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Standard for developing skills through infrastructure contracts

(March 2020)

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INTRODUCTION

Procurement may be defined as *the process which creates, manages and fulfils contracts*. Procurement accordingly commences once a need for goods, services or works has been identified and it ends when the goods are received, or the services or construction works are completed. Public procurement, because of its nature and size, can have a significant impact on social and economic development if it is used to leverage social and development objectives.

The South African government requires that its considerable expenditure on the delivery, maintenance and operation of infrastructure (fixed assets that are constructed or result from construction operations) contribute to an increase in the number of people who have part or full occupational qualifications registered on the NQF or professional designations awarded by professional bodies or statutory councils. This standard has been prepared to leverage contributions towards the increase of the pool of qualified skilled people, and where required professionally registered, through training on professional services, services, design and build or engineering and construction works contracts associated with such expenditure. This standard establishes a minimum contract skills development goal which is to be achieved in the performance of a contract in relation to the provision of different types of workplace opportunities linked to work associated with a contract which culminate in or lead to:

- a) a part- or full occupational qualification registered on the National Qualification Framework;
- b) a trade qualification leading to a listed trade (GG No. 35625, 31 August 2012);
- c) a national diploma registered on the National Qualification Framework; and
- d) registration in a professional category by one of the professional bodies listed in Table 1 of this standard.

Contractors are responsible for achieving the contract skills development goal and are provided with a number of methods for measuring their achievements. They may, if need be, devolve their obligations onto subcontractors.

This standard should be applied to a contract or an order issued in terms of a framework agreement that has a duration of 12 months or more, and a contract amount exceeding:

- a) R5 million in the case of a professional service or service contract or an order issued in terms of such a contract; or
- b) R60 million in the case of an engineering and construction works, or design and build contract or an order issued in terms of such a contract.

This Standard will be subject to review every five years, or sooner if required.

Standard for developing skills through infrastructure contracts

1 SCOPE

This standard establishes a key performance indicator in the form of a contract skills development goal (CSDG) relating to the structured workplace learning of occupational or professional learning, which enables learners to make measurable progress towards the attainment of:

- a) a part- or full occupational qualification registered on the National Qualification Framework; or
- b) a trade qualification leading to a listed trade (GG No. 35625, 31 August 2012); or
- c) a national diploma registered on the National Qualification Framework; or
- d) registration in a professional category by a statutory council listed in Table 1.

in the delivery, maintenance and operation of infrastructure through the performance of professional service, service, engineering and construction works, or design and build contracts or an order associated with such a contract.

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

NOTE 1: Guidance on the manner in which this standard should be incorporated into procurement documents is provided in Annex A.

NOTE 2: This standard can be applied to contracts or to orders (call-offs) issued in terms of framework agreements. Framework agreements are well suited to situations in which long term relationships are entered into. They offer flexibility in attaining contract skills development goals as requirements can be adjusted from one order to another, thus allowing key performance indicators to be improved upon over time.

2 TERMS AND DEFINITIONS

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

2.1 allowance amount provided for in the contract or an order by the employer relating to one or more of the following:

- a) the performance by the contractor of work or services that are foreseen but cannot be accurately specified at the time that the contract was entered into or the order issued;

- b) work or services to be performed, or goods provided, by a subcontractor who is either nominated by the employer or is selected by the employer in consultation with the contractor after the award of the contract or the issuing of an order;
 - c) provision for price adjustment for inflation; or
 - d) other budgetary provisions intended to cover the employer's contractual risks
- 2.2 artisan** a person who has been certified as competent to perform a listed trade in accordance with Section 26B of the Skills Development Act of 1998 (Act No. 97 of 1998)
- 2.3 black people** a generic term which means Africans, Coloureds and Indians or Chinese and who are a citizen of the Republic of South Africa:
- a) by birth or descent; or
 - b) naturalisation occurring before the commencement date of the Constitution of the Republic of South Africa Act, Act No. 200 of 1993 or occurring after the commencement date of such Act, but who, without the Apartheid policy would have qualified for naturalisation before then
- 2.4 candidate** a person who is registered in a category of registration which ultimately leads to registration in a professional category by one of the statutory councils listed in Table 1
- 2.5 cidb** Construction Industry Development Board, established in terms of the Construction Industry Development Board Act of 2000 (Act 38 of 2000)
- 2.6 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)
- 2.7 contract amount** financial value of the contract at the time of the award of the contract or an order at the time of issue, including value added tax but excluding all allowances and expenses
- 2.8 contract skills development credits** the number of learners employed by the contractor and placed for continuous training opportunities in a three-month period
- 2.9 contract skills development goal (CSDG)** the number of hours or head count of skills development opportunities that a contractor contracts to provide in relation to work directly related to the contract or order up to:
- a) completion in the case of a professional service contract;

