

# Projects & Energy



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## Amended National Treasury Regulation 16 for Public Private Partnerships (PPPs) versus Private Sector Participation (PSPs)

Public Private Partnerships (PPPs) have long been a recognised mechanism for delivering public infrastructure and services by a state with limited resources. In South Africa, there has been an attempt to do so through the introduction of Regulation 16 of the Public Finance Management Act 1 of 1999 (PFMA), which has served as the primary regulatory instrument governing PPPs, specifically designed for “institutions” as defined within the PFMA, which includes national and provincial government departments, constitutional institutions, and certain public entities listed in Schedules 3A, 3B, 3C, and 3D of the PFMA that perform specific institutional functions.

In response to the evolving economic landscape and the pressing need for infrastructure development, the Minister of Finance, Enoch Godongwana, published the amended National Treasury Regulation 16 for PPPs on **7 February 2025** (Treasury Regulation 16). These amendments, taking effect from **1 June 2025**, are the result of a comprehensive review of the South African PPP framework. The primary goals of this review and the subsequent amendments are to create more favourable conditions for attracting greater private sector participation, mobilising significant private sector financing, and leveraging the technical expertise of the private sector to augment the limited capacity within the public sector. This initiative also seeks to ease the strain on stretched government finances by shifting some of the burden of infrastructure investment to the private sector.

Notably, the PPP regulatory framework had remained largely static for almost 15 years, despite considerable changes in the economic environment. This extended period without significant regulatory updates suggests that the amendments represent a potentially critical and long-awaited step towards aligning the PPP framework with current infrastructure needs and investment realities. The strong emphasis on attracting private capital and expertise underscores the Government’s recognition that PPPs are an essential tool for addressing South Africa’s infrastructure deficit, especially given the constraints on public resources. It is important to note that while Treasury Regulation 16 focuses on PPPs for specific government institutions, the Government is also developing separate private sector participation (PSP) frameworks for state-owned entities (SOEs) in strategic sectors such as energy and transport (ports and rail). These PSP frameworks aim to address the unique challenges and opportunities within these sectors and may involve different models of private sector engagement compared to traditional PPPs under Treasury Regulation 16.

### Key impacts of the amended Treasury Regulation 16 for PPPs

The amended Treasury Regulation 16 introduces several key changes with distinct implications for different categories of PPP projects undertaken by institutions, as defined in the PFMA.



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# Amended National Treasury Regulation 16 for Public Private Partnerships (PPPs) versus Private Sector Participation (PSPs)

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## Impact on unsolicited projects

A significant development in the amended regulations is the official establishment of a transparent system for handling and evaluating unsolicited PPP proposals (USPs). An unsolicited proposal is defined as a proposal prepared by a private sector proponent and submitted to a public sector institution for the development of a PPP project. The amendments introduce specific incentives aimed at encouraging greater private sector participation through this route. For a USP to be considered, it must demonstrate innovation and align with one or more strategic sectors or objectives identified by the procuring institution. Furthermore, the proposal must support the core functions of the institution to which it is submitted.

The amended regulations also introduce the possibility of a development fee, which may be recovered by a proponent whose unsolicited proposal is not ultimately selected as the preferred bid. However, it is important to note that amended Treasury Regulation 16.14.4 outlines specific circumstances under which this development fee may be forfeited, such as if the procurement process is unsuccessful for any reason. Despite the introduction of this framework, USPs will still be subject to a competitive bidding process to ensure adherence to the constitutional principles of fairness, equitability, transparency, competitiveness and cost-effectiveness. The process for pursuing a USP involves registration of the proposed project with the relevant treasury and obtaining written approval to proceed. Typically, the proponent who submits the unsolicited proposal will be responsible for preparing the detailed feasibility study and for paying a review fee to the receiving department.

The formal structuring of USPs represents a notable departure from the previous regulations, which lacked a clear and defined process for handling such proposals. This new framework offers a more predictable and transparent pathway for private sector entities to bring forward innovative infrastructure project ideas. While the potential for recovering development costs is a positive step towards incentivising USPs, the conditions under which these costs may be forfeited, coupled with a perceived lack of clarity on the evaluation process for USP proponents compared to other bidders, could still introduce a degree of uncertainty for potential proponents.

