Southern Africa's freight news features

by ftw

July 2026

DURBAN & RICHARDS BAY

WEST AFRICA

BOTSWANA

ROAD & RAIL

Southern Africa's freight news by ftw

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CONTENTS

As governments and industry across southern Africa intensify efforts to shift more freight from road to rail, investment in transport infrastructure and strategic freight corridors is moving firmly up the agenda. Our Road & Rail feature this month highlights this growing focus on improving regional logistics efficiency and creating more sustainable freight networks.

We see a similar theme emerging in our Durban & Richards Bay feature, which highlights the critical role South Africa's east coast ports continue to play as gateways to Africa and global markets. In our Botswana feature, the focus remains on corridor development, particularly efforts to strengthen trade routes to both the east and west of the landlocked country.

Our West Africa feature highlights how ongoing investment in infrastructure continues to reshape trade flows.

Together, these stories demonstrate the importance of efficient logistics in supporting trade and economic growth across the continent.

Happy reading.

Liesl Venter

Volume 67 July 2026

Photo: Liebherr

Feature by Liesl Venter and Ed Richardson

Reshaping of logistics on Durban trade route

Logistics through the port of Durban is being reshaped through a number of major projects and concession processes.

They include the concessioning of Pier 2 to Malaysian operator International Container Terminal Services, Inc. (ICTSI), along with multiple Maydon Wharf multi-purpose and fresh-produce terminal concession processes; channel deepening and back-of-port developments such as road upgrades; and rail and hinterland integration.

Over time, it is expected that these projects will increase the throughput of the port. This, in turn, will impact on vessel calling patterns and landside flows for road and rail and depots.

Following the takeover of Pier 2 operations by ICTSI on 1 January 2026, Transnet National Ports Authority (TNPA) announced on 30 March that there would be "two landmark concession awards at the Maydon Wharf precinct, in the Port of Durban.

"These transactions will unlock more than R1 billion in private sector investment for modernising port infrastructure, while strengthening Durban's strategic position as a gateway for agricultural and perishable exports."

Khold is the preferred bidder to manage fresh produce and compatible break-bulk cargo, with a commitment to invest R250 million.

The BAL SA & Africa Global Logistics Consortium is the preferred bidder to develop and operate a multi-purpose terminal for agricultural dry bulk and other compatible cargo, with R810 million committed in capital investment.

The bidders are now in negotiations with TNPA to finalise terminal operator agreements, which will provide logistics operators with a clearer vision of the impact of the proposed upgrades and timelines.

Back-of-port investment is being guided by the KwaZulu-Natal Logistics Hub Masterplan which, according to Transnet, "seeks to reposition the Port of Durban as an international container hub and the country's premier automotive port by increasing its container and automotive capacity, with the Port of Richards Bay serving as the country's leading industrial port as a premier dry bulk and liquefied natural gas (LNG) port".

It envisages raising Durban's container capacity from about 2.9 million TEU to over 11m TEU through 33 projects, with an estimated current cost of more than R154 billion.

Port-wise, R72 bn has been allocated to container developments; R24 bn to widening and deepening the entrance channel; and R22 bn for new developments at Island View.

A new liquid bulk terminal is planned for the current naval base on Salisbury Island, with the navy moving to Pelican Islands in Richards Bay. This move is subject to funding being procured.

The masterplan also envisages moving the current dry bulk mineral cargoes from Durban to Richards Bay.

Ethekwini municipality lists a number of logistics-related projects which will support port development. These form part of its investment in a number of catalytic projects, in partnership with the private sector.

Another major development is a proposed R4 bn multimodal dry port hub in Mooi River, KwaZulu-Natal, where cargo will be transferred between road and rail.

James Martin, a manager at the Umgungundlovu District Municipality Economic Development Agency, says the environmental impact assessment and water licence applications are currently under way and "substantial funding" has been secured for the dry port investment in Mooi River. ER

Port upgrades bode well for trade and investment

Durban is beginning to see tangible gains from ongoing port reforms, with the Durban Chamber of Commerce and Industry NPC saying operational efficiencies are already improving. This, thanks to infrastructure upgrades and the private sector takeover of Pier 2.

While geopolitical tensions continue to place pressure on global trade and shipping, those at the Chamber believe that the reforms under way at the Port of Durban are positioning the city for stronger competitiveness and renewed investor confidence over the next 12 to 24 months.

"The logistics and transport sector is a crucial pillar of Durban's economy," said Chamber CEO Palesa Phili.

"The port is currently in recovery mode, from management changes and upgrades in port equipment to the new operator at Pier 2. The Chamber views these reforms as structural game changers, opening new opportunities for business.

"Significant progress has already been achieved compared to previous years. Turnaround times are improving, providing clear evidence of rising efficiency. The positive impact is being felt across the entire supply chain, strengthening Durban's position as a competitive logistics hub."

Ongoing private sector participation is cited as another positive, with organised business working closely with Transnet and other port stakeholders through the Durban Port Working Group.

"There is close collaboration to enhance efficiency, to identify challenges impacting the business sector and to develop solutions together," said Phili.

"As we move forward, we must apply lessons learned from past challenges to build a resilient logistics system capable of driving sustainable economic growth and stability."

The Chamber also believes that restoring rail freight capacity is a key requirement going forward. "Our roads were never designed to carry such heavy cargo volumes, which is why we continue to see potholes and extensive damage," said Phili.

In addition, stability in water supply, sanitation and electricity distribution is essential.

"As organised business, we have witnessed our members incurring significant extra costs due to water shortages, often having to purchase water to sustain operations. We are confident that by stabilising these critical services and prioritising a shift to rail freight, Durban can attract greater investment and strengthen its competitiveness."

According to Phili, business in Durban is currently at a crossroads as it faces three major challenges: counterfeit goods impacting the manufacturing sector; illegal immigrants acting with impunity; and businesses being intimidated for hiring foreign nationals.

"The impact of these actions is severe. Businesses are being forced to close down, affecting productivity and tax revenue. We are actively consulting with the relevant stakeholders to find a collaborative solution to address these challenges, particularly as they impact the logistics sector."

One major missed opportunity is the under-utilisation of the Dube TradePort Special Economic Zone. "Special Economic Zones (SEZs) do not only encourage businesses to invest in our city, but also drive economic growth, boost exports and promote local manufacturing and supply chains," said Phili.

"This focused, business-friendly environment promotes trade and we strongly encourage all stakeholders to explore the opportunities it presents." LV

Evergreen's cargo volumes increase as Asia-Africa trade corridor strengthens

Shipping line Evergreen has launched a new direct Asia-South Africa service (SAF) amidst growing trade volumes and rising demand, as global shipping patterns continue to evolve.

The new SAF service will link Shanghai, Ningbo, Kaohsiung, Shekou and Singapore directly to Durban and Cape Town, reducing reliance on transshipment hubs.

"The SAF service is the only direct service in the market connecting Central China, Shanghai and Ningbo with Cape Town," said Ben Chang, Evergreen Agency president.

"The service delivers improved frequency with weekly sailings, and a 63-day fixed round-trip schedule, ensuring predictable logistics and supply chain reliability. It also offers transit-time advantages of 14 days from Singapore to Durban, and 27 days from Shanghai to Durban."

He said it had also expanded inland coverage through Evergreen's Through Bill of Lading network, which extends its reach beyond ports to Gaborone in Botswana and Harare in Zimbabwe. Lesotho, Zambia and Eswatini are expected to be added in the coming months.

"The new service will certainly strengthen our Asia-Africa trade corridor presence, enhance supply chain resilience for South African importers and exporters, and position Evergreen strongly for inland southern African markets," Chang told *Freight News*.

"It will also give Evergreen greater control over schedules, frequency and direct port coverage, improving reliability for shippers moving cargo between Asia and southern Africa."

Evergreen has cited growing bilateral cargo demand and the need for additional capacity between Asia and South Africa as key drivers behind the new service.

> "Durban remains the gateway to southern Africa because of its scale, infrastructure base and geographic position.
> – Ben Chang

This growth is increasing demand for direct and reliable shipping services from major Chinese ports to Durban and Cape Town.

