

ADDRESS BY THE HON. W.H. NEL MEC FOR FINANCE – EASTERN CAPE

MEC FOR FINANCE PUTS PPP'S AT THE TOP OF THE AGENDA FOR SERVICE DELIVERY

PPP CONFERENCE 1-2 FEBRUARY 2007



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Infrastructure is vital to ensure the prosperity of our province. It will result in economic growth, global competitiveness, eradication of poverty, an increase in literacy rates, an improvement in health standards and an overall improvement of the living standards of the people of the Eastern Cape.

The significance of infrastructure facilities and services in the province's economic transformation and growth has been widely recognised in the Provincial Growth and Development Plan (PGDP).

The importance of the Private Sector in partnering with the Province to address its challenges cannot be over-emphasised.

Minister Trevor Manuel noted at the launch of the Standardisations, Provisions and PPP Manual that:

"This is what PPP is about. PPP's are about combining the pool of expertise and resources available in the private sector and managing it in such a way that it accelerates service delivery and allows government to focus on its core mandates and responsibilities. The public gets better, more cost effective services; the private sector gets new business opportunities. Both are in the interest of the nation." (August 2004).

The infrastructure budget for the Eastern Cape 2006/07 and the MTEF years amount to approximately:

- 2006/07 – R3,1 billion
- 2007/08 – R3,4 billion
- 2008/09 – R4,0 billion
- 2009/10 – R4,1 billion

The infrastructure needs far exceeds the budget available in the MTEF years within the Provincial context.

The use of the Private Sector in meeting infrastructure backlog requirements will benefit the public sector, as the private sector has access to financial resources, people skills and experience that is not so readily available in the public sector.

Through Public/Private Partnerships services can be delivered in a more cost effective and affordable manner. The value derived from PPP's can be enormous, as risks are appropriately transferred to the private party where they are best managed. The focus in PPP's is on services, rather than assets deployed. Government administrations the world over have come to the realisation that they should not be too focussed on managing, operating and maintaining assets – rather, their primary objectives should be to provide policies, regulations, frameworks and guidelines as well as the delivery of quality services to the people.

There are currently five registered PPP projects at various life cycle stages underway in the Province, and we anticipate registering two or three more in the coming financial year.

I sincerely hope that this gathering will come up with innovative ways to ensure that more and more PPP arrangements come to fruition.



Hon. W. H. Nel
MEC for Finance in Eastern Cape

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Mrs H J Mashamba
MEC for Finance in Limpopo

KEYNOTE ADDRESS BY MRS H J MASHAMBA,
MEC FOR FINANCE IN LIMPOPO,

PUBLIC PRIVATE PARTNERSHIP SEMINAR

– POLOKWANE

Today, there are many components of the civil service that work well, where departments deliver services of a high quality and citizens are treated with respect and dignity, there are many schools where effective learning and teaching takes place, many rural communities now, for the first time, have tarred roads that link them with other communities and urban areas, and many millions of our people are served by our hospitals and clinics.

However, there are also very clear inadequacies. Despite the above and the fact that public spending has increased over the past five years, we are increasingly concerned that many of our people still have not seen the benefit of the significant rise in public spending and the growth of the economy.

The key challenges we face as a country are to sustain our economic growth and public spending, broaden participation and extend opportunities to all. We must strengthen our capacity to deepen the quality of social development. We must accelerate growth and share its benefits with all.

In short, we must find ways and means to urgently translate the dreams and aspirations of ordinary people into new realities.

It is indeed a pleasure for me to present a keynote address at this Public Private Partnership (PPP) seminar, which in my understanding is the first of its kind in the country. We are honoured, as the people of Limpopo, to host this important gathering. I believe that all the key institutions and role-players are either present or represented in this seminar. It is thus our hope that, when we all leave, we would have learned from our peers and be well motivated and geared up to use PPPs as an alternative model to deliver the services that our people so desperately yearn for.

