

**DEPARTMENT: PUBLIC ENTERPRISES**

**REPUBLIC OF SOUTH AFRICA**

**NATIONAL ASSEMBLY**

**QUESTION NO.: 1735**

**Adv A de W Alberts (FF Plus) to ask the Minister of Public Enterprises:**

(1)     Why is Transnet continuing to sell some of its Sishen-Saldanha line’s operational electric locomotives and apparently to replace them with locomotives from the controversial tender to provide 1 064 locomotives, which is currently being investigated as part of the investigation into state capture;

(2)    Whether he will consider placing a moratorium on all auctions and sales of assets at Transnet in order to provide the new board with the opportunity of undertaking the necessary investigations; if not, why not;

(3)    Whether he will make a statement about the matter? NW1887E

**This response is according to information received from Transnet:**

1. Transnet SOC Ltd (Transnet) has electric locomotives (9E electric) fleet which used to operate on the Ore Line (Sishen-Saldanha). These 9E locomotives were unique to the Sishen-Saldanha line and were not to be used elsewhere in Africa.

The first of these old locomotives arrived in 1978. These locomotives reached the end of life six (6) years ago and the last ten (10) locomotives were eventually staged in 2016 and have not been operating since then, as their components were obsolete and were uneconomical to maintain. Any remaining parts were subsequently sold off.

They were subsequently replaced with 15E locomotives, the first of which arrived in 2010.

 (2) This is an operational decision within the powers of Transnet management under the supervision of the Board of Directors. There is also a Significance Materiality Framework which gives guidance and thresholds on such matters.

 (3) The Minister is on record that the contract will be investigated. If foul play is established, appropriate action will be taken. To date two forensic reports are available. The new Board of Transnet is discussing these reports and will soon be announcing its plans to act on all those guilty of corruption or any other malpractices.