Recent trends have shown a sharp increase in imports of Chinese vehicles, machinery, electronics and consumer goods into South Africa. Chinese automotive brands in particular have expanded aggressively in the South African market, driving higher cargo volumes.

"As manufacturers, retailers and automotive distributors increasingly rely on just-in-time supply chains, shipping lines are expected to provide more predictable services on high-growth trade lanes such as China-South Africa trade," said Chang.

"Africa is becoming a strategic growth market with trade volumes rising rapidly," he said.

"Evergreen is increasingly focusing on Africa as growth slows or becomes more volatile on traditional east-west routes, whilst emerging markets and evolving regional trade patterns reshape Evergreen's network strategy."

He said South Africa was especially important because it acts as a gateway to inland southern African markets such as Botswana, Zimbabwe, Zambia, Lesotho and Eswatini through rail and road logistics networks covered under Evergreen's Through Bill of Lading service.

Durban, in particular, remains one of the most important cargo gateways into southern Africa, said Chang.

"It is still the region's dominant maritime hub for containerised trade and serves not only South Africa, but also several landlocked neighbouring countries."

The port handles the majority of South Africa's container traffic, making it one of the busiest container ports in Africa and connecting major global shipping routes linking Asia, Europe, the Middle East and the Americas.

According to Chang, while Durban's strategic importance has recently been challenged by operational problems, congestion, ageing infrastructure, equipment shortages and port inefficiencies that reduced reliability and increased shipping delays over the past few years, it is still held in extremely high regard.

"It remains the gateway to southern Africa because of its scale, infrastructure base and geographic position. Recent initiatives and projects are showing signs of operational recovery. We are hoping to see even more infrastructure upgrades and logistics reforms put in place."

He said global shipping disruptions were transforming southern Africa from a peripheral maritime region into a more strategically important corridor in global trade.

"Changing trade policies are significantly reshaping shipping lines' network decisions in southern Africa. Shipping lines are redesigning trade routes, altering port calls, increasing contingency planning and investing in new regional hubs." LV

Dube TradePort continues expansion drive

Airfreight volumes through Durban and KwaZulu-Natal have shown a mixed pattern over the past year. Strong growth momentum has been tempered by the latest geopolitical tensions in the Middle East, impacting airline frequencies and cargo capacity.

According to figures from Dube Cargo Terminal, cargo volumes grew by as much as 25% between March and December 2025, driven by stable airline activity and strong operational performance.

However, growth slowed to just 2% in late February 2026 following the outbreak of conflict in the Middle East, which resulted in some carriers reducing flight frequencies and available airfreight capacity.

"Demand does look healthy enough to absorb increasing capacity as carriers resume frequencies in the near future," said Ricardo Isaac, senior manager: cargo development and operations at Dube TradePort.

"The gradual stabilisation of passenger flight schedules has already improved belly-hold cargo capacity, helping to improve volumes.

"However, there remains scope to unlock further demand through increased flight frequencies and the introduction of new air services.

"We know that there is latent travel and cargo demand on international sectors from Durban and we are focused on developing those routes. They will, in turn, provide additional cargo capacity into those markets."

He said Dube TradePort played a central role in enabling airfreight in KwaZulu-Natal through its world-class infrastructure and integrated logistics offering.

Isaac said that within the second phase of the manufacturing precinct, Dube TradeZone was now more than two-thirds occupied, with the remaining sites already spoken for.

He added that Dube TradePort Corporation currently has two new construction projects under way. It is also engaging with three investors within the precinct that are considering expansions to their facilities.

Construction of a new warehouse on Erf 770 is currently under way on a three-hectare site, with a total warehouse bulk of approximately 13 018m². Site establishment commenced in early February 2026, with completion scheduled between end-2026 and early 2027.

A second warehouse development is also taking place: it's on Erf 798 across a four-hectare site, with a total warehouse bulk of approximately 28 173m². Site establishment for this development also commenced in early February, with completion planned for the end of 2027.

He said the organisation was in the final stages of unlocking the next phase of its manufacturing precinct, Dube TradeZone 3, with procurement of bulk services expected to start in early 2027.

"There are also two new foreign direct investments that have been approved by the board, with further details expected to be made public in due course."

Beyond infrastructure, Dube TradePort is also actively working to grow the route network of King Shaka International Airport. LV

Digital integration is the way to go

Durban and Richards Bay remain critical gateways for southern Africa, but persistent congestion, manual clearance processes and compliance delays continue to place pressure on supply chain efficiency.

"Growing investment in digital customs clearance and trade facilitation platforms could play a key role in reducing bottlenecks, improving compliance and strengthening the competitiveness of South Africa's ports," said Johan Eksteen, divisional manager for SGS Connectivity and Products.

SGS has implemented advanced customs clearance and trade facilitation systems in the region aimed at enabling faster, more transparent and compliant cargo movement.

"These platforms, built on the principles of a Single Window, integrate customs authorities, regulatory authorities and traders into a single streamlined digital environment," Eksteen told *Freight News*.

"The result is reduced clearance times, improved compliance and greater visibility across the supply chain."

Complementing this are SGS's Pre-Export Verification of Conformity (PVoC) programmes, which ensure products meet regulatory standards before arrival – thereby further shortening clearance times and minimising costly port delays.

"Together, these digital solutions demonstrate how technology can ease bottlenecks, enhance competitiveness and support regional integration under frameworks such as the African Continental Free Trade Area (AfCFTA)."

Eksteen said there had been a definite increase in demand for digitalisation and automation in customs clearance in Durban and Richards Bay.

"There is also heightened focus on compliance and risk management, while pressure to improve turnaround times in response to global supply chain volatility is increasing."

He said persistent congestion continued to cause delays, while manual clearance processes further slowed trade flows.

"SGS sees significant potential in replicating Single Window-style platforms in South Africa. By integrating digital clearance systems with conformity assessment programmes, Durban and Richards Bay could position themselves as world-class logistics hubs, attracting greater trade volumes and investment," he said. LV

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Moves afoot to modernise port performance

The port and logistics environment in Durban and Richards Bay is increasingly being shaped by infrastructure modernisation, corridor integration and a growing focus on operational reliability across the supply chain.

According to Darren Jankelow, head of sales for maritime cranes and construction machines at Liebherr-Africa, increasing emphasis is being placed on improving reliability and integration between rail, port and terminal operations as South Africa's freight sector looks to strengthen efficiency and support long-term trade growth.

> "Digital tools are becoming just as important in supporting asset management, maintenance planning and operational visibility.
> – Darren Jankelow

"Stakeholders are recognising that port performance cannot be viewed in isolation, but rather, as part of an interconnected corridor ecosystem," said Jankelow.

Speaking to *Freight News*, he said digital tools were becoming just as important in supporting asset management, maintenance planning and operational visibility.

"There is also a rising interest in energy-efficient equipment and lower-emission operational models as ports align themselves with broader sustainability and decarbonisation objectives."

Asked about the role of the specific ports, he said Richards Bay continues to play a strategically important role within the bulk commodities sector, while Durban remains central to containerised trade flows and regional distribution into southern Africa.

A key development currently under way is the construction of Liebherr's new multimillion-rand Competence and Distribution Centre in Durban, which is scheduled to become operational during the first quarter of next year.

Once completed, the facility will serve as a central hub for technical expertise, parts availability, training and advanced OEM (original equipment manufacturer) lifecycle support for southern African port operations.

"The new facility will also incorporate a state-of-the-art technology and training campus focused on developing local technical skills and supporting the upskilling of personnel working within the port and logistics sector," said Jankelow.

"This investment reflects our long-term commitment to both infrastructure development and sustainable local capability within the region."

According to Jankelow, the outlook for both Durban and Richards Bay is increasingly positive, supported by ongoing operational recovery, infrastructure investment and stronger industry collaboration.

Durban is expected to continue strengthening its position as the region's primary container gateway, supported by equipment upgrades, maintenance initiatives and broader efforts to improve terminal productivity and corridor efficiency.

