

ANC backs suspended Transnet boss

Sunday Times 30 Aug 2009 MOIPONE MALEFANE
ko if: hasImage



SUSPENDED: Siyabonga Gama was earmarked for top Transnet job

/ko

THE African National Congress has thrown its weight behind suspended Transnet executive Siyabonga Gama, with minister of justice Jeff Radebe describing his suspension as a "miscarriage of justice".

Gama, Transnet's chief executive of freight rail, was this week suspended over allegations that he breached procurement contracts — a move viewed by the ANC as an attempt to scupper his chances of becoming the parastatal's next chief executive.

Gama is believed to be among at least three candidates short-listed to take over as permanent CEO.

The Sunday Times can also reveal that the ANC national working committee (NWC) instructed minister of public enterprises Barbara Hogan about two months ago to appoint Gama as Transnet's CEO after the departure of the parastatal's former head, Maria Ramos, who joined Absa.

ANC insiders said Hogan was this week expected to submit Gama's name to cabinet for final approval.

She allegedly withdrew following what angry insiders said was “Transnet’s manoeuvrings” by suspending him.

Hogan’s spokesman, Ayanda Shezi, said the ministry could not comment on anything to do with the ANC.

ANC spokesman Brian Sokutu said Gama was “an executive who has been with Transnet for quite some years” and “credited for having turned things around both financial-ly and in terms of giving leadership”.

“In other words, we say he has a track record. I am not aware of discussions about him at NWC or NEC level, but there is nothing stopping members of the ANC from discussing succession within parastatals,” said Sokutu.

Speaking at the University of KwaZulu-Natal on Thursday, Radebe denounced the Transnet board and described the decision to suspend Gama as a “gross injustice”.

Radebe lashed out at the board for suspending Gama without considering his testimony.

The Sunday Times could not confirm talk that a group of cabinet ministers had approached President Jacob Zuma to register their unhappiness with Gama’s suspension.

On Thursday, Gama appeared before Pradeep Maharaj, the group executive for human resources, and the company’s lawyers to give his side of the story after Transnet had served him with a letter on Monday informing him of its intention to suspend him following a board meeting.

Gama’s lawyer, Themba Langa, said Transnet has been “working hard to get him suspended and there were no objective or reasonable grounds to have him suspended”.

Allegations of impropriety against Gama apparently surfaced for the first time in June. His written responses, according to Langa, were not presented to the board.

According to NWC insiders, Gama was recommended by the party’s deployment committee.

It is alleged the ANC was aware of “Transnet’s intentions to ensure that Gama does not get the job”.

ANC insiders said the contenders for the position at the time included Pravin Gordhan, who has since been appointed.

minister of finance.

Both men were recommended for the job by the Transnet board selection committee at a meeting on February 13. Gordhan withdrew his candidature after being told he had been earmarked for a cabinet position.

An ANC deployment committee member said a very senior and long-serving cabinet minister, also a member of the deployment committee, was opposed to Gama's nomination. He was overruled by other committee members.

Another NWC member said some ANC officials had asked why Gama's appointment had not been implemented by Hogan.

A Transnet board member said Gama was not trusted by certain individuals in management, who thought he would reverse "multimillion contracts awarded to friends and families".

Transnet spokesman John Dlodlu said "a disciplinary process" had been instituted against Gama.

"This relates to alleged serious breaches in certain procurement contracts. This is an internal company matter, and we don't wish to comment further at this stage."

moiponem@sundaytimes.co.za

"ANNEXURE F2"

HOME > POLITICSWEB > RESOURCES > PARTY

PARTY

Ads by Google [White Black](#) [Africa Maps](#) [Patent Co Za](#) [Shaba Zulu](#) [Urban Cities](#)



Appoint Gama as Transnet CEO now - ANCYL

ANCYL
11 September 2009

Youth League says Africans are being denied positions of responsibility in economy

ANCYL CALLS FOR IMMEDIATE APPOINTMENT OF SIYABONGA GAMA AS TRANSNET CEO

The AFRICAN NATIONAL CONGRESS YOUTH LEAGUE calls for immediate appointment of Siyabonga Gama as Group Chief Executive Officer of Transnet Ltd. There is evidently a concerted agenda by the predominantly White Board of Directors and executive role players to isolate Siyabonga Gama from Transnet and deny him the position of CEO of Transnet, despite his credentials.

