



**SANRAL SOUTHERN REGION  
PRESENTATION  
TO  
2020 CESA EASTERN CAPE BORDER  
AND KEI PRESIDENTIAL WEBINAR**



30 JULY 2020



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# PRESENTATION OUTLINE



- OVERVIEW OF SANRAL SOUTHERN REGION
- CURRENT PROJECTS
- FUTURE WORKLOAD
- QUALITY OF ENGINEERING SERVICES
- TRANSFORMATION IMPERATIVES
- ROLE OF ENGINEERING IN COVID-19
- LIAISON
- QUESTIONS

# OVERVIEW OF SOUTHERN REGION

- SANRAL Southern Region boundary coincides with that of the Eastern Cape Province – the only region within one province
- Offices at Baywest in Port Elizabeth
- 4,952 km of roads
- The network expanded significantly from 2012 onwards with the incorporation of Eastern Cape provincial roads.
  - 2012            2,075 km
  - 2016            441km
- Traffic volumes do not justify major upgrades
- Hence, the bulk of projects are special and periodic maintenance
- We generally have to design for all modes of transport
- One toll: Tsitsikama Toll



# SOUTHERN REGION – NETWORK



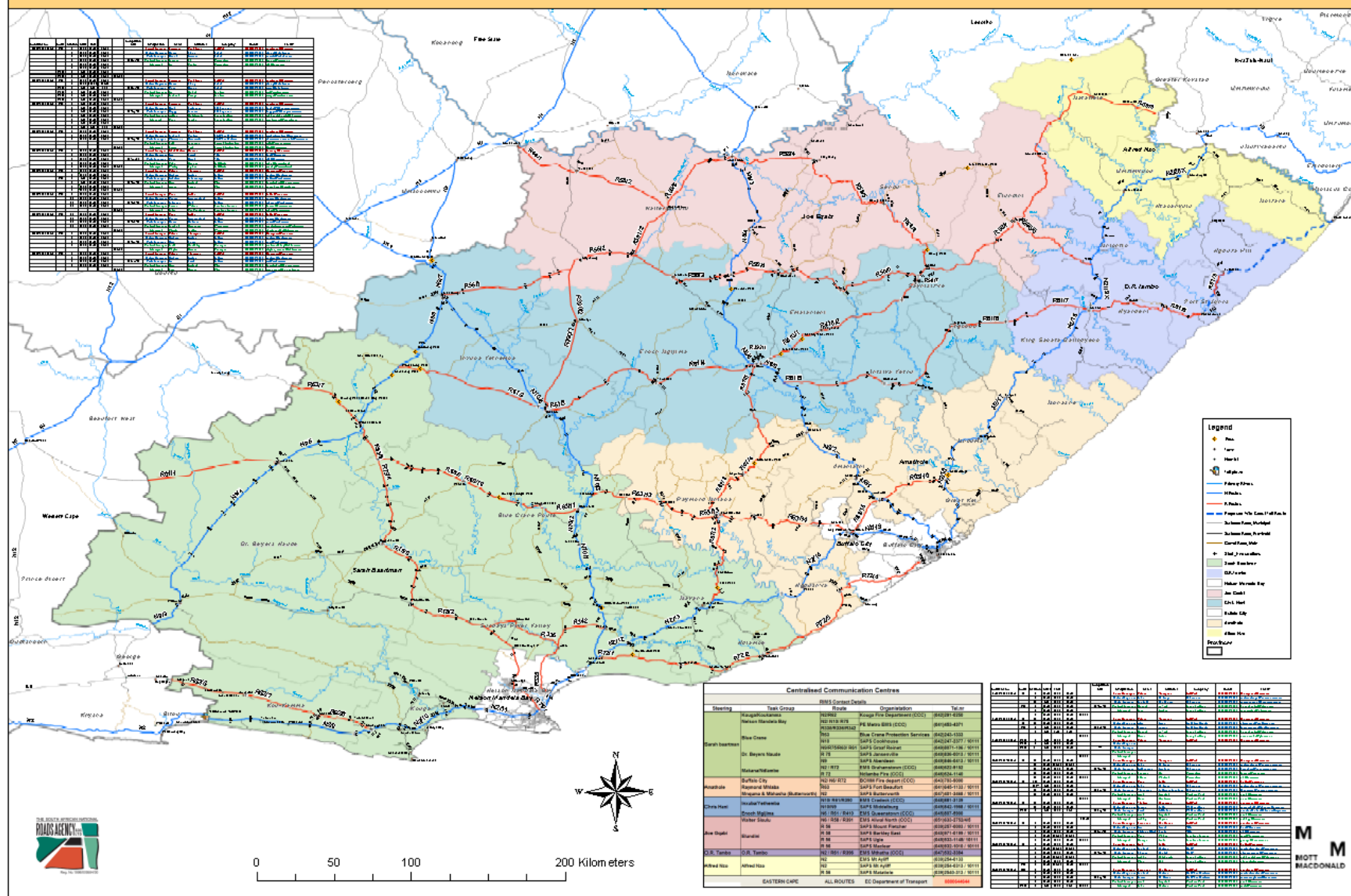
## All SANRAL Regions

22 214 km

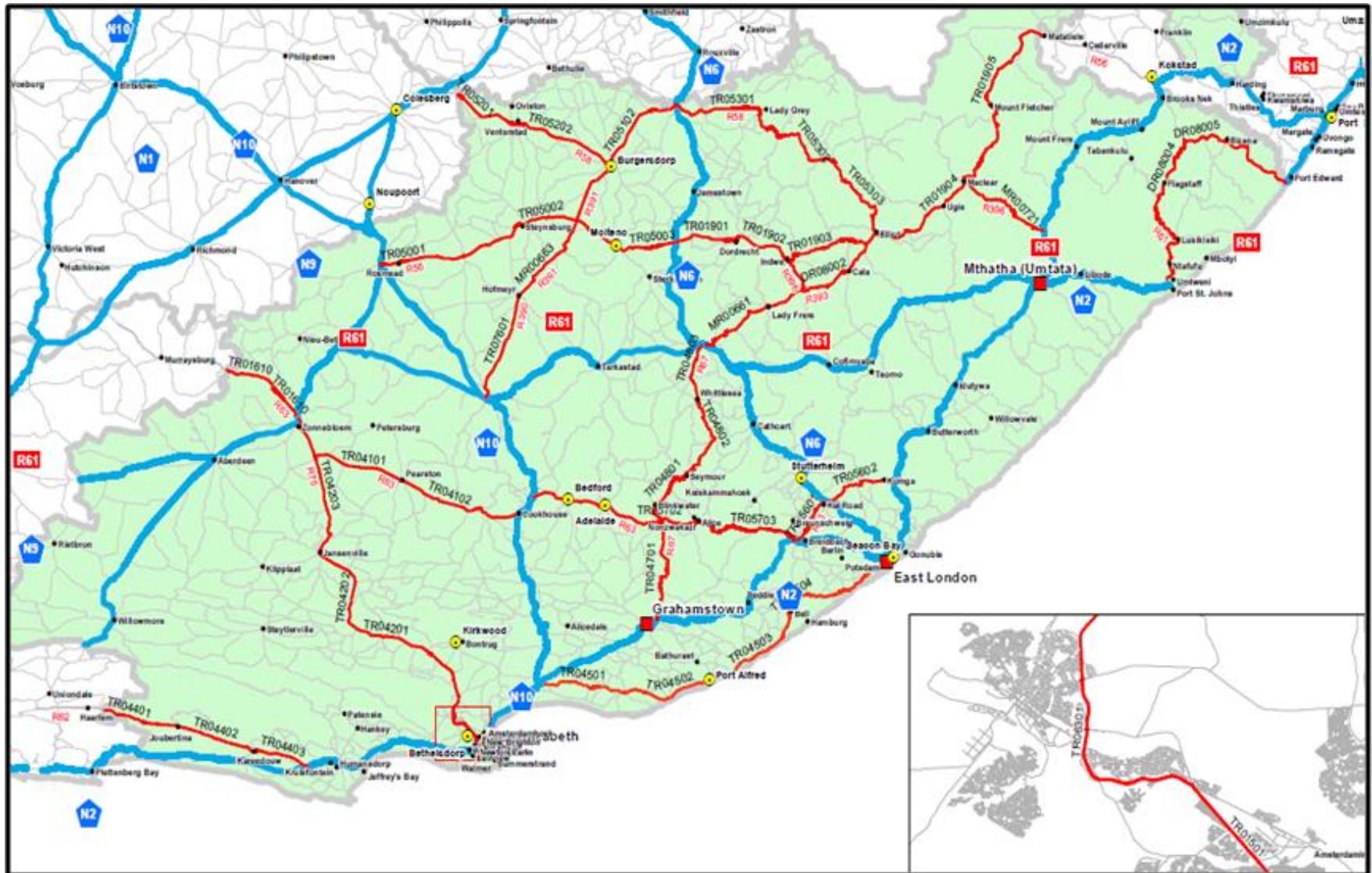
## Southern Region

4 952 km (22%)





# MAP OF SR ROUTES



# Major Projects

N2 Wild Coast

R56 various

R58 various

R61 Various

R63 Fort Beaufort to Alice

R67 Swart Kei to Queenstown

N2 Nqadu to Mbokotwana River

R72 various

R75 various

N2 various



