

TPPP MARKET ANALYSIS DOCUMENT

PROJECT/CONTRACT DESCRIPTION

PROVISION OF ENGINEERING CONSULTANT AND MANAGEMENT SERVICES TO SUPPORT TRANSNET PIPELINES (TPL) IN THE DESIGN, PROCUREMENT, CONSTRUCTION, COMMISSIONING, AND HANDOVER PHASES FOR THE SOLAR PV RENEWABLE ENERGY PROJECT AT VARIOUS SITES.

Project Number: TPL/2025/02/0005/88487/RFP

Requirements of the TPPP Policy as extracted below:

Brief explanation of the scope of works:	The EPCM services involve managing contractors for the design, procurement, installation, and commissioning of solar PV projects across 12 Transnet Pipelines (TPL) sites over three years. The service provider will ensure engineering oversight, procurement coordination, construction supervision, quality assurance, and compliance monitoring to meet technical, regulatory, and sustainability requirements. The EPCM services will also manage cost control, risk management, and contractor performance while aligning with TPL's Net Zero initiative to enhance energy efficiency, reduce carbon emissions, and lower electricity costs.
Goods or service being procured	Engineering, Procurement, and Construction Management (EPCM) services
Once off purchase or regular purchase	Once off (One-time project-based contract)
Are the goods or services being acquired unique	Not unique. Specialised procurement transaction.
Period of the project:	3 years.
Estimated contract value:	R16,729,656.00 (Incl. VAT)
Who are the usual market players:	LESEDI JUWI RENEWABLE ENERGY

	SOLA GROUP RHINOENERGY ZEAL ENGINEERING CONSULTANTS (PTY) LTD REATILE GROUP EDF RENEWABLES SUNWORX ZERO POINT ENERGY (PTY) LTD HAMSA CONSULTING ENGINEERS LTM ENERGY GROUP ZRW MECHANIKA CC TELENETIX SOLAR MURRAY & ROBERTS PROJECTS LIBALELE ENERGY <i>(The market players include names from end user and desk top research. This is the first time that TPL is sourcing this system so there are no previous bidders that TPL has worked with on similar procurement events that could be included for preferential element testing)</i>
Can you identify areas of the work that could be separated and subcontracted and if so what areas: (30%) for TPPP subcontracting	Yes. Structural Engineering
For identified areas, what is an estimated % of the contract that these areas make up?	5%. The identified area is below 30% so it does not meet the TPPP subcontracting threshold, but the tenderer may decide to subcontract.
Any goods that fall under designated sectors	Cement-100% Steel products & Construction Components-100%
Does this project trigger Construction Skills Development Goals:	No.

Is the contract duration 12 months or more & Is the CIDB grading designation 7 or higher (R20mill plus excluding VAT)	
Any other considerations e.g. high risk, threat to life etc	None

Discussion

- The project falls below R50mill therefore the 80/20-point preference system will be applied.
- TPPP goals selected for the procurement event are based on the following considerations:
 - For transactions of R5m and above; 1 or more specific goals maybe selected;
 - BBBEE Status level 1 or 2 is a mandatory goal;
 - This procurement transaction is specialised services involving engineering oversight, procurement coordination, construction supervision, quality assurance, and compliance monitoring to meet technical, regulatory, and sustainability requirements.
 - Possibility of sub-contracting is minimal. Structural engineering work does not meet the 30% requirement for sub-contracting to one or more designated groups under Transnet's Preferential Procurement Policy
 - the application of TPL's preferential strategy for the 25/26 year (i.e., increase spend with BWO & BYO suppliers, suppliers that have BBBEE Levels 1 or 2 and LC for designated sectors) and
 - In testing some of the market role players as listed in table A for preferential elements the following was noted.

Table B

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PROVISION OF ENGINEERING CONSULTANT AND MANAGEMENT SERVICES TO SUPPORT TRANSNET PIPELINES (TPL) IN THE DESIGN, PROCUREMENT, CONSTRUCTION, COMMISSIONING, AND HANDOVER PHASES FOR THE SOLAR PV RENEWABLE ENERGY PROJECT AT VARIOUS SITES.

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Number of market role players (per table A)	Number of market role players tested for preferential elements	Number and percentage of entities that have a BBBEE level 1 or 2	Number and percentage of entities that have qualifying BWO (30%)	Number and percentage of entities that have qualifying BYO (50%)	Number and percentage of entities that have qualifying PWD
15	10	8 (80%) 2 market players were level 3 and 4.	5 (50%)	0	0

- 8 market players (80%) have the minimum BBBEE level 1 or 2;
- 5 supplier (50%) have qualifying BWO;
- 0 supplier (0%) have black youth ownership;&
- 0 supplier (0%) have PWD ownership.

Refer to Annexure A for detailed break down of preferential stats of market players

- Therefore, the TPPP goals selected will be,

Specific Goals	Number of points (80/20 system)
B-BBEE Status Level of Contributor 1 or 2	10
30% Black Women-Owned entities	10

It should be noted that while there are other goals that maybe pursued, a goal will only be pursued if it is:

- 1) mandatory; or
- 2) aligned to TPL's transformation objectives and there must be a sufficient number of enterprises falling within the category of those targeted to advance a specific goal/s. (minimum requirement for a preferential goal to be pursued is 33% of the sample).
- 3) The project represents opportunity for a transformation objective to be achieved.

Market Research for TPPP done by:

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