



Construction Development Targets

Market Analysis

Source: Current SPU Data Base
previously called the Escape Data Base

Introduction

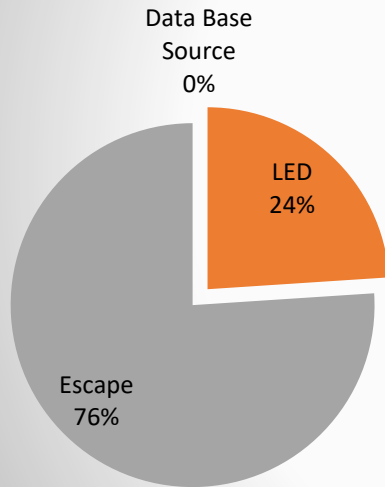
- The Northern Cape Province Construction Industry is made up of many small players and very few big players
- Most specialised fields are outsourced from other provinces
- Therefore specialist in technical and consulting skills are usually brought in from other province to do the job.
- This poses an indirect threat to the industry as less skills are transferred to the local community to ensure sustainability
- Local Contractors are not exposed to the competitive nature of this industry.
- The development of the Sol Plaatje University created and opened the emerging and current contractors to a whole new business environment

Vendor Data Base

- Potential Suppliers and Vendors submit an application form to the Main Contractors CLO's or to the Aecom office.
- They then shortly receive a confirmation letter with vendor number.
- There are currently have **312** vendors listed.
- It includes the LED data Base with **75** SMME's.
- The data base reflects an SMME's BBB-EE Status, Locality and Reference Columns
- It also indicates which trade each vendor specialises in.

Data Base Sources

SPU Data Base



- 76% of the listed vendors are from are current existing data base
- Only 24% of the data base is from The Sol Plaatje Municipality Data Base

