



Government Gazette Staatskoerant

REPUBLIC OF SOUTH AFRICA
REPUBLIEK VAN SUID-AFRIKA

Vol. 565

Pretoria, 13 July 2012

No. 35507

N.B. The Government Printing Works will not be held responsible for the quality of "Hard Copies" or "Electronic Files" submitted for publication purposes



AIDS HELPLINE: 0800-0123-22 Prevention is the cure

IMPORTANT NOTICE

The Government Printing Works will not be held responsible for faxed documents not received due to errors on the fax machine or faxes received which are unclear or incomplete. Please be advised that an "OK" slip, received from a fax machine, will not be accepted as proof that documents were received by the GPW for printing. If documents are faxed to the GPW it will be the sender's responsibility to phone and confirm that the documents were received in good order.

Furthermore the Government Printing Works will also not be held responsible for cancellations and amendments which have not been done on original documents received from clients.

CONTENTS • INHOUD

<i>No.</i>		<i>Page No.</i>	<i>Gazette No.</i>
BOARD NOTICES			
118	Construction Industry Development Board Act (38/2000): Draft for public comment: Standards for developing skills through Construction Works Contracts.....	3	35507
119	do.: do.: do.....	12	35507

BOARD NOTICES

BOARD NOTICE 118 OF 2012

Construction Industry Development Board

Draft for Public Comment

Standard for Developing Skills through Construction Works Contracts

— June 2012

In terms of sections 5(2)b of the Construction Industry Development Board Act, 2000 (Act no. 38 of 2000) (the Act), the Construction Industry Development Board is empowered to establish best practice Standards. This draft best practice Standard for Developing Skills through Construction Works Contracts establishes a key performance indicator in the form of a contract skills development goal (CSDG) relating to the provision of training opportunities for employed and unemployed learners in the performance of construction works contracts that result in nationally accredited outcomes.

This draft best practice Standard is issued here for public comment. Interested persons and the public are invited to submit comments on the draft best practice standard within 30 days of the date of this publication.

Interested parties are requested to forward their comments in writing for the attention of Ms Ntebo Ngozwana to one of the following:

cidb
P O Box 2107
Brooklyn Square 0075

cidb
Block N&R
SABS Campus
2 Dr Lategan Drive
Groenkloof, Pretoria

Fax: 086 687 4936

email: ntebon@cidb.org.za

Bafana Ndendwa
Chairperson: Construction Industry Development Board

E-mail: cidb@cidb.org.za

Draft for Public Comment

Draft for Public Comment: Standard for Developing Skills through Construction Works Contracts

(25 June 2012)



Construction Industry Development Board
Pretoria
Tel: 012 343 7136 or 012 481 9030
Fax: 012 343 7153

Draft for Public Comment

Standard for Developing Skills through Construction Works Contracts

1	Scope	1
2	Terms and Definitions	1
3	Framework	2
3.1	Contract Skills Development Goal (CSDG)	2
3.2	Achieving the Contract Skills Development Goal (CSDG)	2
3.3	Contract Skills Development Goal Credits	3
3.4	Denial of Credits	4
4	Compliance with Framework	4
4.1	Training Opportunities for Employed and Unemployed Learners	4
5	Records	5
5.1	Submission of Documentation	5
5.2	Monthly Submission of Supporting Documentation	5
5.3	Certification of Credits	5
5.4	Reports after Practical Completion	5
6	Sanctions	6

Draft for Public Comment

Standard for Developing Skills through Construction Works Contracts

1 Scope

This standard establishes a key performance indicator in the form of a contract skills development goal (CSDG) relating to the provision of training opportunities for employed and unemployed learners in the performance of construction works contracts that result in nationally accredited outcomes.

This standard sets out the methods by which the key performance indicator is measured, quantified and verified in the performance of the contract.

2 Terms and Definitions

For the purposes of this document, the following terms and definitions apply:

class of construction works: the class of construction works referred to in Schedule 3 of the Construction Industry Development Regulations 2004 as amended and published in terms of the Construction Industry Development Board Act of 2000 (Act 38 of 2000)

Construction Industry Development Board (CIDB): the board established in terms of the Construction Industry Development Board Act of 2000 (Act 38 of 2000)

contract amount: financial value of the contract at the time of the award of the contract, exclusive of all allowances and any value added tax or sales tax which the law requires the employer to pay to the contractor

contractor: person or organization that contracts to provide the goods, services or engineering and construction works covered by the contract

contract skills development goal (CSPG): the notional cost of training opportunities, calculated in accordance with a specified methodology which the contractor contracts to expend on workplace training of interns and the up-skilling of company employees, expressed as a percentage of the contract amount

Employment Skills Development Agency (ESDA): a company registered in accordance with the Learnership Regulations 2007 issued in terms of the Skills Development Act of 1998 (Act 97 of 1998) that employs learners and manages the placement of the learners with host employers for on-the-job-training component of a learnership.

