

TFR Set to Boost Agriculture Industry in Limpopo

23 February 2010

Transnet Freight Rail is set to reduce the cost of transportation of fruit in Limpopo from R1.9 billion to R1.7 billion over the next five years. This is provided that TFR gains 35% of the fruit producers transport share. This in turn will reduce the number of road trucks annually transporting citrus fruit to the Port from 55 000 trips to 32 000 which will drastically reduce the carbon footprint of citrus from 56 million tons of CO2 to a more acceptable 25 million tons.

This exciting news follows collaborative partnership discussions between TFR and the Departments of Road and Transport, Agriculture and Economic Development in Limpopo.

The Province is responsible for 30% of the country's citrus and 45% of South Africa's Valencia exports. Freight Rail transported a mere 5% of this in 2009. "Increased road transportation costs, congestion on the roads as well as the deteriorating state of some of the roads have necessitated a re-think on how best to enhance the profitability of the agricultural sector in Limpopo and rail is in a position to do just that", said Themba Gwala, TFR General Manager, Container and Automotive business.

Transnet Freight Rail's corridor focused approach, its integration with the Ports as well as its ability to support intermodal growth by consolidation, access and transshipment has seen the Company gain market share in this highly competitive industry. "The growth of rail-based container volumes supports the National interest because it alleviates congestion on the national road network and reduces the cost of logistics in South Africa", said TFR acting Chief Executive Tau Morwe,.

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Issued by Transnet Freight Rail

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