

Companies and Deals

Saudi-backed port developer weighs Durban harbour deal

South Africa is seeking to boost private participation in its ports, as the poor performance of state-owned Transnet has dragged down the economy.

By Loni Prinsloo and Mpho Hlakudi, Bloomberg · 6 May 2025 ⌚ 07:21

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The entrance to the Port of Durban on SA's east coast. Image: Shutterstock

Saudi Arabian ports operator Red Sea Gateway Terminal, backed by the kingdom's \$925 billion sovereign wealth fund, is evaluating whether to bid to develop and run a fresh-produce terminal at Africa's biggest maritime hub.

South Africa's state-owned ports operator on Monday issued requests for proposals for a terminal operator to build and manage the development at the Maydon Wharf at the port of Durban. The concession would be for 25 years, Transnet said in a statement.

Read: [Transnet opens bidding for Durban multi-purpose terminal concession](#)

“Red Sea Gateway Terminal International is a keen investor in the South African ports and related sectors” RSGTI director of Global Investments Gagan Seksaria said in an emailed response to questions.

It's considering participating in the tender together with potential local partners, added Seksaria.

The development on the country's eastern coast spans about 145 hectares, features 15 berths and has capacity of more than 7 million tons of cargo annually.

South Africa is seeking to boost private participation in its ports, as the poor performance of state-owned Transnet has dragged down the economy.

Transnet has sought private investment to revive its container ports that rank among the least efficient globally, according to the World Bank and S&P Global Market Intelligence. The company disputes the rankings.

A South African court in October temporarily blocked a deal between the state-owned logistics firm and International Container Terminal Services – owned by Filipino billionaire Enrique Razon – to expand and run sub-Saharan Africa's biggest container port, which is also at Durban, after A.P. Moller-Maersk A/S challenged the award.

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[Transnet seeks operator for Durban Port's multi-purpose terminal](#)

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South Africa is the world's biggest citrus exporter after Spain, with its grapefruits, lemons and oranges shipped to nations such as South Korea and countries in the Middle East.

The chaos that's enveloped Transnet – beset by corruption, theft and dilapidated equipment – is a key threat to a rare economic success story in South Africa's ailing economy.

While the inefficient rail lines and ports have sent coal and iron-ore exports to multi-decade lows, agricultural products in 2023 hit a record \$13.2 billion.

RSGTI is also evaluating multiple concession and acquisition opportunities in other parts of Africa with an emphasis on multipurpose terminals focused on mining and food trade, Seksaria said

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