



MINISTRY  
PUBLIC ENTERPRISES  
REPUBLIC OF SOUTH AFRICA

## MINISTER GORDHAN NOTES CORRESPONDENCE OVER CONCERNS ABOUT TRANSNET PERFORMANCE

**PRETORIA, 19 September 2023** – The Minister of Public Enterprises, Mr Pravin Gordhan, has noted the correspondence from the Association of South African Chambers (ASAC) in which its members have called for decisive action to resolve the issues impacting the economy because of Transnet’s underperformance.

The correspondence followed a directive that Minister Gordhan gave to the Board of Transnet about three weeks ago to urgently make recommendations to address a range of operational shortcomings facing the state-owned freight and logistics company.

“The recently announced annual financial results of Transnet have made it very clear that the entity urgently requires serious interventions that will address the root causes of the deficiencies that are having a negative impact on our economy and are hurting our export competitiveness,” Minister Gordhan said.

“The Board is seized with the injunction that I have given it, and I am sure that the issues that have been raised by the Chambers will be addressed in its recommendations or in the feedback that the Board will present to the shareholder. The shortcomings of Transnet are of national concern,” said Minister Gordhan.

The issues that Minister Gordhan directed the Board to report back on include the following:

1. Operational transformation.
2. Root causes.
3. Stringent / Rigorous accountability oversight.
4. Management review.
5. Information and operational data transparency
6. Excessive cost structure.
7. And employee engagement.

“I am confident that the board understands the scale of the challenges that are confronting Transnet, and I can assure the South African public that the board has my full support in its effort to come up with the requisite remedial actions. We will be engaging the Chambers,” Minister Gordhan added.

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