As President Thabo Mbeki once put it, "We have to construct a new world that is more equitable and responsive to the needs of the poor, mobilize all our people voluntarily to act together to achieve goals of reconstruction and development and to consolidate the practice of creating Public Private Partnerships."

Limpopo Province is unique in terms of its natural resources and acquired assets and, of course, has great people. But its setting, as is the case in most other provinces, are common to those of underdeveloped regions. There are prevailing high levels of poverty and unemployment, yet we possess great untapped opportunities that can assist in the eradication of social and economic ills.

Our province is, arguably, one of the largest food producing regions; has high valued biodiversity resources; attractive tourism destinations and valuable mineral reserves.

As a province and country, we have set ourselves clear targets in respect of reducing the levels of poverty; the rate of unemployment; the rate of illiteracy; and fast-tracking the growth of our economy. This government has been working tirelessly to level the playing fields by regulating and developing strategies aimed at facilitating the creation of a better life for all.

There are areas where we are obviously performing very well. But the perpetual problem of under spending on budgets remains a major challenge and cause for great concern. Hence, there is a need for us to take a critical look at our service delivery strategies and explore alternative ways that can accelerate service delivery.

Distinguished guests, this is a great platform for us to share experiences and copy best practices. In Limpopo, we identified a need to improve the performance of some of our public entities, business units, service points and the whole service delivery system throughout the province. This necessitated the establishment of a dedicated technical restructuring Unit called the Provincial Asset Restructuring Unit, better known as PARU. The purpose and intention for this Unit is to look at alternative service delivery models and provide technical assistance to departments in respect of restructuring initiatives and PPPs.

This seminar is a joint effort between the Limpopo Provincial Treasury and the National Treasury's PPP Unit. There are a number of potential PPP projects within the social and economic clusters. All it requires of us is to change our thinking and to embrace this new approach to service delivery. PPPs are a creative procurement solution that can assist in eradicating poverty and driving

development. This model can double the rate at which we provide our health, educational, transport, water, sanitation, conservation, heritage and recreational services to instill a sense of pride in all our people.

PPPs are about combining the pool of expertise and resources available in the private sector and managing it in such a way that it accelerates service delivery and allows government to focus on its core mandates and responsibilities. As Minister Manuel noted at the launch of the standardizations provisions and PPP manual, "This is what PPPs are about. The public gets better, more cost effective services; the private sector gets new business opportunities. Both are in the interests of the nation." (August 2004). As government, we need to shift our focus from focusing on non-core functions and ensure that services are delivered to the poorest of the poor.

Regulation 16 of the PFMA allows us to pursue PPPs. Through a PPP, services can be delivered in a more cost effective and affordable manner. The value derived from PPPs can be enormous as risks are appropriately transferred to the private party where they are best managed. The focus in PPPs is on services rather than assets employed; government administrations the world over have come to a realization that they should not be too focused on owning, managing, operating and maintaining assets. Rather, their primary objectives should be to provide policies, regulations, frameworks and guidelines as well as the delivery of quality services to the people.

We are confident that this seminar will assist us to develop Public Private Partnerships with the sole aim of delivering quality services to the people. PPPs are generally regarded as the key to reaching disadvantaged populations while minimizing costs to the government,

shifting risks to the private sector, and enabling national, provincial, and municipal governments to concentrate on their core missions.

We have ample opportunities for potential PPP projects in all our provinces. Let us assess the feasibility of this procurement model in remodeling projects, assets and services!

I must state, in conclusion, that PPPs will only work if we radically improve on our contract negotiation and management skills. Treasury does provide technical support, but until and unless all of us prioritise the effective management of Service Level Agreements, PPPs will not yield the desired results.

Thank you most sincerely to all of you for attending this groundbreaking initiative, especially the guests who have traveled from our sister provinces.

Let us all enjoy and learn from this PPP seminar!

