

PPP QUARTERLY

PUBLIC PRIVATE PARTNERSHIPS

Innovative infrastructure and service delivery in South Africa

March 2005 Number 18

A VISION FOR MAINSTREAMING PPPs

TREASURY'S NEW PPP UNIT HEAD SETS THE PACE

National Treasury has appointed one of its founding PPP Unit members – civil engineer, lawyer and widely respected project advisor – William Dachs, as head of the PPP Unit from March 2005. PPPQuarterly interviewed him shortly after the announcement.

PPPQ: In his State of the Nation address on 11 February, the President announced that the capital investment programme of government will be speeded up, and that in part to facilitate this, urgent steps will be taken to strengthen the Public Private Partnership mechanisms in government by December 2005. Do you have specific plans?

Dachs: South Africa is blessed with strong capital markets, a competitive private sector, a proud democracy, and a robust economic outlook. In this climate of solid growth, emerging black entrepreneurs, a need for new jobs, and a concerted drive to improve public service delivery, our PPP mechanisms provide a great opportunity to galvanise this energy for common good. Thanks to the efforts of a very good team in the PPP Unit, a significant number of projects will enter the market this year. I don't believe that there are any better steps to take than to deliver improved services through PPPs in the shortest possible time.

PPPQ: But does the public sector have the capacity to manage PPPs? Our regulatory framework, standard contract provisions and detailed guidance manuals are in place, but deal flow seems to be slow.

Dachs: There is no denying it – our country has capacity constraints in project management. But we need to unlock the issues. A slow project feasibility may actually be because we are ironing out the project readiness issues, so that by the time the project goes to market, bidders and the institutions can be confident that the

deal is likely to proceed. Slowness in procurement however, is a problem. The solution lies in doing more and more deals, following standard systems that become familiar territory. One might say we are busy building PPP fitness in all the players. The message must be: don't give up; and don't try to short-circuit or bypass tried and tested methods that work. We are confident that deal-flow will escalate, especially as the major public entities tackle the big logistics infrastructure agenda, and as municipalities explore new service delivery options.

PPPQ: The President also stressed that at all times, PPPs should involve local communities. How is this being achieved? Are we seeing black economic empowerment in PPPs?

Dachs: The Code for BEE in PPPs is sound, and is being applied in all PPP deals. It places strong weighting on ensuring that PPPs directly benefit the people in whose neighbourhoods they operate. Audits need to be done to test actual achievements to date, but the signs

are positive so far. BEE and real benefits to local communities are top priorities in all PPPs.

PPPQ: How do you feel about your appointment?

Dachs: Very proud to be heading a talented and committed unit that has made such a contribution already. It's a challenging task, but the prospects are great.



NATIONAL
TREASURY

PPP
unit



This publication is
sponsored by:

PRICEWATERHOUSECOOPERS



New, fresh and reader friendly, the PPP Unit's website www.ppp.gov.za was launched on 1st February 2005 and is the portal for PPPs in South Africa. It carries comprehensive project and regulatory information on PPPs in national, provincial and municipal government, along with numerous new features.

Complete PDF copies of the *PPP Manual*, *Standardised PPP Provisions* and the *Code of Good Practice for Black Economic Empowerment in PPPs* are available for download, along with MS Word versions of various user-friendly templates in these volumes.

The PPP Unit's popular lists of all signed PPPs and projects in inception, feasibility and procurement phases, is kept constantly updated, giving contact details for project officers and transaction advisors. The complete catalogue of *PPP Quarterly* publications, since its first issue in October 2000, is also available.

The site will keep readers up-to-date on all South African PPP work-in-progress. It includes the current rollout of new municipal regulations for PPPs and the development of the *Tourism PPPs Toolkit* due for completion in May.

Information on PPP training courses and workshops, and links to useful national and international PPP websites are also provided.

"The website aims to be a point of easy reference for both private sector investors and public sector project managers,

and to inform readers of the role that PPPs play in infrastructure and the delivery of services," says the PPP Unit's newly-appointed director for business development, Kogan Pillay.

'We answer your questions' is a feature that gives users the opportunity to submit queries to the PPP Unit, and have them answered on the site.

Advertisements by line departments, public entities and municipalities for PPP project officers, transaction advisors and any official PPP procurement documents can now be placed on the site at no charge. Pillay notes that this is an opportunity for all PPP bid documentation to be available at a one-stop site. "If the institutions make full use of this valuable facility, it will further promote the site as a 'must-visit' for everyone involved in PPPs in South Africa," he says.

"We are now working on the development of a comprehensive, searchable project database that will enable visitors to draw reports per sector, phase, project value, project type, sphere of government, BEE indicators, and the like. We aim to have this database live by mid-year," adds Pillay.

