**National Assembly**

**Question No: 902**

**Mr K P Sithole (IFP) to ask the Minister of Transport:**

(1) Whether, with regard to a series of media reports, Werksmans Attorneys are no longer representing the Passenger Rail Agency of South Africa (PRASA) in the appeal matter against Siyangena Technologies; if not, what is the position in this regard; if so, what alternative arrangements have been made;

(2) whether the PRASA Board Chairperson, Mr Leonard Ramatlakane, is facilitating settlement talks; if so, what (a) is the motivation for the settlement, in light of the fact that a court of law has already found in favour of PRASA and the Supreme Court of Appeal is likely to do so again and (b) new evidence has come to light that could possibly be motivating PRASA’s change of position on this matter? NW1083E

**REPLY**

(1) Werkmans Attorneys are not representing PRASA in the Siyangena Technologies matter. PRASA received a formal notification from Werkmans Attorneys that it took a business decision to withdraw from representing PRASA in all legal matters it was handling on behalf of PRASA. It further informed PRASA that they will hand over all the files of PRASA and will release them as they get paid. PRASA has been paying Werkmans Attorneys since the correspondence. Werkmans Attorneys, like other creditors, are owed by PRASA and based on PRASA’s cashflow, will continue to pay what is outstanding. PRASA has a panel of attorneys from which a law firm has been identified to represent PRASA in the matter.

 With regards to the Siyangena Technologies matter which is serving at the Supreme Court of Appeal, both parties to the litigation have already submitted their papers and PRASA is not prejudiced by the withdrawal of Werkmans Attorneys. The new law firm has been furnished with the files and papers for the case.

(2) The PRASA Board Chairperson is not facilitating settlement talks. The matter is still before the Supreme Court of Appeal.

 (a) The High Court in North Gauteng, in their judgement, explicitly states that whilst the contract was deemed irregular, PRASA and Siyangena Technologies needed to determine the compensation value of the work and once same is reached, this should also be made an order of the court.

* Despite the above, Siyangena Technologies appealed the decision.
* Whilst the appeal remains pending, Siyangena Technologies wrote to PRASA, reminding them of the outcomes of the court on the determination exercise and reminded PRASA of this outstanding matter, hence the letter to the Chairperson of the Board.
* The Chairperson of the Board correctly referred the matter to the Group CEO to engage with it and advise the Board, hence the meeting by PRASA management with Siyangena Technologies.
* At the meeting Siyangena Technologies, over and above the issue of determination, proposed consideration for a discussion on the possible resolution on the matter outside litigation.

 (b) PRASA is not aware of any new evidence.