

National Construction Summit Speech

President of the Republic, His Excellency Cyril Matamela Ramaphosa

Premier of the Free State Province, Ms. MaQueen Letsoha-Mathae

Premier of KwaZulu Natal, Mr. Thamsanqa Ntuli

Premier of the North West, Mr. Lazarus Mokgosi

Minister of Cooperative Governance & Traditional Affairs, Mr. Velenkosini Hlabisa

Deputy Minister of Public Works & Infrastructure, Mr Sihle Zikalala

Deputy Minister of Water and Sanitation, Mr Mbangiseni David Mahlobo

Chairperson of the Select Committee on Public Infrastructure, Frederick Jacobus Badenhorst

Members of the Executive Council from across the country,

Executive Mayor of the City of Ekurhuleni Metropolitan Municipality, Mr. Alderman Xhakaza, Cllr

President of the South African Local Government Association, Mr. Bheki Stofile

Executive Mayors and members of the Troika present

Members of the House of Traditional and Khoisan Leaders Present

CIDB Board Chairperson

Industry leaders and private sector stakeholders

Accounting Officers and senior officials

Members of the media,

And all those who have gathered here today under one shared ambition - good morning.

Today it gives me great pleasure to welcome you all to the 2025 National Construction Summit here in Boksburg, a summit that arrives at a moment of real momentum for South Africa's construction sector and economy.

When we gathered in Durban last year, we committed to tackling head-on, construction site stops as a step to reigniting South Africa's construction industry.

Since that inaugural summit, we have seen the green shoots of growth starting to emerge within the construction sector.

Not only have they now emerged, but they are also taking root.

The latest Quarterly Labour Force Survey, released just days ago, confirmed what many of us on the ground have already been seeing and feeling: the sector is waking up and kicking into a higher gear.

In the third quarter of this year, 130,000 new jobs were created in the construction industry.

That's over half of all new jobs created in the South African economy during that period.

Let me repeat that: more than 50% of all jobs created in Q3 came from one sector - our sector, construction.

This is no coincidence; it's the direct result of the reforms, partnerships, and determination that Government is bringing to this industry.

This is the beginning of what we have long said was possible, that if we fix what's broken, remove impediments to growth, and build a pipeline of real projects, construction can drive this economy forward.

We did not arrive here by accident.

These gains are the result of the hard and often unseen work that many of you in this room have helped lead, to stabilise this industry, restore trust, bring order to chaos, and deliver real, implementable reforms.

It is also the result of a all-of-government approach which includes every Minister that has prioritised growth and jobs.

This was further demonstrated yesterday through the Medium Term Budget Policy Statement as presented by Minister Godongwana.

These reforms, including a 3% inflation target and lowering of debt costs which can be ploughed into growth enhancing Infrastructure, are some of the most important reforms since 2000 which will only further support our construction drive.

We are finally starting to see the dividends of that collective effort with rising employment, and a growing economy.

While we must celebrate these major wins, we must also double down on our efforts to turbocharge the Construction Industry towards even more rapid delivery.

Today's summit Mr. President is a space where the public and private sector must come together to identify the next wave of obstacles and remove them with urgency through greater partnership.

And to succeed in that mission, we must adopt a new mindset, one that is focused on acceleration at all cost.

The theme of this summit is "Unlocking Infrastructure Delivery - Raising Construction Industry Performance."

That means continuation with what we started, and to unlock the industry's growth for the future.

It means embedding the reforms we've already made and expanding their reach.

And it means aligning every part of the system - from regulation to finance, procurement to policing - to support the delivery of infrastructure and the growth of the firms that deliver it.

Ladies and gentlemen,

At the last National Construction Summit in Durban in November last year, we signed the Durban Declaration together with the South African Police Service and the National Treasury.

It was our response to one of the biggest issues facing the construction sector: the so-called Construction Mafia.

The Durban Declaration was Government's line in the sand, a commitment to restore law and order to construction sites and end the reign of terror that was choking off investment, delaying delivery, and putting lives at risk.

Since that moment, we've made significant strides.