MILITARY LAUNCHES INTO PPP PROCUREMENT

South African Military Health Services (SAMHS), a service within the Department of Defence, has decided to procure a PPP in which private healthcare providers will provide health services – from primary to tertiary – for all serving and retired South African Defence Force personnel. This will occur in eight key centres of Durban, Nelspruit, Potchefstroom, Port Elizabeth, Umtata, George, Kimberley and Polokwane.

Treasury Approval I for the feasibility study was given in January 2005, and the Department aims to have a PPP agreement signed by mid-year.

An interesting aspect of the feasibility study was identifying the differences between military health statistics and those of civil society. Given a population served in the eight regions of some 105 000 people, SAMHS has both the lowest admission rate of some 35 admissions per 1 000 population per annum (compared to overall public sector rate of 100 and a private sector rate of 250) and the lowest cost per population served of all public health institutions. This was ascribed by SAMHS to the age profile of military personnel as well as the disciplined approach taken in the admission of patients to hospitals.

This PPP is important for two reasons:

- It will be the first health PPP procured in accordance with Treasury Regulations where private parties will bid to provide clinical as well as facility-related services.
- The SAMHS PPP will serve as an interesting pilot for the proposed Government Employees Medical Scheme (GEMS). GEMS is a medical scheme registered by the Department of Public Service Administration on 1 January 2005 and in time, will cover all state employees in an attempt to dramatically improve medical benefits for the employees at reduced costs. Key to GEMS' success will be its ability to reduce costs of private hospital services through bulk usage and careful case management. The SAMHS PPP will be followed with great interest as it attempts to obtain sustainable discounts on current fee-for-service models.



TOURISM TOOLKIT TAKES SHAPE

More than 300 tourism and conservation sector specialists attending a consultative workshop in December last year, gave a strong endorsement for the proposed Tourism PPPs Toolkit.

Hosted jointly by the PPP Unit and the Department of Environmental Affairs & Tourism (DEAT), the workshop heard experiences of public officials, private parties and communities in a range of tourism PPPs to date and reviewed the outline of the proposed Toolkit. It was concluded that:

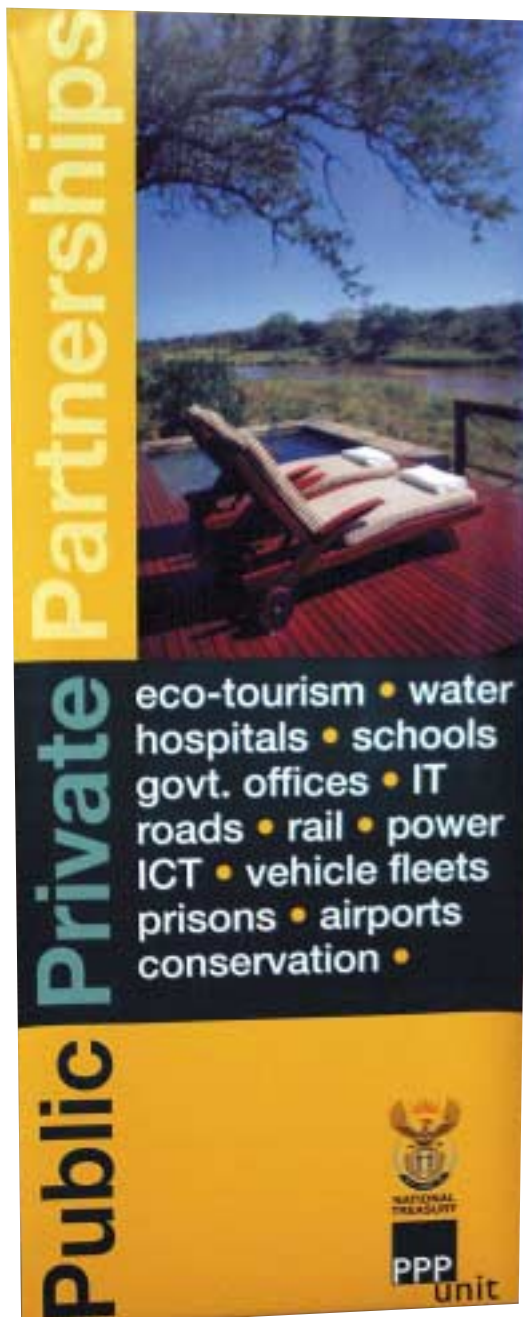
- Tourism PPPs offer significant opportunities for job creation, poverty alleviation, infrastructure investment, skills development, environmental protection, black economic empowerment and tourism promotion in some of the most marginalised parts of the country;
- the Toolkit is urgently needed to bring certainty and consistency to tourism-related commercial investments on state land;
- the Toolkit should be made applicable not only to national and provincial government institutions (in terms of the Public Finance Management Act), but also to municipalities (in terms of the Municipal Finance Management Act);
- consistent guidance should be given by government to communal land owners who are seeking private sector investment on their land; and
- a second consultative workshop should be held to review the draft Toolkit before it is finalised.

