



MEDIA STATEMENT

TRANSNET OUTLINES NEXT STEPS FOLLOWING DCT PIER 2 COURT JUDGMENT

[Johannesburg, 11 October 2024] Transnet SOC Ltd ("Transnet") will move with speed to ensure Part B of the review process into the Durban Container Terminal Pier 2 matter proceeds without undue delay. Transnet will soon approach the Court to secure a preferent date for the hearing of the review application.

The judgment handed down on Wednesday 9 October 2024 is an interim interdict, and it does not set aside the awarding of the DCT Pier 2 contract to International Container Terminal Services Incorporated (ICTSI). In Part A of its application, APMT sought an urgent order interdicting Transnet, in short, from negotiating, concluding and implementing the contract award to revitalise Pier 2 at the Durban Container Terminal. In Part B, which is yet to be heard in court, APMT (the unsuccessful bidder) essentially seeks to set aside Transnet's decision to select ICTSI as the preferred bidder. It would, therefore, be premature to make any determination in this regard. Transnet will abide by the interim interdict, as part of building public trust in the organisation's governance and procurement processes as well as to further expedite conclusion of the matter. The organisation's commitment to the highest standards of accountability and transparency through good governance is unwavering.

As part of its corporate strategy, and the pursuit of Government's structural reforms agenda, Transnet is taking actionable steps to crowd in the private sector into areas of the business to improve efficiencies, increase competition and stimulate the economy. Both the Board and executives remain committed to this objective, as evidenced through the 18-month Recovery Plan that Transnet is currently implementing. The appointment of a partner to operate DCT Pier 2 is the cornerstone of corporate strategy, alongside many other initiatives in different parts of the business already underway.

In line with the Recovery Plan, Transnet is already taking steps to stabilise port container volumes. These include the implementation of a fleet renewal plan in the short, medium, and long term, aimed at significantly reducing the backlog in maintenance and catching up with the historical underinvestment in equipment and maintenance. Replacement and refurbishment of key equipment such as ship-to-shore cranes (STS), rubber-tyred gantry cranes (RTGs), rail-mounted gantry cranes and tugboats at various ports is well underway. Long-term collaboration with Original Equipment Manufacturers (OEMs) across the business is already beginning to yield the desired results, as evidenced by improved equipment performance and reliability, spares support, asset life cycle management, innovation as well as equipment, spares and component standardisation. Investment in critical equipment is crucial to maintain operational efficiency and competitiveness.

Transnet appreciates the partnership and collaboration with the National Logistics Crisis Committee and B4SA in helping drive implementation of the Recovery Plan and economic reform agenda of government. Significant progress is being made in both rail and port reforms, and Transnet is on course to meeting set targets in this regard.

Lastly, Transnet will abide by the interim interdict granted by the Court and remains committed to finding a speedy resolution to this matter, in the interests of the company and the South African economy.

ENDS.

Issued on behalf of the Chairperson of the Board, Mr Andile Sangqu.

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