employer: person or organization entering into the contract with the contractor for the provision of goods, services, or engineering and construction works

employer's representative: person authorized to represent the employer and named as such in the contract data

practical completion: the state of completion at the end of construction required in terms of the contract

NOTE Practical completion is commonly understood to be a state of readiness for occupation of the whole works although some minor work may be outstanding. Practical completion in a construction works contract occurs when:

Draft for Public Comment

- a) FIDIC Short Form of Contract: the date when the Employer considers that the Works have been completed in accordance with the Contract, except for minor outstanding work and defects which will not substantially affect the use of the Works for their intended purpose
- b) FIDIC Red, Silver and Yellow Book: the date when the Engineer determines that the Works has substantially been reached and can be used for the purpose intended
- c) GCC 2010: "Practical Completion" means the date when the Engineer certifies that the whole or portion of the Works has reached a state of readiness, fit for the intended purpose, and occupation without danger or undue inconvenience to the Employer, although some work may be outstanding
- d) JBCC 2000 Principal Building Agreement and JBCC Minor Works Agreement: the date when the **principal agent** decides that the completion of the **works** has substantially been reached and can be used for the purpose intended
- e) NEC3 Engineering and Construction Contract: the date when the Project Manager decides that the Contractor has reached Completion as defined in the contract
- f) NEC3 Engineering and Construction Short Contract: the date when the Employer decides that the Contractor has completed the works in accordance with the Works Information except for correcting notified Defects which do not prevent the Employer from using the works and others from doing their work.

3 Framework

3.1 Contract Skills Development Goal (CSDG)

3.1.1 The contractor shall attain or exceed the contract skills development goals in the performance of the contract in accordance with the provisions of Table 1.

Table 1: Contract skills development goals for different classes of construction works

Class of construction works as identified in terms of Regulation 25(3) of the Construction Industry Regulations 2004		contract skills development goal (CPSG) (%)
Designation	Description	
CE	Civil engineering	0,25
CE & GB	Civil Engineering and general building combined	0,375
EE	Electrical engineering works (buildings)	0,25
EP	Electrical engineering works (Infrastructure)	0,25
GB	General building	0,5
ME	Mechanical engineering works	0,25
SB	Specialist	0,25

3.1.2 The contract skills development goal should be applied to all sub-contracted activities in proportion to the contract amount to all classes of construction works which fall within the scope of work of the contract and whose price determined in accordance with the contract exceeds 10% of the contract amount.

3.2 Achieving the Contract Skills Development Goal (CSDG)

3.2.1 The contractor shall, subject to the provisions of 3.2.2, achieve the specified contract skills development goal (CSDG) by providing training opportunities for employed and unemployed learners which lead to cidb recognised nationally accredited outcomes in accordance with the provisions of the National Qualifications Framework Act of 2008 (Act 67 of 2008) and Table 2, and published by the cidb in the government gazette.

Draft for Public Comment

Table 2: Requirements for different types of nationally accredited training programmes

Type of nationally accredited outcome	Requirement for contract skills development purposes (CSDG)
Experiential learning opportunities	Provide experiential work opportunities for: a) University of Technology learners who have completed the theoretical phase of their training but require placement in industry for workplace learning; and/or b) Further Education and Training (FET) college learners who require placement in industry as part of their National Certificate Vocational and N-programmes to enable them to take their respective trade tests
Apprenticeships	Artisan development route which requires practical skills and theoretical input to enable learners to take their respective trade tests
Skills programmes identified by employer bodies and recognised for this purpose by the Construction Industry Development Board in a Notice published in the government gazette	Skills programme aligned with scarce and critical skills shortages and / or requirements for new skills

3.2.2 A maximum of one-third of the required training opportunities by full-time equivalent head-count, may be allocated to the contractor's or sub-contractors' employees (employed learners). The remainder of the required opportunities shall be allocated to unemployed learners sourced through an appropriate ESDA.

3.2.3 The Employer may exempt a contractor from the provisions of 3.2.1 upon receipt of written confirmation from an ESDA that the EDSA is not able to provide eligible learners for placement.

3.3 Contract Skills Development Goal Credits

Credits towards the contract participation goal shall be granted by multiplying the number of continuous training opportunities provided for a three month period by the notional values contained in Table 3.

