



# SPECIAL TRIBUNAL

EST: ACT 74 OF 1996

All Media

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## **SPECIAL TRIBUNAL DISMISSES BID BY FORMER TRANNET EXECUTIVE'S LEAVE TO APPEAL ITS JUDGMENT**

The Special Tribunal has dismissed with costs leave to appeal its judgment by the former Transnet Group Executive for Capital Projects, Mr Linyenga Herbert Msagala, who is alleged to have improperly benefited in an R18, 4 million tender irregularities during his incumbency at the Enterprise.

Judge Billy Mothle dismissed the application on Tuesday

In his findings, Judge Mothle found that Mr Msagala has not persuaded the Special Tribunal with compelling reasons why a different court would come to another finding.

The matter came before the Special Tribunal in July 2020 after the Special Investigating Unit (SIU) investigated a project conducted by Transnet, known as New-Multi Product Pipeline for the high pressure transportation of liquid petroleum products from Durban to Heidelberg.

The project was managed Mr Msagala who at the time was employed as Transnet Group Head for Capital Projects. It was during his incumbency in 2015 that IGS Consulting Engineering Services CC, whose sole member was Mr Siphso Sithole, was awarded contracts in the project, and additional contracts at a later stage.

On 30<sup>th</sup> July 2020, the SIU lodged an urgent ex parte application before the Special Tribunal seeking an order to freeze his assets and interdict Transnet from paying out Mr Msagala's pension benefits as he was no longer in the employ of the company.

The order was granted pending the institution of civil recovery proceedings against Mr Msagala.

In support of the application it was alleged that between January 2015 and December 2016 and during his employment with Transnet, Mr Msagala, directly and through his Msagala Investment Trusts, received various cash payments of the amounts in excess of R18 million from IGS and Mr Sithole.

He opposed the application.

Judge Mothle found that on the conspectus of the evidence and on the balance of probabilities, there was merit in the SIU case and granted the order.

In the judgment, Judge Mothle ordered that the money profited by Mr Msagala be forfeited to the State as proceeds of unlawful activities.



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In the leave to appeal, he found that the legal team of Mr Msagala rehashed the old argument that Mr Msagala's financial fortunes increased as a result of his several business activities, which could not be augmented by evidence.

Judge Mothle dismissed the leave to appeal an earlier judgment. He ordered Mr Msagala and his trusts to pay the costs of the application including the costs of the SIU's two Counsel.

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