



NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NUMBER: 2730 [NW3037E]

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2730. Mr T J Brauteseth (DA) to ask the Minister of Finance:

- (1) With reference to the contract concluded between SA Airways Technical (SAAT) and a certain company (name furnished), why was the specified contract (a) initially awarded to Air France and (b) subsequently withdrawn;
- (2) whether the specified airline has taken legal action against SAAT for withdrawing the specified contract; if so, (a) why did the specified airline take legal action, (b) in which court(s) is the specified airline taking legal action, (c) what is the quantum of damages that the specified airline is claiming and (d) what amount has SAAT spent in defending this matter to date?

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REPLY:

- 1(a) There was never an initial award of the contract to Air France. The Cross Functional Sourcing Team ("CFST") had recommended that the Board of Directors of SAAT ("the Board") make an award to Air France, which was the third ranked bidder in terms of the evaluation process. The recommendation by the CFST was based on certain risks pertaining to bidders ranked first and second. The Board did not agree with the rationale put forward by the CFST and did not approve the award to Air France.
- 1(b) No withdrawal of the award ever took place.

Air France did not take legal action against SAAT for the withdrawal of a specific contract. Air France took SAAT to court to interdict SAAT from entering into a contract with a preferred bidder.

- 2(a) Air France made an application for an interdict to stop the award of and conclusion of the contract with a preferred bidder at the North Gauteng High Court.
- 2(b) North Gauteng High Court
- 2(c) Air France did not claim any damages from SAAT
- 2(d) SAAT won the case with costs and Air France was ordered to pay the SAAT's legal costs. The legal action by Air France did therefore not cost SAAT anything.