Draft for Public Comment

Table 3 Notional cost of providing training opportunities per quarter

Type of Training Opportunity	Cost make up includes	Notional cost / learner / quarter
Experiential learning opportunities, with unemployed learners sourced through an ESDA	Learner stipends, trade tests/summative assessments, tools, personal protective equipment and management fee for the relevant ESDA	R15 000
Skills Programmes with unemployed learners sourced through an ESDA	Learner stipends, course fees, personal protective equipment, assessment and moderation and management fee for the relevant ESDA	R8 000
Apprenticeships with unemployed learners sourced through an ESDA	Learner stipends, course fees, personal protective equipment, assessment and moderation, trade tests/summative assessments, and management fee for the relevant ESDA	R16 000
Experiential learning opportunities with learners sourced from employees of contractor or sub-contractors, and placed through the ESDA	Trade test/summative assessments preparation fees and trade testing fees, and management fee for the relevant ESDA	R5 000
Skills Programmes with learners sourced from employees of contractor or sub-contractors, and placed through an ESDA	Course fees for theory inputs, assessment and moderation costs, and management fee for the relevant ESDA	R5 000
Apprenticeships with learners sourced from employees of contractor or sub-contractors, and placed through an ESDA	Course fees, trade tests/summative assessments, and management fee for the relevant ESDA	R7 000

3.4 Denial of Credits

3.4.1 Credits for learners sourced through an ESDA shall be denied where learner stipends are not paid according to rate as set out in the sectoral determination for learnerships.

3.4.2 Credits for learners shall be denied where the contractor fails to provide a learner, without cost to such learner, with any required personal protective equipment or trade specific tools for use on the contract.

3.4.3 Credits for learners shall be denied where the contractor fails to provide the resource plan and the training plan required in terms of 4.1.1.

4 Compliance with the Framework

4.1 Training Opportunities for Employed and Unemployed Learners

4.1.1 The contractor shall appoint a training co-ordinator to undertake as necessary:

- a) the development of a contract specific resource plan for the training of employed and unemployed learners;
- b) the liaison with relevant ESDAs for sourcing learners and developing individual training plans for the learners;
- c) the pre-approval of all learners' training plans before they come on site;
- d) facilitate the implementation of learner's training plans;
- e) evaluating the contractor's and sub-contractors' capacity to successfully supervise learners and make recommendations for contractor capacity development; and

Draft for Public Comment

- f) submitting reports on behalf of the contractor to the employer's representative and the CIDB at practical completion of the contract.

4.1.2 The contractor shall enter into a contract agreement with one or more ESDAs of their choice that is participating in the implementation of this standard to:

- a) facilitate placement of learners for training opportunities;
- b) prepare training plans for registered learners, including details of the scope of experiential work to be covered and expected outcomes;
- c) register learners with the appropriate Sector Educational and Training Authority established in terms of the Skills Development Act of 2008 (Act 37 of 2008);
- d) manage all the employment functions for learners such as payment of stipends, contributions to the Unemployment Insurance Fund, workman's compensation, provision of personal protective clothing, trade specific tools, etc.;
- e) liaise with the training co-ordinators to monitor onsite training progress of learners;
- f) liaise with the training co-ordinators to arrange for summative assessments at appropriate stages of the training; and
- g) liaise with the training co-ordinators to prepare reports for the employer's representative and CIDB at practical completion of the contract.

4.1.3 The relevant ESDA will invoice the contractors for the provision of these services as per recommended notional cost schedule in Table 3 of this standard.

NOTE the CIDB industry ESDA will:

- a) support the CIDB to establish eligibility criteria for learners to participate in this standard;
- b) in consultation with industry, advise the CIDB of industry approved eligible training programmes; and
- c) collate all *Construction Skills Training Compliance Reports* (section 5.4).

5 Records

5.1 Submission of Documentation

The contractor shall submit all the documentation required in terms of 4.1.1 in a timely manner.

5.2 Monthly Submission of Supporting Documentation

5.2.1 The contractor shall submit to the employer's representative within one month of the completion of a three month period of continuous training opportunities provided in accordance with this standard providing full particulars of their training in a format acceptable to the employer's representative.

5.3 Certification of Credits

The employer's representative shall certify the value of the credits counted towards the contract skills development goal whenever a claim for payment is issued to the employer, and shall notify the contractor of this amount.

5.4 Reports after Practical Completion

5.4.1 The contractor shall submit a report in an acceptable format to the employer's representative for acceptance within 30 days of achieving practical completion of the contract.

Draft for Public Comment

5.4.2 The information contained in the report shall include:

- a) the contract skills development goal which was achieved in the performance of the contract and the breakdown of the goal into the following:
 - 1) experiential learning opportunities, with unemployed learners sourced through ESDAs;
 - 2) skills programmes with unemployed learners sourced through ESDAs;
 - 3) apprenticeship opportunities, with unemployed learners sourced through ESDAs;
 - 4) experiential learning opportunities with employed learners sourced from employees of contractor or sub-contractors and placed through an ESDA;
 - 5) skills programmes with employed learners sourced from employees of contractor or sub-contractors and placed through an ESDA; and
 - 6) apprenticeship opportunities, with employed learners sourced from employees of contractor or sub-contractors and placed through an ESDA.
- b) the name, identify number, the period employed on the contract, the number of hours of training received and the type of training (experiential learning opportunity, skills programme or apprenticeship opportunity) in respect of each learner;
- c) the name and registration details of training providers, type and duration of theoretical training provided in respect of skills programmes and apprenticeships;
- d) the name, identity or passport number and contract particulars of the training co-ordinator.