The Toolkit will cover a wide range of PPP products and complexities: all types of accommodation, retail, restaurants, activities (for example, hiking, bungee-jumping, 4X4 trails), museums and interpretation centres. For each, the Toolkit will set standardised methods and documentation for feasibility studies, BEE scorecards (consistent with the forthcoming Tourism BEE Charter), fair and transparent procurement, and template PPP agreements. It is also attempting to streamline BEE financing by facilitating in-principle agreements between the implementing institutions, development finance institutions and donors at the feasibility phase.

“Drawing on many salient lessons from early tourism PPP deals, this Toolkit is being designed to bring certainty, transparency, procedural efficiency and fairness in the tourism PPP market, enabling relevant government institutions to make PPPs part of their normal work, and enabling big and small



*Dr Crispian Olver, Director-General
Department of Environmental Affairs & Tourism, opening the
December 2004 workshop.*



private investors to plan and bid for opportunities to grow tourism enterprises on state land across South Africa,” said Sue Lund, manager of the Toolkit production in the PPP Unit.

Drafting is at an advanced stage, being overseen by a large task team from national and provincial conservation, tourism and investment departments and public entities, Tourism Business Council, Development Bank of Southern Africa, Industrial Development Corporation, SA Tourism, and National Business Initiative (NBI).

Treasury consultations are underway with relevant government departments to assess the viability of extending the Toolkit's application to municipalities and to the possibility of producing similar guidance for communal landowners.

Four reports completed in preparation for Toolkit production are available on www.ppp.gov.za. The final draft of the Toolkit will be posted on the same site for public consultation by the beginning of April 2005. The consultative workshop on the proposed final Toolkit will take place on 21 April 2005, in Midrand, Gauteng.

To participate in the next consultative workshop, register with Flo Mkwana at NBI, flo@nbi.org.za, tel (011) 482-5100.

MUNICIPAL PPP REGULATIONS HIT THE STREET

PPP regulations to the Municipal Finance Management Act (MFMA) become effective in March 2005, bringing all municipalities into a rigorous set of PPP tests consistent with those established to date for national and provincial government.

Since being published for comment in October 2004, the regulations have been modified slightly by:

- noting that all other statutory provisions regulating municipal partnerships continue to apply;
- further adapting the definition of a PPP to the municipal context;
- defining a municipal 'activity' rather than a municipal 'function' in respect of a PPP;
- detailing the matters to be addressed in a PPP feasibility study, linked to the requirements described in Section 78(3)(c) of the Municipal Systems Amendment Act, No 44 of 2003;
- clarifying that a 'private party' does not include a municipality, a municipal entity or an organ of state;
- requiring the accounting officer of a municipality considering a PPP to appoint a project officer, and specifying that person's responsibilities; and
- clarifying the role of the provincial treasury in terms of a

solicitation of its views by a municipality within the province seeking to procure a PPP.

Finalisation of the municipal PPP regulations involved a careful assessment of stakeholder feedback by National Treasury's Intergovernmental Relations division, the PPP Unit and the Department of Provincial & Local Government.

The regulations give effect to the PPP provisions of the MFMA, the Municipal Systems Act, No 40 of 2002, and the Municipal Systems Amendment Act. To the greatest extent possible, they are intended to provide a single point of reference for municipalities wanting to explore the provision of municipal services and activities via PPP agreements.

The PPP Unit has begun drafting *Municipal PPP Guidelines*, in a similar format to the *PPP Manual*, which was issued last year by National Treasury for PPPs procured under the Public Finance Management Act. *Standardised Municipal PPP Provisions*, to appropriately standardise municipal PPP contract terms, will also be developed in due course.

For further information contact the head of the PPP Unit's Municipal Desk, tumi.moleke@treasury.gov.za

BEST AND FINAL OFFERS KEEP GAUTRAIN MOVING ALONG

Gautrain Rapid Rail reached a significant milestone on 26 January 2005 when Best and Final Offers (BAFOs) were received from the Gaudiwe and Bombela Consortia.

The two consortia pre-qualified in 2002 and submitted their initial bids in early 2004. The BAFO was necessary because neither initial bid met the Gauteng province's stringent requirements for affordability and value for money.

At the same time, the Province revised a number of assumptions in its own feasibility study and has submitted a request for a revised Treasury Approval 1 for the newly revised study.

