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079 416 5996

Enquiries: Zara Nicholson:

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STATEMENT BY MINISTER OF PUBLIC WORKS AND INFRASTRUCTURE, PATRICIA DE LILLE

N3 NATIONAL ROAD UPGRADE PROJECTS TO BRING SIGNIFICANT BENEFITS TO KWAZULU NATAL ECONOMY AND ROAD USERS

In line with my duties as Minister of Public Works and Infrastructure (DPWI) and Chairperson of the Presidential Infrastructure Coordinating Commission (PICC) Secretariat, today I conducted an oversight visit to the N3 road upgrade projects in KwaZulu Natal to view progress and receive updates from the project team on these important infrastructure projects.

I was joined by Dr Kgosientsho Ramokgopa, head of infrastructure investment in the Presidency and head of Infrastructure South Africa (ISA). ISA which was established in August 2020, following approval by Cabinet is responsible for monitoring this project and all other projects in the Infrastructure Investment Plan and is assisting stakeholders to address any blockages and ensure successful implementation of projects.

Today's oversight visit formed part of my duties to monitor progress of the 62 projects which were gazetted as Strategic Integrated Projects (SIPs) as part of the Infrastructure Investment Plan approved by Cabinet on 27 May 2020.

In July 2020, DPWI gazetted 62 projects as SIPs in line with the Infrastructure Development Act and many of these projects are currently in construction as part of efforts to expedite much needed infrastructure development in communities and assist in reviving the struggling construction sector.

The Infrastructure Investment Plan is a credible pipeline of projects with projects from all three spheres of government, state-owned entities and the private sector.

The plan is also an integral part of the Economic Reconstruction and Recovery Plan (ERRP) announced by President Cyril Ramaphosa in October 2020 in which infrastructure development was identified as the flywheel to economic growth.

The N3 National Road upgrade projects has been gazetted as a SIP and is being implemented by the Department of Transport and the South African National Roads Agency (SANRAL) and its contractors.

The N3 program comprises two projects and spans over the next 6 to 8 years and includes 14 packages estimated to be in excess of R20billion.

The two sections of the road being upgraded are divided into two contracts and is already bringing significant benefit through SMME empowerment and job creation.

PROJECT 1 SCOPE

The first section of the N3 upgrade from Cato Ridge to Dardanelles extends along 6km of the N3.

The road upgrade project extends from north of the Cato Ridge Interchange to south of the Dardanelles Interchange and includes the Camperdown Interchange and the north facing ramps of the Cato Ridge Interchange. The project falls within the uMgungundlovu District Municipality, Mkhambathini Local Municipality and eThekweni Metropolitan Municipality in the KwaZulu-Natal Province.

This project's important and contribution to the ERRP is substantial as the N3 is integral to the economic growth of South Africa. A growing South African population has placed this strategic corridor under severe pressure, requiring substantial upgrading to portions of the corridor. The N3 upgrade forms an integral part of the government's Strategic Integrated Projects as part of the Durban-Free State-Gauteng Logistics and Industrial Corridor. It aims to strengthen the logistics and transport corridor between South Africa's main industrial hubs, improve access to Durban's export and import facilities and raise efficiency along the corridor. It is the busiest road freight corridor in South Africa with over seventy million tons of freight per annum transported by road.

The upgrade to the N3 should alleviate congestion on roads around the port and on the crucial N3 corridor linking the port of Durban and Gauteng. It should shorten turnaround times for freight-carrying vehicles, reduce accidents and increase profitability and contribute to economic growth.

The need for the project arose from increased traffic volumes, declining levels of service on the freeway, and the pavement of the existing road reaching a terminal state.

The investment of this project demonstrates SANRAL's understanding of the need to have quality roads to ensure the safe and efficient movement of people and goods through proper infrastructure to support economic activity and growth.

The project entails upgrading the existing 4-lane dual carriageway to an 8-lane dual carriageway by widening to the median and outer shoulders over a distance of 6.4km.

The upgrade will increase safety and also significantly improve the level of service for years to come.

In terms of the priority interventions of the ERRP, this project is aimed at aggressive infrastructure investment which will assist in reviving the construction industry and contribute to employment creation.

The SANRAL Board approved the award of the construction contract in November 2020 and the contract commenced on 13 January 2021. Works commencement on site started in April 2021. The contract period is 51 months and is scheduled to complete on 12 April 2025.

Current work includes widening of the N3 median, piling in the median for the future Camperdown Interchange pier, temporary pavement maintenance on the N3 and local roads, installation of temporary concrete barriers to protect the works and earthworks for the fill widenings.

