

**MINISTRY**

**PUBLIC WORKS AND INFRASTRUCTURE**

**REPUBLIC OF SOUTH AFRICA**

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**NATIONAL ASSEMBLY**

**WRITTEN REPLY**

**QUESTION NUMBER: 2485 [NW2826E]**

**INTERNAL QUESTION PAPER NO.: 24 of 2023**

**DATE OF PUBLICATION: 15 JUNE 2023**

**DATE OF REPLY: 05 JULY 2023**

**2485. Mr S Tambo (EFF) asked the Minister of Public Works and Infrastructure:**

(1) What (a) number of projects have stalled for a period exceeding 12 months due to construction company incapacities in the past five years, (b) is the total monetary value of the projects, (c) are the full details of the projects and (d) have been the consequences to the companies and/or owners of the construction companies;

(2) whether he intends to establish a state‑owned construction company to ensure such conduct does not arise in future; if not, why not; if so, what are the relevant details? **NW2826E**

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**REPLY:**

**The Minister of Public Works and Infrastructure:**

(1)

(a) The department has approximately 71 number of stalled projects for a period exceeding 12 months due to construction companies’ incapability to complete the various contracts.

(b) The total monetary value is approximately R4.4 Billion for the infrastructure projects.

(c) The details of the projects are attached herewith marked as Annexure A.

(d) The is a range of measures taken by the department which include but not limited to warning letters, mora letters and ultimately termination of the contracts.

(2) The Department of Public Works and Infrastructure is a custodian of government infrastructure. The department has various entities, which are state owned companies, including the Construction Industry Development Board (CIDB). The CIDB is a statutory body established to promote and regulate the construction industry. It plays a vital role in promoting best practices, regulating the industry and providing support to contractors. The CIDB is well positioned to address the concerns of incapable construction companies and effectively grading contractors to ensure that this conduct does not arise in future.