- b) the end of the service period in the case of a service contract; and
 - c) practical completion in the case of an engineering and construction works contract
- 2.10 contractor** person or organization that contracts to provide professional services, services, goods and related services, or engineering and construction works
- 2.11 design and build contract** engineering and construction works contract where both the design and the construction are the responsibilities of the same contractor
- 2.12 employed learner** a learner who was in the employment of an employer prior to the commencement of the contract or execution of the order. Learners deployed from the public sector, other organisations, or other contractors for the purposes of gaining structured workplace learning shall also be considered to be an employed learner albeit that their employer will remain unchanged.
- 2.13 Employer** person or organization entering into a contract with the contractor for the provision of professional services, services, goods and related services, engineering and construction works (commonly referred to as the client)
- 2.14 employer's representative** person authorized to represent the employer in terms of the contract
- 2.15 engineering and construction works contract**, contract for the provision of a combination of goods and services arranged for the manufacture, development, extension, refurbishment, rehabilitation or demolition of a fixed asset, including building and engineering infrastructure
- 2.16 expenses** costs incurred by the contractor in the performance of the contract or order which are in terms of the contract recoverable from the employer
- 2.17 framework agreement**, agreement between an employer and one or more contractors, the purpose of which is to establish the terms governing orders to be awarded during a given period, in particular with regard to price and, where appropriate, the quantity envisaged
- 2.18 mentor** a qualified, experienced and, in the case of professionals, registered person, designated to guide a learner or candidate through a structured work experience learning component of a learning programme required for the acquisition of a part or full qualification or professional designation
- 2.19 occupational qualification** occupational qualification registered on the National Qualifications Framework Act (Act No. 67 of 2008)
- 2.20 order** the instruction to carry out construction works, services or professional services under a framework agreement

2.21 part qualification an assessed unit of learning that is registered on the National Qualifications Framework as part of an occupational qualification

2.22 practical completion the state of completion at the end of construction required in terms of an engineering and construction works 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 an engineering and construction works contract occurs 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 have been completed in accordance with the contract except for minor outstanding works and defects which will not substantially affect the use of the works for their intended purpose.
- c) GCC 2010: 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.

2.23 professional category a category of registration identified in Table 1 or such other category recognised by the Employer in the application of this standard.

Table 1: Categories of registration

Profession	Category of registration	Act
Architectural	Architect, Senior Architectural Technologist, Architectural Technologist or Architectural Draughtsperson	Architectural Profession Act of 2000 (Act No. 44 of 2000)
Construction project management	Construction Project Manager	Project and Construction Management Professions Act of 2000 (Act No. 48 of 2000)
Construction management	Construction Manager	
Engineering	Engineer, Engineering Technologist, Engineering Technician or Certificated Engineer	Engineering Profession Act of 2000 (Act No. 46 of 2000)

Profession	Category of registration	Act
Landscape Architectural	Landscape Architect, Landscape Technologist, Landscape Technician or Landscape Assistant	Landscape Architectural Profession Act of 2000 (Act No. 45 of 2000)
Planning	Planner or Technical planner	Planning Profession Act, 2002. (Act No. 36 of 2002)
Quantity surveying	Quantity surveyor	Quantity Surveying Profession Act of 2000 (Act No. 49 of 2000)
Scientists	Natural scientists	Natural Scientific Professions Act (Act No. 27 of 2003)
Surveying	Land surveyor, Engineering surveyor or Technician engineering surveyor	Professional and Technical Surveyors' Act (Act No. 40 of 1984)
Valuers	Valuer or Associate Valuer	Property Valuers Profession Act (Act No. 47 of 2000)