Richards Bay is likely to remain a strategically important bulk export hub, particularly as demand for mineral and energy-related commodities remains resilient. Continued focus on rail integration and terminal optimisation will be critical to unlocking further growth potential.

"From an OEM perspective, there is growing confidence within the market. The increasing focus on modernisation, operational reliability and long-term investment creates a strong foundation for sustainable growth across both ports."

Jankelow said the strongest opportunities lay in equipment modernisation, terminal efficiency improvements and corridor-linked growth initiatives.

"We are a seeing gradual improvement and stabilisation in cargo volumes across both Durban and Richards Bay, although growth patterns vary by commodity and cargo type," he said.

"Durban has experienced improving container throughput as operational reliability continues to recover and confidence among shipping lines and cargo owners strengthens. Agricultural exports, consumer goods and regional transit cargo remain important contributors to volume growth.

"Richards Bay continues to benefit from strong demand within the bulk commodities sector, particularly minerals and resource-linked exports. Corridor performance remains a key determining factor, where improvements in rail and terminal reliability typically translate directly into increased throughput volumes." LV

Optimism remains despite supply chain challenges

As export momentum builds around Richards Bay and Durban, industry stakeholders are warning that increased customs enforcement and evolving compliance requirements are adding fresh operational pressure across the supply chain.

"The increased enforcement operations by customs and other government agencies are resulting in sometimes unnecessary detentions of containers, with importers having to face increased storage and other costs," said Allan Heydorn, a partner at Shepstone & Wylie Attorneys.

Heydorn said the Pre-Export Verification of Conformity (PVoC) programme had become a major focus area for importers and logistics operators seeking clarity about evolving compliance requirements.

Additional regulatory changes are also coming into effect.

From 1 June, all foreign-registered vehicles entering or leaving South Africa will need to be declared on the South African Revenue Service (Sars) Traveller Management System prior to crossing the border.

In May, Sars also announced an amendment to allow for the increase of duties on certain steel products.

According to Mona Appalsamy, a senior associate at Shepstone & Wylie, this was done through amendments to Part 1 of Schedule No. 1, including the substitution of various tariff subheadings under chapters 72, 73, 82 and 83 to increase the associated rates of customs duties.

Despite the challenges, significant investment and infrastructure developments continue to create optimism around Durban and Richards Bay, said Heydorn.

An important development for Richards Bay is the planned Bulk Terminal Project, which is expected to support exports of commodities, including chrome and magnetite.

In February, Transnet issued a request for qualifications to identify a partner in the private sector participation project.

"The terminal will serve as a critical export gateway for bulk commodities such as chrome and magnetite," said Heydorn.

"Improvements to the port and rail infrastructure are also under way nationally. The naming of 11 private train-operating companies is expected to boost exports along several corridors, including the coal line to Richards Bay.

"Besides the Richards Bay Coal Terminal (RBCT) line, coal, chrome and magnetite will also be handled through the dry bulk and multi-purpose terminals."

Appalsamy said a total of 8 630 vessel arrivals were recorded at South African ports during the 2025/26 financial year, compared to 7 912 in the previous year.

"This represents the strongest growth since 2011/12 and is attributable to improvements in operational efficiency and port performance," she said.

Ongoing instability in the Middle East is contributing to more vessels opting to sail around the African coastline and the Cape of Good Hope to avoid conflict-hit waters. Given this situation, expectations are that ports such as Durban and Richards Bay could continue to attract additional cargo volumes. LV

Feature by Liesl Venter and Ed Richardson

Pressure mounting for improved logistics efficiency

West African trade flows are changing as large-scale natural resource developments and rising global demand for bulk commodities reshape the region's export landscape. In markets such as Guinea, Angola, Liberia and Ghana, rising bulk export volumes are creating new demands on transport and logistics networks.

For the logistics sector, this presents a significant opportunity, but also highlights the ongoing challenge of aligning infrastructure capacity with rising demand. As bulk volumes increase, pressure is mounting on ports, corridors and shipping networks to improve efficiency, reduce delays and support more reliable cargo movement.

"Bulk commodities remain the backbone of African trade, and what we are seeing now is a fundamental shift in scale," said Athol Emerton, managing director of LBH Africa. "The real challenge is not whether demand exists – it's whether logistics systems can keep pace with the volume and operational discipline required to move bulk cargo efficiently. This pressure means our customers need reliable and accurate information distributed to their network around the globe."

Despite strong growth fundamentals, infrastructure constraints remain a defining feature of the region. Common challenges include limited port capacity relative to bulk export demand, landside bottlenecks affecting cargo flow and competition between export cargoes and essential imports.

> It is clear that the landlocked copper-producing countries need more corridor capacity.
> – Athol Emerton

In this environment, execution discipline was essential, said Emerton. "Bulk logistics relies on consistent, efficient performance, and even minor supply chain inefficiencies can quickly drive up costs and disrupt operations. An efficient ships agency and logistics system works hard to ensure reliability and cost efficiency."

The importance of efficient logistics is becoming increasingly evident as bulk commodity exports continue to expand across the region. This growth is being driven by several key commodity flows across the region, including bauxite and iron ore in Guinea, iron ore exports in Liberia, energy and mineral cargoes in Angola and continued diversified bulk and primary commodity flows through Ghana's ports.

Guinea, for example, has established itself as a dominant player in global bauxite supply, with seaborne exports increasing significantly in recent years and reaching record levels as infrastructure capacity expands.

Simandou now also gives the country access to high-quality iron ore, supported by a world-class integrated rail and port system capable of handling up to 100+ million tonnes per annum at peak capacity. Similarly, Liberia is potentially scaling up iron ore exports through rail and port infrastructure upgrades and various opportunities

According to Emerton, copper is continuing to emerge as one of the most strategically important bulk commodities globally. "Demand continues to rise sharply, with projections indicating sustained long-term growth driven by energy transition requirements. At the same time, it is clear that the landlocked copper-producing countries need more corridor capacity," said Emerton.

"Across Africa, copper exports remain concentrated in central and southern regions. However, the trade corridors connecting inland production areas to market are evolving; this is important for reliable bulk corridors and ports." LV

Economic growth little affected by gulf

Economic and trade disruptions caused by the bombing of Iran by the United States and Israel seem to have had little effect on West Africa as a whole.

In its latest assessment of prospects, the African Development Bank (AfDB) says economic growth, estimated at 4.8% in 2025, is projected to remain marginally unchanged at 4.7% in 2026 and slow to 4.5% in 2027.

The subregion's relative stability in growth in 2026 is attributable to robust agricultural output, deepening agro-processing value chains and sustained public investments in energy, logistics and transportation infrastructure.

Increased global oil demand due to the closure of the Strait of Hormuz has boosted export revenues, accelerated economic growth and attracted investment.

Two of the biggest projects are the Dangote Refinery in Nigeria, which is one of the world's largest refineries, while Shell is investing $122 million in the Iseni Gas Project, a natural gas development in Nigeria's Bayelsa state.

Ghana is also benefiting from the renewed focus on non-gulf sources of oil and gas.

In May, the country's director of economics and local content at the Petroleum Commission, Kwaku Boateng, told the third Africa Energy Technology event that Ghana's upstream industry was showing clear signs of recovery.

"The industry is picking up, and we are seeing renewed attention from international players. Companies are beginning to recognise the long-term value and stability Ghana offers within the region," he said.

The region is also becoming a fintech hub, led by Nigeria.

It is home to five unicorn companies with a valuation of over $1 billion: Flutterwave ($3bn), Opay ($2bn), Andela ($1.5bn), Moniepoint and Interswitch.

Flutterwave is a global fintech company providing payment infrastructure to connect Africa to the global economy, while Opay is an online financial services platform, and Andela is a technology network and talent marketplace that connects top engineering talent, originally and mainly sourced from Nigeria, with leading companies worldwide.

A unicorn is a privately held startup that has reached a valuation of $1bn or more.

As a result of the oil boom and diversification into agriculture, tourism and fintech, projected growth in the region will be broad-based, with 10 of the 15 countries expected to grow by 5% or higher in 2026, according to the AfDB.

