



MEDIA RELEASE

SANRAL statement on contracts with long distance toll concessionaires

Pretoria, 8 July 2020 – SANRAL is obligated to protect the commercial rights of third parties with whom it conducts business.

The South African National Roads Agency SOC Limited (SANRAL) has noted the Organisation Undoing Tax Abuse's (OUTA) plans to lodge a formal application review of its contracts with the N3 Toll Concession (N3TC) and other long-distance toll concessionaires.

In its assertion, OUTA claims that it will turn to the courts because SANRAL refuses to disclose information on the current contract that it has with N3TC, as lawfully obligated by the Promotion of Access to Information Act (PAIA).

OUTA further claims that contracts with tolling concessionaires need to be transparent and allege that there is a possibility that these concessionaires could be benefiting from excessive profits, part of which may require credit to the road users in reduced toll fees or returns to SANRAL.

While SANRAL agrees that, as a state-owned company, it ought to be transparent in its dealings with third parties, the road agency is also obliged to protect the right of these parties.

"In terms Section of 36 of PAIA, SANRAL has the right to protect the commercial information of third parties. As Section 36 is a mandatory obligation set upon SANRAL to protect the commercial rights of these third parties, we will have no other choice but to defend such an application in accordance with the law," says Vusi Mona, SANRAL's general manager of communications.

SANRAL also believes that there is no merit in OUTA's assertion that tolling concessionaires contracted by SANRAL are making excessive profits. All SANRAL concession contracts contain clauses that prevent excessive profit scenarios.

"All of our concessions' annual financial statements are independently reviewed by the Auditor General of South Africa," says Mona.

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