

**DEPARTMENT: PUBLIC ENTERPRISES**

**REPUBLIC OF SOUTH AFRICA**

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NO.: 137**

**137. Ms N W A Mazzone (DA) to ask the Minister of Public Enterprises:**

(1) With reference to an amount of R55,984 million that was for a contract and/or payment to Regiments Capital in her reply to question 3683 on 2 January 2018, was the contract signed by Transnet, and if so, who signed the contract on behalf of Transnet;

(2)(a) What was the actual total contract, (b) what are the details of this contract specifying exactly what service the specified company provided Transnet in each case, (c) each invoice paid and what date it was paid on and (d) who signed off on the invoices?

**This response is according to information received from the SOC:**

1. The contract was signed by the Transnet Group Chief Executive.

**(2)(a)** The total contract value was R375 million.

**(2)(b)** The contract scope was as follows:

## Realisation of the General Freight Business volume targets for 2015/2016 and 2016/2017.

## Implementation of the processes and tools to ensure sustainability and capacity building; upgrade and embed operational capabilities on key flows to ensure execution as per plan (Replicate coal line approach).

## Validate long term demand as basis for the General Freight Business case.

## Build key account plans, commercial capabilities and technology solutions to drive the road to rail shift beyond 2015/2016.

## Identification of new markets and commodities that can be leveraged to produce additional General Freight Business volumes including new markets identified by TFR such as FMCG;

## Sales, marketing and commercial initiatives;

## Cost Sweep and Cash Lab (Including EBITDA uplift, monetization of non-core assets including property etc);

## Driver based budgeting;

## Project Management Office.

( a) Regiments Capital was paid R 55 984 621 for delivering services in terms of the contract. The contract was for the provision of services related to: RFP GSM/15/03/1255: provision of professional services to support Transnet in increasing general freight business with a breakthrough to reach the planned volume targets for the financial year 2015/2016 and 2016/2017.

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| --- | --- | --- | --- |
| Invoice Number | 1. How much was paid (Excluding VAT) R
 | What date was it paid | 1. Who signed off the invoice
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| TRXGFB00001 | R 3 256 000 | 2015 08 21 | GCIA – Executive Manager  |
| TRXGFB00002 | R 4 400 000 | 2015 08 21 | GCIA – Executive Manager  |
| TRXGFB00003 | R 7 150 000 | 2015 09 16 | GCIA – Executive Manager  |
| TRXGFB00004 | R 8 250 000 | 2015 10 01 | GCIA – Executive Manager  |
| TRXGFB00005 | R 8 250 000 | 2015 12 18 | TFR – Business Owner  |
| TRXGFB00006 | R 11 000 000 | 2016 01 22 | GCIA – Executive Manager  |
| TRXGFB00007 | R 8 232 521 | 2016 01 22 | GCIA – Executive Manager |
| TRXGFB00008 | R 5 446 100 | 2016 02 17 | TFR – Business Owner |
|  |  |  |  |
| **Total** | **R 55 984 621** |  |  |