"FOCUS ON TRANSACTION ADVISORY FIRMS"

This is the first in a series of articles on some of the private-sector firms that have contributed to the success of the PPP programme in South Africa. Transaction Advisors are encouraged to submit articles to the PPP Unit, which will retain editorial control

PRICEWATERHOUSECOOPERS

The Infrastructure, Government and Utilities (IG&U) division of PricewaterhouseCoopers Corporate Finance (Pty) Ltd (PwC) in Sunninghill, Johannesburg, have been providing PPP advisory services to both the public and private sectors, at the international, national, provincial and local levels for almost ten years. PwC led the transaction advisory team for the second PFMA PPP, the Inkosi Albert Luthuli Hospital medical equipment supply and operation PPP, which closed in December 2001. Other closed PFMA PPPs involving a PwC-led transaction advisory team include the State Vaccine Institute equity partnership (see related articles in this issues) and the Cradle of Humankind Interpretation Centre Complex.

In South Africa, PwC is leading the transaction advisory team for the Eastern Cape Department of Health's Pharmaceutical

Supply Chain PPP, the Gauteng Department of Health's Chris Hani Baragwanath revitalization PPP and the Department of Environmental Affairs and Tourism's replacement of the SA Argulhas PPP. Internationally, PwC is advising on the SADC Headquarters PPP in Gaborone, Botswana and on fleet management for the Government of Lesotho. PwC are also advising a number of South African municipalities in terms of Municipal Systems Act section 78 studies that may become municipal PPPs.

On the private sector side, PwC provided financial advice to the Gaulliwé consortium in the Gautrain PPP processes, and are advising the preferred bidder on an office accommodation PPP initiative being undertaken by the Government of Botswana.

PwC's IG&U have also been involved in significant PPP training, policy and

framework initiatives in Southern Africa, having developed a PPP policy and framework for Mpumalanga Province, the Kingdom of Swaziland and the Government of Botswana. PPP training activities have included the SADC Banking Association-sponsored training for the governments of Mozambique, Tanzania, Botswana, Mauritius and Malawi. PwC also served as a resource for the development of the contract management module for the PPP Manual.

IG&U is headed by Mohale Masithela, Partner/Director and Dirk Els, Associate Director. Staff includes James Aiello, Principal Consultant, David Pilling, Senior Manager, Marina van der Walt, Senior Manager and Jeanne Marie Fatti, Manager.

Future issues of the PPP Quarterly will highlight more firms active in the South African PPP arena.

"BIOVAC PPP A SUCCESS"

The Biovac Institute, a public private partnership (PPP) between the Biovac Consortium and the South African Government (Department of Health), was launched in 2003 with a view to restructure and upgrade the former State Vaccine Assets such that South Africa has the required capacity to respond to the vaccination needs of the sub-continent.



A further objective is to provide for the research, development and introduction of new and novel vaccines. The Biovac Institute thus aims to revitalize vaccine manufacturing by building capacity in all aspects of vaccine development and manufacture, from products for clinical trials, to full scale commercial production for local and regional markets.

The Biovac Institute is poised to timeously meet all undertakings set in terms of the PPP agreement. Substantial investments have been made in increasing current infrastructure such that vaccine production meets good manufacturing practices (GMP) and the World Health Organisation (WHO) criteria for pre-qualified vaccines. International partners, Heber Biotec and Bionet, continue to provide skills and technology transfer and strategic alliances with international vaccine producers to provide finished and bulk antigens. Collaborations with the South African AIDS Vaccine Initiative (SAVI), University of Cape Town, Industrial Development Corporation (IDC), and Cape Biotech, amongst others, have presented The Biovac Institute with the potential to further research and development capabilities within the biotechnology space and an increased vaccine pipeline. The Biovac Institute is thus well on its path towards ensuring that South Africa and the rest of Africa has a viable supplier of cost-effective, quality Expanded Programme on Immunization (EPI) vaccines.