# Current tenders

Thirty one (31) projects are currently in evaluation phase; of which:

- 18 x Conventional Consultant
- 9 x Conventional Contractor
- 4 x RRM Contractor

# New tenders

Seventy (70) projects will be advertised within the 2020/2021 financial year; of which:

- 11x Conventional Consultant
- 2 x RRM Consultant
- 12x CD Consultant/Construction Manager
- 14x RRM Contractor
- 31x Conventional Contractor



# SOUTHERN REGION – NETWORK



## NON TOLL EXPENDITURE FORECAST ('000 )

	2020/2021	2021/2022	2022/2023
Routine maintenance	R 937,924	R 537,305	R 423,429
Periodic maintenance	R 163,535	R 298,029	R 168,500
Special Maintenance	R 949,708	R 1,564,653	R 622,879
Community Development	R 295,386	R 216,910	R 85,369
Strengthening	R 283,187	R 325,319	R 192,389
Improvements	R 1,345,735	R 1,691,665	R 1,010,408
New Facilities	R 1,517,871	R 1,798,576	R 1,330,181
	<b>R 5,493,349</b>	<b>R 6,432,460</b>	<b>R 3,833,158</b>



# SOUTHERN REGION – NETWORK



## NON TOLL EXPENDITURE FORECAST ('000)

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Periodic maintenance	R 163,535	R 298,029	R 168,500
Special Maintenance	R 949,708	R 1,564,653	R 622,879
Community Development	R 295,386	R 216,910	R 85,369
Total	R2,346,555	R2,616,899	R1,300,179





# SOUTHERN REGION – NETWORK



## NON TOLL EXPENDITURE FORECAST ('000)

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Improvements	R 1,345,735	R 1,691,665	R 1,010,408
New Facilities	R 1,517,871	R 1,798,576	R 1,330,181
	R3,146,794	R3,819,561	R2,532,979

# Quality of Engineering Services

It is acknowledged that there has been a loss of expertise in all sectors of the industry

We have fewer experienced Contracts Engineers and Resident Engineers

The quality of design work – some poor

Project milestones continue to be a challenge

We have more generalists and fewer specialists

Few contracts engineers with competency in claims, dispute adjudication etc.

Training, training, training!!!

# Progress on Implementation of Transformation Policy

SANRAL's Transformation Policy was approved in May 2018.

In my view, there are 3 important pillars to transformation:

- Ownership and Control: B-BBEE Levels 1 – 4
- Skills Transfer: Targeted Enterprise Subcontracting
- Stakeholder engagement

New tenders were issued from the third quarter of 2019

The results thus far indicate a marked change in ownership for most entities, indeed new entities are winning SANRAL work. However, this is mostly true only in RRM Contracts.

Therefore it is still early days!!!

# Progress on Implementation of Transformation Policy (cont)

Skills Transfer

Targeted Enterprise Subcontracting

I think we are all in agreement that the objective is to capacitate emerging enterprises so that they can undertake work on their own.

