

MEDIA STATEMENT
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2nd State of the Construction Industry Seminar brought together academic experts to improve procurement challenges

05 July 2023- The Construction Industry Development Board (cidb) in partnership with the cidb Centre of Excellence at UJ hosted the 2nd State of the South African Construction Industry (SACI) Seminar on Thursday, 22 June 2023.



Approximately 150 esteemed South African construction industry practitioners, clients, contractors and consultants, and specialist academics in infrastructure delivery participated in the one-day seminar on developmental procurement at the Maslow Hotel in Johannesburg and online via Zoom.

The one-day seminar, under the theme: *"Procurement for development, productivity, and service delivery"*, discussed challenges, opportunities, possibilities, and potential reforms needed in public sector procurement. The dialogue was held to discuss procurement challenges in the construction industry to develop an ethical, productive, and profitable industry.

South Africa's government uses targeted procurement in infrastructure delivery to reach its socio-economic and development goals. The approach involves not only completing projects on time and within budget, but also using procurement as a tool for social and economic development.

The procurement strategies employed are intended to accelerate socio-economic transformation by encouraging previously disadvantaged population groups to participate in infrastructure delivery by facilitating transformational contracting strategies and incorporating training and skill development into the procurement regimen.

Mr Bongani Dladla, cidb Chief Executive Officer, opened the seminar by welcoming delegates and highlighting that the SACI seminar “stands as a testament to the power of bridging the gap between industry and academia, recognising that the fusion of these two realms is an unparalleled catalyst for growth and transformation.”

The presenters at the seminar included renowned academics in the field of developmental procurement including Professor Sam Laryea from the University of Witwatersrand and Dr Themba Lukhele from the University of Mpumalanga. Mr Richard Raphiri, Procurement and Development Director at cidb, opened the discussions by presenting a commissioned study by the organisation on the nature, causes, cost and impact of tender cancellations in the industry.

Responding to the presentations were seasoned industry practitioners, Mr Adetayo Kuju from the Gauteng Department of Roads and Transport and Mr Lungisa Tshele, a cidb registered grade 9 civil engineering contractor. Participants shared their experiences of public sector procurement such as losses incurred in the preparations and submission of tenders, corruption encountered in tenders and under quoting by subcontractors due to high competition. The seminar explored ways to ensure that all stakeholders and role-players participated in the improvement of construction procurement.

The cidb Chief Financial Officer, Mr Sfiso Nsibande, committed the cidb to continuing teamwork with industry stakeholders to ensure sustainable contracting and the development of small and medium contractors.

In conclusion of the seminar, cidb’s Research and Development Director, Dr Ntebo Ngozwana, and Professor Clinton Aigbavboa, cidb Centre of Excellence Director at UJ, acknowledged the contribution of the academics, client representatives, contractors and other industry role players who contributed to discussions regarding opportunities, possibilities, and reforms needed in public sector procurement.

The cidb is a statutory body established under the Executive Authority of the Department of Public Works and Infrastructure (DPWI), family of Agrément South Africa (ASA), Council for the Built Environment (CBE), Engineering Council of South Africa (ECSA) and Independent Development Trust (IDT).

In accordance with the Construction Industry Development Board Act 38 of 2000 (CIDB Act), the cidb regulates and develop the construction industry through strategic interventions and partnerships. The construction regulator strives to build an industry that is comprehensive and reputable, whereby all participants equally drive the construction sector.

Ends.

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