

# AVOID COMMON CAUSES OF DELAY IN CONTRACTOR REGISTRATION

*Inbrief #3*  
*February 2008*

## 1 Introduction

Non-compliant applications are those applications which are not completed correctly. Common errors include failure to provide supporting documents and supplying incorrect contact details or no contact details at all. To assist the **cidb** to process application timeously, contractors must ensure that their applications are accompanied by all the documents required for the specific grade for which they are applying to be registered in and the correct contact particulars.

## 2 The registers checklist - a guide to compliance

The **cidb** has compiled a checklist of application requirements for different grades. It is in a contractor's interests to go through the checklist and to ensure that all relevant documents required to support each application have been submitted to the **cidb**. Contractors can obtain copies of the registration checklist from any of the Construction Contact Centres (CCCs) or from the **cidb** website

[www.cidb.org.za/Documents/KnowledgeCentre/cidb%20check%20list%20web.pdf](http://www.cidb.org.za/Documents/KnowledgeCentre/cidb%20check%20list%20web.pdf)

## 3 Grading gives a construction business a competitive business advantage

Contractors should remember that they are not just registering to be listed on a database. They are registering to be graded in terms of the **cidb** grading designations. Contractors must provide the **cidb** with all the relevant supporting documents to ensure that they are graded according to their capability. (See abovementioned checklist to see what documents are required for each grade).

A contractor's contractor grading designation is made up of two elements:

- the maximum tender value of projects which a contractor may perform; and
- the specified class of works, such as General Building (GB), Civil Engineering (CE), Electrical Engineering (EE) or Specialist Works (SW).

### *The Register of Contractors*

*The National Register of Contractors has been established in terms of the Construction Industry Development Board Act 38 of 2000, and requires that all contractors performing construction works for the public sector are registered. Registration allows contractors to compete for construction works contracts in a sustainable environment. The Register of Contractors also provides a framework for contractor development.*

*Construction is one of the fastest growing sectors in South Africa's economy. 40% of construction investment is made by government, which creates many business opportunities for contractors. By law, contractors who are awarded construction contracts in the public sector must be registered with the cidb. The cidb, understands that registration is a necessity for a construction business, which is why the cidb is committed to providing a timely and efficient registration service to all contractors.*

#### 4 Evidence of track record

For any grade other than grade 1, contractors must submit a certificate of completion that is issued by the client, or the client's representative. The **cidb** accepts a track record of previous work done for either the public or private sector.

Contractors may also submit evidence of work done as a joint venture partner or as a subcontractor. Such submissions must be accompanied by a copy of the joint venture agreement or subcontract agreement, as relevant.

*The cidb and Departments of Public Works in KwaZulu-Natal, the Eastern Cape and Western Cape have established Construction Contact Centres to provide contractors with easy access to registration services.*

#### 5 Tax clearance certificates

Every registered contractor other than grade 1 contractors must supply the **cidb** with a new and valid tax clearance certificate issued by SARS every year, to avoid having their registration suspended. A tax clearance certificate is only valid for twelve months. These certificates must be posted or delivered to the **cidb**. Faxed copies are not acceptable.

#### 6 cidb registration - an open and transparent process

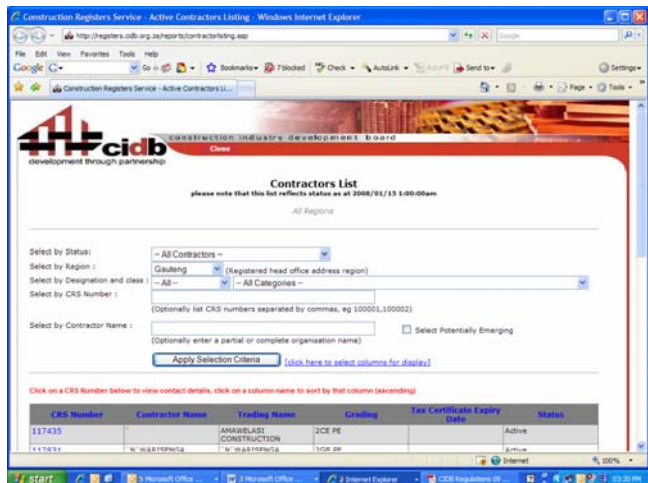
All applications go through various stringent levels of assessment to ensure a fair, open and transparent process of registration and grading. These measures also protect the integrity of the register and the grading system. An open and transparent process also eliminates the risk of corruption and favouritism.

*Please report any inappropriate or suspicious behaviour to our anonymous fraud reporting line on: 0800 11 2432 Construction Contact Centres - for easy access to services*

#### 7 cidb Call Centre - quick access to information

The **cidb** call centre, accessible on 0860 103 353, makes it convenient for contractors to trace the status of their applications telephonically. Unfortunately, the call centre is also inundated with calls from many contractors who have not submitted compliant applications. This often makes it difficult for other contractors, who have followed the procedures correctly, to access this important service.

Contractors can also use the **cidb** website [www.cidb.org.za](http://www.cidb.org.za) to check if they have been successfully registered.



#### 8 Potentially Emerging (PE) status

Potentially emerging contractors may be recognised as such on the register should they provide the relevant information in their applications. PE status is not automatically granted.

*Contractors must apply for PE status by completing the relevant section in the registration form, which requires information on management and control.*