- 2.24 professional fees** financial value of a professional service contract at the time of the award of the contract or an order at the time of issue, excluding all allowances and expenses, but including value added tax
- 2.25 professional service contract**, contract for the provision of services with the skill and care normally delivered by professionals
- 2.26 Sector Education and Training Authority (SETA)** an institution established under section 9 of the Skills Development Act, Act 97 of 1998 and which has the responsibility under this Act to register learners on learning programmes
- 2.27 service contract**, contract for the provision of labour or work, including knowledge-based expertise, carried out by hand or with the assistance of equipment and plant
- 2.28 site** means the land or place made available by the employer, for the purposes of the contract or order, on, under, over, in or through which the works or services are to be executed
- 2.29 skills development agency (SDA)** an agency which performs some or all the functions set out in section 4.1.5.
- 2.30 statutory council** a council established as follows:
- a) South African Council for the Architectural Profession, established by the Architectural Profession Act of 2000 (Act No. 44 of 2000);
 - b) South African Council for the Project and Construction Management Professions, established by the Project and Construction Management Professions Act of 2000 (Act No. 48 of 2000);
 - c) Engineering Council of South Africa, established by the Engineering Profession Act of 2000 (Act No. 46 of 2000);
 - d) South African Council for the Landscape Architectural Profession, established by the Landscape Architectural Profession Act of 2000 (Act No. 45 of 2000);

- e) South African Council for the Quantity Surveying Profession, established by the Quantity Surveying Profession Act of 2000 (Act No. 49 of 2000);
- f) South African Council for Professional and Technical Surveyors, established by the Professional and Technical Surveyors' of 2000 (Act No. 40 of 1984);
- g) South African Council for Planners, established by the Planning Professions Act of 2002 (Act No. 32 of 2002);
- h) South African Council for Natural Scientific Professions, established by the Natural Scientific Professions Act (Act No. 27 of 2003); or
- i) South African Council for the Property Valuers Profession, established by the Property Valuers Profession Act (Act No. 47 of 2000).

2.31 structured mentorship, mentorship provided by a person who is registered in a suitable category of professional registration by a professional body or statutory council who leads and directs a candidate towards professional registration

2.32 structured workplace learning component of learning in an occupational qualification or work placement for a professional designation whereby a learner is mentored by a qualified, and where required, registered mentor in the application and integration of the knowledge and practical skills learnt, under supervision, in the actual context of a workplace in accordance with the prescripts set by the relevant qualifying authority, professional body or statutory council

2.33 supervisor a supervisor is a person in the particular workplace charged with the responsibility of allocating workplace tasks to a learner that are aligned to the prescriptions of their learning programme and of overseeing and reporting on that learning using a formally agreed record keeping system

2.34 unemployed learner a learner who was not in the full-time employment of the contractor prior to the commencement of the contract or execution of the order and is appointed by the contractor or SDA on a limited duration employment contract linked to the prescriptions of a structured workplace learning programme. Their conditions of employment shall not be less favourable than those set out for such learners on learnerships set out in section 18 (3) of the Skills Development Act (Act 97 of 1998)

2.35 work integrated learning the workplace learning component required by learners completing a national diploma at a University of Technology or Comprehensive University

3 REQUIREMENTS

3.1 CONTRACT SKILLS DEVELOPMENT GOAL (CSDG)

3.1.1 The contractor shall attain or exceed the contract skills development goal in the performance of the contract or the execution of an order.

3.1.2 The contract skills development goal shall be expressed as in 3.1.2.1 for engineering and construction works, design and build and services contracts, and as in 3.1.2.2 for professional services contracts.

3.1.3 In the case of engineering and construction works contracts, design and build contracts and services contracts the contract skills participation goals, expressed in Rand, shall be no less than the contract amount multiplied by a percentage (%) factor given in Table 2 for the applicable class of construction works used in the application of the Construction Industry Development Regulations issued in terms of the Construction Industry Development Board Act of 2000.

Table 2: Contract skills development goals for different classes of engineering and construction works contracts

Class of construction works as identified in terms of Regulation 25(3) of the Construction Industry Regulations 2004		Construction skills development goal (CSDG) (%)
Designation	Description	
CE	Civil engineering	0.25
CE and GB	Civil engineering and General Building	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

Example 1: The contract amount for an engineering and construction works contract in the GB class of construction works is R65,7m. The contract skills development goal in Rands is $R65,7m \times 0.5\% = R328\ 500$.

3.1.2.2 In the case of professional services contracts the contract skills development goals, expressed in hours, shall be not less than the professional fees in millions of Rand multiplied by 150.

Example 2: The contract amount for a professional services contract is R5.6 m. The contract skills development goal in hours is $R5.6m \times 150 = 840$ hours.

3.1.2.3 The number of hours for the contract skills development goal shall be revised as the need arises and be published in a Gazette notice.

3.1.2.4 Where required in terms of the contract or order, a specified proportion of the learners and candidates shall be selected from persons in the employ of the state who meet the relevant eligibility criteria for the relevant programme.