5.4.3 The reports provided in terms of 5.4.2 shall be certified by the training co-ordinator, within his or her personal knowledge, to be both true and correct of what was achieved in the performance of the contract.

6 Sanctions

In the event that the contractor fails to substantiate that any failure to achieve the contract skills development goal was due to reason beyond the contractor's control which may be acceptable to the employer, the sanctions provided for in the contract shall apply.

NOTE: The contract establishes the sanctions that apply and are usually in the form of financial penalties, typically formulated on the difference between the contracted contract participation goal and the contract participation goal achieved in the performance of the contract; the rejection of claims for payments as being incomplete should the appropriate supporting documentation not be provided; and the issuing of completion certificates only after the reports described in 5.2 are received.

BOARD NOTICE 119 OF 2012**Construction Industry Development Board****Draft for Public Comment****Standard for Indirect Targeting for Enterprise
Development through Construction Works
Contracts****— June 2012**

In terms of sections 5(2)b of the Construction Industry Development Board Act, 2000 (Act no. 38 of 2000) (the Act), the Construction Industry Development Board is empowered to establish best practice Standards. This draft best practice Standard for Indirect Targeting for Enterprises Development through Construction Works Contracts establishes a key performance indicator in the form of a contract participation goal (CPG) relating to the engagement of targeted enterprises on a contract for the provision of construction works coupled to the enterprise development.

This draft best practice Standard is issued here for public comment. Interested persons and the public are invited to submit comments on the draft best practice standard within 30 days of the date of this publication.

Interested parties are requested to forward their comments in writing for the attention of Dr Rodney Milford to one of the following:

cidb
P O Box 2107
Brooklyn Square 0075

cidb
Block N&R
SABS Campus
2 Dr Lategan Drive
Groenkloof, Pretoria

Fax: 086 687 4936

email: rodneym@cidb.org.za

Bafana Ndendwa
Chairperson: Construction Industry Development Board

Draft for Public Comment

Draft for Public Comment: Standard for Indirect Targeting for Enterprise Development through Construction Works Contracts

(25 June 2012)



Construction Industry Development Board
Pretoria
Tel: 012 343 7136 or 012 481 9030
Fax: 012 343 7153
E-mail: cidb@cidb.org.za

Draft for Public Comment

Standard for Indirect Targeting for Enterprises Development through Construction Works Contracts

Foreword	1
1 Scope	1
2 Terms and Definitions	1
3 Requirements	3
3.1 Contract Participation Goal (CPG)	3
3.2 Enterprise Development Support	4
3.3 Reports after Practical Completion	4
4 Sanctions	5
Annex A: Targeted Enterprise Declaration Affidavits	6

Draft for Public Comment

Standard for Indirect Targeting for Enterprises Development through Construction Works Contracts

Foreword

The cidb Act (Act 38 of 2000) requires that the Board must establish a *Best Practice Project Assessment Scheme* based on the best practices identified by the Board. All construction contracts above a prescribed tender value will then be subject to an assessment of compliance with best practice standards and guidelines published by the Board.

The aim of this best practice *Standard for Indirect Targeting for Enterprise Development* is to promote enterprise development by providing for a minimum contract participation goal (CPG) of 5% of the total project value on selected contracts to be undertaken by joint-venture partners or to be sub-contracted to developing contractors that are also to be beneficiaries of enterprise development support from the main contractor.

Private and public sector employees are encouraged to adopt this Standard. However, notwithstanding this, it is the cidb's intent that in terms of the cidb Act and as prescribed by the Minister of Public Works, this Standard will become a mandatory requirement on public sector contracts.

Furthermore, it is the cidb's intent to increase the minimum CPG of 5% to at least 10% over a three year period. This incremental phasing-in of the CPG will provide clients and contractors the time required to gain experience with this Standard, and to introduce the necessary changes into the nature and structure of construction contracts to accommodate a CPG of 10% or higher.

This cidb *Standard for Indirect Targeting for Enterprise Development* is aligned to the enterprise development components within the construction sector Codes of Practice for Broad Based Black Economic Empowerment.

1 Scope

This standard establishes a key performance indicator in the form of a contract participation goal (CPG) relating to the engagement of targeted enterprises on a contract for the provision of construction works coupled to the enterprise development.

This standard sets out the methods by which the key performance indicator is measured, quantified and verified in the performance of the contract.

2 Terms and Definitions

For the purposes of this document, the following definitions apply:

black people: natural person who are African, Coloured or Indian and who are a citizen of the Republic of South Africa:

- a) by birth or decent; or
- b) naturalisation occurring before the commencement date of the constitution of the Republic of South Africa Act of 1993 or occurring after the commencement date of such Act, but who, without the Apartheid policy would have qualified for naturalisation before then.

class of construction works: the class of construction works referred to in Schedule 3 of the Construction Industry Development Regulations 2004 as amended and published in terms of the Construction Industry Development Board Act of 2000 (Act 38 of 2000).



