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Zondo commission – Transnet board begged for my return, says Gama

Former Transnet GCEO Siyabonga Gama has told the state capture commission that if there was any political interference in his reinstatement to the position of CEO of Transnet Freight Rail (TFR) in 2011, he knew nothing about it. It was in fact the board of Transnet that wanted him back to save TFR from failure.

Gama said he only had official interactions with former president Jacob Zuma and former public enterprises minister Malusi Gigaba around the time of his suspension and his return to the parastatal, and there is no truth to the allegations that he lobbied for political support after being dismissed for misconduct in June 2010.

“I have been a case study in this commission, where I think people have made numerous inferences and where my name has been brought in, but nothing to do with what I did,” said Gama.

The Transnet board chairperson at the time of Gama’s reinstatement, Mafika Mkwanazi, conceded to the commission last year that he was tasked, upon taking office, to deal with the matter. It was Gigaba who had called Mkwanazi to a meeting in late 2010 to apprise him of the importance of the reinstatement issue, Mkwanazi testified. Upon taking office in December of the same year, Mkwanazi sought to get a process underway for Gama’s dismissal to be set aside, and for him to return to TFR.

The motivation, said Gama on Thursday, was that he was the first case of a subsidiary CEO to be charged under circumstances where others had received a slap on the wrist, in a clear case of negligence and nothing more.

“There were people and instances and incidents within Transnet that were very similar. The Nkonki KPMG report came to the same conclusion. That there was no one at Transnet other than Gama that had ever been charged, disciplined, fired for something that could have been rectified inside the company if people were just being fair to one another and followed their own processes to deal with it.”

The motivation was political, because something had presumably gone wrong with the succession plan at Transnet. At the time of his suspension, the GCEO was Maria Ramos, who was on the verge of leaving for the private sector. Gama’s only crime, he said, was his ambition.

“I was charged in those circumstances where it was clear that there was something else. I was only charged as a consequence of my application for a post as the GCEO of Transnet. If I had never applied to be the GCEO of Transnet in 2009 I would never have been charged.”

Bowman Gilfilan attorney Chris Todd, who acted on Transnet's behalf in Gama's disciplinary process, detailed in previous evidence how strong the case was against him. Among the charges Gama faced was one of misconduct, where he approved a contract by deviation to a security company owned for by former cabinet minister Sipiwe Nyanda. Gama conceded that indeed the contract value was above his delegation of authority, as Todd had said in his statement, but this was only by R4-million, whereas another executive he did not name had gone beyond their authority by R750-million and was not disciplined.

On the day that he approved the R18-million award to General Nyanda Security, which would later trade as Abalozi, Gama said he was deceived by his subordinates, who had not only left the signing off to the last minute, but had failed to appropriate it to the correct authority, which was the office of the Transnet GCEO.

He conceded when asked by commission chairperson Deputy Chief Justice Raymond Zondo if he should not have treated the approval process with more caution.

Although the disciplinary process found Gama guilty, he not only managed to negotiate a return to TFR with Mkwanzazi, but Transnet also paid towards his legal fees for both the disciplinary process as well as a 2009 High Court process to interdict his suspension.

Mkwanzazi's motivation for seeking a negotiated settlement, said Gama, was that he wanted him back to save TFR, which was bleeding and would soon run out of money to pay salaries. Within six months of his reinstatement, this value was realised, and TFR was back to making money.

Gama blasted Todd for giving the impression that he did not deserve to be at TFR. "Todd sought to mislead the commission to say that I was at TFR not on merit, but because Gigaba had handpicked me so that I could contribute to the project of what is now known as state capture," he said, adding that the attorney had no experience in the rail industry but was trusted as if he was an expert.

On the testimony of Gigaba's predecessor Barbara Hogan, who said in 2018 that Zuma refused to hear of any other potential GCEOs for Transnet when Ramos left, and wanted only him, Gama said he was not aware of any influence from Zuma.

Because his suspension and subsequent disciplinary process was very public, his understanding was that people on the political scene knew the details. It was not because he enjoyed a relationship with Zuma that he was treated in the way that he was.

"When you say I seem to have political support from ANC, the SACP, the youth league, the South African transport union ...how does that bring about a situation of state capture?," Gama retorted to a question asked by evidence leader Advocate Anton Myburgh.

"Well, it depends what's behind this, Mr Gama," said Myburgh, to which Gama replied that he was unaware of any attempts to influence his return, other than his own, which were motivated by being a victim of double standards.

In fact, at some point after the failed court action, Gama wanted to settle with Transnet, having given up on his quest to fight his dismissal. By this point, he had lost over R5-million in legal costs, he said, and wanted nothing more to do with Transnet. But it was Transnet that stopped the process at its bargaining council, seeking instead to negotiate with him, he said.

“When Mkwazi gets into the arena, he is taking over from that process, where there are discussions between me and Transnet...I did not want to go back to Transnet in terms of the settlement we were having. I just wanted to see how much they would give me to go away.

“I said to them pay me so much, I will leave you in peace, and you can do your shenanigans.”

But Mkwazi said he should not entertain this thing of the board paying money for him to go away, said Gama, because the business was suffering. “We would want you to continue to make a contribution,” he was told.

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