



public works
& infrastructure

Department:
Public Works and Infrastructure
REPUBLIC OF SOUTH AFRICA



Issued by Chief Directorate: Communications
079 416 5996

Enquiries: Zara Nicholson:

Issue Date: 26 February 2023

JOINT STATEMENT BY MINISTER OF PUBLIC WORKS AND INFRASTRUCTURE, PATRICIA DE LILLE AND THE CONSTRUCTION INDUSTRY DEVELOPMENT BOARD (cidb) CEO, BONGANI DLADLA

Public sector clients capacitated to improve implementation of infrastructure investment projects

Government is a key player in the construction sector, accounting for about 40% of the country's total infrastructure budget.

At least R117.5 billion in budget was allocated to infrastructure in the 2022/23 financial year and it is estimated that government expenditure will total R903bn over the next three years.

Improving government's performance as a contributor to the sector is key to unlocking infrastructure's role in the country's economic and social development.

Government's performance also requires the necessary skills in the public sector in line with one of the seven key priorities of the 6th Administration of building a capable and ethical state.

Given the importance of the construction sector, public sector infrastructure clients must increase expenditure on allocated budgets and deliver the infrastructure that is so desperately needed to stimulate economic growth and support the country's service delivery needs.

Minister Patricia de Lille said: "The Department of Public Works and Infrastructure (DPWI) through its entity, the Construction Industry Development Board (cidb), has prioritised capacitation of the public sector to deliver infrastructure better and with greater urgency and efficiency. Government spent 70.6% of the total allocated infrastructure budget in 2019/20 and by 2020/21 this figure had improved mildly to 73%".

CIDB CEO, Bongani Dladla said: "In order to increase the rate of government expenditure on budgets and to improve performance within the public sector, the cidb held Capacitation training for at least 163 public sector clients across all three spheres of government in the 2021/22 financial year to impart critical skills, particularly planning and procuring for infrastructure, which is an Achilles heel of infrastructure delivery in government".

"This included training of officials in 15 national and 45 provincial departments, 44 local government, 8 Metropolitan Municipalities and 40 State owned entities including Eskom, Transnet, and ACSA amongst others. Target audience included SCM practitioners, technical departments, CFO's and Legal departments. In the current financial year 2022/23 cidb has completed 52 capacitation training," Dladla said.

"More than 50 DPWI senior officials took part in this capacitation training including Regional Managers, SCM and Finance officials, officials in the construction management branch and project managers," Minister de Lille said.

At the centre of the training is the need to improve public sector compliance to the cidb Standard for Uniformity in Procurement of Engineering and Construction Services, which establishes best practices for construction procurement and standardises documentation, systems, and practices.

Unlike procurement of goods and services, government acknowledges the uniqueness and complexity of construction procurement and its centrality to performance in infrastructure delivery, and Regulation 16A of the National Treasury cedes its regulation to the cidb, as a specialist role.

Poor retention of skills due to movement of key personnel out of government and within departments and institutions, is one of the key factors affecting efficient and effective delivery of infrastructure, which necessitates ongoing capacitation by the cidb.

Procurement is at the heart of one of the key cidb instruments developed and implemented in collaboration with the National Treasury to empower public sector clients to perform and delivery infrastructure.

Minister de Lille said: “Government recognises the importance of construction as an ideal catalyst for economic growth and social development, and a key creator of work opportunities particularly for the emerging sector, which is one of the main generators of employment in the country.

Every cent that goes back to the national coffers in unspent infrastructure budgets is opportunity lost to the emerging sector and a threat to their survival and sustainability”.

Over 150 000 of these emerging enterprises are registered on the cidb Register of Contractors to position themselves for business opportunities with government. By capacitating public sector clients to deliver infrastructure the DPWI through the cidb, aims to curb government underspending to increase its contribution to the growth of this sector and to improve the industry’s potential to catalyse the country’s economic growth.

The construction industry contributes at least 3% to the national gross domestic product. It facilitates achievement of government’s goal to improve health, education, transport, communication, sanitation and other social needs.

The cidb is established in terms of the CIDB Act 38 of 2000, under the executive authority of DPWI, to provide strategic leadership to stakeholders, in the development of the construction industry.

ENDS

Enquiries:

Zara Nicholson: Media Liaison Officer to Minister Patricia de Lille

Mobile: 079 416 5996. Email: zara.nicholson@dpw.gov.za