Leader is Guinea, with growth projected to accelerate from 6.9% in 2025 to 9.3% in 2026 and 9.8% in 2027, driven by increased bauxite production and exports and public investments in mining infrastructure and electricity generation.

Growth in Niger is projected at 6.6% in 2026 and 6.4% in 2027, underpinned by increased oil production, expanded pipeline infrastructure and greenfield developments in uranium production.

In Benin, growth is projected at 6.6% in 2026 and 7.1% in 2027, supported by rising agricultural output from improved farmers' access to inputs and extension services, investments in agro-processing and export value chains and increased tourism receipts.

Growth in Nigeria, the region's largest economy, is projected to increase marginally from an estimated 4% in 2025 to 4.1% in 2026, supported by increasing oil prices and production, growth in the services sector and increased public investment in electricity, transport and logistics.

In 2027, growth is projected to decelerate to 3.7% due to anticipated easing of global oil prices. ER

Cold chains across the region strengthened

Over 100 logistics operators in the cold chains of Côte d'Ivoire, Ghana and Senegal have been helped to improve their systems through the US Department of Agriculture-funded (USDA) Emerging Markets Programme managed by the Global Cold Chain Foundation (GCCF), in partnership with the USDA and Global Cold Chain Alliance (GCCA).

This followed an analysis of West African cold chain logistics by the GCCA, which found that poor cold chain logistics caused post-harvest losses of up to 50% for perishable goods across the three countries.

Ports in the countries serve as crucial import/export gateways and transhipment hubs for landlocked neighbours like Mali, Burkina Faso and Niger.

While major urban centres and ports had basic or developing cold storage facilities in place, rural production areas suffered from a severe lack of infrastructure, according to the study.

Road transport dominates the region, making perishable goods highly susceptible to traffic congestion, poor road conditions and long transit times.

The study found chilled and frozen products being loaded into ambient trucks in Ghana, and drivers based in the Ivory Coast and Senegal turning off refrigeration to save fuel.

There was minimal temperature-controlled transportation from farm to collection centres, Madison Jaco, GCCA manager of international projects, told a workshop.

There is also a lack of service assistance for broken-down refrigerated trucks outside major cities.

A lack of structured backhaul programmes makes two-way cold transport highly inefficient.

Key recommendations from the study include bridging rural-urban infrastructure gaps and upgrading third-party logistics to improve regional food security and export competitiveness.

These target cold-chain networks of high-value commodities such as seafood, poultry, horticultural products and pharmaceuticals.

GCCF has facilitated 10 mentorship relationships between international expert members and local operators in Senegal, Ivory Coast, Ghana, Morocco and Mauritania.

The mentorships provided one-on-one technical support to individual cold storage and logistics operators, warehouse designers, business development professionals and customer service representatives in West Africa.

GCCF also delivered a series of in-person training sessions and consultations in the three countries during 2025.

Training covered business development for third-party cold storage and logistics providers and design-built best practices for cold storage and warehouse operations.

The in-person activities were supplemented by English and French digital resources on GCCA's Cold Chain eCampus.

More than 100 individuals received technical cold chain support through this project, according to the organisation.

In a separate project, the GCCA provided training for logistics operators in Mauritania. ER

Feature by Liesl Venter and Ed Richardson

Economy shrinks amid diamond sector uncertainty

Botswana's GDP is expected to grow by 2.7% this year, reflecting a modest recovery in diamond production after a challenging period for the sector.

The landlocked country remains heavily reliant on diamonds, which account for around 80% of export earnings and a significant share of government revenue, leaving the economy vulnerable to fluctuations in global demand.

According to the latest World Bank report on Botswana, the growing consumer shift towards lab-grown diamonds has had a significant impact on the country's economy. Fiscal sustainability has come under increasing pressure as declining mineral revenues and rigid government expenditure have reduced fiscal space and contributed to a rapid rise in public debt in recent years.

Botswana has enjoyed strong economic growth for much of the past four decades, but its heavy reliance on diamonds has left the economy vulnerable to shifts in global demand. After averaging growth of 6.7% between 2021 and 2023, the economy contracted by 3% in 2024 and is estimated to have shrunk by a further 0.9% in 2025 as the diamond sector came under increasing pressure.

"GDP growth is projected to average 3.2% in 2027-28," reads the World Bank report. "This outlook reflects a modest recovery in diamond sales (albeit remaining well below historical values), gradual improvements in electricity supply and an improved business climate supported by trade, financial and administrative reforms."

The country's outlook, however, remains subject to significant downside risks. Continued uncertainty in the diamond sector could delay any recovery, while higher oil prices linked to tensions in the Middle East are expected to place further strain on the economy by pushing up inflation.

> "The diamond sector accounts for around 80% of export earnings and a significant share of government revenue.

Against this backdrop, President Duma Boko used a recent Botswana-South Africa business forum to acknowledge the economic challenges facing the country, including declining diamond revenues, infrastructure constraints, border inefficiencies and the slow implementation of development projects.

Boko said one of government's biggest challenges was turning plans into action and stressed that improving regional infrastructure would be critical to boosting trade, attracting investment and supporting economic diversification, which will be essential if Botswana is to reduce its dependence on diamonds.

"As government, our blind spot is often one thing: the inability to implement and execute," he said.

Referring to the long-delayed Trans-Kalahari rail project linking Botswana and Namibia, Boko expressed frustration at the pace of progress.

"The Trans-Kalahari has been on the cards for 12 years. People talking, technocrats meeting back and forth and talking about talking. I'm tired. I don't want to talk about talking," he said.

Boko said discussions with Namibia's leadership had reinforced the need to move ahead with the project.

"The President of Namibia says this project must be delivered and I say the same thing. We are going to deliver it. We want it delivered this year." LV

Strong focus on digital solutions

Digitalisation and trade facilitation initiatives are increasingly shaping Botswana's logistics landscape as operators look to improve supply chain efficiency amid subdued cargo volumes and ongoing economic uncertainty.

According to Michael Henning, general manager of Easy Clear, the company is exploring new digital solutions and process improvements aimed at streamlining cross-border trade, while also upgrading its integration with the Botswana Unified Revenue Service (BURS) to increase automation.

"We are continuously assessing innovative ways to facilitate trade through streamlined processes and digital solutions. We are currently looking at ways to minimise delays along the North-South Corridor for Copperbelt cargo," he said.

Speaking to *Freight News*, Henning said trade volumes into and out of Botswana had remained relatively subdued compared to historical levels, particularly in sectors linked to mining and consumer demand.

"This can be attributed to weaker global demand for commodities such as diamonds, as well as ongoing global uncertainty, which is driving up fuel prices and, in turn, the cost of goods. That said, we are beginning to see signs of stabilisation and cautious optimism. Government efforts to diversify the economy, alongside increased investment in infrastructure, energy and non-mining sectors, are creating opportunities for future trade growth."

Like many countries in southern Africa, Botswana is being affected by ongoing economic uncertainty, fluctuating cargo volumes, border congestion and regional policy changes.

"Zambia's recent restrictions on the export and movement of sulphuric acid, for example, have an impact across the region," said Henning.

"There is also a need for greater digital integration among supply chain stakeholders, which is increasing pressure to improve efficiency and manage risk. These disruptions make it challenging for logistics operators to maintain competitive pricing. The flip side, however, is that they create opportunities for service providers such as Easy Clear to implement solutions that address some of these challenges or, at the very least, provide greater visibility and flexibility to help customers reduce risk and navigate uncertainty."

> "Efforts to improve regional trade facilitation are beginning to deliver results.
> – Michael Henning

Despite these challenges, Henning said efforts to improve regional trade facilitation were beginning to deliver results.

"The continued enhancement of the Kazungula One Stop Border Post is the most significant development and a major step towards improved cargo flows and reduced transit times," he said.

Greater emphasis is also being placed on customs modernisation, digitalisation and broader trade facilitation initiatives, including policies linked to the African Continental Free Trade Area (AfCFTA).

Looking ahead, Henning said Botswana remained well positioned for future growth despite current challenges.