The Department of Health has been successfully supplied with a sustainable quantity of vaccines over the past 3 years at stable prices. This supply agreement is completely transparent in that the prices at which vaccines are supplied are stipulated, including a pre-agreed mark-up. This is critical as it allows all parties to know the vaccines cost price as well as the prices paid by aid organisations for similar products in the market. In addition, a Technical Committee with DoH representation ensures that the South African Government's needs are met. Throughout the duration of the agreement, The Biovac Institute uses, as it must, its best endeavours to source vaccines at the most competitive prices and the benefit of such lower costs are immediately passed onto the DoH. To this extent, relationships with new vaccine suppliers are constantly being established. The Biovac Institute also seeks to keep its range of vaccines current with international immunisation programmes, prices being benchmarked against the lowest effective price of leading aid organisations for similar quantities of the vaccine.

The Biovac Institute has successfully captured a number of SADC vaccine tenders, and continues

to tender in these markets on an ongoing basis. On a broader scope, The Biovac Institute is also pursuing accreditation by the WHO to sell its vaccines to organizations in Africa.

The Biovac Institute employs 68 people, markedly increased from the 24 staff members at the time of the formation of the company. The level of Previously Disadvantaged Individuals has also been substantially increased. With new projects continuously in the pipeline, The Biovac Institute forecasts that the staff component will continue to grow.

The Biovac Institute is currently engaged in the labeling and packaging of naked vials in a new Medicines Control Council (MCC) licensed facility and bulk filling and blending of its first vaccine will commence shortly at a new Good Manufacturing Practices (GMP) formulation facility in Port Elizabeth. WHO approval of this facility will be applied for in 2008. The filling of combination vaccines will follow, ushering in a further step in the vaccine value chain. The Biovac Institute is currently developing combination vaccines which will not only improve health prospects in Africa, but will also ensure that The Biovac Institute manufactures a profitable biotech drug.

The construction of a new quality control facility to MCC and WHO standards appropriate for the support of GMP-compliant vaccine manufacture has begun and the refurbishment of an existing building for the production of GMP clinical trial material is in the process of completion. The final phase in the investment programme, involving the establishment of a research and development laboratory to support the development of a long-term vaccine product pipeline as well as the establishment of key vaccine technology platforms such as fermentation, tissue culture, combination and conjugation in South Africa will commence in 2007.

Through collaboration with other stakeholders, The Biovac Institute has the opportunity to establish a multipurpose vaccine development and GMP manufacturing facility for the development and manufacture of vaccines for clinical trials and small scale commercial production. The Biovac Institute and SAVI are negotiating to be part of a programme involving the Italian National Institute for Health, the Italian Ministry of Foreign Affairs and the South African Department of Health in terms of which The Biovac Institute will be responsible for establishing a site for the GMP production of vaccine preparations. This facility could support the development and manufacturing of other vaccines e.g. HIV, flu vaccines, etc. in partnership with funding and biotechnology capacity building institutions in South Africa.

