

MEDIA STATEMENT

SIGNING OF THE MEMORANDUM OF UNDERSTANDING BETWEEN TRANSNET FREIGHT RAIL AND FREE STATE PROVINCIAL GOVERNMENT.

On Friday, 23 September 2011 the honourable Mr Mxolisi Dukwana, MEC for Economic Development Tourism & Environmental Affairs under the Free State Provincial Government and Mr Siyabonga Gama, Chief Executive of Transnet Freight Rail will be signing a Memorandum of Understanding (MOU). The signing ceremony will take place at Transnet Freight Rail Operations premises in Zastron Street in Bloemfontein. Also present at the function will be the Premier of Free State as well as the Mayor of Bloemfontein/ Mangaung Metropolitan Council.

The signing of the MOU is the culmination of the discussions that have been going on between Transnet Freight Rail and the Free State Department of Economic Development, Tourism & Environmental Affairs with a view to creating intermodal facilities within the Province. This offers a win-win opportunity. The Free State Administration's main objective is to create labour demanding economic development opportunities and also to reduce its road maintenance budget which has escalated due to accelerated deterioration of the road infrastructure as a result of an increased number of trucks on the provincial roads. On the other hand Transnet Freight Rail objective is to increase its market share by displacing rail friendly cargo from road to rail. Furthermore Transnet has branch lines in which the Province has expressed interest.

In addition to the signing of the co-operative agreement both the MEC for Economic Development, Tourism & Environmental Affairs and the CE of Transnet Freight Rail will give short messages. The keynote address will be delivered by the honourable Premier of the Province, Mr Ace Magashule who will also unveil a new initiative that will be operating on site as part of the co-operation between the Provincial Department of Economic Development Tourism & Environmental Affairs and Transnet Freight Rail. The representatives of both parties will be available to field questions from the media after the ceremony. End

Prepared jointly by:

Free State Department of Economic Development Tourism &
Environmental Affairs; and
Transnet Freight Rail