"There is significant growth potential as the country continues to invest in renewable energy infrastructure, logistics networks and projects within the mining sector, demonstrating a commitment to long-term economic growth. Strategically, the country is also becoming increasingly important for regional trade and distribution."

He said his outlook for the remainder of the year remained cautiously optimistic.

"As with the rest of the continent, our outlook for Botswana remains positive. From a service provider's perspective, many of the challenges facing the industry also present opportunities to develop solutions that improve efficiency and resilience." LV

Economic diversification takes centre stage

In the face of growing global production of lab-grown diamonds, Botswana has launched an aggressive global marketing campaign to promote natural gems, while taking steps to diversify its economy.

The country is the world's leading natural diamond producer by value, with the sector accounting for around 30% of Botswana's gross domestic product and 80% of its exports by value.

Lab-grown diamonds and mined gems are chemically identical, with the factory version much cheaper to produce.

Botswana and its industry partners are positioning natural diamonds as premium products, with a back story.

They are rare, naturally formed and more valuable than synthetic alternatives.

There is a push for clear international labelling standards to distinguish natural stones from lab-grown versions.

Botswana has been diversifying into sectors such as financial services, tourism, trade and agro-processing for some time.

In 2021, former president Mokgweetsi Masisi launched the "Reset Agenda," a strategic policy initiative to accelerate its transition to a high-income country, according to the Ministry of Trade and Entrepreneurship.

The president said a new mindset, seeking new and smarter ways of implementing projects on time and budget, and whose focus was on citizen economic inclusion, was needed.

One of the outcomes was an African Development Bank (AfDB)-sponsored project to support the Government of Botswana in its efforts to diversify the economy through increased competitiveness of SMEs and effectiveness of Business Support Institutions in business support and service delivery, according to the project task manager, John Ng'ambi.

The ban on imports of fruit and vegetables from South Africa was instituted through a project.

It supported local production of fresh fruits and vegetables to reach 86 000 tons according to Botswana Statistics.

Small stock farmers also benefited from non-tariff barriers, with production levels rising, farm waste (25% to 5%) reducing and growth in the number of small stock commercial farmers, according to Ng'ambi.

In March 2025, the government launched the Private Sector Development Strategy (PSDS), which will be implemented through to 2030.

PSDS has five pillars – diversify the economy and increase production capacity; diversify Botswana's export basket; mainstream the informal sector and developing SMMEs; improve the competitiveness and productivity nexus; and increase private sector participation and leadership of strategy implementation.

The plan is estimated to cost R90 million to implement over a period of five years. ER

Walvis Bay focuses on full corridor ecosystem

Ongoing investment in Namibia's ports and transport corridors is strengthening the country's position as a regional logistics gateway for landlocked markets such as Botswana, Zambia and the Democratic Republic of Congo.

"The investment pipeline is arguably the most exciting it has been in Namport's history," said Elias Mwenyo, executive for commercial services at the Namibian Port Authority (Namport).

At Walvis Bay, the expansion of container handling capacity has been the defining infrastructure milestone of the past five years. New container terminal berths, expanded stacking areas and upgraded handling equipment have significantly increased throughput capacity and improved productivity.

"This investment alone has changed the competitive calculus for shipping lines and freight operators evaluating gateway options," said Mwenyo.

At the Port of Lüderitz, Namport is preparing for opportunities linked to Namibia's emerging oil and gas sector, which is positioning the southern port as a potential offshore logistics hub and supply base. Infrastructure planning is already under way, with Namport engaging government, oil and gas operators and the broader supply chain to ensure the necessary capacity is in place when production begins.

> "At the Port of Lüderitz, Namport is preparing for opportunities linked to Namibia's emerging oil and gas sector.
> – Elias Mwenyo

Beyond the ports themselves, corridor road upgrades, dry port developments and cross-border infrastructure investments are helping to improve Namibia's logistics competitiveness.

"The infrastructure story is not just about Walvis Bay. It is about the full corridor ecosystem, and that system is materially stronger today than it was a decade ago," said Mwenyo.

Despite the progress, he said several structural challenges remained. Rail connectivity continues to lag freight demand, resulting in a heavy reliance on road transport and increased logistics costs.

"Unlocking the full potential of the Trans-Kalahari, Trans-Caprivi and Trans-Cunene corridors requires a deliberate shift towards multimodal integration," he said.

Border efficiency and regulatory harmonisation across corridor partner countries also remain challenges.

"Accelerating single-window systems, risk-based inspection models and 24-hour border operations is not optional; they are competitive imperatives."

Mwenyo said high logistics costs, driven by fuel prices, road tolls, inefficient cargo consolidation and limited backloading opportunities, continued to affect regional competitiveness.

Nevertheless, he believes Namibia's logistics strategy is gaining traction.

"Walvis Bay is not trying to be Durban or Dar es Salaam. We are a different proposition and our competitive advantage lies in being precisely that." LV

Botswana-Walvis rail link ‘a strategic priority’

President Duma Boko of Botswana has set an ambitious year-end target to commence work on the proposed $10 billion Trans-Kalahari Railway (TKR), signalling renewed momentum for one of southern Africa’s most strategic regional infrastructure projects.

The railway, envisioned to connect Botswana’s mineral-rich regions and coalfields, including Mmamabula, to the Port of Walvis Bay in Namibia, remains a priority for both governments. The project is expected to play a significant role in enhancing regional trade, strengthening economic integration, improving logistics efficiency, and supporting the movement of bulk commodities to international markets through the Atlantic gateway.

According to Irvaan Maharaj, business development manager for South Africa, Botswana and Zimbabwe at the Walvis Bay Corridor Group, the Trans-Kalahari Corridor (TKC) continues to gain momentum as a strategic trade and logistics route.

“Through proactive business-to-business engagements with emerging iron ore and manganese mining companies, as well as importers of agricultural commodities, WBCG continues to facilitate tailored shipping logistics and integrated transport solutions that unlock new trade opportunities and improve supply chain efficiency,” he said.

“These interventions are strengthening the competitiveness of the corridor while reinforcing the Port of Walvis Bay’s position as a gateway to regional and international markets.”

Maharaj said cargo volumes along the corridor were being driven primarily by growing bulk copper concentrate exports from Botswana’s mining sector.

“The WBCG has played an important role in positioning the TKC as a safe, efficient and reliable trade route for the Botswana market. Growing volumes reflect increasing confidence in the corridor’s ability to provide efficient access to global markets.”

He said the proposed railway would further enhance the corridor’s role in regional trade.

> “The WBCG has played an important role in positioning the TKC as a safe, efficient and reliable trade route for the Botswana market.
> – **Irvaan Maharaj**

“Botswana and Namibia view the TKR as a strategic infrastructure priority. Once completed, it will significantly strengthen the corridor’s capacity and improve connectivity between Botswana’s mining regions and international export markets through Walvis Bay.”

Maharaj said the corridor’s performance was also being supported by ongoing border and trade facilitation improvements.

“The 24-hour border operations and the One-Stop Border Post (OSBP) continue to enhance the efficiency and attractiveness of the TKC by reducing border delays, streamlining customs and clearance procedures, and improving transit time predictability,” he told *Freight News*.

“These trade facilitation measures, coupled with the WBCG’s efforts to strengthen collaboration between government and the private sector, reinforce the corridor’s position as a safe, efficient, and reliable route for regional and international trade. Collectively, these initiatives continue to enhance the competitiveness of the TKC as a preferred trade route for Botswana, the wider region, and global markets.”

Maharaj said Botswana continued to present significant growth opportunities for the corridor, particularly in the mining sector, where new copper and lithium projects were being developed.

“We are strategically positioning the TKC as the logistics solution of choice for these emerging industries by facilitating market linkages, promoting trade and investment opportunities, and supporting integrated transport solutions,” he said.

According to Maharaj, rising global demand for critical minerals and battery metals is expected to create further opportunities for the corridor.

“The WBCG remains committed to leveraging these developments to expand regional trade, strengthen corridor utilisation, and support greater economic integration within the SADC region.”

