

2026

CIDB

**CONTRACTOR
ROADSHOW**

EAST

DEVELOPMENT

LONDON



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DBSA'S INITIATIVES: PREFERENTIAL PROCUREMENT





DBSA OVERVIEW

DBSA OVERVIEW

Preparing, financing and implementing infrastructure projects in Africa



Founded
1983
DBSA
Act 1997



Owned
100%
by SA
Government



Total assets
R121bn
(~US\$6.5bn)
Equity
R58bn
(~US\$3.3bn)



Externally
rated

DBSA foreign
currency rating

Ba3
(Moody's)

Well
governed

Unqualified audits

A+ rating
from AADFI PSGRS

Globally
accredited

Global Environmental
Facility

Green Climate Fund
EU 6-pillar

1.2. INTEGRATED APPROACH TO INFRASTRUCTURE DEVELOPMENT

1. Plan

- Municipal assessments
- Bulk infrastructure plans
- Infrastructure planning advice
- Programme advisory

2. Prepare

- Project identification
- Feasibility assessments
- Technical assistance
- Programme development
- Project preparation funds

3. Finance

- Corporate and project finance – Debt & Equity
- Structured financing solutions
- Grant Pledging (“Front Loading”)
- Syndication & Distribution Services

4. Build

- Managing design and construction of infrastructure projects
- Project management support

5. Maintain

- Supporting maintenance/ improvement of social infrastructure projects

Client base

Public

- Municipalities
- SOEs
- Water boards
- Sovereigns



Private

- PPPs, Pvt. Concessions
- Private sector



GAPS IN THE CONSTRUCTION SECTOR

TECHNICAL AND REGULATORY COMPLIANCE GAPS

While DHET's research points to general technical skills shortages, for construction, the gaps are highly specific and directly linked to project success and safety. These technical skills include amongst others:

1. *Health and Safety Competence*: This is consistently highlighted in construction-specific studies and is a severe gap in CDPs. Emerging contractors often lack the requisite technical knowledge and implementation of the Occupational Health and Safety (OHS) Act.
2. *Quality Workmanship (Artisan Skills)*: The national research on skills supply shows a "significant breakdown in the skills development pipeline." This translates to a shortage of highly skilled artisans (e.g., qualified plumbers, electricians, specialized welders) and poor general workmanship on-site by sub-contractors, which CDPs must address.
3. *Contract and Financial Compliance*: Emerging contractors often struggle with the complex financial administration and reporting required by public sector contracts (e.g., Expanded Public Works Programme - EPWP), impacting their ability to graduate to larger contracts.



DBSA'S CATALYTIC LEADERSHIP ROLE

DBSA'S CATALYTIC LEADERSHIP ROLE



Why us?

The DBSA Contractor Development Proposition (CDP) aims to empower B-BBEE, particularly emerging contractors, to drive economic transformation through construction, repairs, and infrastructure development. It supports local SMMEs by integrating them into large-scale public projects, specifically in water, sanitation, education, and health, aiming for a Level 2 B-BBEE status and above.

Key Initiatives and Focus Areas:

- **Capacity Building:** The DBSA helps emerging contractors through mentoring and technical support.
- **Infrastructure Development:** Focus includes building, repairing, and renovating public buildings, rural roads, and water/sanitation facilities.

DBSA'S CATALYTIC LEADERSHIP ROLE



Why us?

- **Procurement Support:** The DBSA facilitates the appointment of B-BBEE suppliers in their procurement processes.
- **Target Sectors:** Initiatives target the water/sanitation, energy, transport (roads/rail/ports), health, education (student housing), and human settlement sectors.
- **Community Involvement:** The Infrastructure Delivery Division (IDD) uses social facilitation to create a "contractor development" environment by involving communities and ensuring local subcontractor participation.

Other Aspects:

- **Strategic Partnerships:** Collaborates with government and private sectors for infrastructure development.
- **Project Delivery:** Focuses on upgrading and maintaining social and economic infrastructure.



DBSA'S INITIATIVES: CENTRAL CORDINATION FOR IA DELIVERY MODEL

DBSA'S CATALYTIC LEADERSHIP ROLE

Why us?

