



**TRANSPORT MINISTRY**  
**REPUBLIC OF SOUTH AFRICA**

**Minister of Transport Ms. Barbara Creecy, MP. Keynote address at the 43<sup>rd</sup> Annual Southern African Transport Conference and Exhibition (SATC), 07 July 2025, CSIR, Pretoria.**

Programme Director

The Acting Director-General of the Department of Transport, Mr. Mathabatha Mokonyama

The Conference Chairperson, Dr Mathetha Mokonyama

The Chairperson of the ATC Board, Mr. Philip Hendricks

Members of the 2025 SATC Organising Committee

Provincial Members of the Executive Councils tasked with Transport

Session Chairpersons, speakers and panel members

Representatives of Research and Academic Institutions

Senior Transport executives from Africa and around the World

Captains of industry

Distinguished guests

Members of the Media

Ladies and Gentlemen

Thank you for inviting me for the second time, to deliver a keynote address at this, the forty-third Annual Southern African Transport Conference and Exhibition with the theme:

***“Mobility Solutions to Southern African Challenges.”***

The aims and objectives of this Conference are aligned to the strategic priorities of the 7<sup>th</sup> Administration namely to promote inclusive economic growth and create jobs; to maintain and optimize the social wage and to build a capable and ethical state.

We all understand that an optimally functioning transport system is a cornerstone requirement for the achievement of all three objectives. This will require that the integrated transport system of the country be planned, designed, constructed, operated and maintained in such a manner that long-term economic growth and development of South Africa can be achieved and sustained.

**The role that the Department of Transport must play:**

We must be conscious of the fact that the economic outlook faces several risks, including domestic constraints and global uncertainties that could hinder growth.

The Department’s sixteen SOEs and entities operate in an environment that is not of our choosing. Accordingly, this will require leadership and foresight that prioritise the interests of our country and its people.

Prompt execution of reforms in the logistics sector, along the total value chain, from pit-to-port and from manufacture-to-consumer, is essential to address and reduce the risks present in both our global and domestic environments.

These risks include domestic issues such as port and rail constraints, as well as increased spending pressures, along with global risks intensified by trade tensions and market volatility. Effective implementation of reforms is essential for boosting growth and employment; however, geopolitical tensions may alter foreign direct investment patterns.

To give guidance to this huge ecosystem and focus the work of all of our entities on a common programme to improve our passenger, freight and logistics system over the next four years, we are guided by the following six clear targets.

- The first is to ensure that by 2029, 250 million tons of freight are carried on the Transnet network per annum.
- The second is to improve the speed by which we load and unload ships to the international benchmark of 30 gross crane movements per hour.
- The third is to ensure our passenger rail system provides safe, reliable and affordable transport to workers and their families, we aim to ensure 600 million passenger journeys per annum by 2030.

- The fourth is to boost the contribution of aviation to tourism, economic development and job creation. We expect 42 million passengers per annum to move through the ACSA network of airports by the end of this political term.
- The fifth is to move 1.2 million tons of airfreight through the ACSA network of airports per annum by the end of this political term.
- The sixth is to ensure greater safety on our roads and reduce the devastating toll road accidents have on lives and livelihoods. We aim to reduce road fatalities by 45% by 2029 so we reach the UN target of halving road fatalities by 2030.

Fundamental to our reform program is our intention to re-establish rail as the backbone of transport for people and goods.

Since we embarked on the journey to restore passenger rail services nationwide, I am proud to share that PRASA had by the end of May 2025 successfully commissioned 35 out of 40 passenger corridors. Prasa has achieved an unaudited figure of 77 million passenger journeys for the last financial year and is predicting 116 million passenger journeys for the 25/26 financial year. Our competitive pricing model for commuter passengers will ensure that working-class communities take advantage of our offerings.

Our freight rail reform programme is informed by the approved White Paper on the National Rail Policy of 2022 and complemented by the National Freight Logistics Roadmap of 2023.

The Roadmap for The Freight Logistics System in South Africa clarifies that strategic infrastructure such as rail lines and ports will remain in public ownership, as assets belonging to South African people.

To this end we must assure the country that we will do all within our power to rebuild and modernise the capabilities, operational effectiveness and competitiveness of our state-owned freight logistics operator.

We must also enhance the involvement of additional operators as a way of extending freight logistics capabilities of the country and region beyond what the public sector alone would have been able to accomplish.

It is important to point out that as an economy we need freight logistics operators that can compete, but that can also complement each other when the need arises, for the benefit of our country and region.

The limited availability of state resources to fund infrastructure development makes private sector investment critical. To guide private sector investment in our five-priority rail and port corridors, we have just concluded a Request for Information (RFI) process.

Transnet will issue Requests for Proposals (RFP) from the end of August 2025 and so begin the formal procurement process.

The Department has concluded a Memorandum of Agreement with the Development Bank of Southern Africa (DBSA) and the National Treasury, appointing DBSA as the hosting institution for the new Private Sector Participation Unit.

At the end of July 2025, the Department will release the second batch of the RFI which will be focused on passenger rail initiatives.

We have established the Interim Rail Economic Regulatory Capacity (IRERC) to create fairness and transparency for third-party operators, improve network utilisation, increase competition, and reduce costs.

