

# Brics bank to offer R18bn loan for Transnet's train upgrade



By [Katja Hamilton](#)

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The New Development Bank will be granting an R18bn loan to Transnet with the aim of upgrading its locomotives.



Source: Department of Public Enterprise (DPE)

Transnet has not been running at full capacity.

In a statement to the media, Transnet Freight Rail (TFR) said it has experienced three main binding constraints, which it is actively working on. These include a shortage of available locomotives, mainly because they've been standing idle; the ongoing challenges with the locomotives from the China Railway Rolling Stock Corporation (CRRC); a backlog in infrastructure maintenance; and the crippling effect of rampant cable theft and infrastructure vandalism.

Transnet is currently implementing several initiatives, such as bringing locomotives back into service, restoring and stabilising corridor operations, and swiftly improving the quality of rolling stock and infrastructure networks. Additionally, it is exploring the adoption of outcomes-based security contracts to minimise disruptions caused by theft incidents.

The NDP deal is set to come to fruition at the end of this year and forms part of its evolving \$5.6bn portfolio in South Africa.

*Katja Hamilton is at the Brics Summit this week in Johannesburg, reporting live for Bizcommunity.*

## ABOUT KATJA HAMILTON

Katja is the Finance, Property and Healthcare Editor at Bizcommunity.

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