Recurrantly, Africans are denied positions of responsibility in key and strategic sectors of the economy and we should never egg walk around this absolute reality. The Employment Equity Commission Report recently released confirm the reality that those in control of the economy (White Males) refuse the integration of capable black people into key and strategic sectors of the economy.

Siyabonga Gama should be appointed a CEO and business goes on as usual in Transnet. Any attempt to persecute and isolate him will be met with massive resistance from the youth of South Africa. The suspension on Gama is a witch-hunt meant to block him from the CEO position and should be immediately withdrawn.

Statement issued by the ANC Youth League, September 11 2009

Click [here](#) to sign up to receive our free daily headline email newsletter

Dip. Public Management
Succeed in Public Service Careers
DoE Accredited, Respected in Gov.
www.regenays.co.za/rsyn

Services

- [Subscribe to newsletters](#)
- [News Feeds](#)

South africa economy
Times are tough, find out how to make your money work better!
www.howcangethelpyou.co.za

Share this article

- Facebook
- Google+
- LinkedIn
- Yahoo!
- Digg
- del.icio.us

Ads by Google

Related links

- Articles:
- [Siyabonga Gama has been suspended - Transnet - Gama case yet another example of SOE mismanagement - DA »](#)
 - [BACE backs Siyabonga Gama against Transnet board »](#)

FREE 6-8 UK DELIVERY!	Ernst Young SR Alex Hastings New £18.00	D-Day Antony Beaver New £12.49

ANNEXURE 'F.3'

THE STAR

Youth League slams Transnet

11 September 2009, 15:48

Related Articles

- o **SACP cries foul over Gama**

Transnet's suspension of Siyabonga Gama is a witch-hunt meant to stop him from becoming the parastatal's group chief executive officer, the ANC Youth League (ANCYL) said on Friday.

In a statement, it said the suspension should be withdrawn immediately.

The ANCYL also called for Gama to be immediately appointed as Transnet group chief executive officer.

"There is evidently a concerted agenda by the predominantly white board of directors and external role players to isolate Siyabonga Gama from Transnet and deny him the position of group CEO of Transnet, despite his credentials," the ANCYL said.

"Recurrently, Africans are denied positions of responsibility in key and strategic sectors of the economy and we should never egg walk around this absolute reality," it added.

The ANCYL said the Employment Equity Commission Report recently released confirmed "the reality that those in control of the economy (white males) refuse the integration of capable black people into key and strategic sectors of the economy."

It said any attempt to persecute and isolate Gama would be met with "massive resistance" from the youth of South Africa.

The Transnet board began its search for a new group chief executive officer late last year following the resignation of present Absa group chief executive officer Maria Ramos.

The board favoured Pravin Gordhan for the post, but when Gordhan became finance minister, Transnet re-started the process of finding a chief executive officer.

Justice Minister Jeff Radebe and the ANC have shown support for awarding Gama the parastatal's position of chief executive officer.

However, Gama was recently suspended, allegedly as a result of serious breaches in two procurement contracts.

Public Enterprises Minister Barbara Hogan has been summoned to Parliament next week to clarify the events around Gama's suspension and other matters related to Transnet's management. - Sapa

ANNEXURE "F4"



Soccer: Arrows 0-0 Pirates; Cosmos 0 - 0 PS/Stars



Monday, 14 September 2009 - 10:09:06

Main Features.

- > South Africa
- > Africa
- > World
- > Politics
- > Economy
- > Science
- > Sport
- > Entertainment
- > Environment
- > Technology
- > Features

News Programmes

- > Fokus
- > Kids News
- > Special Assignment
- > SABC News International

Additional Features

- > Audio Bulletins
- > Video Bulletins
- > Personalise
- > Caught On-Camera
- > FAQ
- > Podcasts

Listen Live:



Discussion Forums:

Today's Weather

Choose your city:

Johannesburg

Min: 10°C Max: 29 °C

View Synoptic Charts

Financials

Last updated date: September 14, 2009, 05:44:00

ALL SH	25202.410	1.43%
FTSE	6576.050	1.84%
GOLD MN	2582.590	2.52%
IND 25	16619.450	0.82%
RES 20	48665.170	2.16%
ZAR/GBP	11.9225	0.46%
ZAR/USD	12.4828	0.04%
ZAR/RUB	7.5011	0.82%
GOLD	659.32	0.84%

Browse our SABC Sites:
 Select a SABC Site:
 Click here for a list of RSS feeds.
 Media files require

SACP supports suspended Transnet boss

The South African Communist Party (SACP) has come out in full support of the suspended CEO of Transnet's rail freight division, Siyabonga Gama. He was suspended last week. A probe into allegations of a breach of corporate governance by Gama is currently underway at the transport parastatal.