3.1.2.5 Where required in terms of the contract or order, the employer shall advise the contractor of the types of training to be undertaken by the learners and candidates.

3.2 ACHIEVING THE CONTRACT SKILLS DEVELOPMENT GOAL (CSDG)

3.2.1 The contractor shall achieve the measurable contract skills development goal by providing opportunities to learners requiring structured workplace learning using one or a combination of any of the following in relation to work directly related to the contract or order:

Method 1: structured workplace learning opportunities for learners towards the attainment of a part or a full occupational qualification;

Method 2: structured workplace learning opportunities for apprentices or other artisan learners towards the attainment of a trade qualification leading to a listed trade (GG No. 35625, 31 August 2012) subject to at least 60% of the artisan learners being holders of public TVET college qualifications;

Method 3: work integrated learning opportunities for University of Technology or Comprehensive University students completing their national diplomas;

Method 4: structured workplace learning opportunities for candidates towards registration in a professional category by a statutory council listed in Table 1 above.

3.2.2 Employed learners may not account for more than 33 percent of the contract skills development goal.

3.2.3 Not more than one method may be applied to any individual concurrently in the calculation of the contract skills development goal.

NOTE: The principle is that an individual can only be counted once towards the CSDG.

3.3 CONTRACT SKILLS DEVELOPMENT GOAL CREDITS

3.3.1 Contract skills development credits will not be awarded for learners enrolled as beneficiaries of other funded or subsidised programmes.

3.3.2 In the case of engineering and construction works, design and build and services contracts:

- a) The contract skills development goals shall be granted by multiplying the number of people employed by the contractors and placed for continuous training opportunities in a three-month period by the notional values contained in Table 3, or as revised in a Gazette notice.
- b) The contractor may source beneficiaries of the contract skills development goal from the cidb Skills Development Agency (SDA).
- c) All beneficiaries of the Standard shall be registered with the cidb SDA.

NOTE: The role and function of a cidb SDA is outlined in Annex B

Table 3: The notional cost of providing training opportunities per quarter

Type of Training Opportunity	Provision for stipends (Unemployed learners only)	Provisions for mentorship	Provisions for additional costs*	Total costs	
				Unemployed learners	Employed learners
Method 1					
Occupational qualification	R7 000	R0	R9 000	R16 000	R9 000
Method 2					
TVET College graduates	R14 000	R0	R9 000	R23 000	N/A
Apprenticeship	R14 000	R0	R12 000	R26 000	R12 000
Method 3					
P1 and P2 learners, or a 240 credits qualification	R24 000	R20 000	R4 500	R48 500	N/A
Method 4					
Candidates with a 360 credits qualification	R37 000	R20 000	R4 500	R61 500	R20 000
Candidates with 480 or more credits qualification	R47 000	R20 000	R4 500	R71 500	R20 000

*Additional provisions include provisions for personal protective equipment, insurance, medical assessments, course fees and trade tools (where applicable) assessment, moderation and monitoring of learners.

NOTE:

- i) Where an unemployed learner is employed directly by the contractor, the contractor shall pay the stipend directly to the learner
- ii) Where an unemployed learner is sourced through an SDA, training provider or skills development facilitator the contractor must pay the stipend to the SDA, training provider or skills development facilitator who in turn will pay the learner
- iii) The notional cost of providing training opportunities will be increase by CPI on an annual basis. The new, revised costs will be published on the cidb website on the 1st April in each year.

Example 3: Training Target Calculation for a R65,7m GB contract

Contract amount	R65 700 000
Contract duration	12 Months
CSDG	0,50%
Minimum CSDG target	0,5% x R65 700 000
	R328 500

Skills Types	Number of learners	Notional Cost / Learner / Quarter	Notional cost/learner/year	Total Notional Cost over 12 months Contract
Method 2: Workplace learning opportunities, with unemployed TVET graduates	1	R23 000	R92 000	R92 000
Method 3: Candidacy for an unemployed learner with a 3-year qualification	1	R61 500	R246 00	R246 00
Total	2			R338 000

3.3.3 Credits towards the contract skills development goal for professional services contracts shall be granted by summing the hours of structured workplace learning opportunities provided to P1 and P2 learners as well as professional candidates in accordance with this standard.

3.3.4 No more than 45 hours may be claimed per week for any individual.

3.3.5 Contract skills development goal credits shall be reduced to the extent that they fail to comply with the requirements of this standard.

