



## Communications Office

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### Media release

## Roads programme delivering on multiple fronts

**July 17, 2012:** THE Coega Development Corporation's (CDC) corporate services unit has paired with the Eastern Cape Department of Roads and Public Works (DRPW) to both build roads and train roads construction contractors, ensuring delivery and high impact skills development.

To date the partnership, or the Roads Enterprise Development Programme (REDP), has created 1257 jobs and work opportunities awarded to 216 small, micro, and medium enterprises in the construction and related industries, to the total value of R400-million.

This is boosted by 100% SMME participation in roads maintenance contracts, reseals and social facilitation.

"This programme is extremely positive in that it addresses a number of challenges simultaneously," said Ayanda Vilakazi CDC head of marketing and communications. "Firstly Eastern Cape roads and bridges are either being upgraded or developed, secondly small construction businesses are being developed both through business opportunities and training programmes not to mention the impact on the overall Eastern Cape construction industry, lastly communities are benefiting from upgraded roads and job creation."

The CDC signed a three-year contract with the DRPW in March 2011 and has since been working to deliver at a high level. The DRPW committed to an annual investment of about R500-million in the form of projects to be implemented by emerging contractors and consultants as part of the REDP programme – and it has a very "hands on approach".

A training and developmental plan was developed and approved by the DRPW at initial phase of the programme after which the DRPW and CDC went out to source training funds bringing to the programme R5.5 and R27-million respectively.

SETA accredited training was then rolled out using FET Colleges and a total of 891 people in three districts in the Eastern Cape immediately received both technical and soft skills training.

"This contract has already gone a long way in impacting on people's lives. From the contractors, whose businesses and skills base grows, to the rural communities that benefit from the first tarred roads ever in some villages, the REDP programme is all about making impact," added Vilakazi.



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“To top it all off the spin-offs into the construction industry are significant as small and medium sized business and contractors have largely been the beneficiaries of the funds in both the work they have been awarded and in the training dimension.

“This is not to say that there have not been teething problems. A project of this nature is hugely complex and involved thousands of people from the contractors to the communities; government to

Contractors were selected through a procurement process which started with an expression of interest. All qualifying contractors were appointed to the REDP and are kept in separate database held by the CDC. The REDP database boasts 765 suppliers in various grades starting from grade 1 up to grade 7 as per the Construction Industry Development Board (CIDB) grading levels. Also, an overall 75% of the total roads construction was awarded to SMMEs.

“The levels of interaction, and very high levels of delivery, indicate that this programme and collaboration with the department of Roads and Public Works is a model example of how interfacing between government and highly equipped agencies can really work in improving service delivery,” said Vilakazi. “There is a strong case for replicating this model particularly in the vast Eastern Cape where there is a strong need for urgent delivery.”

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