

Minister Patricia de Lille Beitbridge border fence feedback on 17 April 2020

Since my last update on the Beitbridge border fence project (on 31 March 2020 via Social Media) we have made significant progress towards the successful completion of this project.

The contractor, Magwa Construction, has completed much of the onerous work including the site clearance, removal of the old damaged fence and the installation of the new posts, gates and stream crossings.

The remaining work is less complex and the contractor is expected to complete the work in the next few days and is pushing as hard as possible to complete the project.

In recent days we have received numerous queries pertaining to various aspects of this project and rightfully so, as all government department initiatives must be held accountable to the public and this project is no different.

Most of the questions received have come from the public on matters that we feel we should shine more light on project procurement and implementation processes in general, so as to ensure transparency.

The context and specifications:

President Cyril Ramaphosa addressed the nation on the 15th of March 2020 on the Covid-19 pandemic and made the declaration of a National State of Disaster. The President put forward a list of measures that the various government departments would have to respond to, to ensure for a positive response to the pandemic. Relevant to the Department of Home Affairs was the closure of 35 land ports of the 53 within South Africa.

In this regard, the intervention that was required was from the Department of Public Works and Infrastructure (DPWI), in partnership with the Department of Defence (DOD) and according to the specifications from DOD whose responsibility it is to patrol and secure our borders, to identify critical areas related to our land borders that needed to be immediately secured so as to mitigate the spread of the virus both in and out of our country. The Beitbridge Border Post, including 20kms on either side of the border post, was identified for immediate action during this period.

DPWI met with DOD and agreed on the scope of work under the State of Disaster where DPWI was requested to repair and replace the **existing fence** for the scope of 40km which was identified as the critical areas in terms of the work needed in response to COVID 19.

Due to the existing Border fence being in a bad state, the objective was to replace and repair the existing fence which was in place.

The border between South Africa and Zimbabwe is much more vast spanning 700km between and in this regard, there is a long term project underway between the various departments that will see the securing of the borders that is currently in the Stage 1- Inception phase of the project cycle.

It was important to act swiftly for the Covid-19 solution and have a first line barrier, while planning further with DOD for future needs. The specification therefore includes 1,8m high Razor mesh fence, with 6 x Razor coils on the outside of the fence, the installation of gates and stream crossings. The main and intermediate post's planted in concrete, with Y-standards and 4 strains of straining wire (upsized).

This intervention in relation to COVID 19 was to ensure that no persons cross into or out of the country as part of the efforts to contain the spread of the virus. As with any person or any country in the world, there are official ports of entry into countries.

Procurement:

I was advised by the DPWI administration that in such emergency situations and in line with emergency procurement measures under the State of Disaster, Treasury Regulations permit deviations from ordinary procurement processes. This includes permitting deviation from the requirement to advertise for bids in the Government Tender Bulletin.

After exploring all available procurement mechanisms permitted in these time-bound circumstances, the DPWI opted to use a nomination process. This process is permitted by Treasury Guidelines.

On Tuesday 17 March the due diligence and site inspections were undertaken between DPWI and Defence. It was identified that a total of 40 kilometres of 1.8 meter high fence has to be erected, 20 kilometres on either side of the Beitbridge Land Port of Entry similar to the existing fence.

I was further advised that the department had identified a selection of principal agents and contractors already involved in border infrastructure for consideration for the site visit on the 17 March 2020. Those already involved in projects at the three border facilities closest to Beitbridge were invited to participate; as contracting their services would have allowed for expedited procurement process and project implementation, the contractors would be familiar with the project area, ease of procuring of materials and local labour and the competency to undertake the nature of the work required.

On 18 March, the specifications were finalised and all of the emergency supply chain management processes were undertaken and the contractor was appointed on 18 March.

On 19 March, the site was handed over to the contractor to commence with the work.

I was advised by the DPWI administration that the procurement strategy for nomination, was suitable given the urgency. The administration further advised that this process is rational and reasonable in circumstances of this nature.

The DPWI administration also informed me that the nominated service provider is experienced, appropriately qualified (they hold a CIDB Grade 8CE PE) and was already working on a Repair and Maintenance Programme project at Beitbridge Land Port of Entry. This meant that the mobilization and establishment for this work could be done seamlessly, which was the most important consideration for procurement, considering the urgency of this case.

To ensure for responsible procurement oversight, internal approval controls were utilized - in this case the National Bid Adjudication Committee (NBAC). The method of procurement and the appointment of the service provider was vetted and approved by the National Bid Adjudication Committee before the appointment letters were issued.