The Environmental Impact Assessment Record of Decision from the Gauteng Department of Agriculture, Conservation and Environment was also given in favour of the project in 2004, clearing the way for the BAFO documents to be prepared and issued to the bidders.

The project entails the construction and operation of a modern rapid rail system, operating at speeds of up to 180 km/hr, linking Tshwane, Johannesburg and Johannesburg International Airport.

The network is 80km long, has ten stations and is the largest single transport infrastructure project in Southern Africa. Its procurement as a PPP has allowed for significant investment and assumption of risk by the private sector. It has also led to a number of important developments in the PPP market including amendments to tax and provincial transport legislation.

The transport infrastructure demands imposed by the 2010 Soccer World Cup have increased the urgency of obtaining the BAFOs, and both consortia were under considerable pressure to meet the tight deadline. Their willingness to do so indicated their commitment to this complex and substantial project.

The Gauteng Provincial Government expects to announce a preferred bidder by end April 2005.



PPP projects signed in terms of Treasury Regulation 16, as at March 2005

PPP type indicated by combination of private party risk for: **D:** design; **F:** finance; **B:** build; **O:** operate; **T:** transfer of assets back to government
BEE: Black economic empowerment; **vfm:** value for money; **PFMA:** Public Finance Management Act, 1999

Project and government institution	PPP type Contract duration Date Financial Close	Contact Official	Private Partner	BEE as % of equity and sub-contracting	Financing and Arrangers	Transaction Advisors to government	Value to gvt (NPV of unitary charge)	NPV of benefit to government
1. Fleet Management Northern Cape Dept Transport, Roads and Public Works	DFO 5 years November 2001	Elliot Monosi (053) 839-2154	Pemberley Investments (Pty) Ltd comprising: Imperial Holdings and Africa Kosini	Equity: 25% Sub-c: 25%	Equity: 100%	Deloitte.	R181 million	N/a
2. Inkosi Albert Luthuli Hospital KwaZulu-Natal Dept Health	DFBOT 15 years December 2001	Hermann Conradie (033) 395-2019	Impilo Consortium (Pty) Ltd comprising: Mbekane Health & Wellbeing, AME International, Vulindlela Holdings, Siemens, Drake & Skull, Omame	Equity: 40% Sub-c: 40%	Debt: 70% Equity: 20% Govt Contribution: 10% Rand Merchant Bank	PricewaterhouseCoopers; White & Case; EC Harris; Aloecap; Hiltron	R4.5 billion	N/a
3. Eco-tourism Manyeleti 3 sites Limpopo Dept Finance, Economic Affairs, Tourism	DFBOT 30 years December 2001	Charles Maluleke (015) 290-7300	Koko Moya Wilderness Trail (Pty) Ltd; Tinswala Lodges (Pty) Ltd; Pungwe Game Reserve (Pty) Ltd	Equity: 30%, 30%, 40% Sub-c: 30%, 30%, 40%	Equity: 100%	DBSA; White & Case	N/a	R25 million cash
4. Universitas and Pelonomi Hospitals co-location Free State Dept Health	DFBOT 16,5 years November 2002	Mr Shuping (051) 430-8989	Community Health Management/ Netcare consortium	Equity: 40% Sub-c: 40%	Equity: 100%	Ignis; Naude's Attorneys	N/a	R43 million cash plus R38 million in form of upgrade
5. Information Systems Department of Labour	DFBOT 10 years December 2002	Deon Haasbroek (012) 309-4551	Siemens Business Solutions Consortium	Equity: 30% Sub-c: 25%	Equity: 100%	KPMG	R1.5 billion	N/a
6. Chapman's Peak Drive toll road Western Cape Dept Transport	DF(part)BOT 30 years May 2003	Ben Veldman (021) 483-2004	Capstone 252 (Pty) Ltd comprising: Concor, Thebe Investments, Marib Holdings, Haw & Ingles	SPV: 30% Design & Construct Sub-c: 10% Ops & Maintain Sub-c: 50%	Debt: 44% Equity: 10% Govt Contribution: 46% Rand Merchant Bank	Ignis; Jeffares & Green; Hofmeyr, Herbstein & Gihwala; Intertoll; Decathlon	N/a	R450 million in form of capital works and operations
7. State Vaccine Institute Dept Health	Equity partnership 4 years April 2003	Gerrit Muller (021) 312-0717	Biovac Consortium	Equity: 15% Sub-c: n/a	Equity: 100%	PricewaterhouseCoopers; Deneys Reitz	N/a	R15 million systems investment; & NPV vfm of R60m over current spend
8. Humansdorp District Hospital Eastern Cape Dept Health	DFBOT 20 years June 2003	Eugene Jooste (040) 609-3702	Metro-Star Hospital (Pty) Ltd comprising: Metropal Hospital and Season Star Trading 123	Equity: 25% increasing to 40% Construct Sub-c: 50% Ops & Maintain Sub-c: 40%	Equity: 90% Govt Contribution 10%	Ignis; PHI Attorneys	R18.9 million	R15 million upgrade plus R34 million cash
9. Fleet Management Eastern Cape Dept Transport	DFO 5 Years August 2003	Mr M Nkalane (043) 604-7425	Fleet Africa Eastern Cape (Pty) Ltd	Equity: 25% Sub-c: 25%	Debt: 100% Rand Merchant Bank	Deloitte.	R553 million	N/a
10. Head Office Accommodation Dept of Trade & Industry	DFBOT 25 Years August 2003	Hamida Fakir (012) 310-1564	Rainrop Consortium comprising: WBHO, Atterbury Property Holdings, Parkdev S.A., Reserve Facility Management, Propnet, Zweinzima Holdings, Prop 5 Corp, Rainbow Construction, WDB Investment Holdings, PDSA	Equity: 55% Design & Construct Sub-c: 43% Facilities Manage Sub-c: 50%	Debt: 80% Equity: 8% Govt Contribution: 12% Standard Corporate & Merchant Bank	Ignis, Utho Capital, Ledwaba Mazwai/ Masons B.I. Assoc.	R870 million	N/a
11. Cradle of Humankind Interpretation Centre Complex Gauteng Dept Agriculture, Conservation, Environment and Land Affairs	DBOT 10 years October 2003	Michael Worsnip (011) 355-1385	Furneaux Stewart Gapp Consortium comprising: Stocks, Fkile, Thebe	Operating Equity: 53% Construction Sub-c: 40% Ops Sub-c: 25%	Govt: 100% capex Equity: 100% opex	PricewaterhouseCoopers; White & Case	N/a	R39 million cash
12. Social Grant Payment System Free State Dept Social Development	DFO 3 years April 2004	Shirley Havenga (015) 409-0923	AllPay (Pty) Ltd	Equity: 40% Sub-c: Year 1: 30%; Year 2: 35%; Year 3: 45%	100% Equity	Ernst & Young	R260 million	N/a