"We wish to express serious concerns about what appears to be an attempt by certain elements within and outside of Transnet to clearly frustrate the appointment of Mr. Gama as CEO despite his illustrious career, commitment to public service and strong credentials," the SACP said.

It also expressed concern over what it said were attempts by some elements to capture state entities to advance their narrow interests rather than serve the interests of a developmental state. The SACP said it believed government was losing control of parastatals because intensive corporatisation had resulted in them behaving like private companies pursuing a capitalist agenda.

The party has called for a thorough audit of all state owned entities. Gama has meanwhile received support from the Justice Minister Jief Radebe, the African National Congress (ANC), the SA Transport and Allied Workers' Union (SATUWU) and the Black Management Forum (BMF). Radebe is on record as saying: "Some of us will ensure that he gets the job." - Additional reporting by Sapa

Sponsored Links
 No sponsored links available 6:52:00

Related Articles

- 1. Transnet chief executive suspended
- 2. Transnet clarifies Ramos payments
- 3. Transnet denies fuel shortage responsibility at OR Tambo

Related Links

User's comments on article

Comments not found.

Place your comment on article

Name:

Your Email:

Address:

Town & Country:

Phone Number (Optional):

Comments:

Max. of 1000 Chars.

The SABC may edit your comments and not all emails will be published. Your comments may be published on any SABC media.

I have read and agree with the Terms & Conditions.



Handwritten signature

SACP statement on the Transnet Board decision to suspend Mr Siyabonga Gama

7 September 2009

The SACP has noted the recent developments within Transnet and the subsequent suspension of Siyabonga Gama, CEO of its rail freight division. We wish to express serious concerns about what appears to be an attempt by certain elements within and outside of Transnet to clearly frustrate the appointment of Mr. Gama as CEO despite his illustrious career, commitment to public service and strong credentials.

The current shenanigans at Transnet are a classic illustration of the concerns we have raised as the SACP about the strategic role and developmental focus of state owned enterprises. Amongst those concerns have been attempts by a few, often parasitic, element capture these entities for reasons that are contrary to their developmental mandate. As the SACP we fully share the concerns raised by SATAWU on the matter, and we are deeply suspicious that there is an elite that is hell bent on capturing Transnet for its own narrow interests.

e SACP calls for speedy intervention to resolve this matter.

At its last Central Committee the SACP raised its concerns about the intensive corporatization of state owned enterprises and restructuring the relationship which increasingly operated as private companies and sites for accumulation on behalf of capital in general and specifically an emerging BEE capitalist stratum. We wish to reiterate our call for a thorough audit of SoEs as well as review of the shareholder compacts to align these to government priorities as contained in the ANC election manifesto.

In addition, we call upon for more appointments of people representing communities, NGOs and the labour movement into the boards of all SoEs and other public entities.

Issued by the SACP

Contact:
Malesela Maleka
SACP Spokesperson – 082 226 1802



F6

Crunch time for Hogan over Gama

ARTWELL DLAMINI
Transport Correspondent

PUBLIC Enterprises Minister Barbara Hogan faces crunch time tomorrow after being called to appear before Parliament to explain her handling of the succession process at Transnet and the suspension of Siyabonga Gama, CEO of the Transnet Freight Rail (TFR) division.

Vuyile Mentor, chairwoman of the public enterprises committee, confirmed yesterday that Hogan was due to appear before Parliament tomorrow, saying the minister would talk about the appointment of the group Transnet CEO and other "problems around this".

The post has been vacant since Maria Ramos — who served a three-month notice from November last year — left the

transport parastatal in February for Absa.