- Strategic funding & blended finance solutions
- Pipeline acceleration & delivery assurance
- Data integration & infrastructure planning analytics
- Localisation and circular economy investment
- Environmental, social & governance, skills and transformation compliance monitoring

DBSA ensures that infrastructure spend translates into national economic and development impact capability.



OUR VISION

Where to?

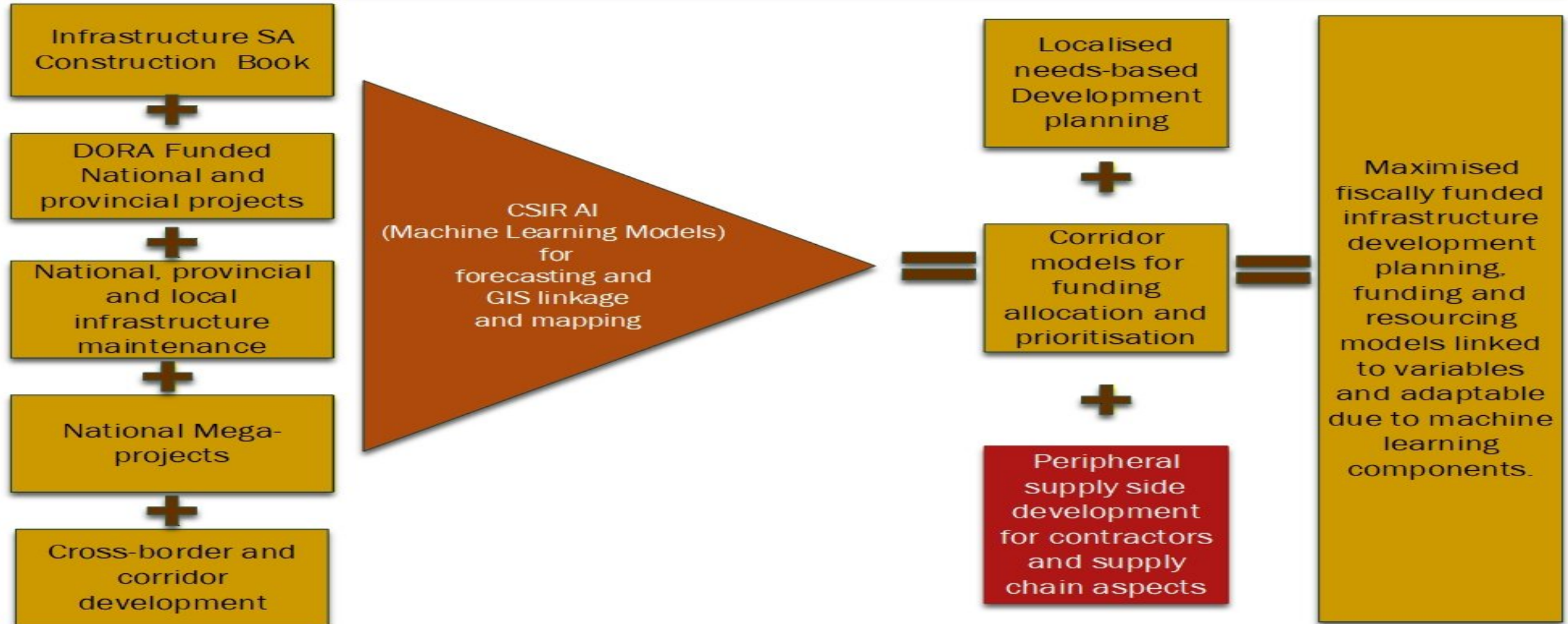


- A unified national framework that:
 - **Aligns** with the DBSA decadal strategy
 - **Predicts** where contractor and supplier capacity will be required
 - **Develops** enterprises in advance of major investments
 - **Empowers** women-led firms as core participants in public infrastructure delivery
 - **Retains** value locally, driving jobs and small business growth

Infrastructure delivery is not only about projects — it is about building a competitive economy.