Draft for Public Comment

Construction Industry Development Board (CIDB): the board established in terms of the Construction Industry Development Board Act of 2000 (Act 38 of 2000).

contract amount: financial value of the contract at the time of the award of the contract, exclusive of all allowances and any value added tax or sales tax which the law requires the employer to pay to the contractor.

contract participation goal (CPG): the value of goods, services and works for which the contractor contracts targeted enterprises exclusive of all allowances and any value added tax or sales tax which the law requires the employer to pay to the contractor, expressed as a percentage of the contract amount.

contractor: person or organization that contracts to provide the goods, services or engineering and construction works covered by the contract.

developed enterprise: an enterprise which:

- a) in the case of a single enterprise operating as the main contractor, must be registered in a CIDB Grade 7 or higher in the General Building (GB) or Civil Engineering (CE) Classes of Works, and must be accountable for providing the enterprise development support; or
- b) in the case of a JV agreement, at least one JV partner must be registered in a CIDB Grade 7 or higher in the General Building (GB) or Civil Engineering (CE) Classes of Works, and must be accountable for providing the enterprise development support.

employer: person or organization entering into the contract with the contractor for the provision of goods, services, or engineering and construction works.

employer's representative: person authorized to represent the employer and named as such in the contract data.

fifty percent black owned: an enterprise in which black people:

- c) hold more than 50% of the voting rights that are not subject to any limitation; and
- d) hold more than 50% of the economic interest.

joint venture: grouping of two or more contractors acting as one legal entity, where each is liable for the actions of the other.

main contractor: contractor who subcontracts part of his contract.

practical completion: the state of completion at the end of construction required in terms of the contract.

NOTE Practical completion is commonly understood to be a state of readiness for occupation of the whole works although some minor work may be outstanding. Practical completion in a construction works contract occur when:

- a) FIDIC Short Form of Contract: the date when the Employer considers that the Works have been completed in accordance with the Contract, except for minor outstanding work and defects which will not substantially affect the use of the Works for their intended purpose.
- b) FIDIC Red, Silver and Yellow Book: the date when the Engineer determines that the Works has substantially been reached and can be used for the purpose intended.
- c) GCC 2010: "Practical Completion" means the date when the Engineer certifies that the whole or portion of the Works has reached a state of readiness, fit for the intended purpose, and occupation without danger or undue inconvenience to the Employer, although some work may be outstanding

Draft for Public Comment

- d) JBCC 2000 Principal Building Agreement and JBCC Minor Works Agreement: the date when the principal agent decides that the completion of the works has substantially been reached and can be used for the purpose intended
- e) NEC3 Engineering and Construction Contract: the date when the Project Manager decides that the Contractor has reached Completion as defined in the contract
- f) NEC3 Engineering and Construction Short Contract: the date when the Employer decides that the Contractor has completed the works in accordance with the Works Information except for correcting notified Defects which do not prevent the Employer from using the works and others from doing their work.

targeted enterprise: an enterprise which:

- a) is a contractor registered with the Construction Industry Development Board acting in the capacity of a sub-contractor or JV partner; and
- b) the contractor does not have an equity holding exceeding 20% in the enterprise, either directly or through a flow through calculation in accordance with the Construction Sector Code of Good Practice published in General Notice 862 of 2009 in Government Gazette No of 2009 in terms of the Board Based Black Economic Empowerment Act of 2003 (Act 53 of 2003); and
- c) employs at least three permanent employees other than the owner; and
- d) be registered in terms of the Company's Act of 2008 (Act No. 71 of 2008) or Close Corporation Act of 1984 (Act No. 69 of 1984); and
- e) is 50% or more black owned or 30% or more black women owned; and
- f) has entered into a written relationship agreement of co-operation and assistance with the developed enterprise for the duration of the contract.

thirty percent black woman owned: an enterprise in which black people who are women:

- a) hold more than 30% of the voting rights that are not subject to any limitation; and
- b) hold more than 30% of the economic interest.

3 Requirements

3.1 Contract Participation Goal (CPG)

3.1.1 The requirements of a contract participation goal applies only to:

- a) construction works contracts in the General Building (GB) and to Civil Engineering (CE) classes of construction works;
- b) construction works contracts of an estimated minimum project duration of 6 months; and
- c) construction works contracts in which at least 25% of the main contract could reasonably be expected to be sub-contracted out in one or more of the following CIDB classes of construction works:
 - 1) Civil Engineering (CE);
 - 2) Electrical Engineering Work (EB);
 - 3) General Building Works (GB); or
 - 4) Mechanical Engineering (ME).

