

SA-built GE locomotives exceed expectations

State-owned rail-building company, Transnet Rail Engineering (TRE), was building General Electric (GE) locomotives at levels of quality that exceeded the expectations of TRE's GE partners. The CEO of GE Transportation for China, southeast Asia and sub-Saharan Africa, Tim Schweikert, said last week.



(Image: Transnet)

That boded well for the revival of SA's engineering industry and the country's ambition's to become a supplier of locomotives for export markets, he said.

Schweikert said the government's commitment to rail, power and transport infrastructure would deliver benefits, albeit on a smaller scale, to the South African economy such as those that are being reaped by China.

GE won a tender to supply 100 heavy-haul diesel locomotives to TRE. Earlier this year, the contract was extended for a further 43 locomotives. As part of the tender, GE volunteered to include a local content programme, similar to those it had used in other countries, and set a self-imposed target of about 30% for local content, GE SA spokeswoman Thuli Phiri said.

The locomotives made in SA had a 37% local content, she said.

The GE and TRE programme had demonstrated it was possible for local-content targets to be set and achieved at a time when the state and the industry had been discussing the viability of local-content targets in a moribund rail engineering environment. Transnet Group, the state-owned port and freight company, was expected to issue a tender soon for the supply of about 1300 new locomotives, of which 700 would be diesel fuelled.

Schweikert said last week that GE had its eye on the contract and planned to submit a tender to the company that would exceed the targets set by Transnet. GE also had a signalling-systems business and was also looking to participate in the 20year investment programme of the Passenger Rail Agency of SA.

The government is eager to use its multibillion-rand infrastructure investment programme to stimulate manufacturing and industrial activity in the economy in an effort to lift the economic growth rate and tackle the country's unemployment crisis.

Transnet said it would spend more than R200bn over the next seven years to expand and improve its rail operations.

The Class 43 GE locomotives that are being produced in SA are offering the owners of the assets an average availability of 94%, Schweikert said.

Locomotive availability is a key measure of performance used by rail operators to measure the effectiveness of their operations and a big contributor to profitability.

Source: *Business Day* via I-Net Bridge

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