Looking ahead, Maharaj said the outlook for both Botswana and the TKC remained positive, supported by the continued mining sector expansion and growing regional trade opportunities.

“While mining is expected to remain a key driver of volumes, we are also promoting opportunities in the manufacturing, agriculture and horticulture sectors, which are expected to contribute to both import and export growth through the Port of Walvis Bay. LV

Digging starts for New Botswana City

Botswana has broken ground on one of the largest foreign direct investment projects in the country's history – and it has nothing to do with mining.

A $1.9 billion mixed-use urban project, the "New Botswana City", is being financed by Dubai construction and infrastructure company Albaddad, according to Botswana Development Corporation (BDC) managing director Oteng Keabetswe.

BDC is providing the land adjacent to the Sir Seretse Khama International Airport (SSKIA), while "using other people's capital", given a drop in revenues from diamond sales, he told the media at the ground breaking ceremony.

> "The new city will provide the physical infrastructure required for local processing and value-adding industries and is designed to position Botswana as a regional trade and manufacturing hub.

The megaproject will span 1.26 million square metres in a Special Economic Zone and aims to transform Botswana into a premier regional destination for international trade, business tourism and global exhibitions, according to the developers.

BDC will initially hold a 5% stake in the project, which it plans to increase to 26% over time.

The development will include a trade and exhibition centre, office towers, retail space, residential properties and five hotels, and will be solar powered.

Work has started with the Botswana World Trade Centre.

The new city and neighbouring airport development will support an estimated 37 500 jobs across the different sectors once fully developed.

It will provide the physical infrastructure required for local processing and value-adding industries to meet the African Continental Free Trade Area (AfCFTA) rules of origin requirements and is designed to position Botswana as a regional trade and manufacturing hub.

Keabetswe described Botswana as "a safe haven" for investors that "provides the security [and] no exchange controls [...] that are important to global capital".

The deal is the latest in a series of African investments by companies based in the United Arab Emirates (UAE).

They have become major investors in sectors ranging from ports and logistics to mining, energy and real estate.

Emirati firms have invested in mining projects in Ethiopia, Mali, Ghana and Zambia, while logistics giants such as DP World and AD Ports have expanded operations across Central and West Africa as Gulf states seek access to critical minerals and trade corridors.

The New Botswana City is the first major investment by UAE companies in the country.

Botswana is also reported to be in discussions with the UAE and Oman about securing support for a potential acquisition of a larger stake in De Beers as Anglo American sells its 85% share in the world's largest diamond producer.

Botswana already owns a 15% stake. ER

Renewed focus on private sector

Botswana's attempts to develop the private sector since 2008 through a series of strategies have been revived as diamonds lose their shine.

The latest private sector development programme (PSDP 2025 – 2029) states that, despite the interventions, "the private sector in Botswana has continued to play a peripheral role in the economy and its contribution to gross investment has remained low.

"The public sector, comprising government ministries, local government, parastatals and state-owned enterprises, continues to dominate investment and economic activities such as mining, minerals processing, beef processing, energy production, telecommunications, provision of training services and finance provision".

As a result, Botswana has been running on a trade deficit for the past five years, except 2025 when there was a balance due to a recovery in diamond exports.

The balance has largely been negative in 2026, according to Statistics Botswana.

Countries in the Southern African Customs Union (SACU) supplied around 63% of imports in March 2026, with South Africa accounting for 51% of the total.

Botswana imports fuel, food, beverages and tobacco, machinery and electric equipment, chemicals and rubber products and vehicles, with South Africa as the dominant source of imports.

Asia is the largest export market, accounting for 37% of the total value in March, dominated by diamonds and copper.

SACU was the second-largest market at 22%, consisting of diamonds, machinery, electrical equipment, salt and soda ash, followed by the European Union at 20% of total exports.

In its programme to increase private sector participation in the economy and exports, the government has identified several priority sectors under the Botswana Economic Transformation Programme. They are mining and energy, manufacturing, agriculture, tourism and creative industries, infrastructure and financial services.

A key element of diversification is moving beyond raw diamonds to a wider range of mining and energy resources.

The government has established a one-stop service centre for both new and existing foreign and local investors, according to the Botswana Investment and Trade Centre (BITC).

Logistics is listed among the opportunities, in the form of "consolidation, deconsolidation, distribution, transport services, handling, warehouse management and integrated systems".

Other sectors are leather and leather goods, supplying components to the automotive sector, information communication technology (ICT), health, education, energy, agriculture, diamond beneficiation, transport infrastructure and financial and business services.

Incentives include no foreign exchange controls, duty-free importation of manufacturing equipment, customs exemption on raw materials used for goods outside SACU, a 10-year tax holiday and the lowest personal and corporate taxes in the SACU, according to the BITC. ER

Feature by Liesl Venter, Ed Richardson and Lyse Comins

Rail funders demand guaranteed volumes

Rail operators across southern Africa will struggle to secure funding for infrastructure upgrades unless cargo owners commit freight volumes through long-term contracts, according to the Southern African Railways Association (SARA).

Speaking during a road and rail discussion at the Zambia Land-Linked Conference recently, Raymond Shoniwa, SARA executive director, said financiers were increasingly requiring rail projects to demonstrate guaranteed cargo volumes before funding would be approved.

"The funding models that are available today demand that any project brought to financiers is tied to specific cargo," he said. "Without participation from cargo owners, it becomes difficult for rail operators to unlock the funding that is out there."

He said the industry could also no longer afford delays in shifting bulk freight from road to rail.

"The quantities can still be determined, but without contracts being signed, we are not going to generate revenue and attract further investment."

Shoniwa said in an ideal bulk freight environment, rail should carry around 70% of volumes, with road transport accounting for the remaining 30%.

> "In an ideal bulk freight environment, rail should carry around 70% of volumes, with road transport accounting for the remaining 30%.
> – Raymond Shoniwa

"In the short term, road will continue to play an important role, particularly in first- and last-mile operations, but we are behind where we should be as a region when it comes to rail."

Road remains the predominant mode of transport across the region. Cuthbert Malindi, managing director of Zambia Railways, said southern Africa could significantly increase the share of freight moved by rail within the next two to three years, provided greater investment was directed towards rail infrastructure and freight operations.

"It is important to understand the facts and demonstrate them through figures," he said. "Right now, 98% of cargo is transported by road and only 2% by rail. Developed countries all use rail extensively. There is no country with a strong industrial economy that does not have a functioning rail system."

According to Malindi, the debate should no longer be about whether road or rail is more important, but rather about accelerating investment in rail infrastructure.

"We are still debating road versus rail when we should be putting money into rail," he said.

Shoniwa agreed, saying rail was not a threat to road operations. "No matter where we go in southern Africa, road will always play a role in the resuscitation of rail," he said.

However, he urged governments, mining companies and logistics stakeholders to accelerate the shift of suitable bulk cargoes onto rail networks.

"There has been a tendency to delay. We cannot keep stopping and waiting. The question now is: where is our 30%? We want to see that transition happening." LV

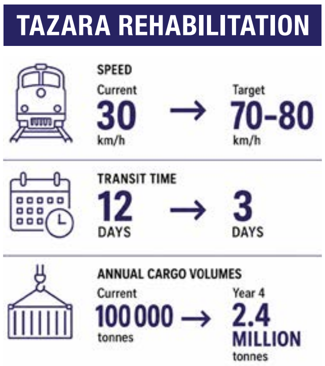
Chinese investment a game-changer for TAZARA

Rail is set to play a significantly larger role in southern Africa's freight network as investment in railway infrastructure gathers momentum across the region, with projects such as TAZARA, the Lobito Corridor and the proposed Trans-Kalahari Railway expected to shift increasing volumes of cargo from road to rail.

Speaking during a road and rail panel discussion at the Zambia Land-Linked Conference, industry stakeholders said the rehabilitation and concessioning of the Tanzania-Zambia Railway Authority (TAZARA) railway alone was expected to dramatically improve freight efficiency, reducing transit times from as much as 12 days to as little as three while increasing annual cargo volumes more than twentyfold.