3.1.2 The contractor shall engage targeted enterprises in the performance of the contract to the extent that at least a five percent (5%) contract participation goal is achieved.

3.1.3 Each targeted enterprise shall complete the targeted enterprise declaration affidavit contained in Annex A and attach to the applicable written relationship agreement of co-operation and assistance.

Draft for Public Comment

3.1.4 Credits towards the contract participation goal will be denied in respect of the participation of a targeted enterprise should any of the provisions relating to 3.2 not be satisfied.

3.2 Enterprise Development Support

3.2.1 The contractor shall perform a needs analysis on all targeted enterprises and provide internal mentorship which improves the targeted enterprise's performance in at least two developmental areas. Such developmental areas should be guided by the requirements of the *cidb Best Practice Contractor Recognition Scheme*^{1,2} as well as the NCDP exit requirements for accreditation of contractors³, and may include but are not limited to:

- a) management and labour skills transfer;
- b) establishment of administrative systems;
- c) establishment of cost control systems;
- d) establishment of construction management systems and plans (health and safety, quality and environmental);
- e) planning, tendering and programming skills transfer;
- f) business skills transfer with emphasis on entrepreneurial and negotiation skills;
- g) technical skills transfer with emphasis on innovation;
- h) legal compliance;
- i) procurement skills transfer;
- j) establish credit rating/history;
- k) establish financial loan capacity/history; and/or
- l) contractual knowledge transfer.

3.2.2 The needs analysis shall be mutually agreed upon between the contractor and the targeted enterprise.

3.2.3 The contractor shall appoint an enterprise development co-ordinator. The enterprise development co-ordinator shall:

- a) develop a project specific enterprise development plan to improve the targeted enterprise's performance in the identified developmental areas which allocate resources and monitors progress in relation to improved performance; and
- b) submit to the employer's representative a monthly enterprise development report which documents all mentoring activities that have taken place during that month and the progress made in improving the targeted enterprise's performance in the development area, countersigned by the targeted enterprise.

3.3 Reports after Practical Completion

3.3.1 The contractor shall submit a report in an acceptable format to the employer's representative for acceptance within one week of achieving practical completion.

3.3.2 The information contained in the report shall include not only the value of the contract participation goal that was certified in accordance with this standard but also the CIDB

¹ *cidb* (2011). *cidb Best Practice Contractor Recognition Scheme; Requirements and Guidelines for Contractor Competence Assessment (Draft)*. Construction Industry Development Board, <http://www.cidb.org.za>

² *cidb* (2011). *cidb Best Practice Contractor Recognition Scheme; Requirements and Guidelines for Construction Management Systems (Draft)*. Construction Industry Development Board, <http://www.cidb.org.za>

³ *cidb* (2011). *Guidelines for Implementing Contractor Development Programmes*. Construction Industry Development Board, <http://www.cidb.org.za>

Draft for Public Comment

registration numbers of each and every targeted enterprise, and the value of the subcontracted works or the participation parameter of the joint venture entered into.

4 Sanctions

In the event that the contractor fails to substantiate that any failure to achieve the contract participation goal was due to reason beyond the contractor's control which may be acceptable to the employer, the sanctions provided for in the contract shall apply.

NOTE: The contract establishes the sanctions that apply and are usually in the form of financial penalties, typically formulated on the difference between the contracted contract participation goal and the contract participation goal achieved in the performance of the contract; the rejection of claims for payments as being incomplete should the appropriate supporting documentation not be provided; and the issuing of completion certificates only after the reports described in 3.2 are received.

Draft for Public Comment

Annex A: Targeted Enterprise Declaration Affidavits

TARGETED ENTERPRISE DECLARATION To be completed for each targeted enterprise	
Section A: Employer Information	
cib Employer Number:	<input style="width: 100%;" type="text"/>
Employer Name:	<input style="width: 100%;" type="text"/> <input style="width: 100%;" type="text"/>
Section B: Contract Data	
cib Contract Number:	<input style="width: 100%;" type="text"/>
Contract Title:	<input style="width: 100%;" type="text"/> <input style="width: 100%;" type="text"/> <input style="width: 100%;" type="text"/>
Date of Practical Completion:	<input style="width: 25px;" type="text"/> <input style="width: 25px;" type="text"/> <input style="width: 25px;" type="text"/> <input style="width: 25px;" type="text"/> <input style="width: 25px;" type="text"/> <input style="width: 25px;" type="text"/> <input style="width: 25px;" type="text"/> <input style="width: 25px;" type="text"/>
Estimated final value of contract (including VAT, variations and any price adjustment)	R <input style="width: 40px;" type="text"/> <input style="width: 40px;" type="text"/> <input style="width: 40px;" type="text"/> 000.00
Section C: Main Contractor / JV Information	
cib Contractor Registration Number of main / lead contractor:	<input style="width: 100%;" type="text"/>
Name of contractor / Joint Venture:	<input style="width: 100%;" type="text"/>
If the case of a JV:	
Name of developed enterprise (i):	<input style="width: 100%;" type="text"/>
cib Contractor Registration Number:	<input style="width: 100%;" type="text"/>
Name of developed enterprise (ii):	<input style="width: 100%;" type="text"/>
cib Contractor Registration Number:	<input style="width: 100%;" type="text"/>