AT A GLANCE

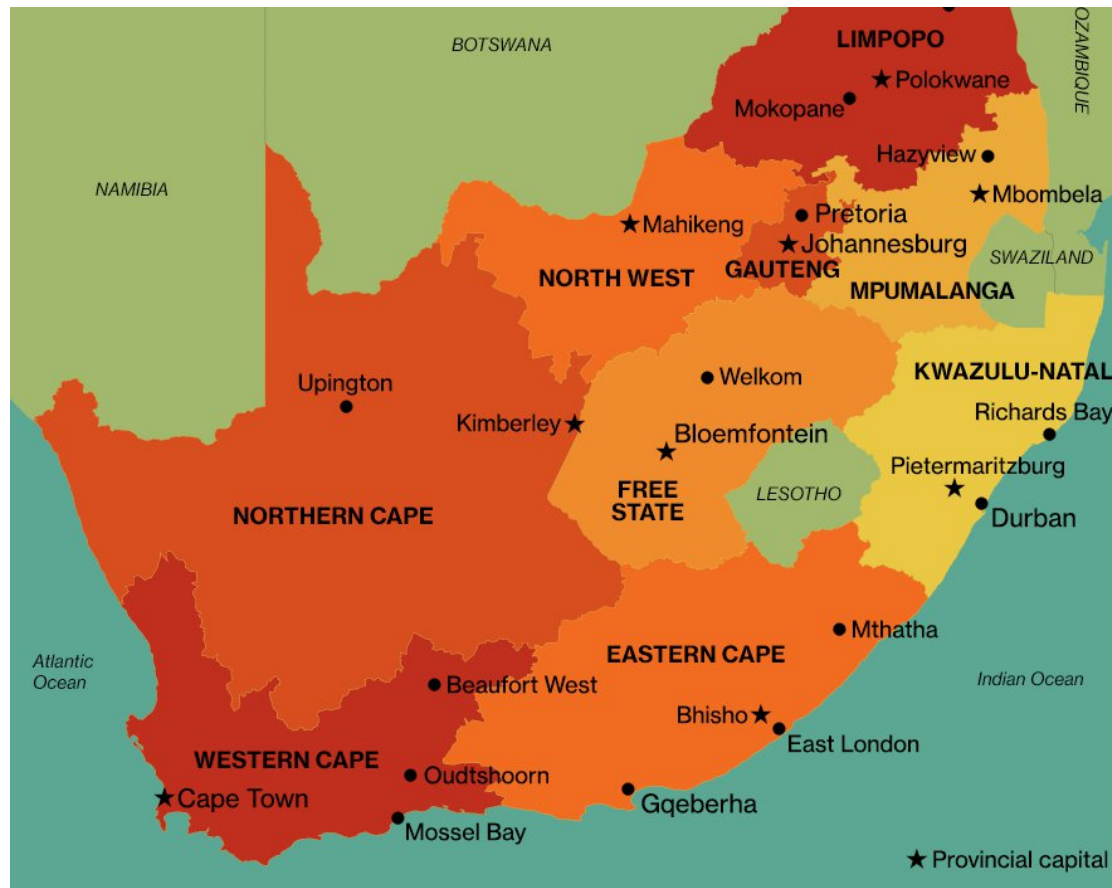
AI Fiscally funded Infrastructure Development planning model



PILOT CORRIDOR ROLLOUT

Where do we start?

We begin where **infrastructure investment** and **transformation** needs are highest:



Pilot Region	Strategic Rationale	Key Sector Opportunities
KwaZulu-Natal	High growth + recovery needs post-disaster	Water, Human Settlements, Roads, Ports
Eastern Cape	Spatial equity + rural township economies	Schools, Clinics, Rural Roads
Northern Cape	Green industrial growth corridor	Energy, Water, Mining infrastructure



DBSA'S INITIATIVES: WORKING CAPITAL

FINANCIAL PRODUCT

Key Highlights

THE PRODUCT	• Short term loan facility which follows the life of the construction contract
PURPOSE OF THE LOAN	• The funding will be used to pay for material and site establishment costs, excluding labour • Other working capital requirements (such as guarantees and overheads) will also be excluded
WHO QUALIFIES	• A contractor who has been awarded a contract by the IDD • The following eligibility criteria will be applied; • The contractor must have been awarded a contract by the IDD and must produce a Letter of Award • The Entity must be registered and domiciled in South Africa; • Be registered with the Construction Industry Development Board (CIDB), and (where applicable) NHBRC compliant • Be registered on the Central Supplier Database (“CSD”) • Demonstrate the character and ability to repay the loan; must provide at least 3 years audited financials (or relevant / appropriate shorter period in the case where the contractor has been in operation for less than 3 years). • Have provided credit references; • Have a valid Tax Clearance Certificate; • Has a clean credit record, and/or provide DBSA with written proof of arrangements made with its creditors to remedy the outstanding debt(s);
HOW TO APPLY	• Complete application form and submit together with supporting documents (see application form + Checklist)

FINANCIAL PRODUCT

Continued ...