Projects in preparation, registered in terms of Treasury Regulation 16, as at March 2005

RFO: Request for Qualification; RFP: Request for Proposal; BAFO: Best and Final Offer; Treasury Approvals: are in terms of Treasury Regulation 16 to the Public Finance Management Act. Status: Please refer to the PPP Project Cycle in National Treasury's PPP Manual, available on www.treasury.gov.za

National Departments	Project Officer	Project	Status	Transaction Advisors
1 Dept Communication	Jabu Radebe (012) 427-8167	Emergency 112	Options Analysis Completed.	Utho Capital; Nokusa Consulting; SincroWave; Mchunu Koikanyang Attorneys
2 Dept Communication	Joe Mivara (012) 427-8296	Regional language television services	Inception.	Appointed
3 Dept Correctional Services	Mzwandile Sokupa (012) 307-2130	Working Environment Service Delivery	Inception.	Not yet appointed
4 Dept Correctional Services	Robert van Amraad (083) 360 6306	Negotiation of two existing PPP prison contracts and feasibility for four new prisons	Feasibility Study underway.	Kagiso Financial Services; Ledwaba Mazwai; Carter Gobel Lee; P D Naidoo
5 Dept Defence South African Military Health Service	Brig Gen H Wallis (012) 671-5244	Purchase of Clinical Services in seven districts	Treasury Approval granted January 2005. RFP to be issued March 2005.	Ignis; PH Inc
6 Dept Education	Johan Visser (012) 312-5439	Working Environment Service Delivery	Feasibility Study completed.	KPMG, Turner & Townsend, Deneys Reitz
7 Dept Foreign Affairs	Bernice Africa (012) 351-1970	Working Environment Service Delivery	Project re-registered. Feasibility Study being completed.	Deneys Reitz; G5; Vela VKE; ME Corporation
8 Dept Foreign Affairs	Peter Bolink (012) 351-1407	Working Environment Service Delivery- Foreign missions	Inception.	Not yet appointed
9 Dept of Home Affairs	Gareth Wainner (012) 316-7087	ITHANS	Feasibility Study being completed.	PricewaterhouseCoopers; AloeCap; White & Case
10 Dept Justice	Alan Mackenzie (012) 315-1019	IT Cash Hall Payment System	Treasury Approval given 13 September 2004. RFP to be issued.	Ernst & Young; CSIR
11 Dept Labour*	Daan Haasbeek (012) 309-4551	Communication Technology	Feasibility Study underway.	PricewaterhouseCoopers
12 Dept Labour	Jan van Tonder (012) 804-6847	Sheltered Employment Factories	Inception.	Appointed
13 Dept Land Affairs	Jean-Pierre Labuschagne (012) 312-8172	Working Environment Service Delivery	Inception.	Not yet appointed
14 Dept Minerals & Energy	Elsa du Toit (012) 317-7000	Independent power producer new generation	Feasibility Study underway.	PB Power; Deneys Reitz
15 Dept Social Development	Selwyn Ishoma (012) 312-7748	IT SOCPEN System	Transaction Advisor to be appointed.	Not yet appointed
16 Dept Transport	Mavis du Toit (012) 309-3540	IT Road traffic offences system	Feasibility Study underway.	Deloitte; Molepe Business Solutions
17 Dept Transport	Nahlas Sanyersasadh (012) 309-3104	Fleet Management for National Departments	Feasibility Study completed.	Deloitte; Madhlopa Attorneys
