

Business-Government collaboration strengthens logistics sector

Significant developments have been witnessed in South Africa's transport and logistics sector, with the implementation of successful public-private partnerships addressing both immediate operational challenges and long-term structural reforms.

During the 2024/25 festive season, the critical N4 transport corridor faced multiple challenges, which were made more complex by holiday traffic, ongoing trucking operations, and security concerns in Mozambique. However, the National Logistics Crisis Committee (NLCC) played a pivotal role in managing the predicament.

Business Unity South Africa (BUSA) CEO Khulekani Mathe reported that the situation required constant monitoring due to ongoing unrest in the neighbouring state, which led to intermittent closures of the Lebombo Border Post, resulting in significant congestion.

A multi-stakeholder response team, comprising cargo owners, logistics providers, and business associations, collaborated with South African and Mozambican authorities to ensure the continued movement of freight and the safety of drivers. The team held virtual meetings up to twice a day, sometimes coordinating with the Mozambican army

for the safe escort of trucks back to South Africa.

The crisis management effort was supported by the NLCC Pulse Report, a weekly industry tool developed in 2024 that tracks and analyses logistics data across South Africa's major transport corridors. This system proved invaluable in maintaining effective communication throughout the logistics sector during the festive period.

Rail transformation gathers steam

In a separate but related development, Transnet's Rail Infrastructure Manager (TRIM) has made significant progress in transforming South Africa's rail network.

Following the initial Network Statement publication in December 2024, TRIM issued key revisions on 5 February 2025, addressing industry concerns about fairness and transparency in the rail sector's liberalisation process.

Ian Bird, a senior executive for Transport & Logistics at Business for South Africa (B4SA), emphasised the importance of these updates, which have increased the available capacity for private operators to over 209 million tonnes. The revised framework aims to ensure broader participation in the country's supply chain,

accommodating both established and new market entrants.

The reforms have been further strengthened by Transnet CEO Michelle Phillips's commitment to facilitate business investment in ageing infrastructure. This commitment is widely regarded as being pivotal to the sustainability of South Africa's rail network and the success of the government's broader Road to Rail programme.

These recent developments underscore a growing recognition of the importance of public-private collaboration in addressing South Africa's logistics challenges, and the partnership between business and government through the NLCC has demonstrated its ability to handle both immediate crises and long-term structural reforms.

The successful management of the N4 corridor challenges and the progressive opening of the rail network represent significant steps towards building a more resilient and competitive transport and logistics sector. These improvements are expected to contribute to economic growth and job creation in South Africa, whilst ensuring the country maintains its crucial trade links with neighbouring states.

Industry observers have noted that these developments represent a positive shift in South Africa's approach to infrastructure management and crisis response. The combination of immediate operational improvements and structural reforms suggests a more comprehensive strategy for addressing the country's logistics challenges.

As South Africa continues to implement these changes, the focus remains on creating an inclusive and sustainable transport network that can support the country's economic ambitions whilst promoting broader participation in the sector. **BFA**

