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Transnet sets the record straight on 1064 loco acquisition programme

Company rejects baseless reports suggesting that the locomotive acquisition programme is in tatters.

Two years ago, Transnet awarded a contract for the acquisition of 1064 diesel and electric locomotives as part of its locomotive fleet renewal programme from four global manufactures - two Chinese, one Canadian and one from the United States.

Transnet awarded CSR Zhuzhou Electric Locomotive and Bombardier Transportation South Africa contracts for the supply of 599 electric locomotives, while General Electric South Africa Technologies and CNR Rolling Stock South Africa (Pty) Ltd would build and supply 465 diesel locomotives.

So far, 182 have been delivered both by General Electric and CSR who are both based at the Transnet Engineering's manufacturing facility in Pretoria.

The programme is on track.

Bombardier and CNR, who are based in Durban, have both not yet begun production in South Africa. Transnet is in the final stages of readying manufacturing facilities in Durban.

In terms of the contract, the first few units would be produced at the manufacturers' facilities across the world, barring Bombardier who will manufacture all its units in South Africa.

In this regard, China North Rail which has since merged with China South Rail to form CRRC, has delivered two prototype locomotives for testing in South African conditions. It is normal procedure to make a prototype and test it before handing it over to the buyer.

It is only once a locomotive is tested and accepted that it becomes part of the normal fleet. The two locomotives had pre-commissioning glitches which CNR has attended to. In terms of the contract, CNR would manufacture the first 20 locomotives in their facility in China while the balance will be assembled at the Transnet Manufacturing facility in Durban.

Transnet made it a condition that the 18 locomotives in China be checked for the glitches before being shipped to South Africa. Our Engineers have been liaising with CNR as part of the process to get the the prototypes accepted.

None of these have been delivered to Transnet. However, they are going through the normal testing procedures prior to acceptance and commissioning.

Transnet, over the past 10 years has bought hundreds of locomotives from various Original Equipment Manufacturers including EMD, General Electric, Mitsui, and CSR. In all these instances, similar tests were run before acceptance.

We wish to put on record that such testing is standard.

Each and every locomotive goes through the process.

Discovery of technical glitches is no indication of poor workmanship, engineering or design.

Further, Transnet bought locomotives from all the suppliers and there was no intention to dictate or specify their sourcing strategies for components, except with regards to its uncompromising stance on local content and supplier development.

We therefore encourage subcontractors to deal directly with OEMs where there are disputes, instead of creating baseless and sensational stories through the media.

Since the announcement of the agreement with all four manufacturers, testing has been performed, glitches identified and addressed and in various instances, they have varied their supplier lists in line with changing circumstances.

In line with our standard engineering and commissioning processes regarding specialised equipment, a team of experts from engineering and operations is headed to China to do initial tests and discuss our observations of the locos for testing.

In conclusion, it is both inaccurate and mischievous to deliberately misinterpret an internationally recognised quality assurance process to advance devious ideological schemes and at the same time casting aspersions on Transnet's image and integrity of our processes. Transnet runs many Chinese made locomotives on its network and they run excellently.

The 1064 acquisition programme is conducted by mutual agreement between the company and its suppliers and we are satisfied with the progress and quality of products.

Issued on behalf of Transnet SOC Ltd

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