18 Dept Water Affairs & Forestry	Christo Marais (021) 441-2700	Working for Water: secondary industries	Bids received December 2004.	KPMG; Stellenbosch University; Edward, Nathan & Friedland; Nosipho
Provincial Departments	Project Officer	Project	Status	Transaction Advisors
19 Eastern Cape Dept Health*	Lulu Peteni (040) 609-3445	Revitalisation of Pharmaceutical Supply Chain	RFP issued December 2004. Closing date 25 February 2005. Preferred Bidder announcement expected March 2005.	PricewaterhouseCoopers; White & Case; Utho Capital; LEAP Architects
20 Eastern Cape Dept Health*	Eugene Jooste (040) 609-3581	Grahamstown & Port Alfred Co-location	Pre-qualified bidders announced March 2005. RFP to be issued March 2005.	Ignis; PH Inc; EC Harris; Annette van der Merwe; HBS Consulting
21 Eastern Cape Provincial Administration	Ian Assam 082 578 1891	IT System for Eastern Cape Province	Inception.	Not yet appointed
22 Free State Dept Education	Kevin Abrahams (051) 404-9287	Schools	Feasibility Study underway.	KPMG; Ashira; HLM-SV Architects; Africon
23 Free State Dept Health*	Mr. Shuping (051) 405-4818	New build hospitals in Trompsburg and Ladybrand	Feasibility Study completed April 2004. Submission for Treasury Approval 1 made January 2005.	Ignis; EC Harris; PH Inc
24 Gauteng Dept Agriculture, Conservation & Environment	Tony Harding (011) 355-1460	Dinokeng Eco-tourism; Cullinan Hub and Rooiplea Dam	Inception.	Not yet appointed
25 Gauteng Dept Public Transport, Roads & Works	Nicolette Hujubwa-Mitrofan (011) 355-2686	Gauteng Koperong Precinct Working Environment Service Delivery	Treasury Approval granted 17 May 2004. Application before South African Heritage Resources Agency.	Kagiso Financial Services; Ledwaba Mazwai; PD Naidoo
26 Gauteng Dept Health	Luvuyo Baba (011) 355-3866	Acquisition of medical equipment for four hospitals	Transaction Advisors appointed January 2005.	Ignis; PH Inc; HBS Consulting

Provincial Departments

- 27 Gauteng Dept Public Transport, Roads & Works
- 28 Gauteng Blue ID, Cradle of Humankind Orientation Centres
- 29 Kwa-Zulu Natal Dept Economic Development and Tourism
- 30 Kwa-Zulu Natal Dept Health
- 31 Kwa-Zulu Natal Dept Transport*
- 32 Limpopo Dept Health
- 33 Limpopo Dept Health
- 34 Limpopo Dept Health
- 35 Limpopo Dept Transport
- 36 Limpopo Dept Transport
- 37 Northern Cape Dept Housing & Local Govt and Dept Agriculture, Land Reform, Environment & Conservation
- 38 North West Dept of Transport
- 39 Western Cape Dept Health
- 40 Western Cape Dept Health*
- 41 Western Cape Dept Health*
- 42 Western Cape Dept Health
- 43 Western Cape Dept Health

Public Entities

- 44 Eastern Cape Mayibuye Transport Corporation*
- 45 Greater St Lucia Wetlands Park Authority
- 46 Limpopo Tourism & Parks Board
- 47 Mpumalanga Parks Board
- 48 National Housing Finance Corporation
- 49 North West Parks & Tourism Board
- 50 South African Rail Commuter Corporation
- 51 South African Revenue Services
- 52 Western Cape Nature Conservation Board

