###### National Assembly

###### Question Number: 1875

**1875. Mr T E Mulaudzi (EFF) to ask the Minister of Transport:**

Whether (a) his department and (b) each entity reporting to him appointed transaction advisors for tenders in the period 1 January 2012 to 31 December 2016; if so, (i) who were the transaction advisors that were appointed for the tenders, (ii) for which tenders were they appointed, (iii) what was the pricing for the tenders in question and (iv) what amount were the transaction advisors paid? NW2087E

**REPLY:**

**Department of Transport**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Name of Transaction Advisor** | **Tender** | **Contract Value** | **Amount Paid** | **Notes** |
| **(i)** | **(ii)** | **(iii)** | **(iv)** | **(v)** |
| Utho Capital | Transaction Advisor for PPP - Government Fleet | R4 900 000.00 | R3 876 000\*.00 | \*Total amount paid. Contract finalised |
| J Maynard SA | Feasibility Study for the Tug Boat Building Project in Preparation of a PPP | R9 033 360.00 | R4 382 721.86\* | \*Amount paid to date. Contract terminating in 2019 |

**Airports Company South Africa (ACSA)**

Airports Company South Africa does not have any transaction advisors for tenders as far as could be established for the period 1 January 2012 to 31 December 2016.

**Air Traffic and Navigation Services SOC Limited (ATNS)**

(b) ATNS did not appoint a transaction advisors for tenders in the period 1 January 2012 to 31 December 2016, therefore (i), (ii) and (iii) not applicable.

**South African Civil Aviation Authority (SACAA)**

(a) Not applicable, (b), (i), (ii), (iii), and (iv): During the period 1 January 2012 to 31 December 2016, the South African Civil Aviation Authority (SACAA) used the services of a transaction advisor only once. KPMG, a global professional service company, was appointed in October 2014 to guide the SACAA in its quest, through a tender process, to acquire and implement an Enterprise Business System (EBS) from a suitable and competent service provider. The EBS had to be a best-practice and industry-appropriate information system which would improve organisational efficiency and augment compliance with the International Civil Aviation Organization standards. KPMG was tasked with among others, drafting questions and answers as well as the vetting of suppliers. The total amount of the EBS tender was R94, 091, 131.20, which covers the four-year implementation period.  KPMG, as the transaction advisor was paid R144, 068.64

**Cross-Border Road Transport Agency (CBRTA)**

The (b) Cross Border Road Transport Agency appointed a transaction advisor in the financial year ending March 2016. (i) The appointed transaction advisor was Gartner, (ii) Gartner was appointed to provide transaction advisor services for the procurement of the New Permit System, (iii) The budget of the New Permit System of which Gartner was appointed to provide transactional advisory services for was R9 million and (iv) Gartner was awarded a contract of R651, 715.20 of which R195, 514.56 was invoiced and paid.

**Road Accident Fund (RAF)**

The (b) On the premise that the term “transaction advisor” refers to a service provider with appropriate skills and experience appointed to assist and advise in connection with a specific tender or tenders, the Road Accident Fund (RAF) appointed one transaction advisor to assist and advise with one tender in the period 1 January 2012 to 31 December 2016; (i) Deloitte & Touche was appointed to receive and store bids; manage response handling; arrange, co-ordinate and manage the briefing session; collate questions and answers from the briefing session; publish questions and answers; close the tender; open bids; register bidders; oversee evaluation of bids; audit the Bid Evaluation Committee scores; prepare shortlists; and, prepare letters of regret / award, (ii) in connection with the RAF Panel Attorney Tender; (iii) for which tender the pricing is forecast at approximately R 8, 2 billion over the 5 year term of the tender; and, for which services the transaction advisor was paid R 1 640 109.68, or 0.019% of the tender value. The RAF Panel of Attorneys Tender secured 88 contracted firms to manage the RAF’s litigation defense in litigated claims throughout the country.

