

SANRAL's BBBEE Motivation

The proposed project is likely to result in both direct and indirect social and economic benefits for the local and regional community due to the provision of temporary jobs for semi-skilled and unskilled workers, the increased opportunities for local contractors and SMMEs, and a general increase in spending on a wide range of goods and services in Durban, Pietermaritzburg and KZN. SANRAL shall endeavour to procure (as far as is possible) supplies and services from the local suppliers who have a high level of BBBEE compliance. There is also likely to be spending nationally on specialist materials/equipment. SANRAL supports the principles of BEE and SANRAL has developed its own BEE policy. SANRAL as an organization, being an agency in the Department of Transport stable has to adhere to the Transport Sector Transformation Charter, specifically the Public Sector sub-section. The estimated overall cost to upgrade the N3 including interchanges, is R235 million per km (2018 rand, Vat exclusive) i.e. an estimated cost of R17,64 billion over 75km. The interchange upgrades contribute a substantial portion of the N3 upgrading, including the N2/N3 EB Cloete Interchange. The latest Preferential Procurement Policy Framework Act (Act 5 of 2000) (PPPFA) regulations makes it mandatory that thirty percent of the contract value is subcontracting to specific target groups which includes Emerging Micro Enterprises and Qualifying Small Enterprises.

During the operational phase, the broader community will benefit through improved road safety and travelling conditions which will facilitate economic development along the N3 which is South Africa's busiest freight corridor. The improved road access will make adjacent areas and surrounding communities more attractive for investment, which, in turn, will benefit the local and regional communities.