## Impact on projects valued at less than R2 billion

The amended Treasury Regulation 16 introduces a simplified approval process for PPP projects with an estimated total project cost of less than R2 billion undertaken by institutions, as defined in the PFMA. These projects are now exempt from the requirement of obtaining Treasury Approval IIA (approval of procurement documentation) and Treasury Approval IIB (approval to appoint the preferred bidder) from the relevant treasury. Instead, the accounting officer or accounting authority of the institution undertaking the project is empowered to authorise and sign off on the relevant project documentation.



# Amended National Treasury Regulation 16 for Public Private Partnerships (PPPs) versus Private Sector Participation (PSPs)

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Despite this significant streamlining, projects valued below R2 billion are still required to submit their procurement documents to the newly established PPP Advisory Unit for its views and recommendations before these documents are finalised and released for procurement purposes. The introduction of this threshold for simplified approvals is a key mechanism intended to reduce bureaucratic red tape and accelerate the implementation of smaller PPP projects. This change is particularly relevant for provincial and municipal entities, which may have previously found the comprehensive Treasury approval process overly burdensome for smaller-scale infrastructure developments. The continued involvement of the PPP Advisory Unit, even for these smaller projects, suggests a deliberate balance between simplifying the approval pathway and maintaining a level of expert oversight and quality assurance.

## Impact on projects exceeding R2 billion

Based on the specific exemptions granted to projects valued below R2 billion, it can be reasonably inferred that PPP projects with an estimated total cost exceeding this threshold, undertaken by institutions defined in the PFMA, will remain subject to the more comprehensive Treasury approval processes that were in place under the previous regulations, including the requirements for Treasury Approval IIA and Treasury Approval IIB.

While the core approval stages for these larger projects might not have been significantly altered by the amendments, other changes introduced in the amended Treasury Regulation 16 will still apply. This includes the establishment and enhanced role of the PPP Advisory Unit, which is mandated to provide advice and support

throughout the PPP project cycle, regardless of the project value. Additionally, the new framework for handling unsolicited proposals will also be applicable to projects exceeding R2 billion. The primary focus of the streamlining efforts appears to be on smaller projects, suggesting that larger, more complex infrastructure projects will continue to undergo a more rigorous and detailed scrutiny process. However, the enhanced support and guidance from the PPP Advisory Unit could potentially lead to greater efficiency and potentially faster overall timelines for these larger projects as well.

## Applicability across government spheres

Treasury Regulation 16 is the primary regulatory instrument governing PPPs at the national and provincial levels of government, operating under the framework of the PFMA. The recent amendments to Treasury Regulation 16 were drafted with consideration for all three spheres of government – national, provincial, and local.

However, the regulations governing PPPs at the municipal level, the Municipal PPP Regulation 309, which operates under the Municipal Finance Management Act 56 of 2003 (MFMA), are undergoing a separate amendment process. These amendments require more time for finalisation due to procedural requirements, including consultation with Parliament, and are currently expected to be finalised by June 2025. While the amended Treasury Regulation 16 establishes the PPP Advisory Unit with a mandate to support both national departments and municipalities, corresponding amendments to the municipal PPP regulations have not yet been enacted.

# Amended National Treasury Regulation 16 for Public Private Partnerships (PPPs) versus Private Sector Participation (PSPs)

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This delay in finalising the municipal regulations could potentially create a temporary divergence in the regulatory landscape for PPPs across different spheres of government. Municipalities might continue to operate under the existing regulations or face a period of uncertainty until the amended Municipal PPP Regulation 309 is finalised. The long-term intention, however, appears to be the establishment of a more unified and coherent regulatory environment for PPPs throughout South Africa, as evidenced by the parallel efforts to amend both the national and municipal regulations.

## Distinction with private sector participation for state-owned entities

It is crucial to distinguish the PPP framework under the amended Treasury Regulation 16 from other forms of private sector participation, particularly concerning SOEs. The amended Treasury Regulation 16 focus on projects where the private sector performs an institutional function or uses state property on behalf of these institutions.

