

Transnet to tender for locomotive repairs after 'impasse' with Chinese supplier

By [Helen Reid](#)

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Transnet on Thursday said it reached an "impasse" in talks with Chinese rail equipment manufacturer CRRC E-Loco, despite last year's settlement over procurement contracts.



Image source: [Gallo/Getty](#)

The two have engaged in legal battles after Transnet halted the supply of 1,064 locomotives from four original equipment suppliers, including CRRC, saying that 2014 contracts worth R54.4bn (\$3.20bn) had been unlawfully awarded by the previous board and management.

On Thursday, without giving details, Transnet said CRRC had shown unwillingness to engage with South African authorities to "normalise its operations" in the country.

A CRRC spokesperson did not immediately respond to a request for comment.

Transnet said it would issue an open tender to manufacturers in the few next weeks to repair locomotives bought from CRRC. Transnet's rail services have deteriorated, in part due to a shortage of spare parts for the locomotives.

The resolution of the matter was key to supporting Transnet's efforts to normalise operations, enhance services to customers, and boosting the economy, the logistics firm added.

ABOUT THE AUTHOR

Reporting by Helen Reid; Editing by Jane Merriman and Clarence Fernandez.

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