

Gordhan heads to China over locomotives dispute

By [Anait Miridzhanian](#) and [Nelson Banya](#)

29 Mar 2023

Public Enterprises Minister Pravin Gordhan will lead a delegation to China next month in a bid to break an impasse over the delivery of locomotives and spare parts by Chinese rail equipment maker CRRC E-Loco, logistics company Transnet said on Tuesday, 28 March.



Col André Kritzinger via [Wikimedia Commons](#)

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 (\$3bn) had been unlawfully awarded by the previous board and management.

"Minister Gordhan remains hopeful that talks with his Chinese counterparts will yield positive results," Transnet said in a statement.

CRRC was not immediately available to comment.

Transnet says 161 locomotives supplied by CRRC E-Loco were currently not running after the Chinese company withheld spares and maintenance support, impacting operations on Transnet's iron ore, coal and manganese export lines which contribute half of its revenue.

In January, Transnet said CRRC had shown an unwillingness to engage with South African authorities to "normalise its operations" in the country.

ABOUT THE AUTHOR

Reporting by Anait Miridzhanian and Nelson Banya; Editing by James Macharia Chege and Mark Potter.

For more, visit: <https://www.bizcommunity.com>