

Rail reforms offer fresh hope for agricultural logistics

By Jyothi Laldas | 20 September 2025 | 5:00 am

The South African citrus industry has welcomed government's decision to open Transnet's rail network to private operators, seeing it as a potential game-changer for agricultural logistics.



With logistics inefficiencies costing the citrus industry an estimated R5,3 billion a year, growers are hopeful that new rail initiatives will provide much-needed relief.

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In late August, [Minister of Transport Barbara Creecy](#) announced that 11 private companies had met the necessary requirements and would proceed to the next stage of negotiations and contracting and would be allocated 41 rail routes across six key corridors for one to 10 years.

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Private operators to enter Transnet rail network

The rail reform initiative follows the National Rail Policy approved by Cabinet in March 2022, which, for the first time in Transnet's history, allows for private-sector participation while keeping infrastructure under state ownership.

Creecy said the Transnet Rail Infrastructure Manager estimated that the new train operating companies would carry an additional 20 million tons of freight per annum from the 2026/27 financial year.

"The participation of private operators will go a long way in increasing Transnet rail volumes and assist producers in the mining and agriculture sector [with meeting] rail cargo volume



× "ions [for] exporters, and encourage the upgrade of the rail infrastructure," she said
media briefing.

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"This will supplement Transnet Freight Rail's forecast volumes and contribute to government's target of increasing freight moved by rail to 250 million tons per annum by 2029."

Citrus growers count the cost of delays

For the citrus industry, these developments come at a crucial time, according to Citrus Growers' Association of Southern Africa (CGA) CEO Boitshoko Ntshabele.

Speaking to *Farmer's Weekly*, he said the CGA had been vocal about the impact of transport inefficiencies on the industry.

"In February this year, the CGA released a [Bureau for Food and Agricultural Policy] report on the impact of logistics inefficiencies on our industry. The total direct and indirect cost of these inefficiencies was estimated at R5,3 billion per annum – money that could have gone into the economy, created jobs, and provided a good return for our growers. The immediate concern for our growers, however, is getting export fruit to ports from where it is shipped," Ntshabele said.

Mitchell Brooke, logistics development manager at the CGA, highlighted the distances involved in moving fruit from farm to port.

"Forty percent of South Africa's export citrus is grown in Limpopo. Once harvested, the produce must travel about 850km to Durban before it is shipped. Improved local rail networks can assist greatly in this regard," he explained.

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Private partnerships seen as the way forward

Ntshabele expressed support for initiatives trialling citrus transport by rail: "In one of [the CGA's] newsletters, we reported on rail transportation of citrus from City Deep in Johannesburg down to the Durban port. We are keen on the growth of any of these types of initiatives over the next few years.

"With our own projected increases in production volumes, the easing of transportation to market destinations at minimal cost to our growers is a priority."

He added that private-sector partnerships provided the solution to ensuring smoother logistics that would facilitate growth and job creation in the citrus industry.

Jyothi Laldas

Jyothi Laldas is an accomplished journalist with 15 years of experience in the news media industry. She has established herself as a respected voice in the field, known for her keen insights and passion for storytelling. Jyothi

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