

REASONS FOR CONTRACTOR REGISTRATION

Inbrief #5

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The **cidb** is required by the Construction Industry Development Board Act to establish a Register of Contractors. The Register grades and categorizes contractors according to their works and financial capability. Contractors must register with **cidb** in order to be awarded contracts with the public sector.

1 Why is the Register important?

The Register establishes the capability of a contractor for the purpose of streamlining procurement and reducing the risks to both the contractor and the client. It creates a framework for contractor development, for sustainable growth and empowerment.

2 Successful empowerment is sustainable

By grading contractors the Register of Contractors enables clients to match projects with a contractor's capabilities. This ensures the success of projects and reduces the failure rate.

3 Building a track record

The register helps a contractor to build a track record and promotes confidence in the construction industry. A track record will promote confidence of the banks and improve access to credit by contractors who perform well. Confidence promotes growth and growth increases opportunities for everyone in the industry.

4 How does the register support development?

Grading enables clients, industry and other agencies to establish development programmes suited to different needs

By profiling contractors the Register of Contractors enables employers to package projects in a way that creates the right work opportunities for target groups and enables focused contractor development programmes.

The Register enables large contractors to effectively subcontract work to emerging contractors and enables the private sector to access emerging contractors.

Registration also prevents "casual" players from undermining the performance and reputation of the emerging sector. Some of these casual players win contracts by under pricing. They then subcontract to the real players. This is not building sustainable growth and empowerment and many of these projects fail. The Register will enable real contractors to tender more successfully and to win more contracts. This ensures sustainable empowerment and real growth of contractors and industry.

Register now for a better industry



Development through partnership