**Road Traffic Management Corporation (RTMC)**

Transaction advisors to the RTMC for the periods 01 January 2012 – 31 December 2016

**Transaction advisor no.1**

|  |  |
| --- | --- |
| **Heading** | **Comments** |
| Year | 2014 |
| Name of transaction advisor | Grant Thornton |
| Purpose of transaction advisor | To develop the scope of work for the appointment of a technical advisor that would assist RTMC in the sourcing of rental accommodation |
| **Transaction Advisor total payments** | **R 152 360.54 (transaction advisor payments specific to Tender 01/2014/15)** |
| *Tender on which transaction advisor worked on* | |
| Tender | RENTAL OFFICE SPACE: RTMC BID 01/2014/15 |
| Tender Price | R105 432 274.76 |

**Transaction advisor no.2**

|  |  |
| --- | --- |
| **Heading** | **Comments** |
| Year | 2014 |
| Name of transaction advisor | Alchemy Architects |
| Purpose of transaction advisor | To develop the scope of work as well as act as an advisor on the evaluation of the bid for the sourcing of rental space for RTMC |
| **Transaction Advisor total payments** | **R368 619.00** |
| *Tender on which transaction advisor worked on* | |
| Tender | RENTAL OFFICE SPACE: RTMC BID 1/2014/15 |
| Tender Price | R105 432 274.76 |

**Transaction advisor no.3**

|  |  |
| --- | --- |
| **Heading** | **Comments** |
| Year | 2015 & 2016 |
| Name of transaction advisor | Gibb Engineering and Architecture |
| Purpose of transaction advisor | To provide to the RTMC a multi-disciplinary engineering service for the following key projects:   * **Project A** - Temporary office accommodation for a period of twenty four (24) months * **Project B** - Planning, design, contractor procurement management and construction supervision including advisory services in relation to the procurement of land on which the building is to be constructed and other professional services that will be required from time to time * **Project C** - Engineering services for the procurement and construction of temporary accommodation for RTMC training provisioning |
| **Transaction Advisor total payments** | **Project A – R 1 500 000,00**  **Project B – Nil**  **Project C – R 3 927 881,30**  **Total payments = R 5 427 881,30** |
| *Tender on which transaction advisor worked on* | |
| Tender (1) | RTMC BID 16/2015/16 - REQUEST FOR THE PROVISION OF OFFICE ACCOMMODATION / OFFICE SPACE FOR THE RTMC |
| Tender Price | R 43 999 999.10 |
| Status | Award terminated |
|  | |
| Tender (2) | RTMC BID 17/2015/16 - PROVISION OF PARKHOMES FOR USE BY RTMC |
| Tender Price | R 27 428 618.39 |
| Status | Ongoing |
|  |  |
| Tender (3) | RTMC BID 10/2016/17 - LEASED ACCOMMODATION FOR RTMC |
| Tender Price | R40 756 902.66 |
| Status | Ongiong |
|  |  |
| Tender (4) | RTMC EOI 01/2016/17 – REQUEST FOR PROPOSAL FOR THE PROVISION OF PERMANENT OFFICE SPACE AND ACCOMMODATION FOR THE RTMC |
| Tender Price | + R395 000 000 |
| Status | Non Award |
|  |  |

**Road Traffic Infringement Agency (RTIA)**

The RTIA has not appoint any Transaction advisors for tenders in the period 1 January 2012 to 31 December 2016.

**South African National Roads Agency (SANRAL)**

The (b) SANRAL has not appointed any Transaction advisors for tenders in the period 1 January 2012 to 31 December 2016.

**South African Maritime Safety Authority** **(SAMSA)**

SAMSA has not appointed any transaction advisors for the period indicated above.

**Ports Regulator South Africa** **(PRSA)**

(b) The Ports Regulator has not appointed transaction advisors for tenders ever since its establishment in 2007/08. The scale of its supply chain management process and projects have not necessitated the need for transaction advisors.

**Railway Safety Regulator (RSR)**

(b) Yes, for one tender. Appointment of transactional advisor made during the 2014/15 Financial Year.

(i) Lefefa Consulting, for the provision of a property management consultant

(ii) Provision of Fully Serviced Office Accommodation for the RSR

(iii) R195 912 467.66 for a period of five years (2016-2021)

(iv) R572 280.00

**Passenger Rail Agency of South Africa (PRASA)**

Yes – PRASA appointed transaction advisors for various tenders during the said period, see attachment with the details**.**