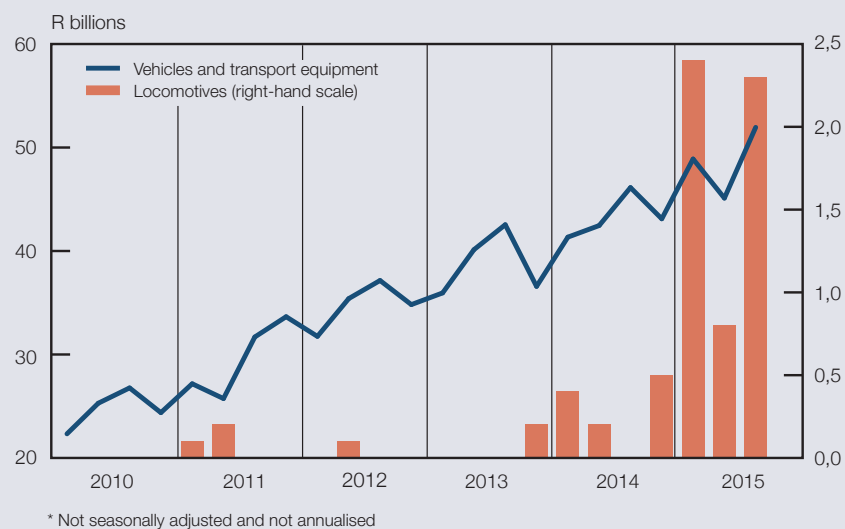


Box 1 Imports of locomotives by public corporations

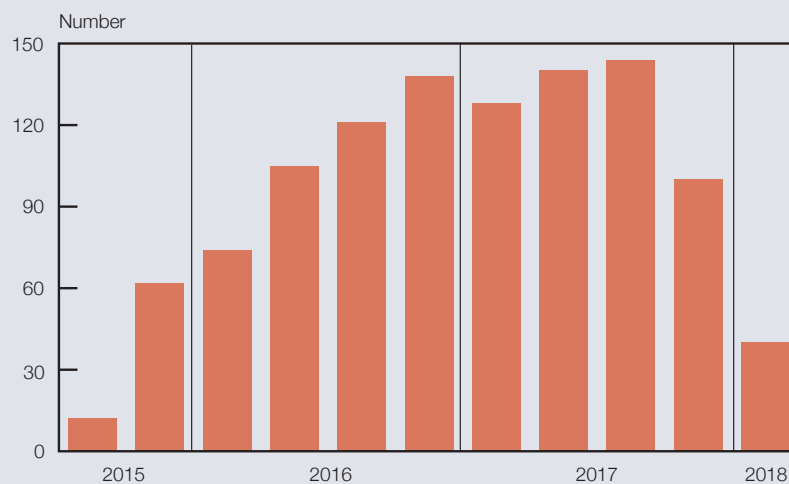
In an effort to improve the country's rail transportation system and to ease logistical bottlenecks, the Passenger Rail Agency of South Africa (Prasa) and Transnet are expanding their fleet of locomotives. The importation of locomotives gained momentum recently as 12 locomotives to be used in the transportation of passengers were acquired from Spain in the first quarter of 2015, while 47 locomotives to be used in the transportation of freight were imported from China in the third quarter of 2015.

Imports of vehicles and transport equipment*



Relative to the total value of imported vehicles and transport equipment, the value of imported locomotives rose from 0,7 per cent in 2014 to 3,7 per cent in the first three quarters of 2015. The import value in the category for vehicles and transport equipment is expected to increase further as the delivery of 1 064 diesel and electric locomotives ordered by Transnet is scheduled in the period up to March 2018, albeit with diminishing import and rising local content.

Planned schedule for delivery of freight locomotives to Transnet



Sources: Transnet and South African Reserve Bank own calculations