With the spotlight now aimed at Hogan, it is unclear whether she would fall in line with Luthuli House's drive to see Gama take the group CEO mantle.

When Gama was suspended on September 1, Hogan said the Transnet board would run the disciplinary process and "inform the shareholder", the government, of the "outcomes and any decisions to be taken".

But Justice Minister Jeff Radebe and Communications Minister Siphwe Nyanda — Hogan's counterparts — have openly questioned Gama's suspension, and the African National Congress has thrown its weight behind Gama, pitting itself against the Transnet board. The

Continued on page 2

= F 8'

Blood to flow in race for top job

**SIYABULELA GOZA
and MOFFET MOFOKENG**

THE controversy over who is to become chief executive of Transnet is proving to be damaging to the parastatal and the individual who may get to occupy the hot seat.

It has also become a political hot potato that could scorch Public Enterprises Minister Barbara Hogan.

"Barbara must go. She is still going to give us problems going forward. She appointed the white acting chairman and the CEO, so she must deal with them. We want Siyabonga Gama there," an ANC national working committee member said this week.

Gama is the chief executive of Transnet Freight Rail (TFR) and is currently being investigated by Transnet for alleged breaches of corporate governance.

"If she was a real ANC cadre she would have known that once the leadership had resolved that Gama was the preferred candidate she must implement," the member said.

Hogan did not comment despite numerous requests for her view. She is facing pressure from Luthuli House and Parliament.

The member did not explain why the ANC had allowed the board to lead the process of appointing a chief executive for Transnet when it already had a preferred candidate.

Since the ANC assumed power cabinet has always appointed the chief executives of parastatals, with little board involvement.

The articles of association, which govern the relationship between the government and Transnet, dictate that the government, through the public enterprises minister, appoints both the chief executive and the Transnet board.

The Transnet chief executive job became available after former boss Maria Ramos left in February to join banking group Absa.

The chief financial officer, Chris Wells, has since been acting chief executive. Anoj Singh is now acting chief financial officer.

The ANC knew that Ramos was leaving last November. At the time the public enterprises minister was Brigitte Mbanda. It is not clear why the ANC did not move then to make the appointment.

That indecision means that Transnet now needs to fill the positions of chief executive, chief financial officer and chairperson, after Fred Phaswana left at the end of the board's term last month. Hogan has since appointed Geoff Everingham as acting chairperson and reappointed the board for another term.

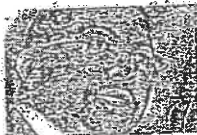
Vytile Minton, the chair of Parila-

ment's portfolio committee on public enterprises, said Hogan had been called to account for the Transnet saga.

"She is still coming to the committee. We are very, very worried. There are three executive positions that are affected by this. It must be resolved very, very quickly. I get a sense that people think they have time.

"We must fire up the leadership of Transnet so that it can focus on what the company must do," she said.

This week support for Gama increased. On Friday an ANC Youth League national executive committee member said they had discussed the matter and resolved "to fight for Gama's appointment took and



PREFERRED CANDIDATE...
Siyabonga Gama

Gama this week said he did not understand why charges had been brought against him because he had provided answers to both acting chief executive Wells and the board.

Transnet is investigating the circumstances under which Gama went beyond his authority in approving a R18-million security contract. Gama only has authority to approve fixed-term contracts of up to R10-million. Gama said the five-month contract he authorised was for R2.8 million.

"At the end of that period TFR had not concluded the awarding of any contract and the security manager attended the contract with existing suppliers on a month-to-month basis on the same terms. This is normal practice within the parastatal in such instances," he said.

Gama said it was impossible for him to know all the details of each of nearly 3 000 contracts that TFR had with different suppliers.

Another allegation is that Gama defied a board decision to include Transnet Rail Engineering in a contract to build 60 new locomotives.

The locomotives are being built by a service provider.

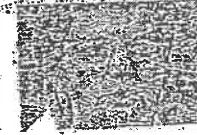
Gama said the contract allowed the service provider to produce 10 locomotives. He has launched a high-contrast to clear his name.

The week also saw Sipho Maseko, the Transnet board's preferred candidate, withdraw from the race.

"It is important to point out that we understand fully the frustrations brought about by the delay in the selection process.

"However, we are doing all we can to ensure that the matter is speedily resolved," reads a Transnet statement.