These PSP frameworks that Government is actively developing for strategic sectors managed by SOEs, while also aiming to attract private sector investment and expertise, may differ in their objectives, scope and mechanisms from the traditional PPP model governed by Treasury Regulation 16. For instance, in the energy sector, the focus might be on independent power producers and private investment in transmission infrastructure. Similarly, in the transport sector, the emphasis is on private sector involvement in freight rail and port operations through concessions and other arrangements, while the infrastructure remains under state ownership. These PSP initiatives are often driven by sector-specific policies and aim to address the

unique operational and financial challenges faced by SOEs in these critical areas. Therefore, while both PPPs under Treasury Regulation 16 and the emerging PSP frameworks seek to leverage private sector capabilities, they operate within distinct regulatory and policy contexts and target different parts of the public sector.

## Conclusion and recommendations

The amendments to Treasury Regulation 16 represent a positive step towards revitalising the PPP landscape for institutions defined under the PFMA in South Africa. By streamlining approvals for smaller projects and providing a clearer framework for unsolicited proposals, the Government aims to attract greater private sector participation and investment in much-needed infrastructure within these institutions' responsibilities. The establishment of a dedicated PPP Advisory Unit has the potential to significantly enhance the capacity of these public institutions to navigate the complexities of PPPs.

However, certain challenges and areas for further attention remain. The delayed finalisation of the municipal PPP regulations could create short-term inconsistencies and uncertainties for local government PPP initiatives. Additionally, while the introduction of a development fee for unsolicited proposals is a welcome incentive, the conditions for its forfeiture and the lack of a fully transparent evaluation pathway for USP proponents warrant further clarity to maximise the effectiveness of this new framework. Furthermore, clear communication and co-ordination will be essential to ensure that the distinction between PPPs under Treasury Regulation 16 and the separate PSP frameworks for SOEs is well understood by both the public and private sectors.



# Amended National Treasury Regulation 16 for Public Private Partnerships (PPPs) versus Private Sector Participation (PSPs)

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To fully realise the intended benefits of these amendments and the broader strategy for private sector involvement, the following are key:

## For the Government:

- Prioritise and expedite the finalisation of the amendments to the municipal PPP regulations to ensure a consistent regulatory environment across all spheres of government.
- Ensure that the PPP Advisory Unit is adequately resourced with skilled personnel and the necessary capacity to effectively support the anticipated increase in PPP activity, particularly for projects below R2 billion within the defined institutions.
- Develop and publicise clear and detailed guidelines on the evaluation process for unsolicited proposals under Treasury Regulation 16, including the criteria for assessing innovation and strategic alignment, and the specific procedures for the recovery of development fees.
- Provide clear and comprehensive information on the objectives, scope and mechanisms of the separate PSP frameworks being developed for SOEs, ensuring clarity on how these frameworks interact with the PPP regulations under Treasury Regulation 16.

## For the private sector:

- Actively explore the opportunities presented by the amended Treasury Regulation 16 for partnering with government institutions (as defined in the PFMA), particularly the streamlined processes for projects under R2 billion and the new framework for submitting unsolicited proposals.

- Proactively engage with the PPP Advisory Unit to seek guidance and support during the development and submission of PPP proposals under Treasury Regulation 16.
- Carefully assess the risks and conditions associated with the development fee recovery mechanism for unsolicited proposals under Treasury Regulation 16 before committing significant resources.
- Stay informed about the development and implementation of the PSP frameworks for SOEs in sectors of interest, and understand the specific opportunities and requirements associated with these frameworks.

By addressing these considerations, both the public and private sectors can work collaboratively to leverage the amended Treasury Regulation 16 and the broader PSP strategy to drive sustainable infrastructure development and economic growth in South Africa.

**Jackwell Feris**



## Opportunity to connect: Section 34 determination and draft regulations pave the way for private sector involvement in new electricity transmission infrastructure

The lack of adequate grid capacity is a critical risk that continues to significantly stall progress in the implementation of South Africa's energy transition, especially in respect of the uptake of renewable energy. The market first came to understand the true extent of grid capacity constraints at the end of 2022, when only 1,000 MW out of a possible 5,2 GW was awarded under Bid Window 6 of the Renewable Energy Independent Power Producer Procurement Programme (REIPPPP).