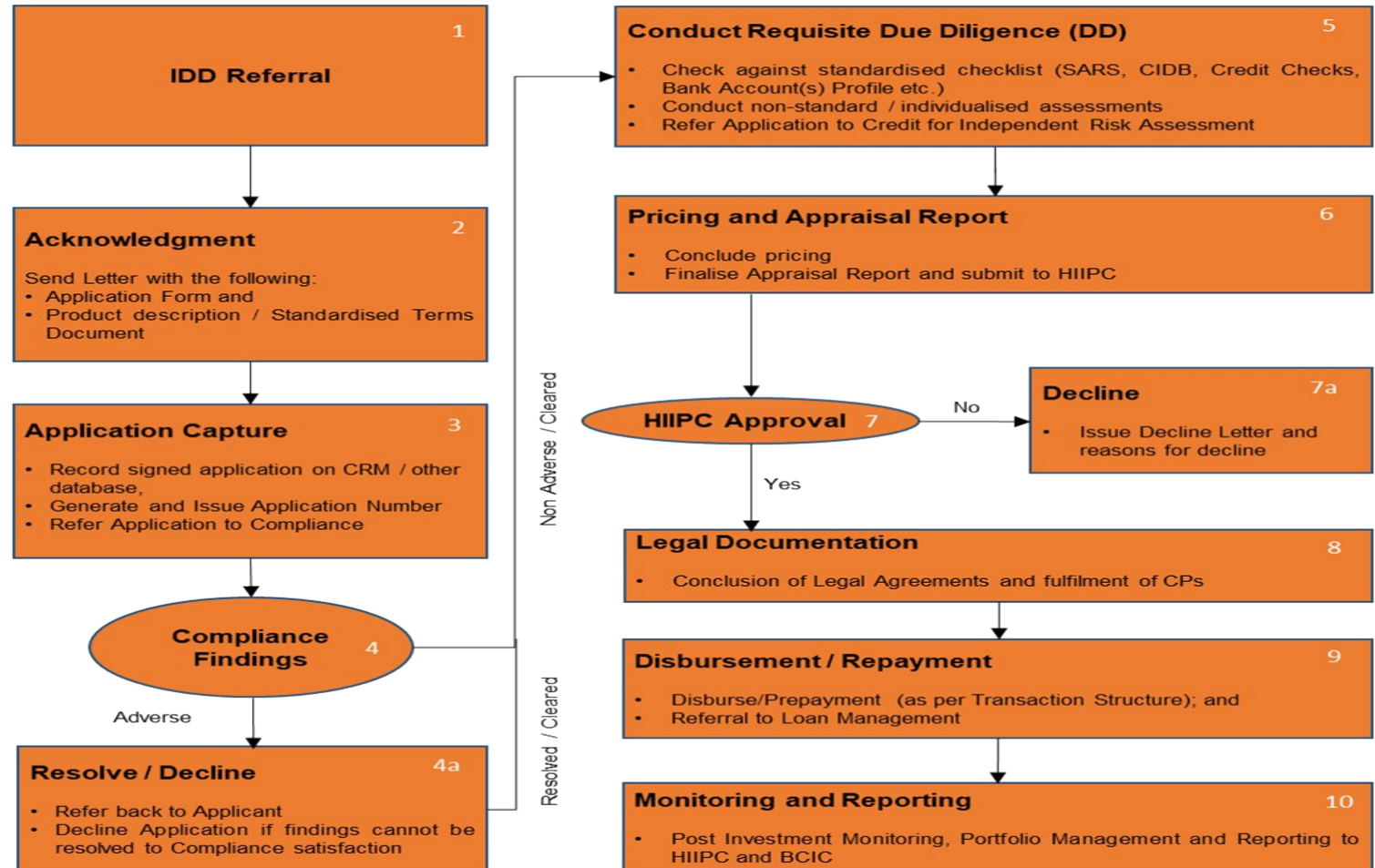
LOAN AMOUNTS	• Minimum R255 000 and max depends on the requirements of the contract.
LOAN TERM	• The term of the loan will be shorter than the duration of the underlying contract.
PRICING	• Administration fee - 1% • Interest Rate - Prime
SECURITY	• Cession of the contract cashflows • Additional Forms of collateral • Personal suretyships / Shareholder guarantees • Liens over materials • Life cover; if deemed necessary, on a case-by-case basis. • Pledge & cession of shares and subordination of shareholder loans. • General Notarial Bonds and / or Special Notarial Bonds, where applicable.