PPP Projects signed in terms of Treasury Regulation 16, as December 2006

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 of 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	Elliott Monosi 053 839-2154	Pemberley Investments (Pty) Ltd comprising: Imperial Holdings and Africa Kosini	Equity: 25% Sub-c: 25%	Equity: 100%	Deloitte & Touche	R181 million	N/a
2 Inkosi Albert Luthuli Hospital KwaZulu-Natal Dept Health	DFBOT 15 years December 2001	Hermann Conradie 033 39-2019	Impilo Consortium (Pty) Ltd comprising: Mbekane Health & Welbeing, AME International, Vulindlela Holdings, Siemens, Drake & Skall, Ormarie	Equity: 40% Sub-c: 40%	Debt: 70% Equity: 20% Govt contribution: 10% Rand Merchant Bank	PricewaterhouseCoopers; White&Case; EC Harris; Aloecap; Hiltrom	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 16.5years November 2002	Mt 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 30years 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; Herbststein & Gihwala; Intertoli; Decathlon	N/a	R 450 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; PH Inc	R18.9 million	R15 million upgrade plus R34 million cash
9 Fleet Management Eastern Cape Dept Transport	DFO 5 Years August 2003	Fahiem Markedien 043 604-7412	Fleet Africa Eastern Cape (Pty) Ltd	Equity: 25% Sub-c: 25%	Debt: 100% Rand Merchant Bank	Deloitte & Touche	R553 million	N/a
10 Head Office Accommodation Dept of Trade & Industry	DFBOT 25 Years August 2003	Hanida Fakir 012 310-1564	Rainprop Consortium comprising: WBHO, Atterbury Property Holdings, Parkdev S.A., Reserve Facility Management, Propnet, Zwerlitzima 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/MasonsB.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, Fikile, 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
13 Gautrain Rapid Rail Link Gauteng Dept Public Transport, Roads & Works	DFBOT 20 years September 2006	Jack van der Merwe 011 355-7300	Bombela Consortium, made up of Bombardier Transportation, Boygues TP, Murray & Roberts, Strategic Partners Group and RAPP Development	Equity: 25% Sub-c: 10%	Capital Contribution: 87% Debt: 11% Equity: 2%	Khuthele; Arcus Gibb; Kagiso Financial Services; Ledwaba Mazwai; Masons	N/a	Capital Value: R23.09 billion
14 Fleet Management Department of Transport	DFO 5 years September 2006	Nashnee Sewpersad 012 309-3165	Phavis World Fleet Solutions	Equity: 50% Sub-c: 50%	Equity: 100%	Deloitte & Touche; Madhiopa Attorneys	R213 million	R919 million
15 Western Cape Rehabilitation Centre & Lentegour Hospital	Facilities Management November 2006	Dr Sapie du Toit 021 483-5844	Mpilisweni consortium	Equity: 45% Sub-c: 40%	Equity: 100%	KPMG; Africon;Deneys Reitz	R 334 million	
16 Polokwane Hospital Renal Dialysis	DBOT 10 years 1 December 2006	Edward Lamola 015 293-6362/61	Climx/Frensus Emang Thabang	Equity: 40% Sub-c: 50%	Equity: 100%	Ignis; Munyai mataka; SPP; Phatswane Henney, Inc, Vela VKE; Resolve Workplace Solutions	R88.35 million	N/a

Projects in preparation, registered in terms of Treasury Regulation 16, and municipal projects registered under the MFMA and MSA Section 78(3) as of December 2006

RFC: 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 the National Treasury's PPP Manual, available on www.treasury.gov.za