Various regulatory initiatives have since been introduced by Eskom to try and manage access to available grid capacity, including:

- the Interim Grid Capacity Allocation Rules;
- the congestion curtailment framework, which remains pending with the National Energy Regulator of South Africa (NERSA); and
- an application for grid capacity reservation/preservation in favour of energy projects procured in terms of a public procurement programme, which application was refused by NERSA.

However, considering the latest iteration of the Transmission Development Plan (TDP) for the period 2025 to 2034, it is trite that *ad hoc* solutions will be not be sufficient to cater for the 56 GW of new generation capacity that will need to be integrated into the transmission network between 2025 and 2034, requiring over 14,500km of new transmission lines and 210 transformers, to provide 133,000 MVA of capacity – all of which is estimated to cost around R440 billion. With Eskom and the Government's balance sheets too constrained to unilaterally address the issue, participation of the private sector in the development and operation of transmission infrastructure has become a national strategic priority. As provided in the TDP, *"private sector participation through Independent Transmission Projects (ITPs) in transmission has been a focal point for enhancing efficiency of implementation, increasing investment and promoting innovation in the energy sector"*.

The commencement of the amendments to the Electricity Regulation Act 4 of 2006 (ERA) on 1 January 2025 was the first real regulatory step taken to create an enabling legal framework for the uptake of independent, private transmission projects. Amongst other changes, section 34 of the ERA was amended to include provisions allowing for the Minister of Electricity and Energy (Minister) to make a determination regarding the need for new electricity transmission infrastructure.

Further realising the potential for private participation, the Minister recently published:

- a determination in terms of section 34 of the ERA for the procurement of new electricity transmission infrastructure to ensure the optimal supply of electricity in South Africa (Determination) on 28 March 2025; and
- draft Electricity Transmission Infrastructure Regulations (Draft Regulations) on 3 April 2025.



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## The Determination

In terms of the Determination, 1,164km of 400kV transmission power lines and associated transformation infrastructure is to be procured for the Northern Cape, North-West and Gauteng provinces. Such infrastructure is to be procured from independent transmission providers by the Department of Electricity and Energy (Department) (or its mandatory) in terms of a cost-effective, fair and equitable tendering process, with the National Transmission Company of South Africa (NTCSA) to act as buyer and enter into the associated transmission services and project agreements.

During a media briefing on the Determination, the Minister formally introduced the ITP programme and explained that the intention is to create *"a dispensation where we are going to accommodate investments by private sector players on the transmission side"*. He acknowledged that the country's renewable energy assets are not being fully exploited as a result of transmission constraints and that the level of investment required mandates the involvement of the private sector.

As to the design of the ITP programme, the Minister further confirmed that:

- It will be driven by the principle of *"late-stage tender"*, which essentially requires the Government to ensure that material regulatory hurdles have been cleared in advance to derisk the programme, including the formulation of regulations and securing certain permits in advance, such as servitudes and environmental authorisations for the transmission corridors.

- The intention is to unlock 3,222MW of new generation capacity, with the 1,164km of transmission lines to be broken up into various pre-selected and assessed corridors and projects. The list of seven pre-selected projects has been made publicly available.
- Through the ITP programme Request for Information (RFI) that was released in November 2024 and called for submissions by February 2025, the Department sought to establish the market's appetite for investing in transmission projects. Through their submissions the market has shown preference for the build-operate-transfer and build-operate-own-transfer models.
- It is anticipated that the request for qualification will be published in July 2025 and will assess the credentials of those entities intending to participate, with the request for proposals to be released in November.
- The 1,164km of transmission lines to be procured in terms of this Determination constitutes a pilot ITP programme, with more work to be done in terms of rolling this out on a medium- to long-term basis.
- Expropriation of private land for ITPs will remain a last resort where all other legal avenues to secure the land for such ITPs have been exhausted.



## Opportunity to connect: Section 34 determination and draft regulations pave the way for private sector involvement in new electricity transmission infrastructure

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While it is only at pilot stage, it is worth noting that other grid-locked provinces, including the Western Cape and Eastern Cape, have not been included in the Determination, thus still excluding those areas with the greatest capacity for new wind generation projects. The Minister did, however, stress that the NTCSA continues to implement other priority projects for the expansion of grid infrastructure. Looking at the TDP, several projects are noted to be underway or in an “execution” phase to alleviate grid congestion, including several projects in these Cape provinces.