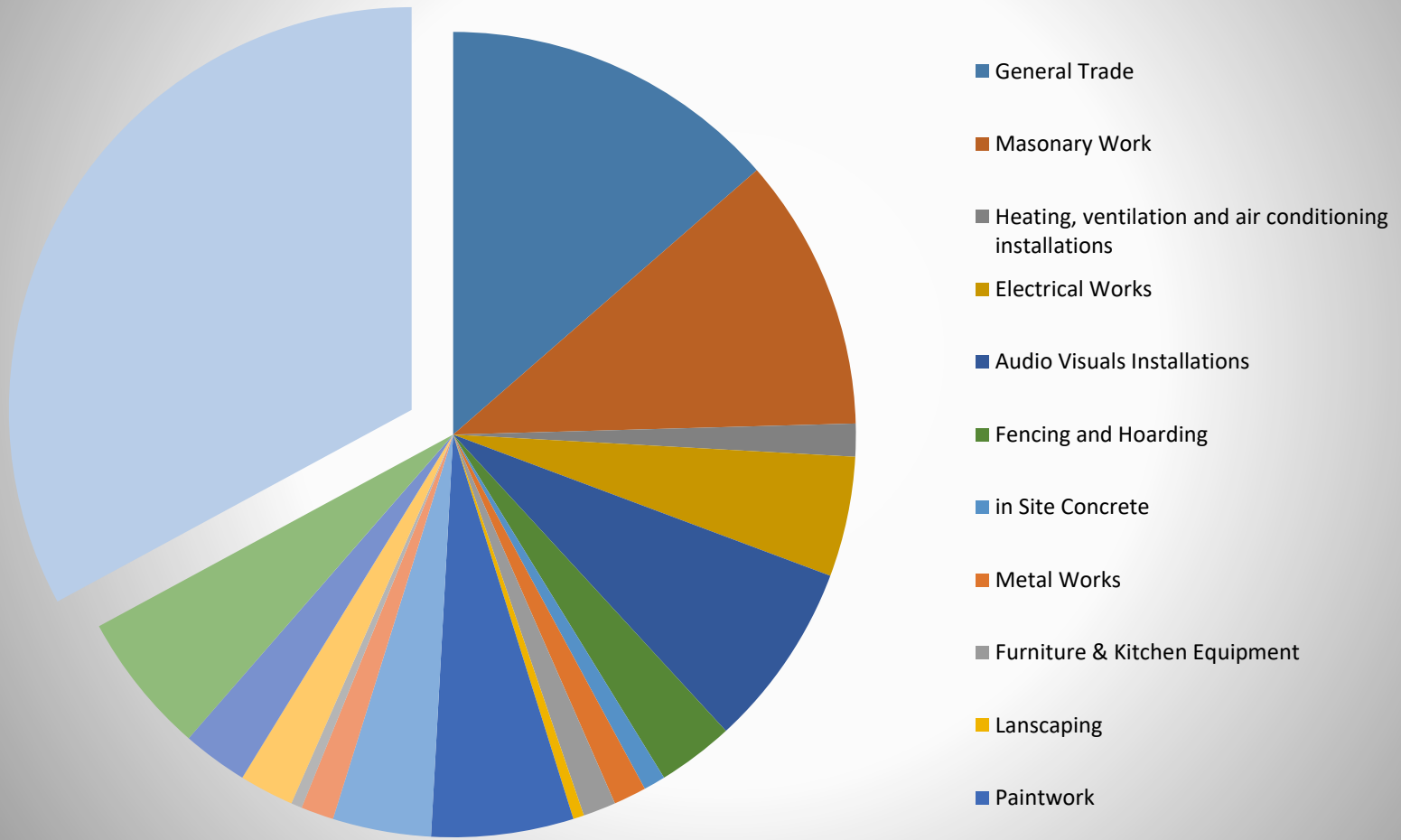
Market Location

- Our Research indicates that the Majority of vendors listed on the data base are base in Kimberley.

Geographic Location

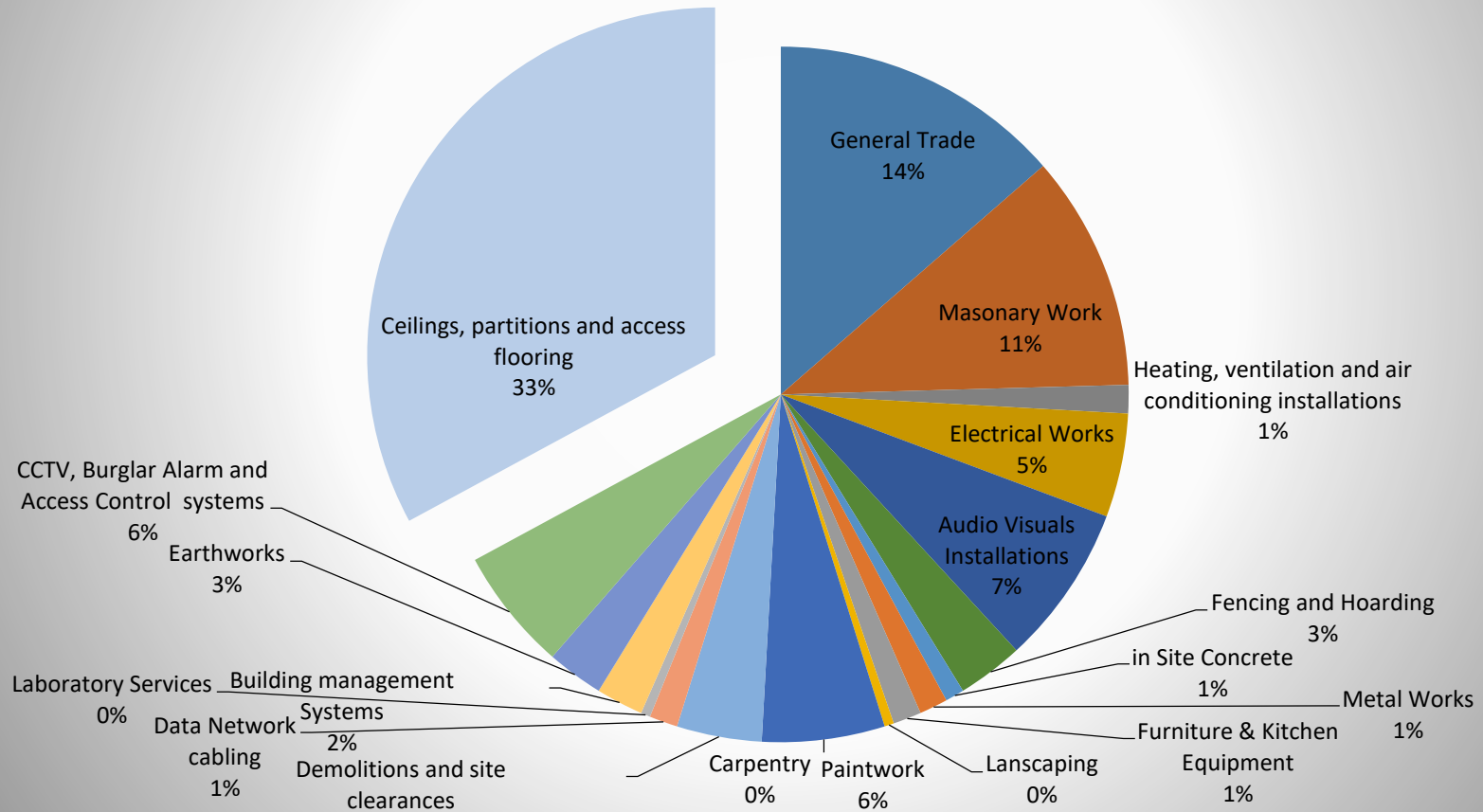


Types of Trade



Detailed View: Types of Trade

Types of Trade



Types of Trade

- All listed types of available trades on the project are indicated on the SPU Data base
- The vendor has the freedom to select either services or supplier options
- In most cases vendors will select both the service and supply box for the different types of trade
- This could be in attempt to either acquire one of the two opportunities available
- There is also a separate professional Service?Consultant data base for the existing professional bodies in the province.