National Departments	Project Number	Project Officer	Project	Status	Transaction Advisors
1 Dept of Communication	N075	Terence Naidoo 012 427-8587	Emergency 112 Call Centre	Feasibility Study: draft to be submitted for review by PPP Unit	Ultho Capital; Nokusa Consulting; SincroWave; Michunu Koikanyang Attorneys
2 Dept of Correctional Services	N077	Thandi Thomo 012 307-2130	Working Environment Service Delivery	Feasibility Study: Need Analysis completed	Ghandi Maseko Architects; Dean Zimu Consultants; Nalane Manaka Inc.; Industrial Portal Company
3 Dept of Correctional Services	N060	Robert van Anraad 012 305 8543	Feasibility of 4 new prisons	Discussion with DCS ongoing	Kagiso Financial Services; Ledwaba Mazwai; Carter Gobel Lee; P D Naidoo
4 Dept of Defence South African Military Health Service	N038	Brig Gen H Wallis 012 671-5244	Purchase of Clinical Services in 7 districts	Procurement: RFP in preparation	Ignis; PH Inc.
5 Dept of Defence SA Navy	N085	Captain Lilla du Preez 012 339 4262	Sea Safety Training Centre for the SA Navy	Inception: Transaction Advisors bids being evaluated	Not yet appointed
6 Dept of Education	N008	Johan Visser 012 312-5439	Working Environment Service Delivery	Negotiations: Sethekego Consortium	KPMG, Turner & Townsend, Deney's Reitz
7 Dept of Foreign Affairs	N009	Bernice Africa 012 351-1407	Working Environment Service Delivery	Negotiations: Imbumba-Aganang Consortium	SPP Solutions ,Deney's Reitz, Vela VKE, ME Corporation
8 Dept of Justice	N037	Alan Mackenzie 012 315-1019	Management of Monies and Trust (MMT)	Procurement: RFP issued	Ernst & Young, CSIR, Tin Can Communications, Beyfield Technical Services, Hofmeyer, Herstein & Gihwala Inc.
9 Dept of Labour*	N072	Deon Haasbroek 012 309-4551	Communication Technology	Feasibility Study: Completed, waiting for TA1 submission from Dept of Labour	PricewaterhouseCoopers, White and Case
10 Dept of Land Affairs	N066	Jean-Pierre Labuschagne 012 312-8172	Working Environment Service Delivery	Feasibility Study: Due Diligence Land issues ongoing	SPP Project Solutions, Vela VKE, Resolve Group, Hofmeyer-Herbstien Gihwala, Mukwevho Makhabela Adekeye Attorneys, Mashabane Rose Architects, AON, Thokomelo, Ekigent, R&M Quantity surveyors
11 Dept of Minerals & Energy	N073	Koena Moholola 012 317-9000	Independent power producer new generation – Peaking Plant	Procurement: RFP issued April 2006	PB Power: Deney's Reitz; IBM; Ebony Consultants; Sihlali Molefe Inc.; Denton Wilde Sapte
12 Dept of Water Affairs & Forestry	N018	Christo Marais 021 441-2700	Working for Water: secondary industries	Extended scope of work. New TA1	KPMG; Stellenbosch University; Edward, Nathan & Friedland; Nosipho
13 Department of Arts and Culture	N078	Louisa Venter 012 323-5300	National Archives Electronic Content Management Solution for Electronic Archives	Inception. Terms of reference for TAs in preparation	Not yet appointed
14 Government Printing Works	N084	Moosa Niimba 012 334-4681	Working environment Service Delivery	DPW Options Analysis	Not yet appointed
15 Dept of Education	N088	Trudie van Wyk 012 312-5067	E-Education in Public Schools and FET Colleges	Inception	Not yet appointed
16 Dept of Environmental Affairs & Tourism	N087	Mr Boy Ngobeni 012 310-3551	Working Environment Service Delivery	Feasibility Study: Final TA 1 required	BKS; Kagiso Financial Services; Ledwaba Mazwai
Provincial Departments	Project Number	Project Officer	Project	Status	Transaction Advisors
17 Eastern Cape Dept of Health*	P049	Lulu Peteni 040 609-3445	Revitalisation of Pharmaceutical Supply Chain	Negotiations: Kalafo Consortium	PricewaterhouseCoopers; White & Case; Ultho Capital; LEAP Architects
18 Eastern Cape Dept of Health	P057	Eugene Jooste 040 609-3581	Grahamstown & Port Alfred Co-location	Negotiation concluded	Ignis; PH Inc; EC Harris; Annette van der Merwe; HBS Consulting
19 Eastern Cape Dept of Health	P074	Eugene Jooste 040 609-3581	Lusikisiki Nurses Accommodation	Feasibility Study: Final report submitted TA 1 granted	Ultho Capital; EC - Harris; Madhopia Attorneys
20 Free State Dept of Education	P013	Kevin Abrahams 051 404-9287	Schools Programme	Feasibility Study: Value Assessment	Sangena Investments; Ledwaba Mazwai; Stewart Scott and Ilkwa Finance – Nedbank Capital, Prop5
21 Gauteng Dept of Health	P061	Luvuyo Baba 011 355-3866	Chris Hani Baragwanath hospital for reconstruction, revitalization and upgrading	Inception: Transaction Advisors appointed	PricewaterhouseCoopers; Xabiso; Edward Nathan Sonnenbergs; Mediplan; Africon; Phukubye Pierce; Mashihla Attorneys; Kamva
22 Gauteng Dept Public Transport, Roads & Works in Conjunction with Gauteng Dept of Finance and Economic Affairs	P045	Andre Killian 011 355-7000	Gauteng Kopanong Precinct Working Environment Service Delivery	Feasibility Study: Conditional Treasury Approval I granted 17 May 2004. Application before South African Heritage Resources Agency. Revised feasibility study underway	Kagiso Financial Services; Ledwaba Mazwai; PD Naidoo
23 Kwa-Zulu Natal Dept of Social Development	P078	Radesh Byroo 035 874-3085	4 secured centres for Juveniles	Inception: TA appointed	Finalization of contract document PWC

