

South Africa Freight and Logistics Market to Surpass USD 30 Billion by 2025 Amid Infrastructure and E-Commerce Growth

South Africa freight market to grow at 3.64% CAGR (2025–2030), fueled by ZAR 6T infra push, evolving trade corridors & logistics modernization.

MUMBAI, MAHARASHTRA, INDIA, June 20, 2025 /EINPresswire.com/ -- The South Africa's freight and logistics market is poised for resilient expansion, according to Makreo Research, with market valuations expected to surpass USD 30 billion by

2025. This growth is underpinned by a strategic shift toward infrastructure expansion, e-commerce acceleration, and renewed focus on freight transport reform. The sector, powered primarily by road freight, which currently accounts for over 80% of total domestic freight



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The South African freight and logistics market is projected to exceed USD 30 billion in 2025, fueled by infrastructure upgrades and 15.11% CAGR in logistics growth between 2025 and 2030.”

Omkar Manjrekar

movement, is undergoing a transformation underpinned by strategic investments and public-private partnerships.

South Africa Freight Market: Modest Growth, Strong Potential -

Between 2019 and 2024, South Africa's freight market registered a modest CAGR of 2.04%, influenced by structural inefficiencies, infrastructure constraints, and global trade disruptions. However, the forecast period (2025–2030) paints a more optimistic picture, with growth expected to accelerate to a CAGR of 3.64%, bolstered by evolving trade corridors, cross-border cooperation, and

last-mile delivery optimization.

The National Infrastructure Plan 2050 and National Development Plan (NDP) are key policy blueprints for steering infrastructure advancement. South Africa plans to raise the investment-to-GDP ratio to 30%, targeting ZAR 6 trillion in infrastructure outlays between 2016 and 2040,

with freight and transport infrastructure accounting for 72% of the allocation.

South Africa's Warehousing Market Expands with Solar-Powered Innovation -

South Africa's warehousing market exceeded USD 1.0 billion in 2024 and is expected to grow at a CAGR of approximately 9% through 2030. This rise is propelled by increased demand in pharmaceuticals, F&B exports, and e-commerce logistics, alongside growing emphasis on sustainability. Over 30% of new warehouses in South Africa and Kenya, as of Q3 2024, are equipped with solar power systems, reflecting the continent's pivot toward eco-efficient logistics.



Strategic projects such as Tambo Springs Logistics Gateway and Coega SEZ are redefining regional warehousing hubs, offering state-of-the-art facilities to meet growing demand for fast-moving goods and temperature-sensitive cargo.

South Africa Cold Chain Logistics Market Set for Rapid Expansion -

The cold chain segment is witnessing robust growth, with over 100 advanced cold storage facilities now operating across the country. Rising demand for temperature-controlled logistics in pharmaceuticals, perishables, and frozen foods is driving expansion, especially amid the rise of digital health and online grocery commerce.

South Africa's chemical industry, valued at USD 14 billion, further underscores the need for specialized hazardous material storage, which represents 6% of total warehousing demand. The need for compliance with global standards such as ISO, HACCP, and GMP is also fueling investment in cold chain certifications and technologies.

E-Commerce Logistics in South Africa Poised for \$17B Growth by 2030 -

South Africa's e-commerce logistics sector is expected to grow at a CAGR of 15.11% between 2025 and 2030, reaching a market value of USD 17.08 billion. However, operational threats such as last-mile hijackings and fuel price volatility are prompting a shift toward regional consolidation hubs and smart delivery lockers to improve security and delivery timelines.

Key last-mile innovations include:

- The Courier Guy, now fully acquired by Adenia Partners (2024), has deployed 1,200+ smart lockers and 200 pickup kiosks, improving last-mile efficiencies.
- Pargo has built a robust network of 3,000+ retail pickup points, enhancing rural and urban access.
- Bob Box and Easy Collect & Drop are expanding smart locker solutions, while Aramex offers flat-rate door-to-door services to meet surging demand.

South Africa Air Freight Gains Momentum Amid Port Gridlocks -

Air freight has emerged as a critical segment amid logistical disruptions. According to the World Bank, South Africa's air transport freight reached 15.13 million ton-kilometers in 2021. The market experienced significant growth recently, driven by port congestion that disrupted sea freight. Between Q4 2023, air freight volumes surged by 57% quarter-on-quarter at Dube TradePort's Cargo Terminal. This momentum persisted into early 2024, with King Shaka Airport reporting a 57% rise in January air freight volumes.

Air transport is playing a critical role in perishable goods and high-value product distribution, providing a crucial buffer against logistics gridlocks at ports such as Durban and Cape Town.

South Africa's Strategic Corridors Power Regional Logistics -

South Africa ranks seventh globally in road connectivity, outperforming both Sub-Saharan Africa and upper-middle-income country averages. This strong transport network reinforces the nation's position as a key regional logistics hub, supported by major freight corridors enabling efficient goods movement.

- Gauteng-Durban Corridor (N3)
- Gauteng-Cape Town Corridor (N1)
- Gauteng-Port Elizabeth Corridor (N10, N1)
- North-South Corridor (N1, N4)
- Maputo Corridor (N4)

Industry experts highlight current challenges impacting logistics efficiency: "Fuel cost hikes and driver shortages are increasing last-mile delivery delays. There's a growing shift towards regional consolidation hubs to improve turnaround times."

Infrastructure collaborations with Namibia, valued at ZAR 7 billion (USD 411.9 million), aim to enhance rail and port efficiency. Simultaneously, Gauteng leads with a 34% share of national GDP, followed by KwaZulu-Natal and the Western Cape, contributing 15.9% and 13.9% respectively. These provinces collectively represent the country's logistics heartlands, driving growth and investment in transport infrastructure and services.

South Africa's FDI Rebound Sparks Growth in Logistics Hubs -

South Africa's FDI rebounded in Q4 2024, recording ZAR 7.5 billion in net inflows. Despite volatility, large-scale share swaps like the Naspers-Prosus USD 33 billion transaction in 2021 highlight South Africa's strategic value for global investors.

Limpopo, Mpumalanga, and Northern Cape present strong investment prospects in cold chain, warehousing, and pharma logistics despite past infrastructure gaps.

Comprehensive Analysis of South Africa's Logistics, Warehousing & Cold Chain Market - Makreo Research's latest study, titled "South Africa Logistics, Warehousing and Cold Chain Market (2019–2030)", offers a in-depth overview of the country's freight transport, warehousing, and cold chain sectors.

Each company profile covers key operational metrics such as:

- Warehousing footprint & pallet capacity
- Fleet size & regional coverage
- Cold storage & temp-controlled logistics
- Strategic facility & hub locations

This report offers a holistic view of South Africa's logistics ecosystem, blending market share analysis with forward-looking forecasts and tracking key trends, including digital transformation, infrastructure investments, and sustainable logistics practices.

Related Reports:

[UAE Cold Chain Market Size and Forecast \(2019-2029\)](#)

[Saudi Arabia Warehousing and Cold Storage Market \(2019-2030\)](#)

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