This means that the job is Gama's, should he win his court case. It is unclear if any other candidate would want the job after all the hype, if Gama remains in the race.



IN HOT WATER... Public Enterprises Minister Barbara Hogan

BH

"F9"

ANCYL calls for Ghana's appointment as chief of Transnet



Stebonon Gama, the chief executive of Transnet Freight Rail, has been tipped to head Transnet but he was suspended two weeks ago after falling under suspicion of irregular tender awarded to the rail unit.

ANCYL has called for the appointment of Stebonon Gama as the chief executive of Transnet Freight Rail, but he was suspended two weeks ago after falling under suspicion of irregular tender awarded to the rail unit.

Any attempt to persecute and isolate Gama would be met with massive youth resistance

It is unfortunate that Gama was suspended by the Transnet board for the suspension of his contract with the company. It is a pity that he was not given the opportunity to defend himself.

The ANCYL has called for the appointment of Stebonon Gama as the chief executive of Transnet Freight Rail, but he was suspended two weeks ago after falling under suspicion of irregular tender awarded to the rail unit.

The ANCYL has called for the appointment of Stebonon Gama as the chief executive of Transnet Freight Rail, but he was suspended two weeks ago after falling under suspicion of irregular tender awarded to the rail unit.

The ANCYL has called for the appointment of Stebonon Gama as the chief executive of Transnet Freight Rail, but he was suspended two weeks ago after falling under suspicion of irregular tender awarded to the rail unit.

Handwritten initials or signature.

"F18"

Gama's lawyers file papers in court to fight his suspension

Mizwandle Jacks

TRANSNET's acting group chief executive, Chris Wells, and Mahara Pradeep, the group's human resource director, did not have the authority to bring disciplinary action against Siyabonga Gama, the suspended chief executive of Transnet Freight Rail (TFR).

This is according to an affidavit filed before the South Gauteng High court last week.

Gama's lawyers are bringing an urgent application in the court on Thursday in a bid to set aside his suspension.

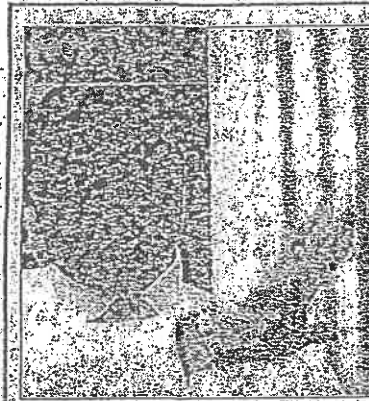
He was suspended about two weeks ago pending the outcome of an internal disciplinary hearing.

Gama faces charges related to the allocation of a contract to refurbish 50 locomotives to Sibanye Trade Services, which allegedly had little experience of renovating locomotives.

He also allegedly awarded a R19 million contract to a security firm that reportedly had links with Communications Minister Siphwe Nyanda. Gama had authority to sign off contracts only up to R10m.

His attorneys, Lange Attorneys, also want to interdict Transnet from pursuing any further disciplinary hearings against Gama "unless properly authorised" by the board.

According to the affidavit, Transnet's board is the only authority that can decide on his suspension and the board did not fairly authorise his suspension. The affidavit declares that Gama has not been suspended and that he is entitled to fulfil



Siyabonga Gama

Inside:

The ANC Youth League is demanding that Gama be named as Transnet honcho page 16

his duties at TFR.

Gama's attorneys also asked Transnet to give Gama copies of all documents in their possession that relate to any decision taken to suspend him.

Gama's suspension has sparked a political row, with high-powered ANC leaders backing him for the position of group chief executive.

Nyanda told a Sunday newspaper that Gama was being persecuted, saying very few people were as capable as Gama. He was quoted as saying: "What happened to JZ (President Jacob Zuma) is happening in this case. People vilify and cast aspersions on you."

It is understood that Gama was never really favoured for the chief executive post. While he was on the initial shortlist of five candidates for the position that the board compiled in February, it decided that one

candidate, Pravin Gordhan, was better than the rest and put forward only his name.

Gordhan was later named finance minister and pulled out of the race. The Transnet board then started the search process. It is alleged that Gama was not included on the new shortlist of three candidates.

