

**DEPARTMENT: PUBLIC ENTERPRISES**

**REPUBLIC OF SOUTH AFRICA**

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NO.: 1842**

**QUESTION:**

**1842. Mrs M O Clarke (DA) to ask the Minister of Transport:**

(1) What are the details of the (a) national and provincial departments involved in the Tambo Springs Logistics Gateway project in Ekurhuleni, (b) budgets (i) allocated and (ii) spent by the national and provincial departments to the specified project and (c) duration of the specified contract; (2) what (a) company was awarded the tender and (b) was the monetary value of the tender; (3) (a) what are the full relevant details of Transnet’s involvement in the contract and (b) how does Transnet anticipate to get rail to the Tambo Springs Logistics Gateway; (4) what total amount has (a) his department and (b) Transnet spent on the court cases regarding the roads designs and environmental impact assessments of the project to date? NW2066E

**REPLY:**

**According to the information received from Transnet:**

(1)(a) Not applicable to Transnet.

(1)(b)(i) and (ii) Not applicable to Transnet.

(1)(c) The concession was a 20 year concession for the Design, Build, Financing, Operating and Maintenance of Private Rail Terminal.

(2)(a) Southern Palace Joint Venture was awarded the tender. The Joint Venture company comprised of Southern Palace Group, Ferrovie stat o del Italia, Makoya Logistics.

(2)(b) The estimated capital investment into the terminal was R1.8bn

(3)(a) Transnet issued a Request for Proposal (CRAC-KGG-21543) for the development of a Private Rail Terminal at the Tambo Springs Logistics Gateway. Transnet was to acquire the required land for the Terminal and was responsible for the Bulk services and the Arrival and Departure yard investment. The concessionaire was responsible for the Design, Build, Financing, Operation and Maintenance of the terminal for 20 years. The Concessionaire was unable to provide the financial guarantees to proceed with the project as required by the RFP and bid award and the concession was cancelled. The transaction is under investigation by the Special Investigation Unit.

Subsequent to the award, the Concession was withdrawn and cancelled by Transnet as the Concessionaire failed to provide the required bidder guarantees.

(3)(b) The terminal would have been positioned adjacent to a section of the existing Gauteng Freight Ring rail infrastructure. No additional rail infrastructure was required

 (4) (a) Not Applicable to Transnet

(4) (b) Transnet has not incurred any cost relating to court cases related to the road designs and environmental impact assessments.