



SPECIAL INVESTIGATING UNIT AND TRANSNET REACH SETTLEMENT WITH LIEBHERR

[Johannesburg, 13 January 2023] On 31 December 2022, Transnet SOC Ltd (“Transnet”) and the Special Investigating Unit (“the SIU”) concluded a settlement agreement with Liebherr in respect of the award of two tenders in 2013 and 2014 for the supply of cranes to Transnet.

The SIU found that the decision to award the tenders was irregular. Transnet, the SIU and Liebherr accordingly agreed that the decision to award the tenders should be reviewed and set aside.

Liebherr supplied all the cranes under the contracts, which are in use and will continue to be used by Transnet Port Terminals.

Investigations also found that Liebherr had paid USD3.2m (approximately R54 million) to Accurate Investments Limited, a sales agent appointed by Liebherr, at the time the two tenders were awarded by Transnet. As things stand, the SIU did not find evidence that the payments were corrupt or fraudulent; nevertheless, as part of the settlement, Liebherr agreed to repay the total sum paid to Accurate Investments Limited to Transnet on a without prejudice basis.

The settlement agreement also provides for an audit of the supplier development obligations under the contracts. Should the audit determine that Transnet suffered any losses, the settlement agreement provides a mechanism for the resolution of the matter.

It is envisaged that Transnet and the SIU, with the concurrence of Liebherr, will launch the review application this year in the High Court or the Special Tribunal.

ENDS

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