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SA's logistics amongst the best in the world

South Africa's logistics are comparatively more efficient than most industrialising countries. This is according to the World Bank's Logistics Performance Index which ranked South Africa at number 20 out of 160 countries surveyed, with Germany leading the world. With growing expectations that South Africa could potentially have large agricultural surpluses for export markets, particularly in maize, the logistics services will play a critical role in ensuring the success of the activity.

- The World Banks's Logistics Performance Index (LPI) reflects perceptions of a country's logistics system. The sub-indices that make up the overall LPI are the **efficiency of customs clearance process**, **quality of trade and transport-related infrastructure**, **ease of arranging competitively priced shipments, quality of logistics services and competence**, **ability to track and trace consignments**, and **frequency** with which shipments reach the consignee within the scheduled time.
- South Africa's **efficiency of customs clearance process** is ranked 18th out of 160 countries. With regards to **quality of trade and transport related infrastructure,** South Africa is ranked 21st. South Africa is ranked 23rd with respect to the **ease of arranging competitively priced shipments** and ranked 22nd on the **quality of logistics and competence**. With regards to the **ability to track and trace consignments**, South Africa is ranked 17th. Lastly, the country is ranked 24th with respect to the **frequency** with which shipments reach the consignee within the scheduled or expected time.
- **Although the Index is not specifically targeted to the agricultural sector**, it gives perspective of South Africa's logistics performance and ability to export large volumes of commodities with minimal interruptions. South Africa's 2017/18 maize exports are estimated at 2.5 million tonnes – the largest volume since 2011/12 season. Overall, we suspect that this season's agricultural export activity will run smoothly.

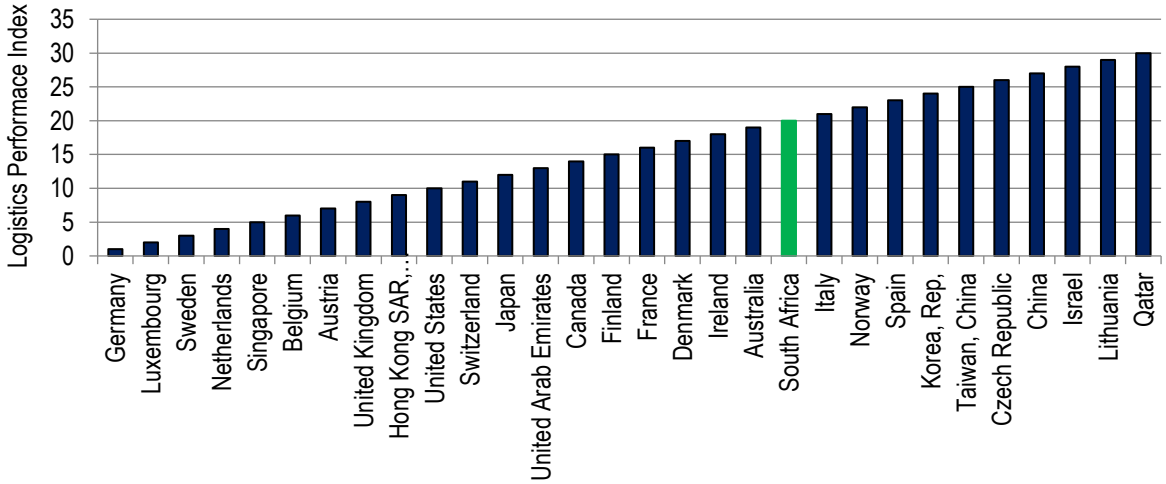

Chart 1: Logistics Performance Index Rankings (top 30)
Source: World Bank, Agbiz Research

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