

CONCLUDING REMARKS

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East London Contractor Development Roadshow

24 April 2026

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FRAMING THE WAY FORWARD

Good afternoon, colleagues, partners in government, industry stakeholders, and contractors.

As we conclude this contractor development roadshow in East London, I want to begin by saying that this is a moment of reflection on the state of contractor development in our country - and a moment of accountability on what must change going forward.

This is a reflection on whether our current approaches are truly enabling contractors to grow, to access opportunities and to deliver infrastructure at the scale and quality that South Africa requires. It is also a reflection on whether the system we have built is producing the outcomes we intended, or whether gaps between policy and implementation continue to hold us back.

As the cidb we are mandated not only to support contractor development, but to ensure that it translates into real participation in infrastructure delivery and economic transformation.

That is why this should not be regarded as routine engagement. It is an opportunity for use to be honest about progress we have made so, clear about the challenges we continue to face, and be decisive about the actions that we must take.

Today, therefore, is both a reflection and a reset on how we strengthen contractor development so that it becomes more structured, more effective and more impactful in delivering infrastructure outcomes for the country.

My remarks therefore will focus on three things: what we have heard, what we will change or strengthen, and what must happen next.

KEY THEMES FROM TODAY'S ENGAGEMENT

Throughout today's engagement, a few consistent and important themes have emerged from contractors, stakeholders and implementing partners.

Firstly, there is a clear and persistent concern around **access to opportunities**. Many emerging and developing contractors continue to experience barriers in accessing meaningful and sustainable projects that allow for real growth and progression through the system. While policy frameworks for contractor development exist, implementation across different levels of government and implementing entities remains uneven, resulting in inconsistencies in how contractors are onboarded, supported, and progressed.

Secondly, issues relating to **cash flow and payment processes** continue to be raised with urgency. Contractors highlighted the impact of delayed payments on their ability to sustain operations, retain skilled personnel, manage supplier relationships, and deliver projects effectively. In many instances, payment delays are not just administrative challenges—they directly affect business survival and project continuity. This remains one of the most significant structural constraints within the industry.

Thirdly, we heard strong concerns around **consistency in procurement practices** and contractor support mechanisms. Contractors indicated that while some institutions demonstrate structured and predictable contractor development systems, others are marked by fragmentation, duplication of requirements, and a lack of clarity on progression pathways. This inconsistency undermines confidence in the system and limits the ability of contractors to plan and grow strategically.

Fourthly, there is a continued and important call for greater transparency and visibility of the infrastructure pipeline. Contractors need clearer, earlier, and more accessible information on upcoming projects—not only at national level, but across provinces and municipalities. Without this visibility, it becomes difficult for contractors to invest, prepare, and position themselves effectively within the market.

Finally, there is a shared expectation that contractor development must evolve beyond compliance-driven participation towards structured capability building and sustained development. Contractors are not only seeking access to opportunities, but also predictable pathways that enable them to build capacity, improve performance, and graduate into higher levels of the industry.

These issues are not new. However, what is significant today is that they have been consistently reaffirmed in a structured engagement of this nature, across multiple stakeholders. This requires us not only to acknowledge them, but to respond with clarity, coordination, and measurable actions going forward.

RESETTING CONTRACTOR DEVELOPMENT FOR BETTER OUTCOMES

In response to the issues and themes raised today, I want to outline the areas where the Construction Industry Development Board will be strengthening its focus and interventions going forward.

Firstly, we will intensify our work on **improving coordination and alignment within contractor development initiatives** across the construction sector ecosystem. While different institutions and spheres of government have their own mandates, the experience of contractors must not be fragmented or inconsistent. A lack of coherence in how contractor development is implemented undermines the very intent of building a strong, capable contractor base. As the cidb, we will therefore strengthen structured engagement with relevant stakeholders to promote greater alignment in interpretation, application, and support mechanisms linked to contractor development.

Secondly, we will place **renewed emphasis on strengthening contractor progression** within the cidb contractor grading and development framework. Our focus is not only on registration or compliance, but on ensuring that contractors are actively supported to progress through the system in a structured and predictable manner. This includes strengthening the link between contractor development programmes and real opportunities for participation in infrastructure delivery, so that development is not theoretical, but practical and outcomes based.

