National Assembly

Question No: 2000

**Mr G G Hill-Lewis (DA) to ask the Minister of Transport:**

What (a) is the cause of the delay in construction of the N2 bridge over the Gwaing River at George in the Western Cape and (b) are the relevant details in this regard? NW2235E

**REPLY**

1. The Contractor KPMM ran into financial difficulty around November / December 2018 and declared the commencement of business rescue proceedings in May 2019. Up to the present date KPMM is still in business rescue and this has significantly slowed the N2 Gwaing River bridge construction progress. SANRAL has provided the necessary support the during this process in the interest of ensuring that the project is completed. The Contractor has now informed SANRAL that they cannot continue with the works.
2. The contract was awarded to KPMM Roads and Earthworks (Pty) Ltd to the value of R161 200 000-00 (including VAT). The contract commenced on 29 January 2018 with a completion date of 28 July 2020. The contract duration was for a 30 months period. At this stage, the works are 58.4% complete with a total of R 96 238 948.87 (including VAT) spent to date. SANRAL has been in continuous discussions with the Contractor regarding performance and has been applying all applicable contractual penalties. With the contractor now having informed SANRAL that they cannot continue any longer, SANRAL is taking the necessary actions in terms of the Contract to assign the contract to a replacement contractor to complete the outstanding works.