Provincial Departments	Project Number	Project Officer	Project	Status	Transaction Advisors
24 Kwa-Zulu Natal Dept of Transport*	P060	James Mlawu 033 355-8988	Vukuzakhe Plant Park Depot	Feasibility Study: revisions to Feasibility Study required	Deloitte & Touche; Henwood & Nxumab Engineers; Ndamase Inc; Madhlopa Inc; Mc Carthy Consulting
25 Limpopo Dept of Health and Social Development	P053	Mr Edward Lamola 015 293-6362/61	Ellisras, Phalaborwa & Duiwelskloop Co-location	RFP issued	Ignis; Mumyai Malaka; SPP; Phatsisoane Henney Inc; Vela VKE; Resolve Workplace Solutions
26 Limpopo Dept of Health and Social Development	P076	Mr Edward Lamola 015 293-6362/61	Penge Hospital Revitalization	Inception: Transaction Advisors Appointed	Dean Zimu & Associates
27 Mpumalanga Dept of Roads and Transport	P071	Jabu Nkosi 013 766-4437	Fleet Management	Inception: Transaction Advisors Appointed	Deloitte & Touche
28 Northern Cape Dept of Transport, Roads & Public Works	P082	Gladys Botha 05) 839-2248	Fleet Management	Inception	Not yet appointed
29 North West Dept of Transport	P041	Peter Mosiane 018 397-0700	Fleet Management	Feasibility Study underway	Deloitte & Touche
30 Western Cape Dept of Health*	P032	Kim Lowenhez 021 483-8702	Hermanus Hospital co-location project	Procurement: Bid evaluation underway	Ignis; PH Inc
31 Western Cape Dept of Health	P052	Dr-Japie Du Toit 021 483-5844	Swellendam Hospital co-location project	Procurement: RFBAFO to be issued	Ignis; PH Inc
32 Western Cape Dept of Health	P072	Dr-Japie Du Toit 021 483-5844	Forensic Psychiatric Hospital - Valkenburg	Inception	Not yet appointed
Public Entities	Project Number	Project Officer	Project	Status	Transaction Advisors
33 Greater St Lucia Wetlands Park Authority	PE009	Terri Caslis 033 590-1525/8	Eco-tourism: 8 business sites	Negotiations: 2 sites	White & Case; Delano Caras
34 National Housing Finance Corporation	PE002	Gerry Holzhausen 011 644-9902	Rental Housing	Feasibility Study: Identification of sites	Shishaka; R Willemse
35 South African Revenue Service	PE025	Trevor Muller 012 422-4000	Fleet Management	Feasibility Study: Options Analysis and Value Assessment Completed. Project on hold	Dean Zimu and Madhlopa Attorneys
36 South African National Parks Board (SANParks)	PE005	Giju Varghese 012 426-5021	Kruger National Park Restaurant Operator	Inception: Exemption granted	Not yet appointed
37 South African National Parks Board (SANParks)	PE006	Giju Varghese 012 426-5021	Luxury Tented Safaris in the Kruger National Park	Inception: Exemption granted	Not yet appointed
38 South African National Parks Board (SANParks)	PE007	Giju Varghese 012 426-5021	Ratel River farmstead in the Agulhas National Park	Inception: Exemption granted	Not yet appointed
39 South African National Parks Board (SANParks)	PE008	Giju Varghese 012 426-5021	Sundays River Adventure Activities in the Addo Elephant National Park	Inception: Exemption granted	Not yet appointed
40 Western Cape Nature Conservation Board	PE011	Adnaan Abrahams 021 483-4874	De Hoop Nature Reserve	Negotiations	Dynacon Technologies; Bell, Dewar & Hall; Busico
41 Western Cape Nature Conservation Board	PE026	Adnaan Abrahams 021 483-4874	Whale Trail	Feasibility sStudy: TAI approved July 2006	Western Cape Nature Conservation Board
Municipalities	Project Number	Project Officer	Project	Status	Transaction Advisors
42 City of Tshwane	M004	Peter Aborn 084 850-5635	Client Centred Services Delivery Precinct & Munitoria Project	Feasibility Study completed. TVR1 provided. Council approval granted. Procurement document being prepared - RFP	Kagiso Financial Services; PD Naidoo and Associates; Ledwaba Mazwai
43 Madibeng Municipica*	M005	Martha Komape 012 318-9100	Water Services 78(3) investigation	Feasibility Study underway	3P Consulting
44 uMhlatuze Municipality	M017	Johan Schoonwinkel 035 907-5237/5230	Rural Water and Sanitation	Feasibility Study: Awaiting external option	WZC Pty
45 Hibiscus Coast Municipality*	M018	Michael Bertram 039 682-3881	Property Development.	Inception: TA to be appointed	Not yet appointed
46 Potchefstroom City Council*	M023	Mr Mahesh Roopa 018 299-5257	Solid Waste	Inception	Not yet appointed
47 Theewaterskloof Municipality	M026	Shane Chindaka 082 589-7302	Grabouw Sustainable Development	Feasibility Study commenced	Grant Thornton
48 City of Cape Town*	M027	Collin Hall 021 487-2043	Landfill Gas	Feasibility Study completed. Awaiting council decision to procure private party	South-South North