Continued Over

Draft for Public Comment

Section D: Targeted Enterprise Information		
JV partner	<input type="checkbox"/>	or sub-contractor
cidb Contractor Registration	<input type="checkbox"/>	
Name of contractor	<input type="text"/>	
Contact Person Title	<input type="text"/>	Initials <input type="text"/>
Surname	<input type="text"/>	
Designation	<input type="text"/>	
e-mail	<input type="text"/>	
Mobile	0 <input type="text"/>	- <input type="text"/>
Office Telephone	0 <input type="text"/>	- <input type="text"/>
Number of full time employees other than the owner	<input type="text"/>	
Shareholding by cidb Registered Contractors		
Name	cidb registration	Equity (%)
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
Ownership by Black Persons (Complete for each person)		
Name Title	<input type="text"/>	Initials <input type="text"/>
Surname	<input type="text"/>	
ID or Passport	<input type="text"/>	
e-mail	<input type="text"/>	
Citizenship	<input type="text"/>	
	by birth <input type="checkbox"/> or by decent <input type="checkbox"/> or by naturalisation <input type="checkbox"/>	
	year of naturalisation <input type="text"/>	
Name Title	<input type="text"/>	Initials <input type="text"/>
Surname	<input type="text"/>	
ID or Passport	<input type="text"/>	
e-mail	<input type="text"/>	
Citizenship	<input type="text"/>	
	by birth <input type="checkbox"/> or by decent <input type="checkbox"/> or by naturalisation <input type="checkbox"/>	
	year of naturalisation <input type="text"/>	
Name Title	<input type="text"/>	Initials <input type="text"/>
Surname	<input type="text"/>	
ID or Passport	<input type="text"/>	
e-mail	<input type="text"/>	
Citizenship	<input type="text"/>	
	by birth <input type="checkbox"/> or by decent <input type="checkbox"/> or by naturalisation <input type="checkbox"/>	
	year of naturalisation <input type="text"/>	
Name Title	<input type="text"/>	Initials <input type="text"/>
Surname	<input type="text"/>	
ID or Passport	<input type="text"/>	
e-mail	<input type="text"/>	
Citizenship	<input type="text"/>	
	by birth <input type="checkbox"/> or by decent <input type="checkbox"/> or by naturalisation <input type="checkbox"/>	
	year of naturalisation <input type="text"/>	

Continued Over

Draft for Public Comment

Section E: Agreement of Co-Operation and Assistance	
<p>List the areas of development identified (at least two):</p> <div style="border: 1px dashed black; height: 100px; width: 100%;"></div>	
Section F: Contract Participation for Targeted Enterprise	
<p>a) Estimated final value of contract with targeted enterprise (excluding VAT, including variations and price adjustment)</p> <p style="text-align: right;">R <input style="width: 40px;" type="text"/> <input style="width: 40px;" type="text"/> <input style="width: 40px;" type="text"/> 000.00</p> <p>b) Estimated final value of contract from Section B (excluding VAT, including variations and price adjustment)</p> <p style="text-align: right;">R <input style="width: 40px;" type="text"/> <input style="width: 40px;" type="text"/> <input style="width: 40px;" type="text"/> 000.00</p> <div style="border: 1px solid black; height: 20px; width: 100%;"></div> <p>Contract participation for targeted enterprise a/ b (%) <input style="width: 40px;" type="text"/></p>	
Section G: Declaration: Enterprise Development Co-ordinator	
<p>Name of Co-ordinator Title <input style="width: 40px;" type="text"/> Initials <input style="width: 40px;" type="text"/> Surname <input style="width: 100px;" type="text"/></p> <p>Designation <input style="width: 100%; height: 20px;" type="text"/></p> <p>ID / Passport <input style="width: 100%; height: 20px;" type="text"/></p> <p>e-mail <input style="width: 100%; height: 20px;" type="text"/></p> <p>Mobile 0 <input style="width: 40px;" type="text"/> - <input style="width: 40px;" type="text"/> - <input style="width: 40px;" type="text"/></p> <p>Office Telephone 0 <input style="width: 40px;" type="text"/> - <input style="width: 40px;" type="text"/> - <input style="width: 40px;" type="text"/></p> <p>I, the undersigned warrant that:</p> <ul style="list-style-type: none"> • I am duly authorised to submit this notice behalf of the Contractor / JV; and • The contents of this notice are within my personal knowledge, and are to the best of my belief both true and correct. <p>Signature <input style="width: 100%; height: 40px;" type="text"/></p> <p>Date completed <input style="width: 40px;" type="text"/> <input style="width: 40px;" type="text"/> <input style="width: 40px;" type="text"/> <input style="width: 40px;" type="text"/> - <input style="width: 40px;" type="text"/> <input style="width: 40px;" type="text"/> - <input style="width: 40px;" type="text"/> <input style="width: 40px;" type="text"/></p>	