APPLICATION PROCESS FLOW

Key Highlights

PIU / IDD Collaboration

- IDD identifies the client;
- IDD engages with client over the availability of funding;
- IDD issues client with application form + checklist;
- ~~IDD collects completed form + checklist and forwards to PIU;~~
- PIU processes the application (liaises with IDD if further info/docs are required);
- PIU communicates outcome of the application to ~~IDD, who in turn communicates to client;~~
- If client agrees to the outcome and the terms and conditions of the loan, PIU proceeds to produce legal documents;
- ~~PIU and IDD meets with client to discuss the terms and conditions and signing of the loan agreement;~~
- ~~PIU and IDD ensures that all the CPs are met;~~
- Disbursement processes are triggered;
- Monitoring and evaluation of the construction and use/application of funds takes place;
- Reporting on the transaction.





DBSA'S INITIATIVES: PREFERENTIAL PROCUREMENT

Supply Chain Management (SCM) conducts Supplier Awareness Workshops

Five (5) Workshops where help in previous financial year (Gauteng, Free State, Limpopo, KwaZulu-Natal and Eastern Cape)

Objective of Workshops

- Educate you on DBSA's **procurement processes and opportunities**.
 - Outline the **procurement compliance** requirement and consequences of non-compliance.
 - Highlight DBSA's zero-tolerance policy on fraud, corruption, and irregularities.
 - Empower you to report irregular activities using our whistleblowing channels.
 - Provide insights into legislative and governance processes from key regulators, including the **CIPC, BBBEE Commission, SARS, and Provincial Treasury** (Central Supplier Database)
- ***FIVE WORKSHOPS ARE PLANNED FOR CURRENT FINANCIAL YEAR –***
 - ***WATCH OUR SOCIAL MEDIA FOR DATES– FOLLOW US:***



SUPPLIER ENABLEMENT

CONTACT US

- supplierworkshop@dbsa.org

SUPPLIER ENABLEMENT

DBSA PREFERENTIAL POLICY

DBSA approved the Preferential Policy on 23 March 2026 and effective 01 April 2026.

- ❑ Specific Goals have been identified for preferential procurement in line with Procurement Regulations 2022.
- ❑ Suppliers can get Points Base on Location

Points allocation for specific goals	Number of points (90/10 system)	Number of points (80/20 system)
B-BBEE Status Level of Contributor	10 points	20 points
Black Women Ownership	10 points	20 points
Varied criterion: Geographical Localisation with B-BBEE Status Level of Contributor	10 points	20 points

As Level 1 B-BBEE compliant entity, DBSA continues to apply its default procurement preference point system, to the B-BBEE Status Level of Contributor (Option 1).

- DBSA has gone Digital
 - 100% Online Bid Submission — No Travel, Lower Costs, Faster Processing.

CONSEQUENCE MANAGEMENT

- **DBSA has established Supplier Debarment Committee (SDC):**
 - Responsible for oversight of the supply chain bidder/supplier debarment process within DBSA relating to supplier irregularities:
 - **Submission of Fraudulent Documents**
 - **Misrepresentation** - *Reference letters Submission of CV from non-consenting professionals - Practical Completion certification (Incomplete Projects)*

Why Promote Supplier Debarment?

Protects funds • Enforces accountability • Ensures fairness • Improves performance • Strengthens compliance • Builds trust

The policy is aligned with current legislation and references Paragraph 6 of Instruction Note 3 of 2021/22 and DBSA's "*Zero Tolerance on Corruption*" mandate.

**SUPPLIER
ENABLEMENT**



THANK YOU