

OFFICIAL OPENING
OF THE
LIMPOPO CONSTRUCTION CONTACT CENTRE

POLOKWANE: 30 MARCH 2010

TIME: 17h30

**Speech : Purpose of the Limpopo Construction Contact
Centre Launch**

Thank you Programme Director

- **Hon MEC George Phadagi, MEC for Public Works in Limpopo**
- **Executive Mayor of Capricorn District Municipality, Clr Monakedi**
- **HoD of Department of Public Works Ms Morongoa Ramphele**
- **Various construction industry stakeholders and BE Professionals**
- **Senior Management from various Government departments**
- **Executives, Management and staff of the cidb**

- **Senior management of banks, financing and training institutions,**
- **Distinguished guests, colleagues, friends, ladies and gentlemen**

I recognize and greet you all!

We have waited for this important day for many years. Therefore today is a special day for all stakeholders in the construction industry in Limpopo.

First, as cidb, we have a special relationship with this province and the Department of Public Works: The first regulations of the cidb were piloted in partnership with the Department of Public Works- Limpopo in 2004. The refined regulations as we know them today bear the birthmarks of this province, the Department and the contractors as well as the consultants who work in the Built environment. The historical lead on our Register of Contractors (RoC) statistics for the first few years bear testimony to this fact. Unfortunately, KZN and Gauteng have long overtaken Limpopo for various reasons.

Having launched the provincial offices in KZN, WC, EC, Gauteng, FS, MP, NC in the past few years, we were hoping to have the official launch of this office in the 2008/09 financial year, then postponed a few times until today's reality. I am happy to announce that we are all here to witness the official opening of this Construction Contact Centre (CCC) as the 8th and last but one CCC in the country. The last one will be NW. This office, as are all other CCC's, is established in partnership between the cidb and the provincial Department of Public Works, to bring the services of the cidb closer to the people.

The official launch of this office is a culmination of many years of negotiations between the cidb and the Department, many meetings of trying to find a suitable solution for the contractors of Limpopo. After operating an outsourced Help Desk model for some time here and in other parts of our country to provide a basic registration service on behalf of the cidb, we have for some time, been running an in-house Help Desk in this province. This was again our commitment to you.

When the Register of Contractors grew exponentially a few years ago, the outsourced Help Desk model could not provide a value-added service and was inflexible. We decided to change to a more responsive concept- a more accountable Construction Contact Centre or CCC, for short.

Through the CCC model we provide a service point that is more accountable, easy to manage, a service point whose performance we can develop, improve and guarantee. The services provided are basic contractor registration as well as a number of value-added services like business to business linkages, access to the internet for construction related opportunities and many others.

The new model is simple but took a lot of thinking to conceptualise, implement and make perfect-we have partnered with provincial departments of Public Works in the provinces to establish one office per province. The department provides the premises for office accommodation and parking. The cidb then provides

staff, IT infrastructure, high-tech equipment including video conferencing as well as furniture to ensure that we provide services of the highest standard. Our critical staff undergo intensive training at the cidb HQ before being deployed to a provincial office like this one we are launching today. The original arrangement has changed somewhat and the Department has now also seconded staff to the CCC offices.

You can all see the huge investment commitment by cidb and the Department in this partnership. The intention is to deliver the quality of service that is not materially different from what contractors would receive from the cidb head-office.

The underpinning principle of the CCC is PARTNERSHIP between cidb and the Department. This is in keeping with our motto “development through partnership”, which you see always reflected on our famous logo. Therefore we have established a sustainable approach to service delivery. Contractors and other participants in the construction industry do not have to travel all the

way to Pretoria to enquire about their registration or other services we offer.

While only one office per province is established through this partnering approach, this should not stop the provincial department from adding to this support through their regional offices and using its staff for basic registration, for instance. The cidb would provide training and quality assurance/control for such offices through the partnered provincial CCC. The model has proved to be a success in the first five provinces KZN, Gauteng, WC, EC and the Free State. We have no doubt that this province will also achieve great success through this office.

We currently have more than 100 000 contractor registrations on the RoC, with more than 75 000 actual. Limpopo has more than 6480 registrations to date.

I am excited about the simplified registration process of contractors. Since Jan 2008, Grade 1 contractors now register over the counter and their registration is activated on our system in 48 hours. This is a great

improvement as the grade 1 applicants do not have to wait for a maximum of 21 working days to be registered any more. The registration process for Grades 2-9 has also been improved. We have done away with the cidb certificates. Those who have been buying fraudulent certificates and participating in corrupt activities with officials are not able to do so utilising the certificate any more.

Corruption seems to be increasing in the form of fronting. From time to time we see policemen and police women, nurses and traffic police in their uniforms, coming to register at cidb. The problem is, they cannot participate in construction development opportunities they are given while they have their full time jobs-we therefore suspect some of them may be selling the contracts they are awarded, to others. We are therefore requesting clients to exclude any owner-manager contractor with a full time job from being awarded construction contracts-it is causing problems.

We still face a challenge of skills in South Africa, access to suitable funding and other challenges. In addition to

these challenges we now face climate change leading to the much talked about global warming. We need to develop our contractors in new skills to do construction responsibly, saving our environment. We all should work together to change focus and use environmentally friendly materials, options with less greenhouse gas emissions, sustainable energy sources without losing hundreds of jobs and not interrupting the momentum of industry growth. We can do it!

I wish to thank MEC Phagadi and his team for working tirelessly with us to reach this milestone in Limpopo. Contractors in this province have a responsibility now to show their appreciation of the work the MEC and his team have put together. We must also thank the Departmental staff, including the communications unit.

I would also like to thank the Ministry of Public Works for the unwavering support provided on the concept of the CCC's. The new Minister of Public Works, Mr Geoff Doidge, and his deputy Ms Hendrietta Bogopane Zulu, while not able to attend with us today, are fully behind this initiative.

On the cidb side I wish to thank our board members for supporting our efforts to establish these offices, the Leadership team, managers and staff of the cidb, who continue to guide the process of establishing these offices; the Growth and Contractor Development Programme-Gerard Naidoo, Nthabiseng Mehale, German Mphahlele, Lebohang Khumalo and other HQ staff and CCC managers and staff in all the now established provincial CCC's; our communications team Kea Modise and Ntswaki Mokonyane.

We have signed agreements with FNB, ABSA and STD Bank to assist contractors with financial and non-financial support to develop them. The other banks will come on board soon.

Through this office and others around the country, contractors will receive support in registration, advice and support to registration with Cipro, SARS and other statutory bodies, advice on financing instruments available in the province, business to business linkages, training within the CCC or through conferencing

facilities. They will have access to the internet and e-mailing service they need (not internet café!), to support them in their development in the construction industry. This will go a long way to supporting the development of contractors in this province, driven through the National Contractor Development Programme (NCDP). I am sure that the CD programme for contractors in this province will be fully supported from this office.

I thank you.