

THE SUPREME COURT OF APPEAL REPUBLIC OF SOUTH AFRICA

MEDIA SUMMARY – JUDGMENT DELIVERED IN THE SUPREME COURT OF APPEAL

From: The Registrar, Supreme Court of Appeal

Date: 13 May 2009

Status: Immediate

Please note that the media summary is intended for the benefit of the media and does not form part of the judgment of the Supreme Court of Appeal.

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SOUTH AFRICAN POST OFFICE v B P DE LACY & ANOTHER

The Supreme Court of Appeal (SCA) today set aside a judgment of the Pretoria High Court awarding damages of R 60 million to the cessionaries of a claim by a tenderer who was not awarded a contract by the South African Post Office.

The tenderer concerned was a 'black empowerment company' that tendered for a contract to supply an electronic payment system for the payment of social benefits in the North West Province. The contract was awarded to another tenderer.

The SCA pointed out that it had earlier been held by that court that a claim for damages can succeed only if it was shown that the contract was awarded corruptly or dishonestly.

It held that although there might have been irregularities in the process the claimants had not established, as a matter of fact, that the contract had been awarded dishonestly. On that basis the claim had to fail.