John Dladu, Transnet's spokesman, confirmed to Business Report that the group was served with court papers last Thursday.

"We welcome the opportunity to have the matter put to rest in a court of law where the company will be defending this matter."

Transnet believed that due process had to be allowed to take its course and that Gama ought to be afforded the full opportunity to respond to the allegations against him in a duly constituted process.

BK

"F11"

No to cadre Gama

The ANC's disturbing habit of earmarking certain people for top positions regardless of flaws and allegations is evident in the utterances over Transnet.

A similar pattern was followed in Jacob Zuma's own appointment as President, and was followed even in the recent elevation of questionable lawyer Paul Ngobeni to become Defence Minister Lindiwe Sisulu's legal adviser. The DA has pointed out how several key posts in Zuma's office have been filled by people with questionable credentials.

In the case of Transnet two Ministers, plus the ANC, the

ANC Youth League and the SA Communist Party, have all publicly stated that Siyabonga Gama must be made CEO.

This despite Gama being suspended as CEO of a division, Transnet Freight Rail. He is being probed regarding a tender for 50 locomotives. He also allegedly gave a security contract worth R19 million to a company linked to Minister Siphile Nyanda, one of his backers on the ANC's National Working Committee.

We have already seen in enough corporations, the SABC for example, what happens when party loyalty trumps integrity. Transnet is too vast to have a dodgy driver.

BY

"F12"

Gama being 'persecuted like Zuma'

BUDDY NAI DU

MINISTER of communications and ANC heavyweight General Siphiso Nyanda says suspended Transnet executive Siyabonga Gama is being persecuted in the same manner as Jacob Zuma.

"He is a young man. Very few people are as capable or as suitable as he is. The challenge is that some people out there are really bent on ensuring that he is destroyed," said Nyanda. "What happened to JZ (President Zuma) is happening in this case. People vilify and cast aspersions (on you)."

Nyanda has previously said Zuma was the victim of a political conspiracy aimed at keeping him out of political office. His name has also been dragged into the Transnet leadership battle, which resulted in Gama's suspension as CEO of Transnet Freight Rail.

Gama is the front-runner to take over as group chief executive from Maria Ramos, who quit to join Absa. He has the backing of the ANC, the SACP, the ANC Youth League and senior management, who say he is being victimised.

Nyanda said he was "incensed" over recent events and attempts by "powerful interests" to stop Gama from taking over. He is the second ANC bigwig, after minister of justice and constitutional development Jeff Radebe, to throw his weight behind Gama.

"The problem is that I am also cited as a person who is involved or was associated with a company that got a contract with (Transnet) Freight Rail. So I don't think my comments would be viewed objectively. But what I can say is that there is a lot of dirt. I am really concerned about what is happening."

A security firm with links to Nyanda was apparently given a R19-million contract by Gama. It is alleged that he did not follow procedure. He is also being probed for a tender to buy 50 locomotives.

Gama received a notice of suspension last Monday, two days before the cabinet was due to endorse his appointment. That was despite allegations received by the Public Service Commission as far back as November 2007.

Ramos has also been accused of scuppering his appointment, as she raised the allegations at her last board meeting in February, at which the appointment of a CEO was on the agenda.

Gama's appointment has been endorsed by the ANC's national working committee, on which Nyanda serves.

Transnet is undertaking an R30-billion capital expenditure programme which has been beset by allegations of tender rigging, corruption and wasteful expenditure.

NB

BV

"F13"

Generally corrupt

IT was the ANC kindergarten's Wee Julius who said that if the Karaoke King was corrupt then "give us a corrupt president". We all know who is singing for his supper in Tuynhuys now, so perhaps we should take note when ANCYL second-in-command Vuyiswa Tulelo says disciplinary charges will not keep Siyabonga Gama out of the Transnet penthouse. "Comrade Gama will become the CEO by hook or crook," she said.

B/P

Just a ploy to remove him

I STRONGLY believe that Siyabonga Gama is being pushed so that the interests of a certain clique can be realised. The clique's interests are not confined to Transnet, but straddle much of the government's economic cluster.

The sidelining of Gama is part of a well-orchestrated strategy designed to ensure that certain cronies exercise power over the economic organs of state, now and beyond their lifetimes.

— Kenneth Pitso

BN