### The Draft Regulations

The Draft Regulations aim to facilitate planning for the procurement and establishment of transmission capacity by private parties to expedite the establishment of new ITPs. In addition to certain governance and procedural matters, particularly around issuance of determinations under section 34 of the ERA, the Draft Regulations also provide for:

- determinations for cross-border transmission capacity and multi-component energy infrastructure projects comprising of new generation capacity, electricity transmission infrastructure and other related infrastructure;
- the “value for money” transmission service agreements to be entered into between the ITP and buyer, being the NTCSA; and
- NERSA’s obligation to implement cost recovery mechanisms to ensure that the NTCSA is able to recover costs associated with an ITP, transmission services agreement and matters relating thereto.

Nothing under the Draft Regulations will impact the NTCSA’s ability to establish or procure transmission infrastructure or capacity of its own accord.

It is worth noting that the Determination was pre-emptively published prior to the finalisation of the draft Integrated Resource Plan 2023 and the Draft Regulations, which does potentially taint its validity from a procedural perspective.

The Draft Regulations are open for comment for a period of 30 days from 3 April 2025.

### Conclusion

Significant strides are evidently being made by the Department to try remove the roadblocks that continue to stagnate the uptake of renewable energy, be it under REIPPPP or bilateral projects. While the ITP programme is only in its pilot phase, the TDP already reflects the vast extent of opportunity available for the private sector to get involved in the long-term as the programme is set to ramp up over time.

**Alecia Pienaar and Tessa Brewis**



## Transnet's final Network Statement published – Privatisation of the rail network will soon be a reality

**The finalisation of Transnet's Network Statement (Network Statement) marks a pivotal moment in the reform of South Africa's rail sector, signalling that access to the rail network by private train operator companies (TOCs) will soon be a reality.**

Published on 20 December 2024, following the promulgation of the Economic Regulation of Transport Act (ERT Act), the final Network Statement sets out the practicalities for TOCs to use the South African rail network with its own customers, subject to governance by the ERT Act, and economic oversight by the Transport Economic Regulator (Economic Regulator).

As previously discussed in our article of [Embracing privatisation of the rail industry in South Africa: Transnet's Network Statement](#), the Network Statement, if implemented properly, presents a means to reduce Transnet's debt, which reported a loss of R7,3 billion in its most recent financial year, improve the condition of South Africa's rail network, efficiencies and connectivity, encourage both local and international investment and boost the South African economy, as it will benefit the larger supply chain reliant on rail and transport in general.

To date, there has been no economic regulation of the rail sector.

The regulatory structure is simple: TOCs, and Transnet are subject to an independent infrastructure manager (IM) who manages the network, and the Economic Regulator who sets access tariffs, on a transparent, equitable and non-discriminatory basis.

The coupling of the ERT Act, and the Network Statement, to give effect to South Africa's Rail Policy for reform provides effective means to regulate access to South Africa's rail network, and to eliminate Transnet's historical monopoly. We have discussed the implications of the ERT Act in our article of [The Promulgation of the Economic Regulation of Transport Act is a marked step towards rail reform and privatisation](#).

### Access Tariff

The publication of the draft Network Statement in March 2024 drew substantial criticism regarding the affordability and nature of the access fee, initially contemplated as a singular amount applying across commodities and corridors. The final Network Statement's tariff is decidedly more affordable.

In a departure from the proposed minimum access fee of 19,79 cents/gross ton per kilometre, the Network Statement has imposed a differentiated and multi-tiered access tariff regime, similar to international practice, with variations for commodities and corridors, and a two-part tariff based on (i) train kilometres and (ii) the gross ton per kilometre.

The access fee has been reduced significantly, which may be more attractive to the industry and which levels the playing field substantially. For example, the transport of Manganese Ore is subject to a minimum access fee of R650 per train kilometre, and 5.3 cents per gross ton per kilometre. Despite industry criticism and even criticism from Transnet's Freight Rail Operator declaring the tariff based on gross ton per kilometre to be unaffordable, the gross ton per kilometre tariff has remained, which includes the weight of the train, rather than net weight. This has the potential to increase transport costs and costs across the supply chain.



