

# Prasa files lawsuit to recoup money spent on locomotives

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The Passenger Rail Agency of SA (Prasa), which runs the MetroRail and Shosholoza Meyl services, this week filed a lawsuit to recoup the money it has paid so far for 70 new locomotives meant to replace its part of its ageing fleet, the Mail & Guardian reported on Friday, 17 June 2016.



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This is the second lawsuit by Prasa against the company contracted to supply locomotives intended for Shosholoza Meyl, its long-distance service.

The arrival of the first 13 locomotives out of a total order of 70 in 2015 triggered a public relations nightmare for the rail agency, amid reports that they are the wrong height and will damage existing rail infrastructure.

Now, Prasa wants to recoup the money it has paid to Swifambo Rail Leasing for the 13 locomotives.

It also wants Swifambo to take back the locomotives.

Swifambo has until mid-July to respond to the latest lawsuit.

While its papers have not yet been filed, the M&G quoted Swifambo as saying in a separate matter that the company did not want to take back the 13 locomotives because they had done a total of 73,000km since being delivered and had not been maintained.

This is the second action taken by Prasa against Swifambo Rail Leasing.

In November, Prasa chairman Popo Molefe approached the High Court in Johannesburg asking it to scrap the R4.8bn locomotive deal it signed with Swifambo. This was after Public Protector Thuli Madonsela recommended that the rail agency review contracts of more than R10m.

The contract, signed in 2013, was for Swifambo to acquire locomotives from Spanish manufacturer Vossloh Espana at a cost of R3.5bn. The deal has been mired in controversy, including its cost escalation to R5bn, due to inadequate hedging, along with accusations of the trains being too tall for the country's rail lines. One of these locomotives derailed during testing.

Prasa is in the process of procuring new rolling stock as it aims to migrate from 1950s technology to a modern fleet that is up to world standards.

The rolling stock fleet renewal programme will deliver 5,256 coaches to satisfy existing rail passenger demand on the current network until 2020.

Efforts to contact Prasa were unsuccessful on Friday.

Source: **Business Day** via I-Net Bridge

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