Continued Over

Draft for Public Comment

Section H: Declaration: Targeted Enterprise Representative	
Name of Representative	Title <input style="width: 40px;" type="text"/> Initials <input style="width: 40px;" type="text"/> Surname <input style="width: 100px;" type="text"/>
Designation	<input style="width: 100%; height: 20px;" type="text"/>
ID / Passport	<input style="width: 100%; height: 20px;" type="text"/>
e-mail	<input style="width: 100%; height: 20px;" type="text"/>
Mobile	0 <input style="width: 30px;" type="text"/> - <input style="width: 30px;" type="text"/> - <input style="width: 30px;" type="text"/>
Office Telephone	0 <input style="width: 30px;" type="text"/> - <input style="width: 30px;" type="text"/> - <input style="width: 30px;" type="text"/>
I / we agree <input style="width: 20px;" type="checkbox"/>	disagree <input style="width: 20px;" type="checkbox"/> with the Enterprise Development Co-ordinator's assessment of compliance with the Enterprise Development support provided
I / we appeal the assessment by the Enterprise Development Co-ordinator <input style="width: 20px;" type="checkbox"/> Y <input style="width: 20px;" type="checkbox"/> N	
I, the undersigned warrant that:	
<ul style="list-style-type: none"> • I am duly authorised to submit this notice behalf of the Qualifying Developing Enterprise • The contents of this notice are within my personal knowledge, and are to the best of my belief both true and correct . 	
Signature	<div style="border: 1px solid black; width: 100%; height: 40px;"></div>
Date completed	<input style="width: 20px;" type="text"/> <input style="width: 20px;" type="text"/> <input style="width: 20px;" type="text"/> <input style="width: 20px;" type="text"/> - <input style="width: 20px;" type="text"/> <input style="width: 20px;" type="text"/> - <input style="width: 20px;" type="text"/> <input style="width: 20px;" type="text"/>
Section I: Declaration: Employer's Representative	
Name of Representative	Title <input style="width: 40px;" type="text"/> Initials <input style="width: 40px;" type="text"/> Surname <input style="width: 100px;" type="text"/>
Designation	<input style="width: 100%; height: 20px;" type="text"/>
ID / Passport	<input style="width: 100%; height: 20px;" type="text"/>
e-mail	<input style="width: 100%; height: 20px;" type="text"/>
Mobile	0 <input style="width: 30px;" type="text"/> - <input style="width: 30px;" type="text"/> - <input style="width: 30px;" type="text"/>
Office Telephone	0 <input style="width: 30px;" type="text"/> - <input style="width: 30px;" type="text"/> - <input style="width: 30px;" type="text"/>
I / we agree <input style="width: 20px;" type="checkbox"/>	disagree <input style="width: 20px;" type="checkbox"/> with the Enterprise Development Co-ordinator's assessment of compliance with the Enterprise Development support provided
I / we appeal the assessment by the Enterprise Development Co-ordinator <input style="width: 20px;" type="checkbox"/> Y <input style="width: 20px;" type="checkbox"/> N	
I, the undersigned warrant that:	
<ul style="list-style-type: none"> • I am duly authorised to submit this notice behalf of the Employer • The contents of this notice are within my personal knowledge, and are to the best of my belief both true and correct. 	
Signature	<div style="border: 1px solid black; width: 100%; height: 40px;"></div>
Date completed	<input style="width: 20px;" type="text"/> <input style="width: 20px;" type="text"/> <input style="width: 20px;" type="text"/> <input style="width: 20px;" type="text"/> - <input style="width: 20px;" type="text"/> <input style="width: 20px;" type="text"/> - <input style="width: 20px;" type="text"/> <input style="width: 20px;" type="text"/>

Printed by and obtainable from the Government Printer, Bosman Street, Private Bag X85, Pretoria, 0001
Publications: Tel: (012) 334-4508, 334-4509, 334-4510
Advertisements: Tel: (012) 334-4673, 334-4674, 334-4504
Subscriptions: Tel: (012) 334-4735, 334-4736, 334-4737
Cape Town Branch: Tel: (021) 465-7531

Gedruk deur en verkrygbaar by die Staatsdrukker, Bosmanstraat, Privaatsak X85, Pretoria, 0001
Publikasies: Tel: (012) 334-4508, 334-4509, 334-4510
Advertensies: Tel: (012) 334-4673, 334-4674, 334-4504
Subskripsies: Tel: (012) 334-4735, 334-4736, 334-4737
Kaapstad-tak: Tel: (021) 465-7531