* Receives funding from Development Facility

Negotiations

Procurement

Feasibility

Inception



HEAD OF BUDGET OFFICE TO LEAD PPP UNIT

William Dachs, the head of the National Treasury PPP Unit, will be taking up an extended term contract with the Infrastructure Economics & Finance (IEF) Department of the World Bank as a Senior Infrastructure Finance Specialist.

The contract is based in Washington DC and is for a 24 month period commencing 1 February 2007.

The IEF Department has identified four areas of support to be provided to regional and country units:

- Infrastructure Finance Solutions
- Sustainable Public-Private Partnership (PPP) Solutions
- Improving Economic Tools and Analytics in Infrastructure
- Business Information and Learning

This is a unique opportunity for William to apply South African practice to the context of other (primarily developing) countries and also to learn from this experience in order to benefit infrastructure financing in South Africa on his return to the National Treasury in 2009.

William has worked in the PPP Unit for 6 and half years and as Head of the Unit since March 2005. Most recently, William was the PPP Unit's project advisor for the Gautrain rapid rail initiative, one of six new PPPs in the health, transport and government accommodation sectors over the last six months.

The current head of the Budget Office, Mr Taz Chaponda, will take on the leadership of the PPP Unit for this period.

Taz Chaponda is presently the Acting Head of the Budget Office at the National Treasury. He has been at the Treasury for four years, and has recently been focusing on infrastructure planning and financing issues. He holds a masters degree in economics and an MBA from INSEAD business school. Prior to the Treasury, Taz worked for the World Bank as an economist, and before that, was a management consultant for Bain & Company South Africa where he worked across several sectors including telecommunications, banking, and the airline industry.

WORKSHOP FOR PPP FOUNDATION TRAINING 2006

Dates: 21-22 June 2007
13-14 September 2007
29-30 November 2007

Venue: DBSA Vulindlela Academy, Auditorium, Midrand

Costs: Free of Charge

To place a booking,
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