Municipalities

- 53 City of Tshwane

Project Officer

- Gautrans (011) 355-7300
- Michael Worsnip 082 363 8991
- Rohan Persad (031) 307-2857
- Hermann Conradie (033) 395-2019
- James Mlawu (033) 355-8988
- Ramakuntwane Selepe (015) 293-6204
- Ramakuntwane Selepe (015) 293-6204
- Ramakuntwane Selepe (015) 293-6204
- R Kgosana (015) 295-1018
- Mr. Sathelge (015) 295-1018
- Peter Walekin (082) 553 8692
- Peter Mosiane (018) 397-0700
- Japie Du Toit (021) 483-5844
- Japie du Toit (021) 483-5844
- Japie du Toit (021) 483-5844
- Japie du Toit (021) 483-5844
- Japie du Toit (021) 483-5844
- André de Vries (043) 604-7424
- Terri Castis (033) 590-1525/8
- Fixon Hlungwani (015) 288-9000
- Abe Sibija (013) 759-5307
- Luthando Vutula (011) 644-9872
- Maretha Shroyer (018) 397-1500
- Thando Mbitswana (011) 804-2900
- Michael Poverello (012) 422-6975
- Adnaan Abrahams (021) 483-4874

Project Officer

- Peter Aborn 084 850 5635

Project

- Gautrain Rapid Rail Link
- Four Orientation Central – Tourism
- Dube Trade Port
- Soft FM for Health Facilities
- Vukuzakhe Plant Park Depot
- Polokwane hospital Renal Dialysis, Ellisras, Phalaborwa & Duiwelskloop Co-location
- Provincial Linen Management Services
- Accommodation for clinical staff at various hospitals
- Emergency Vehicles Management Services
- Limpopo traffic training College Accommodation & FM Services
- Eco-tourism: 10 business sites
- Fleet Management
- Hermaan hospital co-location project
- Swellendam hospital co-location project
- Rehabilitation Centre
- Eerste River Hospital-Facility Management
- Forensic Psychiatric Services
- Bus company restructuring
- Eco-tourism: 14 business sites
- Eco-tourism: 20 nature reserves
- Eco-tourism: 21 business sites
- Rental Housing
- Cookes Lake tourism facility
- Rolling Stock & Infrastructure
- IT-Container scanner inspection
- Eco-tourism: 15 business sites

Project

- Working Environment-Service Delivery

Status

- BAFO bids received 26 January 2005.
- Inception.
- Feasibility Study underway.
- Feasibility completed. Treasury Approval I granted November 2004. RFP to be issued March 2005.
- Feasibility Study completed.
- RFP issued and responses received February 2005. Pre-qualified bidders announced March 2005.
- Feasibility Study completed. Treasury Approval I granted January 2005. RFP issued February 2005. Pre-qualified bidders expected in April 2005.
- Feasibility Study completed. TAI application March 2005.
- Feasibility Study completed.
- Inception.
- Inception.
- Feasibility Study underway.
- Treasury Approval I granted January 2005. RFP issued March 2005.
- RFP delayed until February 2005 while technical specs finalised.
- RFP issued. Pre-qualified bidders appointed October 2004. RFP issued February 2005.
- Treasury Approval I delayed pending resolution of HR issues.
- Inception.
- Status Revised TAI issued February 2005.
- Negotiations underway.
- Feasibility Study underway.
- Inception.
- Feasibility Study underway.
- Feasibility Study underway.
- Inception.
- Treasury Approval I given 23 September 2004.
- Negotiations underway.

Status

- Inception.

Transaction Advisors

- Khuthele; Argus Gibb; Kagiso Financial Services; Ledwaba Mazwai
- Not yet appointed
- PricewaterhouseCoopers; EC Harris; SDG; Siwendu & Partners
- PricewaterhouseCoopers; White & Case; Turner & Townsend; Siwendu & Partners; Gasa & Associates; L Msimang
- Deloitte; Henwood & Nxumalo Engineers; Ndamase Inc; Madhlopa Inc; Mc Carthy Consulting
- Ignis; Munyai Malaka; SPP; Phatshoane Henney Inc; Vela YKE; Resolve Workplace Solutions
- Ignis; Munyai Malaka; SPP; Phatshoane Henney Inc; Vela YKE; Resolve Workplace Solutions; Mriema Mashao Engineers; Mäuleka Mokoena & Associates
- Procurement Dynamics; Turner & Townsend; Nalane Manaka Attorneys; SAB&T
- Deloitte; Madhlopa Attorneys
- Not yet appointed
- Not yet appointed
- Deloitte
- Ignis; PH Inc
- Ignis; PH Inc
- KPMG; Africon; Denreys Reitz Consortium
- Ignis; EC Harris; PH Inc
- Not yet appointed
- Deloitte
- White & Case; Delano Caras
- Vela YKE; Busico; Dave Short attorneys; Dynacon; Munyani Malaka; Resolve Group
- Not yet appointed
- Kagiso Financial Services; Ledwaba Mazwai; PD Naidoo
- In-house
- Not yet appointed
- Deloitte
- Dynacon Technologies; Bell, Dewar & Hall; Busico.