PROJECT 1 ECONOMIC BENEFITS

The project value is approximately R1, 4billion of which R82.5m has been spent to date.

The project has already created a substantial amount of jobs.

There are currently 237 persons employed on the site, of which 200 were the contractor's and sub-contractor's staff. It is estimated that the maximum number of persons that will be employed on this project over the project duration will be in excess of 450.

Currently 12 local subcontractors have been appointed on the contract with R3.74million spent to date. It is estimated that 50 local subcontractors will be employed on this project over the project duration.

In line with SANRAL's transformation objectives, a minimum of R430million will be subcontracted to black owned SMMEs while just over R115m will be spent on local labour.

The main contract was awarded to Raubex Construction which has a Level 1 B-BBEE Contributor Status.

The direct economic benefits of the upgrades are a reduction in travel times, a reduction in vehicle operating costs and a reduction in accidents costs, all of which have great benefit to the economy at large. There are also indirect economic benefits that will accrue to the local areas.

In addition, through SANRAL's Community Development strategy, local projects in the surrounding areas will be identified through the local municipality where improvements can be made. One of these is the construction of an Early Childhood Development Centre in the Mkhambathini Municipality.

The upgrade of the N3 will ensure ease of traffic movement and the continual maintenance will reduce fatalities on our roads.

PROJECT 2 SCOPE

In the second contract for upgrades to the N3 between Dardanelles and Lynnfield Park, this project is also being done by Raubex Construction.

This project is worth R1.48 billion with R126 million spent to date.

The need for the project arose from increased traffic volumes, declining levels of service on the freeway, and the pavement of the existing road reaching a terminal state. The project entails upgrading of 4km of the N3 from 4-lanes to 8-lanes by widening to the median and outer shoulders, as well as the upgrade of the Dardanelles interchange and connecting roads to improve traffic movement.

Work on this project commenced on 21 January 2021. The initial maintenance of the R103 that will serve as alternative route in the event of incidents on the N3, as well as initial maintenance of the N3 road surface, are complete. Work on the upgrade of the access roads to the Dardanelles Interchange are progressing well. The estimated completion date for this project is September 2024.

PROJECT 2 ECONOMIC BENEFITS:

Job creation: Currently, 248 people are employed on site of which 148 are from the Mkhambathini and Msunduzi local municipality areas. The number of employees is expected to increase to 450 in 2022 with a total of R103 million to be spent on local labour.

Empowerment/Subcontracting: 19 black owned SMME subcontractors and suppliers have been appointed through an open tender process to date. A total of R385 million is anticipated to be spent on black-owned enterprises over the contract duration.

Training: Training in the form of structured workplace learning, work integrated training and training courses to a value of R3, 2million will be provided.

Economy: This project aims to strengthen the logistics and transport corridor and reduce turn-around times for freight-carrying vehicles and opens-up economic activity along the N3.

Safety: It aims at providing additional capacity on the road, to reduce delays and reduce accidents. The provision of area lighting along the N3 will also improve night travelling safety.

Socio-economic: Direct employment through the construction contract as well as indirect employment through economic growth in area. A minimum of 30% of contract value is spent on Black-owned companies.

Local Municipality: The project also includes the construction of a Youth Skills Centre within Mkhambathini Municipality within the KwaNyavu Traditional Authority.

Dr Kgosientsho Ramokgopa said: “We are incredibly proud of the good work done by SANRAL and the National Department of Transport in implementing the N3 Cato Ridge development which will bring much needed relief to the traffic congestion on this national road. The N3 carries the country's logistics economy and is an essential economic driver in the Province of Kwa-Zulu Natal”.

Minister de Lille said: “The importance of decent roads and infrastructure cannot be over emphasised and I was pleased to listen to and see the progress on site first hand.

Our roads are important carriers ensuring that people can get to work safely while also ensuring that economic goods can be transported safely and efficiently.

This project is one of many which demonstrates the Infrastructure Investment Plan in action and brings to life the objectives of the ERRP to reignite our economy and assist the struggling construction sector and provide much needed jobs for our people.

Over the next few weeks, I will be visiting more of the SIPs in various provinces in construction to demonstrate government’s investment in infrastructure which in turn creates the crowding-in effect by the private sector”.

ENDS

Enquiries:

Zara Nicholson: Media Liaison Officer to Minister Patricia de Lille

Mobile: 079 416 5996

Email: zara.nicholson@dpw.gov.za