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However, it should also be remembered that the tariff structure must still go through a process of review, involving consultation by the public and industry stakeholders, and ultimate approval by the Regulator to determine the minimum access fees. Thereafter, the minimum access fee for the 2025/2026 financial year shall be implemented by 1 April 2025.

Notably, the tariff is also intended to be determined for a multi-year period. The review determination has been removed from the Network Statement, as this lies with the Economic Regulator.

## How can TOCs access the rail network?

TOCs must go through a formal application and bid process, following which, an adjudication process will take place. Bidders are also required to pay a non-refundable application fee of R125,000. Again, in a welcome departure from the high costs proposed in the draft Network Statement, this has been reduced from R500,000.

The Network Statement includes a comprehensive step-by-step guide on the application process.

TOCs must meet minimum requirements to be eligible, including completing self-screening checklists, conducting site visits and providing undertakings to participate in the IM's "Community and Social Development initiatives", "Supplier Development Plans" and "Skills Development Plans". TOCs are also assessed based on their legislative compliance and safety track record. Successful TOCs must submit a "Risk Analysis" of their intended operations and

sign the TOC-IM Rail Access Agreement in respect of slot capacity and Transport Services, and Interface Agreement. Importantly, TOCs must have a "Railway Safety Regulator Rail Safety Permit" issued by the Railway Safety Regulator, submit an Annual Safety Improvement Plan and have a "License to Operate".

The provisions of the License to Operate are not included in the Network Statement and implies there is an additional process to follow prior to access being granted. The basis for this is uncertain and will require clarification from Transnet, from which stakeholder engagement will likely follow.

It is also envisaged that TOCs enter into interface agreements with PRASA in the future, given the convergence with the passenger rail network.

## Slots and Capacity Allocation

Capacity shall be allocated by the IM in a "fair, transparent and equitable manner" and based on the objectives to maximise Transnet's rail network utilisation; enable growth objectives of critical strategic economic sectors; migrate traffic from road to rail; achieve full cost recovery; and inject infrastructure investment through access tariffs.



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Unfortunately, how the “*fair, transparent and equitable manner*” principle shall be implemented in practice remains to be seen as they are not given further context or detail.

Slots and capacity are to be specifically applied annually for by TOCs pursuant to the application process and will be subject to evaluation, consultation and review.

There are also penalties imposed for failure to comply with allocated slots, and the IM is also entitled to take away capacity not used at 75% over a three-month period and to allocate such capacity to the next ranked TOC based on the outcome of the evaluation of applications for capacity.

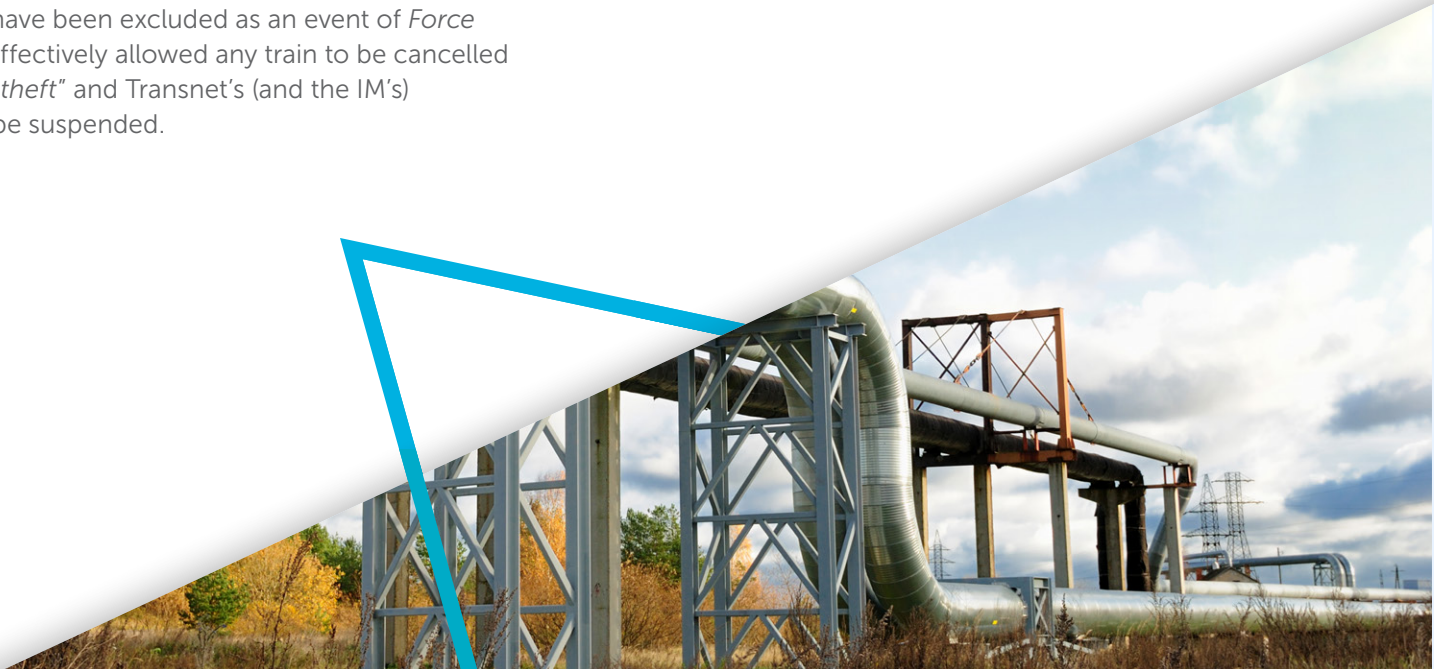
### Conditions of the Network and Security issues