We've seen over 770 cases of construction-related extortion and intimidation reported across the country.

Of those, 241 arrests have been made, and 176 individuals have been convicted.

That's not just progress on paper, it's the reflection of our determination to dismantle organized criminal networks from extorting the industry any longer.

In KwaZulu-Natal - which was considered the hotspot for construction mafia related activity - we've seen a large drop in monthly site disruptions: from over 60 incidents a month last year to less than 10 a month today.

This was due to the coordinated action we have taken with police, business, and our public entities.

We have established dedicated hotlines for communities to report construction stoppages as and when they happen, and we worked closely construction companies in a bid to restore the rule of law.

The South African Police Service and the Private Security Industry Regulatory Authority are now working together to dismantle these criminal networks.

Yet as we all know, law enforcement is only one part of the equation.

Crime flourishes where systems fail.

And so, since the Durban Summit, we've also worked to address the structural issues that leave projects vulnerable, from unclear regulations to weak community engagement and poor project preparation.

That's why we've finalizing the Integrated Social Facilitation Framework, which will be a game changer for how we engage and partner with local communities before a shovel even hits the ground.

Mr. President, this means that local communities will not only become meaningful participants in our projects, but our first line of defence against those that seek to disrupt our progress.

This is also why we've revitalised the CIDB's National Contractor Development Framework to help emerging contractors enter the formal system with better support and compliance, including supporting the B.U.I.L.D program through a record breaking R300 million budget allocation.

This progress matters.

Ladies and gentlemen,

Let's be clear: we also know the progress we have made is not enough if we want to see a revitalised and vibrant construction industry.

We know that more needs to be done to ensure that the private sector has confidence in the public sector's construction pipeline to partner with us and invest in South Africa's infrastructure future.

And we must ensure that Government building projects are completed on time and on budget. Full stop.

I also recognize that contractors have borne the brunt of our failure of not being paid on time or being stuck in endless approval loops.

That is why, last month Mr. President, our MEC's, the DM and myself said: no more delays, no more excuses.

At a special meeting of the Minister and Members of Executive Council for Public Works & Infrastructure from all nine provinces, held here at Birchwood in October, we adopted the South African Construction Action Plan, or SACAP, to fix what is broken in public sector infrastructure delivery.

That plan is now our shared roadmap, rooted in six core interventions, namely:

1. Introducing accountability, including restriction committees and black-listing of defaulting contractors.
2. The possible ring-fencing of project budgets and ensuring cash flow to construction projects.
3. Digitised integrated project or asset information tracking through real-time dashboards across national and provincial public works departments.
4. Procurement reform, including the establishment of "Procurement War Rooms" and real-time monitoring of major tenders.

5. Strengthening audit outcomes and governance by working closely with the Auditor-General of South Africa to address irregularities in real time.
6. Professionalising the built-environment in the public sector by requiring registration of built-environment professionals, strengthening ethics and competence.

The work to implement the South African Construction Action Plan, or SACAP, as already started, and we are looking forward to seeing the first interventions implemented as early as March next year.

Procurement war rooms will soon be up and running in all nine provinces.

A national blacklisting database is under development.

And soon the first phases of the ERP infrastructure tracking system will be piloted.

This is not a wish list - it is a plan, and we are already delivering on it.

Ladies and gentlemen,

Our hope is that the SACAP will directly address the negative perception of public construction projects, and allow us to turn a new leaf towards delivery.

With SACAP we hope to restore public confidence in public sector infrastructure delivery, in order to work closer with the private sector to turn South Africa into a construction site.

Because if we are truly serious about turbocharging construction in South Africa, we must clear the pathway for the private sector - not as a participant, but as a full partner in delivery.

That's why one of my hopes for this summit – and one of my asks of all of you here today – is that by the time we close this week, we will have enhanced our program of action with new ideas and deliverables.

I want us to go beyond diagnostics and into implementation.

I want us to adopt a mindset of scale and speed.

Because the reality is this: government cannot do it alone.

Nor should it.

