaboration."

About the NDB

The New Development Bank was created in 2015 by Brazil, Russia, India, China and South Africa to mobilize resources for infrastructure and sustainable development projects in the BRICS and other emerging market economies and developing countries. In 2021, the NDB began expanding its membership and admitted Bangladesh, Egypt, the United Arab Emirates and Uruguay as its new member countries. For more information, please visit www.ndb.int.

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.

Enquiries: media@ndb.int or mediadesk@transnet.net