#### **DEPARTMENT OF PUBLIC WORKS**

NO. R. 1229 10 NOVEMBER 2017

CONSTRUCTION INDUSTRY DEVELOPMENT BOARD ACT, 2000 (ACT NO. 38 OF 2000)

The Minister of Public Works intends to amend the Construction Industry Development Regulations, 2004 published under GN 692 in GG 26427 of 9 June 2004, as amended. The draft amendment

regulations annexed hereto are accordingly published for public comment.

Interested persons are invited to submit their written comments on the proposed regulations to the

Director- General of the Department of Public Works within 30 days of the date of publication of this

notice by-

(a) Posting it to: Department of Public Works, Private Bag X65, Pretoria, 0001; or

(b) Delivering it by hand at: Central Government Building, Corner Madiba Drive and

Bosman Streets, Pretoria, 0001; or

(c) Emailing it to: gugu.mgwebi@dpw.gov.za

Comments must be marked for the attention of Gugu Mgwebi.

Comments received after the closing date may not be considered.

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N P T NHLEKO (MP)

MINISTER OF PUBLIC WORKS

#### DEPARTMENT OF PUBLIC WORKS

No. 2017

#### CONSTRUCTION INDUSTRY DEVELOPMENT BOARD ACT, 2000

I, Nkosinathi Phiwayinkosi Thamsanqa "Nathi" Nhleko , Minister of Public Works, under section 33 of the Construction Industry Development Board, Act, 2000 (Act No. 38 of 2000), make the Regulations in the Schedule.

N P T NHLEKO (MP) MINISTER OF PUBLIC WORKS

#### SCHEDULE

#### **Definition**

In these regulations, "the Regulations" means the Regulations published under Government Notice
No. R. 692 in Government Gazette No. 26427 of 9 June 2004, as amended by Government Notice
No. R. 1333 published in Government Gazette No. 26991 of 12 November 2004, Government
Notice No. R. 751 published in Government Gazette No. 27831 of 22 July 2005, Government
Notice No. R. 842 published in Government Gazette No. 29138 of 18 August 2006, Government
Notice No. R. 1121 published in Government Gazette No. 30510 of 23 November 2007,
Government Notice No. R. 1224 published in Government Gazette No. 31603 of 14 November
2008 and Government Notice No. R. 464 published in Government Gazette No. 36629 of 2 July
2013.

#### **Amendment of Regulation 1 of Regulations**

- 2. Regulation 1 of the Regulations is hereby amended-
  - (a) by the insertion after the definition "financial sponsorship" of the following definition: "indirect targeting" means to facilitate contractor development through the procurement model which targets developmental outcomes, excluding direct targeting; and
  - (b) by the insertion after the definition of "programme" of the following definitions:

- "Standard for Contractor Performance Reports (Grades 2 to 9)' means the Standard for Contractor Performance Reports (Grades 2 to 9) published by Board Notice No. 181 of 2013 published in Gazette No. 36760 of 23 August 2013 as amended from time to time";
- "Standard for Developing Skills through Infrastructure Contracts' means the Standard for Developing Skills through Infrastructure Contracts published by Board Notice No. 180 of 2013 published in Gazette No. 36760 of 23 August 2013 as amended from time to time";
- "Standard for Indirect Targeting for Enterprise Development' means the Standard for Indirect Targeting for Enterprise Development through Construction Works Contracts published by Board Notice No. 21 of 2013 published in Gazette No. 36190 of 25 February 2013 as amended from time to time";

# Substitution of heading to PART III of Regulations

3. The following heading is hereby substituted for the heading to Part III of the Regulations:

# "PART III A REGISTER OF PROJECTS"

# **Insertion of heading in Regulations**

4. The following heading is hereby inserted after regulation 21 of the Regulations:

# "PART III B BEST PRACTICE PROJECT ASSESSMENT SCHEME"

# Insertion of regulations 22A, 22B and 22C in Regulations

5. The following regulations are hereby inserted in the Regulations after regulation 22:

# **"22A. Contractor Performance Reports (Grades 2 to 9)**

- (1) From the date and in relation to a project determined by the Minister in terms of section 23(2) of the Act, a client or employer must, on a date referred to in regulation 21(1) and on the approved form, notify the Board of the compliance of such project with the Standard for Contractor Performance Reports (Grades 2 to 9).
- (2) Where the contractor does not dispute the findings of the Contractor Performance Report, a client or employer must, on the date referred to in subregulation (1) and on the approved form, submit to the Board the relevant Contractor Performance Report (Grades 2 to 9).
- (3) Where a contractor dispute the findings of the Contractor Performance Report, a client or employer must within one calendar month of the resolving of the dispute in terms of the

Standard for Contractor Performance Reports (Grades 2 to 9) and on the approved form, submit to the Board the relevant Contractor Performance Report (Grades 2 to 9)".

# "22B. Indirect Targeting for Enterprise Development

From the date and in relation to a project determined by the Minister in terms of section 23(2) of the Act, a client or employer must, on a date referred to in regulation 21(1), on payment of the fees set out in Schedule 2 and on the approved form:-

- (a) notify the Board of the compliance of such project with the Standard for Indirect Targeting for Enterprise Development; and
- (b) submit to the Board the Targeted Enterprise Declaration Affidavits as specified in the Standard for Indirect Targeting for Enterprise Development through Construction Works Contracts pertaining to the developing enterprises concerned" and

### "22C. Developing Skills through Infrastructure Contracts

- (1) From the date and in relation to a project determined by the Minister in terms of section 23(2) of the Act, a client or employer must, on a date referred to in regulation 21(1), on payment of the fees set out in Schedule 2 and on the approved form, notify the Board of:
  - (a) the compliance of such project with the Standard for Developing Skills through Infrastructure Contracts; and
  - (b) the contract skills development achieved".

# Amendment of Schedule 2 of the Regulations

6. Table 1: Registration and Renewal Fees of Schedule 2 of the Regulations is hereby amended by the insertion of the following item:

		0.2% of total	
6.	Best Practice Project Assessment Scheme; Assessment Fee; Projects of Tender Grades 7 to 9	value of project	
		on the date of	
		award of that	Section 22(3)
		project, but not	
		more than	
		R2 000 000.00	
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#### Short title and commencement

7. These Regulations are called the Construction Industry Development Amendment Regulations, 2017 and commence on the date of publication thereof.