Mr. President, as you will know, Infrastructure South Africa is a government institution that is a centre of excellence which we continue to advocate to become a single point of entry for large - high value infrastructure investment initiatives.

Through structured coordination, ISA ensures that projects are registered, appraised and approved through a robust governance process so that there is a credible and bankable infrastructure pipeline.

The infrastructure pipeline, prepared and packaged by ISA, is a direct response to closing the infrastructure investment gap.

By ensuring that projects are adequately prepared and packaged, ISA exponentially improves the chances of projects going into construction and are successfully completed.

Mr. President, these are practical interventions that are already changing how we plan, package and implement infrastructure projects in this country.

From digitised project dashboards to new standards for readiness assessments, ISA is working to ensure that when we say we are ready to build - we actually are.

Through the Presidential 'Adopt-a-Municipality' programme, ISA is also partnering directly with local governments to strengthen project-preparation capacity and delivery on the ground - so that fewer projects stall mid-stream and more are completed on time and on budget in communities across the country.

Ladies and gentlemen,

This is already a very firm foundation on which to build.

But we know that further work needs to be done to remove the bureaucratic red tape facing construction projects.

It simply should not take 18 months to two years to approve a development plan.

That pace is incompatible with the urgency of our economic and infrastructure needs.

This is why we are examining targeted exemptions within the National Building Regulations to fast-track large, catalytic projects at municipal level — especially where delays are unjustifiable or purely administrative.

It is also why we believe that all legislation and regulation governing the built environment should sit under one authority: the Department of Public Works & Infrastructure.

As the custodian of public infrastructure, DPWI is best placed to ensure that building regulations are coherent, enforced consistently, updated when necessary, and, where appropriate, flexible enough to enable quicker delivery.

I look forward to advancing these discussions so that South Africa can move towards a system where approvals are efficient, predictable, and aligned with the scale of construction the country needs.

But ladies and gentlemen,

Let me also be honest with you: exemptions and fast-tracking alone will not get us there.

What we need - and what we must build through this summit - is a new era of collaboration.

One defined not by consultation without consequence, but by co-ownership, shared urgency, and joint delivery.

That is the spirit in which we convene today.

And that is the spirit that has already underpinned the planning of this summit.

Mr. President, when you gave this department our marching orders at the State of the Nation Address in July 2024 to “turn South Africa into a construction site”, we relished this opportunity to turn your dream into a reality.

Over the past year, government, business, labour, and civil society have worked hand-in-hand to lay the foundation for what we finally see today, a nation under construction which is creating record jobs in the sector.

Already, the National Stakeholder Forum, led by the cidb, has proven what is possible when the sector aligns around a common mission.

We’ve seen multi-stakeholder task teams reduce site disruptions.

We’ve seen law enforcement working hand-in-glove with project managers to protect workers and ensure uninterrupted delivery.

We've seen business and community leaders at the same table, not as adversaries, but as co-creators of opportunity.

If this is what we can achieve in a year, imagine what more we can do before 2029.

Ladies and gentlemen,

Over these next two days, through the commissions, plenaries, and side sessions, we have the opportunity to take that collaboration to the next level.

Whether it's fixing procurement, accelerating participation and inclusion, or scaling innovation, we must do it together, because a fragmented industry cannot deliver integrated infrastructure.

This is why we've designed this year's summit to reflect the full complexity - and possibility - of the construction ecosystem.

And of course, this summit itself reflects the kind of scale and ambition we are striving for.

With over 2000 confirmed participants, including industry leaders, government officials, regulators, SOEs, professionals, and young people, this is one of the largest construction summit South Africa has ever hosted.

Mr. President, I believe we are at a turning point — and this summit marks that moment.

I've never been more hopeful and optimistic for our country. We can feel it and we can see it.

And next week the rest of the world will too when we make history as the first country in Africa to host the G20.

Thank you for believing in us Mr. President. Thank you for believing in this sector.

We will continue to turn South Africa into a construction site.

Because the best is yet to come!

It gives me great pleasure to welcome to the stage, the President of the Republic of South Africa and President of the G20, President Cyril Ramaphosa.

I thank you.

ENDS