Types of Trade Continued

- On the current data base Ceilings, partitions and access flooring have 75 registered vendors.
- Second and third are Masonry Work and General Trade vendors
- General Trade vendors are applicants that have ticked every trade, including service and supply.
- The least skills represented on the data base are Data Network Cabling, laboratory Services and Air-conditioning.
- We have a list of 56 Professionals registered on the data base

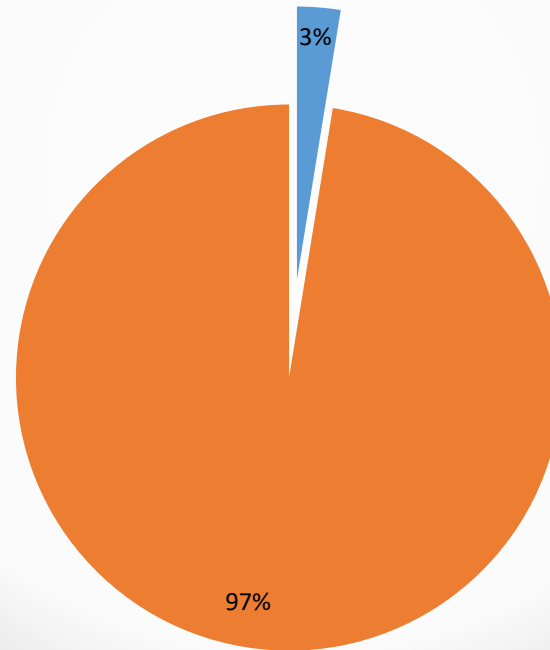
Types of Trade Continued

- Quantity Surveyors-14
- Civil Engineers-6
- Architects-15
- Project Managers-13
- Multi Disciplinary-8