Transaction Advisors

- Not yet appointed

PEOPLE ON THE MOVE

Personnel changes are afoot at the PPP Unit, both boosting capacity and sadly bidding farewell to two core members.

Head of the Unit's financial analysis desk, Carla Faustino, leaves to take a senior position in the Johannesburg office of the International Finance Corporation. Long-time senior administrator in the PPP Unit, Nelisiwe Mtsweni – often the public's first port of call to the PPP Unit – moves to the office of the Accountant General.

Carla will be greatly missed both by client institutions and her colleagues, for her careful evaluation of, and guidance to, complex projects. Joining the PPP Unit in 2003, Carla gave technical assistance on a range of accommodation PPPs, drafted the PPP Manual's module on PPP feasibility studies, managed the Project Development Facility, and supervised the survey on PPP capacity in provincial treasuries.

Good news for PPP Unit capacity comes at the same time, on a number of fronts – for municipal and ICT PPPs, and in the Unit's business development and administration functions.

Moving municipal PPPs into a new gear, USAID funding for 2005 brings Tumi Moleke and James Aiello to set up the municipal desk and draft appropriate guidelines. Tumi joins from KPMG and has extensive experience in municipal government. James has a strong track record in municipal PPPs, both in South Africa and internationally. He helped establish the Municipal Infrastructure Investment Unit in 1998, and advised the PPP Unit in 2000, after which he joined PricewaterhouseCoopers in public sector advisory services, working as transaction advisor on a number of PPPs.

With an increasing portfolio of complex ICT projects, the PPP Unit has hired Patrick Milner – formerly project officer for both the South African Revenue Service container scanner PPP and Department of Trade and Industry's ICT PPP – to provide specialist technical advice in the sector. Patrick brings 17 years experience in senior ICT management in both the public and private sectors.

Taking the driver's seat for the PPP Unit's business development functions is Kogan Pillay. Kogan has a background in private sector technology-based financial services and related marketing and financial management. He also worked as policy advisor to the Ontario Minister of Financial Institutions in Canada, returning to South Africa in 1996.

Rachel Mawela and Nolubabalo Tokwe bring welcome new energy to the stretched administrative capacity in the Unit and come with skilled administrative experience in both public and private sector organisations.

More important than how everything works, is how everything works together.*

Our award-winning team of PPP professionals offers comprehensive transaction advice to national, provincial and municipal government, and focused financial advice to private sector investors. This advice includes complex financial modelling, competitive debt and equity origination and structuring, specific bid submission advice, expert tax and accounting support, and independent advice to BEE parties within consortia.

In fact, we were named the Global PPP Adviser of the Year in 2004†.

For details contact Mohale Masithela, Dirk Els, David Pilling, Nonhlanhla Buthelezi or Marina van der Walt on (011) 797 4440.

†Project Finance International Magazine 2004.

*connectedthinking

PRICEWATERHOUSECOOPERS

© 2005 PricewaterhouseCoopers Inc. All rights reserved. PricewaterhouseCoopers refers to the network of member firms of PricewaterhouseCoopers International Limited, each of which is a separate and independent legal entity. (03/10/05)

TOURISM PPPs TOOLKIT CONSULTATIVE WORKSHOP

Date: 21 April 2005
Place: Midrand, Gauteng

To book, email: flo@nbi.org.za

PPP FOUNDATION TRAINING 2005

Dates: 7-8 June 2005
13-14 September 2005
29-30 November 2005
Place: National Treasury, Pretoria

To book, email: rachel.mawela@treasury.gov.za

WORKSHOP FOR PPP TRANSACTION ADVISORS

Dates: 19 May 2005
18 August 2005
17 November 2005
Place: National Treasury, Pretoria

To book, email: rachel.mawela@treasury.gov.za

How to contact:

National Treasury PPP Unit:
Tel: (27-12) 315-5537 Fax: (27-12) 315-5477
Email: rachel.mawela@treasury.gov.za
www.ppp.gov.za

National Business Initiative PPP Programme:
Tel: (27-11) 482-5100 Fax: (27-11) 388-0167
Email: faye@nbi.org.za
www.nbi.org.za



Left to right: Kogan Pillay, Nolubabalo Tokwe, Tumi Moleke, Rachel Mawela and Patrick Milner,