However, concerns that are still being raised include:

- Lack of TE involvement in all the phases of a project
- TE input is limited to specific tasks only e.g. traffic counts, project liaison, supply of Assistant Resident Engineer etc. etc.
- Hence the call for unbundling of design packages!!!

The Consulting fraternity must provide input during next review of SANRAL's Transformation Policy



# Progress on Implementation of Transformation Policy (cont)

## Stakeholder Engagement

Success of projects depends on:

- Engagement from the planning phase
- Regular feedback to affected communities.
- Socioeconomic impact etc.

We have to become social engineers



# SOUTHERN REGION – NETWORK

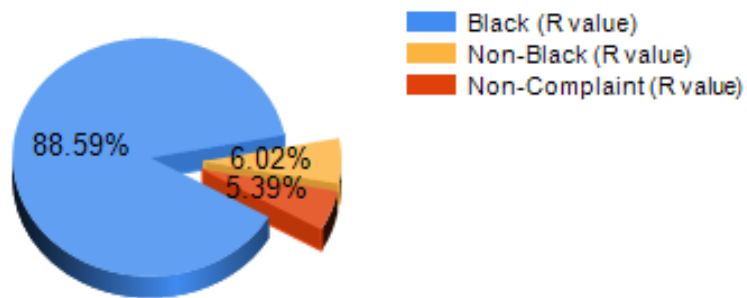


**Table 1 : Empowerment, value of work performed**

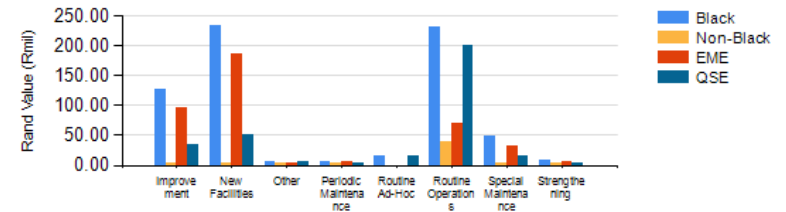
Road Type	Project Type	Black EME		Black QSE		Black Total	
		Count	Rand Value	Count	Rand Value	Count	Rand Value
Non-Toll Roads	Improvement	134	94,700,531	22	31,068,575	156	125,769,105
	New Facilities	81	184,298,633	7	50,040,296	88	234,338,929
	Other	2	260,482	1	5,558,800	3	5,819,282
	Periodic Maintenance	13	5,568,262	3	292,289	16	5,860,551
	Routine Ad-Hoc	-	-	2	16,095,016	2	16,095,016
	Routine Operations	153	70,520,024	38	161,374,862	191	231,894,886
	Special Maintenance	51	31,928,507	8	16,067,999	59	47,996,506
	Strengthening	21	6,357,218	1	1,556,226	22	7,913,444
	<b>Sub-Total</b>	<b>455</b>	<b>393,633,657</b>	<b>82</b>	<b>282,054,063</b>	<b>537</b>	<b>675,687,719</b>
SANRAL	Routine Operations	-	-	1	15,125	1	15,125
Toll Roads	<b>Sub-Total</b>	<b>0</b>	<b>-</b>	<b>1</b>	<b>15,125</b>	<b>1</b>	<b>15,125</b>
<b>Total</b>		<b>455</b>	<b>393,633,657</b>	<b>83</b>	<b>282,069,188</b>	<b>538</b>	<b>675,702,844</b>
<b>Percentage</b>						81.3%	88.6%
<b>Unique Total</b>		<b>424</b>	<b>393,633,656</b>	<b>67</b>	<b>282,069,188</b>	<b>491</b>	<b>675,702,844</b>



### EME/QSE/Non-Compliant



### Empowerment, value of work performed



# The Role of Engineering in Covid19 interventions

## New Normal

A fine balance between health and livelihoods

- New ways of doing things
- Industry inputs into practical solutions
- Compensation for reasonable additional costs
- Influence in policy and legislation
- We are in this together



# Liaison

## Stakeholder Liaison

- SANRAL SR has quarterly sessions with SAFCEC
- Suggest similar with CESA



# QUESTIONS