Appointment Status

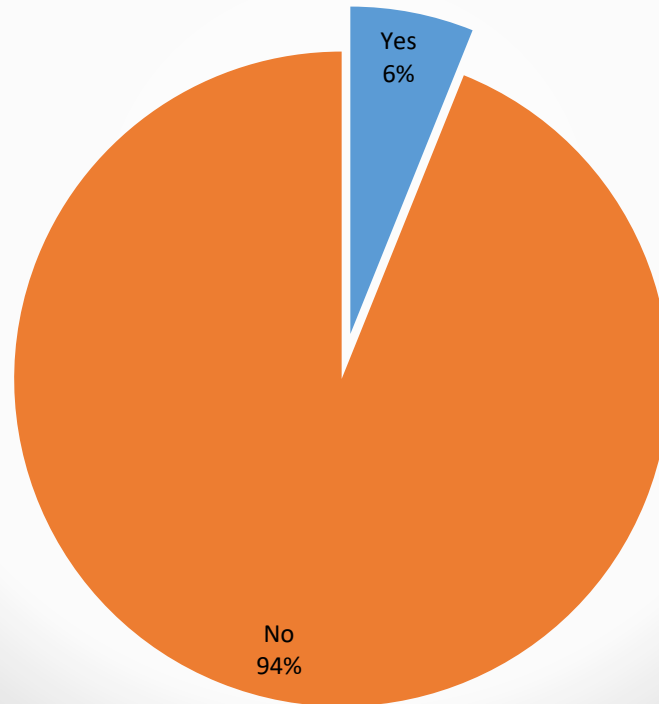
Previously On Site

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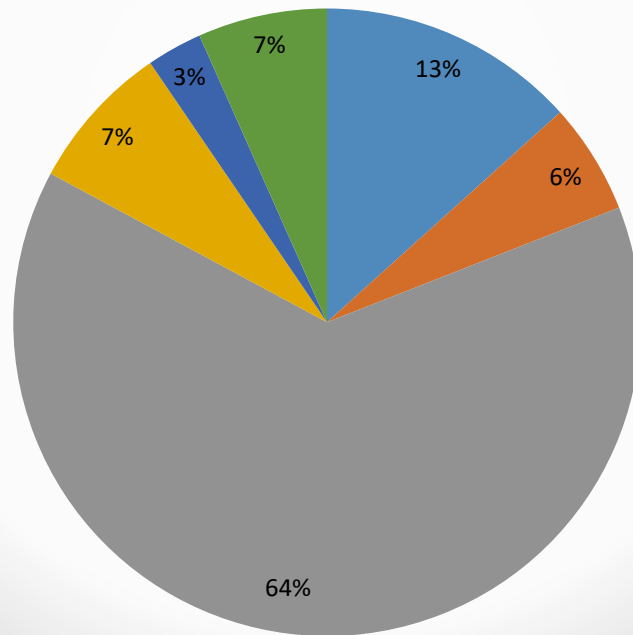
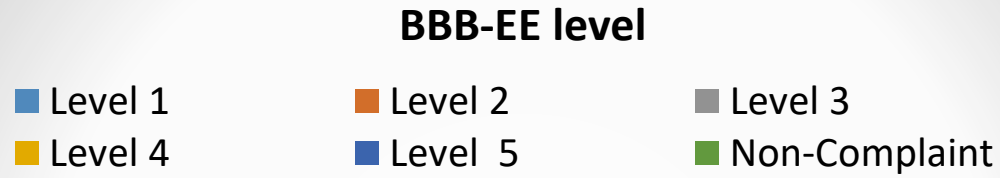
Appointment Status

Currently On Site



- Our research indicates that only 6% of vendors currently on site are sourced from the data base. The rest of the 97% are appointed through other means and not the data base
- It also shows that 3% of these vendors were appointed on the previous building and retained.
- SMME's that were retained are currently all participating in the current Incubation programme.

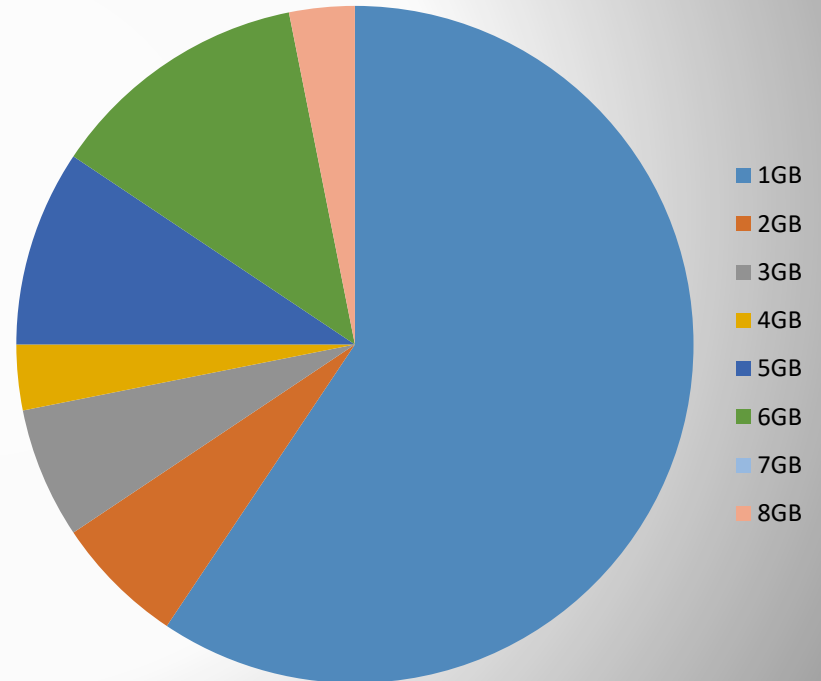
BBB-EE Level



CIDB Statistics

CIDB	GB Level
1GB	19
2GB	2
3GB	2
4GB	1
5GB	3
6GB	4
7GB	0
8GB	1

GB Level



CIDB Statistics

- There are currently 4 vendors with 6GB levels.
- All 6 are competent Contractors who have had opportunities all over the Province and are based in Kimberley
- There are several vendors registered with CIDB who's levels are currently inactive.
- The CIDB Head Office in Kimberley has been inactive for the past 6 months due to lack of staff.
- Vendors are currently going to either Bloemfontein or Pretoria to submit their upgrading applications.
- This has subsequently caused delays in the upgrading process of local vendors.
- The 8GB registered vendor is listed as Qualicon Construction which is currently one of the Main Contractors.

Incubation Programme

- Seda has since June 2015 assisted over 15 SMME's that have participated in the programme
- 53% of the Participants are still active on the programme while the rest have stopped attending appointments and have also subsequently removed themselves from the programme

Challenges

- There have been a number of challenges which may have had an influence on the programme:
 - ✓ Lack of available business opportunities on the current project
 - ✓ Delays in some participants being given opportunities on other new projects and broader scope of works
 - ✓ Lack of interest due to previous experience with the SEDA
 - ✓ Inconsistent participation of SMME's on the programme due to their site schedules and other work commitments
 - ✓ Inability to secure other Jobs other than the SPU projects