According to Bruno Ching'andu, managing director of TAZARA, the concession programme will initially focus on repairing and upgrading infrastructure before introducing new locomotives and wagons.

The upgrades are expected to increase train speeds from the current 30 km/h to between 70 km/h and 80 km/h.



"The attractiveness of the railway improves immediately," he said. "The cost of operations and pricing will also improve, and we expect this to attract more traffic from road to rail."

China Civil Engineering Construction Corporation announced plans to invest about $1.4 billion to rehabilitate the 1 860 km railway between Dar es Salaam in Tanzania and Kapiri Mposhi in Zambia under a 30-year concession in April last year.

Ching'andu told delegates the concession was the game-changer for TAZARA as it addressed capital financing, possibly the biggest challenge the project had faced.

Annual volumes are projected to increase from approximately 100 000 tonnes currently to around 2.4 million tonnes by the fourth year of the concession.

Cuthbert Malindi, managing director of Zambia Railways, said investment in railway projects was on the rise across the region and expectations were high that the share of freight moved by rail would increase within the next two to three years.

Rail is increasingly being viewed as a game-changer for logistics in southern Africa, with governments across the region prioritising investment and reform to unlock economic growth.

In Botswana, President Duma Boko has issued a deadline for work to begin on the proposed $10bn Trans-Kalahari Railway project, which has also been more than a decade in the making. He has called for firm movement on the project by no later than December this year.

Another important development has been the acceleration of the Lobito Corridor project, with the Lobito Atlantic Railway now providing rail services from the Port of Lobito in Angola to the Democratic Republic of the Congo (DRC) Copperbelt. Funding has also been secured for a new 515 km Zambian rail link to connect with the Lobito line, as well as a 315 km extension into the DRC.

Ching'andu said rail remained critical to the continent's long-term logistics future, particularly for moving bulk commodities over long distances.

Malindi said one of the biggest challenges facing rail operators was that rail infrastructure had been neglected for years while freight volumes had increasingly shifted to road. Unlike roads, which are generally funded by governments, rail operators were often expected to fund infrastructure upgrades and rolling stock investments themselves.

He argued that the solution extended beyond simply rehabilitating rail lines or acquiring new locomotives and wagons.

"We need to look at the entire logistics chain," he said. "It is not just about moving cargo from A to B. We need to ask where the loading and offloading points are, where the transhipment hubs are and how the different modes work together." LV

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Load brokers pinch transporters' margins

South Africa's rapid growth of unregulated digital and traditional load broking platforms is driving price undercutting and escalating financial and operational risks for local transport operators.

Industry experts warned at the Road Freight Association (RFA) Convention in Ballito that the phenomenon was severely compressing already thin margins and undercutting legitimate operations.

The commercial realities and mounting operational risks of this phenomenon were a focal point of a panel discussion moderated by Professor Hugo Pienaar. The discussion, titled Shifting gears or stripping gears – is load broking breaking the freight engine? brought together key industry voices to debate whether these platforms are an essential modern logistical tool or a destructive force eroding sustainability.

Delegates noted that load broking operated similarly to the services provided to clients by bond originators, acting as middlemen to source and aggregate load price options.

However, while banking and bond origination sectors are highly regulated, the load broking industry remains completely unregulated.

"Unlike the bond originators, there isn't a formalised structure for these types of businesses that operate within the industry," said RFA CEO Gavin Kelly.

> "The broker takes a margin on the top, and in some instances, when it comes to payment, they sort of disappear.
> – Prayleen Bailey

For example, the National Bargaining Council for the Road Freight and Logistics Industry does not inspect load brokers, because they are not required to be registered with council.

For small and medium enterprises (SMEs), entering these platforms can trigger a desperate spiral.

Entrepreneur Prayleen Bailey, founder of courier firm Krosworx Trading, highlighted that while brokers acted as industry aggregators to quickly pull fleet capacity for demanding customers, the unintended consequences for small truckers were severe.

"We start looking at dropping prices because you want that vehicle to move, so that is one of the unintended consequences, and it just doesn't become sustainable in the long run," Bailey said.

"The broker takes a margin on the top, and in some instances, when it comes to payment, they sort of disappear," she said.

Exporters and end users are also being exposed to severe cost inflation and risk through multi-layered intermediaries.

Removal firm Britannia MD, Ryan Kruger, focused on the exporter's perspective, noting that unaccredited brokers frequently approached transporters for pricing simply to flip the move on to someone else at a massive profit margin.

"What we're finding is the trend is getting more and more that there are people that are unaccredited or … don't have any affiliation to anybody that are getting companies to do their moves, but adding maybe 20-30% to the prices," Kruger said.

"If something goes wrong, that person's gone and run with the money; you may end up carrying the weight and consequences."

Kelly questioned the hidden compromises behind the slashed rates load brokers are squeezing from transporters

"What's not being paid for? Is it labour? Is it simple stuff? Is it tyres? Is it brake linings? Is it maintenance? Is it adulterated fuel? What is it that is being cut out of the cost structure?"

He said as a result road safety was probably also being compromised.

Kelly added that the RFA was escalating the issue to national authorities to protect vulnerable operators and drivers.

The association had engaged with the Department of Transport and the Department of Trade, Industry and Competition to discuss the potential oversight and regulation of load brokers, he said. LC

Road freight operators are calling for tighter oversight of load-broking platforms amid growing concerns that aggressive pricing is putting pressure on margins and increasing operational risk.

Transporters brace for costs of Aarto administration

South Africa's road freight industry is bracing for a massive compliance shift with the upcoming implementation of the Administrative Adjudication of Road Traffic Offences (Aarto) Act, which experts warn will bring operational uncertainty and escalating costs for transport businesses.

The subject was a focal point during a panel discussion at the Road Freight Association Convention 2026 in Ballito recently, where experts highlighted the severe financial and legal risks facing operators.

Steve Cornelius, a senior consultant at Olea South Africa, warned that the transport sector had not fully grasped the massive financial and insurance exposures on the horizon due to the legislation.

"The exposure to risk is going to increase substantially. The minute the insurer, or you as the operations manager, is not aware of what's going on, you immediately become exposed to a potential repudiation from the insurer," Cornelius said.

He said standard insurance contracts strictly required a valid driver's licence. Under Aarto, if an operator is unaware that a driver's licence has been suspended due to accumulated demerit points and an accident occurs, insurers are highly likely to repudiate the claim.

"It could be catastrophic for you and your business in a marginalised industry like the logistics industry," Cornelius added.

> "The exposure to risk is going to increase substantially. The minute the insurer is not aware of what's going on, you immediately become exposed.

Project Logistics Management managing director, Carl Webb, expressed deep concern over the administrative and financial burden Aarto places on already distressed transport companies.

He warned that businesses would be forced to absorb the costs of monitoring the demerit system themselves.

"Now we're going to have to spend more money to manage ourselves. Surely it's not our job? They (the Department of Transport) should be updating or advising," he said.

"You probably have to employ somebody, depending on the size of your company. We've got 20 vehicles. We will have to employ somebody to just sit and every day, every week, try and access the system, which no doubt won't work properly. But we have to access the system to see the status, if there are fines outstanding," he said.

"At the end of the day, the industry is already distressed."

According to Statistics SA's Labour Force Survey, there were 301 000 job losses, of which 30 000 were in the logistics sector, in the first quarter of the year.

Webb also raised fears regarding corruption and enforcement on the ground

"All that's going to happen is your bribes are going to double, because it's his (the driver's) livelihood.

As long as your law enforcement matches the enthusiasm of the introduction of Aarto, we'll be okay," Webb said.

Panel chair Magretia Brown-Engelbrecht concluded that the transition required an immediate, holistic structural shift by logistics companies rather than a mere update to employee relations policies. She urged operators to prepare well ahead of the final implementation deadline. LC

Transport operators are preparing for the compliance and administrative demands expected under Aarto.

Rising demand for digital traceability

SGS has expanded its road freight inspection and certification services as part of an ongoing effort to support safer and more efficient cross-border trade.

