



CONTRIBUTION OF RAIL TO NATIONAL DEVELOPMENT PLAN

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MARKET DEMAND STRATEGY OVERVIEW

- **R300bn** capital investment programme
- Expanding **rail, port and pipeline infrastructure**
- **Increase** in capacity to meet market demand
- Continued **financial stability** and strength
- Significant **productivity and operational efficiency** improvements
- **Shift from road to rail** – reducing the cost of doing business and carbon emissions
- Enabling **economic growth**
- **Job creation**, skills development, **localisation**, empowerment and transformation opportunities

OVERVIEW OF TRANSNET FREIGHT RAIL

Introduction

- Transnet Freight Rail is the largest division of Transnet. It is a world class heavy haul freight rail company that specializes in the transportation of freight.
- Transnet Freight Rail has over 38 000 employees, who are spread throughout the country. The company maintains an extensive rail network across South Africa that connects with other rail networks in the sub-Saharan region, with its rail infrastructure representing about 80% of Africa's total.
- The company is proud of its reputation for technological leadership beyond Africa as well as with-in Africa, where it is active in some 17 countries.
- Transnet Freight Rail has positioned itself to become a profitable and sustainable freight railway business, assisting in driving the competitiveness of the South African economy.

The company is made up of the following six business units:

- Agriculture and Bulk liquids
- Coal
- Container and Automotive
- Iron Ore and Manganese
- Steel and Cement
- Mineral Mining and Chrome
- The company also have an International Business, which is an interface between TFR, Ports and SADC railways. It coordinates and grows TFR's activities in the neighbouring states and identifies new markets in an effort to extend the company's operational footprint.

Quick Facts:

- Moves 17% of the nation's freight annually
- 100% of export Coal
- 100% of export Iron Ore
- 30% of the core network carries 95% of freight volumes
- Annual revenues of over R14 billion (US\$ 2.2bn)
- R35 billion capital investment over the next 5 years
- Over 38 000 employees country wide

- On 25 September 2014, daily tons of 817 082 was the highest for this year
- New monthly record of 20.042 million tons achieved in September 2014, the previous record being 19.271 million tons which was achieved in April 2014.
- New quarterly record of 57.114 millions tons was achieved in quarter 2 ; the previous record was 55.238 million tons achieved in quarter 2 of 2013/14.