Thirdly, we will strengthen our role in tracking, analysing, and escalating systemic challenges affecting contractor sustainability, including issues such as delayed payments, administrative inefficiencies, and implementation bottlenecks as they are raised through our engagement platforms. While the cidb does not administer payment systems or procurement processes, we do have a responsibility to provide evidence-based insights into systemic constraints that affect contractor performance and sustainability, and to escalate these through appropriate governance and intergovernmental coordination structures.

Fourthly, we will prioritise improving visibility, accessibility and usability of contractor development and industry information systems. Contractors must have clearer and more timely access to information relating to opportunities, requirements, and development pathways. Improved transparency in how the system works is essential for enabling contractors to plan effectively, make informed investment decisions, and position themselves for participation in the infrastructure value chain.

Fifthly, we will continue to shift our approach towards outcomes-based contractor development, where the effectiveness of interventions is measured not simply by participation numbers or compliance metrics, but by real and measurable progress in contractor capability, performance and long-term sustainability within the industry. This shift is essential if contractor development is to have a meaningful impact on delivery capacity in the sector.

Finally, we will strengthen monitoring and evaluation of contractor development outcomes within our mandate, ensuring that we are able to clearly demonstrate where contractors are progressing, where bottlenecks persist, and what systemic improvements are required. This evidence base will be critical in informing continuous improvement of our programmes and engagements going forward.

These actions represent a clear and deliberate focus for the cidb: to strengthen the contractor development ecosystem within our mandate, improve coherence across the system, and to ensure that contractor development translates into real capability within the industry.

TURNING COMMITMENT INTO ACTION

While the cidb will continue to strengthen its role within its mandate, **contractor development** is not a responsibility that can be carried by one institution alone. It **requires commitment from all actors within the construction ecosystem.**

To our contractors, particularly emerging and developing enterprises: the system can only work if it is met with professionalism, preparedness and a commitment to quality delivery. **Opportunity alone is not enough - but capacity, compliance and performance are equally critical.** Growth in this sector is not automatic – but it is built through discipline and continuous improvement.

To industry stakeholders and partners: contractor development must move beyond being a policy objective to becoming a practical reality. Interventions such as mentorship, structured support, skills transfer and fair participation in the value chain are not optional extras, but they are essential building blocks of a sustainable and capable construction industry.

To public sector implementing entities: The credibility of contractor development relies on consistent application, clear processes and accountable execution. Where systems are fragmented or inconsistent, the impact is felt directly by contractors on the ground, and ultimately by the delivery of infrastructure itself.

What today has demonstrated is that there is no shortage of intent, energy or ambition within the sector. However, intent must now be matched with discipline in execution, consistency in implementation and a shared commitment to improving outcomes.

If we are serious about building a capable contractor base in South Africa, then each part of the system must play its role with greater alignment.

The cidb remains committed to playing its part in strengthening this ecosystem, but progress will ultimately depend on how effectively we convert shared intent into measurable action and sustainable delivery.

THE ROAD AHEAD FOR CONTRACTOR DEVELOPMENT

As I conclude, let me reaffirm the central message of today's engagement.

Contractor development is not a side programme. It is a strategic enabler of infrastructure delivery, economic inclusion and long-term sector sustainability in South Africa.

What we have outlined today is a clear shift in focus by the cidb: towards a contractor development system that is more coherent, more outcomes driven, and more closely linked to real participation in infrastructure delivery.

We cannot afford a system where contractors are developed in principle but not supported in practice. We also cannot sustain an environment where opportunity exists, but progression is uncertain or fragmented. The credibility of the construction sector depends on our ability to close that gap between intention and implementation.

As the Construction Industry Development Board, we remain committed to strengthening the systems, frameworks and engagements that support contractor development within our mandate. But we equally recognise that real progress will depend on collective execution across the broader ecosystem.

Let me therefore close with this:

The work we are doing is not only about improving processes or programmes. It is about building a construction industry that can deliver infrastructure reliably, safely and at scale. It is about ensuring that contractors across all levels are not only participants in the system, but active contributors to South Africa's development trajectory.

And it is about making sure that when we gather again in future engagements like this, we are able to point not only to commitments made, but to progress achieved.

Thank you for your engagement, your contributions, and your continued commitment to strengthening this sector.