According to Johan Eksteen, business manager for the Connectivity & Products Division (C&P) at SGS, investments have been made in digital platforms that allow real-time monitoring of cargo integrity, ensuring compliance with both local and international standards. This innovation reduces delays at checkpoints and enhances transparency for clients moving goods by road.

"On the rail side, SGS C&P has introduced advanced risk assessment and cargo verification solutions tailored to bulk commodities and containerised freight," he told *Freight News*. "By integrating IoT-enabled sensors and remote auditing tools, we are helping rail operators improve efficiency while maintaining strict safety and compliance standards."

Eksteen said there was rising demand for digital traceability and compliance reporting within the road freight sector. "There is also increased focus on sustainability, with companies seeking greener logistics solutions. Pressure to optimise costs amid fluctuating fuel prices and global supply chain disruptions remains."

He said there was growing interest in rail as a lower-carbon alternative to road transport. "Infrastructure modernisation projects aimed at improving reliability and capacity are on the increase and there is more collaboration between private and public stakeholders to unlock investment in rail corridors."

Asked about the challenges, he said congestion, rising fuel costs and regulatory complexity remained significant hurdles for road operators. Ensuring cargo safety and compliance across multiple jurisdictions was another persistent challenge.

"In the rail space, ageing infrastructure, limited capacity on key routes and operational inefficiencies continue to constrain growth. Rail operators also face pressure to modernise systems while balancing affordability."

But, said Eksteen, opportunities existed in both sectors. "For road, the biggest opportunity lies in leveraging digital compliance tools to streamline border crossings and reduce downtime. Demand for certified, transparent logistics solutions is driving growth in this area. Rail presents strong opportunities in bulk commodity transport and long-haul freight. The push for decarbonisation is accelerating investment in rail as a sustainable alternative, creating new avenues for SGS C&P's compliance and certification services."

Looking at rail volumes, there has definitely been an increase, particularly in bulk commodities and intermodal freight. This has been driven by sustainability targets, cost efficiency and government-backed infrastructure upgrades.

"Road freight volumes remain resilient, with growth in FMCG and cross-border trade. However, operators are under pressure to adopt compliance-driven digital solutions to remain competitive," said Eksteen.

The company's outlook for both road and rail remains positive, said Eksteen. "We expect steady growth for road freight, supported by digitalisation and compliance-driven efficiencies.

"Operators who embrace transparency and sustainability will be best positioned to thrive. Rail will continue to gain momentum as infrastructure projects progress. With sustainability at the forefront, rail is poised to capture a larger share of freight volumes, especially in bulk and long-haul sectors." LV

Operators calling for integrated solutions

Technology is rapidly reshaping South Africa's road freight sector as operators increasingly invest in digital solutions to improve efficiency and customer service. From transport management systems and real-time vehicle tracking to automated scheduling, digital proof of delivery and customer-facing visibility platforms, technology is becoming a critical enabler of operational performance.

According to Marius du Randt, customer success lead at CtrlFleet, the pace of digital adoption has accelerated significantly in recent years as transport operators seek greater control over fleet operations while responding to growing pressure to improve productivity and manage rising costs.

"The market is also seeing greater demand for integrated fleet management solutions that provide end-to-end visibility across owned fleets, subcontractors, drivers and customers," he said.

"As operating costs continue to rise, transporters are placing greater emphasis on optimisation, automation and data-driven decision-making to improve fleet utilisation and maintain profitability. At the same time, there has been a marked shift towards more transparent and responsive logistics operations, with real-time communication, accurate ETAs and operational visibility increasingly becoming key differentiators rather than optional value-added services."

Du Randt said there were also encouraging developments on the rail front, particularly around reform initiatives and increased private-sector participation.

"Recent progress in opening sections of the rail network to private train operators has created renewed confidence that rail can play a larger role in supporting economic growth and reducing pressure on road infrastructure," he said.

According to Du Randt, road freight operators continue to face significant cost pressures driven by fuel prices, vehicle maintenance, insurance costs and deteriorating infrastructure.

"On the rail side, challenges remain around infrastructure reliability, operational consistency and the pace of recovery. Cable theft, vandalism, signalling failures and locomotive shortages have impacted network performance and reduced confidence among freight owners over the past several years."

Despite these challenges, he believes both sectors are well positioned for growth.

"The greatest potential within road freight lies in technology-enabled operations, improved customer visibility and integrated transport management. Businesses increasingly require accurate information, real-time updates and proactive communication throughout the transport process," he said.

Marius du Randt, customer success lead at CtrlFleet

"There are also significant growth areas in dedicated distribution contracts, regional cross-border logistics and specialised freight services supporting sectors such as mining, agriculture, retail and manufacturing. As economic activity continues to recover and regional trade expands, demand for efficient transport solutions is expected to remain strong.

"Companies that successfully leverage technology, optimise fleet utilisation and deliver superior customer experiences will be best positioned to capitalise on this demand." LV

Lack of coordination hampers rail projects

Rail infrastructure projects across southern Africa are frequently delayed, not because of a lack of capital, political support or even technical expertise, but because there is no dedicated process to drive implementation from concept to execution, according to Dr Maximilian Matschke, managing partner at Anura Partners.

Speaking at the Zambia Land-Linked Conference earlier this year, Matschke said that many corridor projects already had feasibility studies, funding institutions, contractors and political backing in place, yet remained stalled because no one was responsible for coordinating the various stakeholders and managing the process from start to finish.

"Think of it like puzzle pieces on a table," he said. "The picture on the box is clear, but what is missing is someone to assemble it. In the rail space, no one owns that assembly process and so the pieces remain scattered and the picture unfinished."

Successful rail corridor development required a structured process, he said.

"That starts with convening the right people, identifying all the stakeholders and bringing them together around the same table," he told delegates. "It means securing formal commitments through written agreements. There needs to be an alignment instrument, even if it is only a one-pager of intent to collaborate, signed by all parties with resources committed to the project."

> "Rail corridors are among the most durable infrastructure legacies a country can create.
> – Dr Maximilian Matschke

Another critical element often missing from rail corridor projects was the identification of what Matschke described as "fatal gaps".

"You have to understand where the critical gaps are and recognise that not all obstacles carry the same weight. It means addressing misconceptions and building a solid fact base to determine which solutions are the most economically viable. Rail projects in southern Africa are not short of visionaries, but rather the coordination capacity that drives change and the process."

He said cross-border rail corridors also required a dedicated coordination function focused on accelerating implementation and maintaining momentum.

"It is not about whether we can afford it," he said. "Rail corridors are among the most durable infrastructure legacies a country can create. They serve generations, deliver significant economic multipliers and have an impact that is unmatched by almost any other government intervention."

Leaders who successfully delivered rail corridors would be remembered for unlocking trade, investment and long-term economic growth.

"The freight is there. The opportunity is there. What is needed is a process that brings the pieces together and keeps them moving forward." LV

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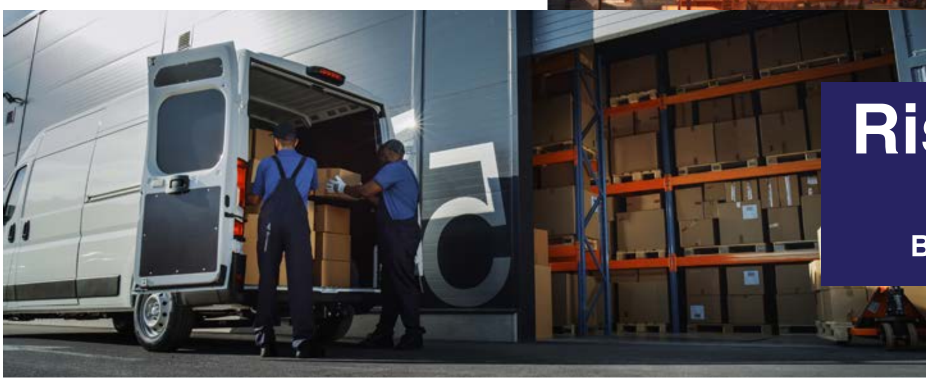

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