The project execution team prepared a project plan in line with project management principles. This was done to guide the implementation of this project, but more importantly to safeguard the over 260 site workers of which ±160 were sourced from local labour.

Project implementation and costs:

A project of this size would typically have a construction duration of at least 3-4months, however, to comply with the shorter time frame of one month, the project team have put measures on site to ensure accelerated delivery in order to meet the demands of the emergency.

At this point, it must be noted that this project provided employment to a large number of people who otherwise would not have had employment during this period. Given the tight time frame, these workers have all been committed and have worked overtime, including over weekends and the recent Easter Weekend public holidays.

Site progress is of the utmost importance to the DPWI and the safety of all contracted personnel does not come second to that. The contractor in executing his duties on site has ensured to comply with the health and safety requirements pertaining to Covid-19 this includes for the provision of hand-sanitisers, Safety Personal Protective Equipment (PPE) and other measures pertaining to Covid-19 to protect workers during the duration of the project. This is being monitored and reported on daily by the DPWI officials.

As is widely known, the border fence line has been subject to criminal activities which has resulted in the procurement of additional security personnel and the deployment of SANDF officials to provide additional security support. To date there have been no formal arrests.

From the onset, the DPWI emphasized the importance of safeguarding this asset and securing the border with the contractor who employed more than the usual amount of security personnel.

As there had already been theft of some of the contractor's materials, On 4 April, I also wrote to the Minister of Defence to request the deployment of SANDF members to ensure that there was more effective border security. The DOD deployed a number of SANDF members who are conducting patrols with helicopters, on foot, with motorcycles and 4x4 vehicles.

It is disappointing that at this time when the DPWI and the contractor is doing its utmost to fulfill a request by the President to secure the border that the public commentary has been silent on the criminal elements and theft. There has not been any condemnation of these criminal acts. We cannot and will not be deterred by the acts of criminals.

Many members of the public have also raised serious concerns about the value of the contract.

The DPWI wishes to make it clear that we followed all the required processes during this State of Disaster. As always, I welcome any investigation and myself, as well as the officials in the DPWI involved in this project stand ready to be held to account.

In terms of the value of the contract, many have questioned this amount and asked whether it equated to nearly R1million per kilometer. Unfortunately, the equation is not that simple especially on such a complex project of this magnitude.

The cost of a project in a remote area differs compared to inland or urban project costs, for the same scope. The complex rates in this project are influenced by acceleration costs i.e. short contract period, more labour resources required to do the job, increased speed of provision of material, increased overheads for management and plant equipment.

It must be noted that any project's costs also includes the costs for specialized machinery needed to execute the work.

In this case the contractor had the following machinery on site: three TLBs (tractor loader backhoes), one tow-behind grader, one grader, two Bobcat augers, five 8 ton trucks, two trailers, one additional grader, one 22 ton excavator, 2 forklifts and 16 light delivery vehicles.

The contract amount is a tender sum of R37 176 843.50 (15% VAT included). To date just over R21million has been paid to the contractor.

The overall tender sum of the project covers the following:

- The provision of materials such as: Posts, Y-standard poles, tensioning wire, razor mesh, razor concertina wire, stream crossings
- Disposal of the old damaged fence
- Accelerated construction activities
- Additional security: Initially the Contractor had approximately 6 deployed private security personnel, which was increased to approximately more than 40
- Preliminary and General which include Occupational Health and Safety related compliance measures as well as Covid-19 risk mitigation measures on site along with other contractor requirements to ensure the successful implementation of this project.

Various suppliers and manufacturers were used to procure these materials and their costs are included in the overall project cost.

We are well aware that post Covid-19 all-risk mitigation and management services and goods procured under this time will be subject to audits for proper accounting.

We must seek to find positivity in times of despair and the silver lining as it pertains to this project and that is the contribution that this project has had on the local economy, it has meant that 160 local labourers have been able to bring money and food to their families. The same is applicable to all other workers on this site including security personnel, local manufacturers and suppliers who have ensured the continuous supply of large quantities of material given the short turnaround time, have also received a much needed boost in their business operations.

We thank all our partners in this project who have gone to extraordinary lengths to ensure the continuous progress of this project, the contractor and labour workforce who have worked very hard under enormous pressure to mobilize and execute this project as we look forward to the successful completion of this project.

I have noted the concerns from members of the public and it is correct to hold government to account. I hope that this information provides a greater level of clarity and can assure South Africans that this matter will be a continuous area of collaboration between the Departments of Defence and Home Affairs. The auditor general's audit processes will unfold, to give affirmation to the citizens of this country.

ENDS