To sustain our economy, we cannot afford to wait until the PSPs reach financial close before launching an ambitious programme to rehabilitate Transnet's rail network and rolling stock, as well as port infrastructure and equipment.

Funding sources for immediate rehabilitation of the five priority rail corridors include the current Transnet budget for rail and rolling stock maintenance and purchase of port equipment; submissions to the National Treasury's ***Budget Facility for Infrastructure***; and private investment in refurbishing or expanding line capacity through existing customer agreements.

In order to meet our target of moving 42 million passengers per year and increasing air freight handling through the ACSA network of airports, the

entity has allocated R 21, 7 billion for infrastructure development. This will improve facilities for passenger safety and comfort, over the medium term, and the building of a new freight terminal at OR Tambo International Airport.

In addition, we are fast-tracking projects to ensure the reliable availability of jet fuel to all airlines at all our airports, as well as the general upkeep and upgrading of the facilities and technologies at each of our airports to improve both security of passengers and cargo, as well as convenience of airport users.

The contribution of our State-Owned Airline, SAA, to SA's GDP was confirmed by the recent study by Oxford Economics Africa. According to this study, SAA contributed R9.1 billion to South Africa's GDP in 2023/24, a figure projected to more than triple to R32.6 billion by 2029/30. Over the same period, the airline's operations are expected to support 86,700 jobs, up from the current 25,000, demonstrating their growing role as a national employer and economic catalyst.

SAA is pursuing a bold route expansion to strengthen its regional and global footprint. New regional routes from Johannesburg and Cape Town aim to boost intra-African connectivity, supporting tourism and trade. The airline has begun a measured fleet expansion to meet growing demand, reinforcing its role as a connector of economies across the continent and beyond

With unencumbered assets and renewed profitability, SAA is well-positioned to drive economic value through expanded international services, job creation, and increased contributions to tourism and trade.

The condition of our national roads and the feeder routes that connect with them remain a cause for concern in the public domain. Accordingly, over the past year national government, through the agency of SANRAL has at the request of our Provincial Premiers taken over 3 099 kilometers of provincial roads.

SANRAL has reprioritised within the existing maintenance and capital allocated funding so that these roads are serviced through the Route Road Maintenance Programme.

While I understand much more work needs to be done to ensure all provincial and municipal roads are in good condition, it is simply not possible for SANRAL to take on further upgrades at this time.

At MINMEC on Friday we committed to undertaking a review of road maintenance financing across all spheres of government. While this review is in process, we must ensure existing budgets given to provincial and municipal governments are effectively spent and not returned to National Treasury.

We are currently strengthening our oversight role in the execution of concurrent functions we share with provincial governments through the management of conditional grants.



Of great importance here, is the R94 million we have prioritised over the medium term to provide technical support to provincial road departments to ensure conditional grants are effectively spent on road maintenance.

We have now signed an MOU with SALGA so that together we can monitor spending on the Municipal Infrastructure Grant for road maintenance.

Seventeen percent of this grant is intended for the maintenance of municipal roads and bridges. Unfortunately this budget is not ring-fenced by many municipalities and as a result is either used for other purposes or returned to National Treasury unspent. Accordingly our first priority must be to ensure existing budgets are well spent.

The taxi industry is responsible for transporting over eighty five percent of all commuters. Accordingly formalizing the industry and rooting out criminality and irregular operations remains a key focus.

In this regard in line with other economic sectors, existing taxi associations have a fundamental important role to play in self-regulation and governance.

To make the taxi industry more financially viable, government has committed to working with the banks and vehicle manufacturers to de-risk loan financing on new vehicles.

Part of this process involves developing a Standard Operating Procedure to ensure uniformity in the issuance of operating licences. It is of critical importance that the duration of vehicle licences aligns with the loan repayment period for new vehicles.

We look forward to working with all provincial departments to identify areas of good practice which can be shared and adopted by all.

Road accident remain a massive drain on our economy and deprive any families of their loved ones.

It is also important to acknowledge today the excellent co-operation we enjoy amongst national, provincial, local government and civil society on reducing road accidents.

I am pleased to report that our average 9 percent annual decline in accidents and fatalities is holding. To reduce deaths further we must work together in a focused and consistent manner to tackle the high pedestrian fatality rate with consistent community outreach and education amongst those who live adjacent to, and cross major roads.

The transport sector contributes significantly to national Greenhouse gas (GHG) emissions, and it is also vulnerable to negative climate impacts on infrastructure, which affects transport logistics and its value chain.

In the previous financial year, the Department initiated a process of revising the Green Transport Strategy as well as developing the Sector's Just Transition Plan, that will see the sector transitioning to low-carbon and climate resilient economy and society.

The Department's Green Transport Strategy will include investing in green energy infrastructure; promoting the uptake of alternative fuels such as

biofuels and green hydrogen, extending the rail network to provide alternative public transport.

A fully integrated transport system lies at the heart of any nation's development. It is the artery through which progress flows, connecting communities, facilitating trade, and enabling access to opportunities. Our responsibility, as role players in the transport sector, is immense. We hold the key to unlocking the full potential of our nation's economy and ensuring that no citizen is left behind. It is with this important task in mind that I wish you everything of the best for your conference here over the next few days! I know you will not fail us!

**I Thank you.**