Two major industry concerns regarding the Network Statement and open access relate to the condition of the network, which requires significant investment, and security issues plaguing the network.

In a welcome departure from the draft Network Statement, “*acts of theft*” have been excluded as an event of *Force Majeure*. This effectively allowed any train to be cancelled due to “*acts of theft*” and Transnet’s (and the IM’s) obligations to be suspended.

However, access is provided to the network on an “*as is*”, or “*voetstoots*”, basis, meaning that no warranties are given in respect of the network’s fitness for purpose. Whilst expected at this grassroots stage, should the state of the rail network improve following investment by TOCs, industry stakeholders may look to Transnet to providing certain warranties or guarantees as to the network’s fitness and condition, providing a means to hold Transnet accountable.

Further, the minimum access fee is payable despite *Force Majeure* Events, or the TOC incurring “*Declined Slots*”, or cancelling slots. This presents challenges given the current condition of the rail network and persistent electricity supply challenges in South Africa, as major breakdowns or design flaws in machinery or equipment, or accidents in relation to or stoppages of the Transport Services, as well as shortages or delays, interruptions or failure in supply of electricity are *Force Majeure* Events.



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The Rail Access Agreement imposes quite substantive duties on TOCs in respect of security measures, including the requirement to have their own security plans that cover cargo. This, in effect, may mean that non-compliance or inadequacies may result in breach of the Rail Access Agreement, which is a significant concern given the prevalent security issues in the rail network. No reciprocal obligations are imposed on the IM in terms of the Rail Access Agreement, and the Network Statement does not stipulate adequate measures to be taken by Transnet to address security concerns.

Whilst access is intended to start in April, due to the maintenance backlogs of the rail network, it is inevitable that this may be subject to delay.

## Conclusion

In summary, Transnet's final Network Statement, alongside the Economic Regulation of Transport Act, represents a significant step toward opening South Africa's rail network to private operators and reforming South Africa's rail sector.

By opening access to private operators, Transnet's debt burden may be reduced, critical infrastructure investment may be introduced, and logistics efficiency can be improved. These changes have the potential to boost trade competitiveness, lower transport costs, and create jobs – key drivers of economic growth. However, successful implementation will essentially depend on addressing security risks, modernising infrastructure, and fostering investor confidence through transparent, equitable, and well-regulated market access. If implemented effectively, this reform could position rail as a catalyst for sustainable economic revitalisation in South Africa.

**Vivien Chaplin and Gaby Wesson**



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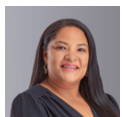
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**BBBEE STATUS: LEVEL ONE CONTRIBUTOR**

Our BBBEE verification is one of several components of our transformation strategy and we continue to seek ways of improving it in a meaningful manner.

**PLEASE NOTE**

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