3.4 DENIAL OF CREDITS

Credits towards the contract skills development goal shall be denied should:

- a) the opportunities not be provided on site or the opportunities cannot be directly linked to the contract or order;
- b) the following not be provided:
 - 1) the required contract compliance baseline plan, an interim contract compliance report or a final contract compliance report;
 - 2) the required mentorship plan for a candidate not be provided;
 - 3) the required training plan for learners not be provided;
 - 4) the training reports covering a period not be provided;
 - 5) the required records, specified documents and signatures not be provided;

- 6) the structured mentorship is found not to be in accordance with the requirements of the applicable professional body, statutory council or qualifying authority;
- 7) the structured workplace learning is found not to be in accordance with the curriculum requirements of the part qualification or occupational qualification or prescription for professional registration for which the learner is registered;
- c) conditions of employment and rates of allowances for learners not be in accordance with legislative provisions; and
- d) the contractor does not maintain the required training records, or an audit reveals that there is insufficient information to substantiate claims for credits.
- e) the contractor claims credits for learners enrolled as beneficiaries on programmes that are funded or subsidised from another source.
- f) the contractor fails to provide sufficient evidence of disciplinary actions taken against a learner who fails to present their interim reports or credentials for assessment when they have had sufficient structured work experience or structured mentorship to do so.

4 COMPLIANCE WITH REQUIREMENTS

4.1 GENERAL

4.1.1 The contractor shall submit to the employer's representative:

- a) within 30 days of the contract coming into effect or the issuing of an order, a contract compliance baseline training plan taking into account the skills mix and type of workers that are to be engaged;
- b) interim contract compliance training reports at intervals which do not exceed 3 months; and
- c) a final contract compliance training report within 15 days of reaching completion, end of the service, the delivery date for all work required or practical completion in the case of professional service, service, design and construct contracts, and engineering and construction works contracts, respectively.

4.1.2 The information contained in the final contract compliance training report shall include the contract skills development goal achieved (in Rands or in hours) in the performance of the contract and a breakdown of the goal achieved in respect of the following:

- a) the name and contact details of the SDA,
- b) the skills mix and skills types achieved on the contract; and

- c) the names, ID numbers and period of employment of each learner and candidate.
- 4.1.3 The contractor shall keep records of the hours worked and registration particulars towards a compliance with this standard. The contractor shall allow the employer's representative to inspect or audit such training records at any time.
- 4.1.4 The employer's representative shall undertake suitable random audits on records to confirm compliance with requirements.
- 4.1.5 The learners shall be directly employed by the contractor or SDA. The contractor shall enter into a contract agreement with the cidb SDAs, training provider or skills development facilitator of their choice participating in the implementation of this standard to:
- a) prepare training plans for registered learners, including details of the scope of experiential work to be covered and expected outcomes;
 - b) register learners with the appropriate Sector Education and Training Authority established in terms of the Skills Development Act of 2008 (Act 37 of 2008);
 - c) manage learner registration with appropriate trade testing authorities as well as preparation for the trade test;
 - d) liaise with the supervisor to monitor onsite training progress of learners;
 - e) liaise with the supervisor to arrange for summative assessments at appropriate stages of the training; and
 - f) liaise with the supervisor to prepare reports for the employer or employer's representative.

4.2 STRUCTURED WORKPLACE LEARNING OPPORTUNITIES FOR LEARNERS

- 4.2.1 Structured workplace learning opportunities shall be aligned to the curriculum requirements set for the particular part or full occupational qualification or professional designation for which the learner is registered.
- 4.2.2 A responsible supervisor will be appointed to allocate learning tasks, under the guidance of a competent person, to learners in line with their training plans.
- 4.2.3 Mentoring associated with structured workplace learning for artisan learners shall be undertaken by an artisan in the applicable trade with a minimum of 3 years of trade specific experience. The number of artisan learners mentored by a single mentor shall, unless otherwise permitted by the National Artisan Moderation Body, not exceed 4 at any one time.

- 4.2.4** Mentoring associated with structured workplace learning for learners leading to a part or full occupational qualification other than artisan learners shall be undertaken by a person qualified in the applicable discipline with a minimum of 3 years of post-qualification experience.
- 4.2.5** The contractor shall submit to the employer's representative, in respect of each learner:
- a) within one month of commencing work directly related to the contract or order, a workplace training plan together with name of the learner's mentor and supervisor;
 - b) within one month of commencing work directly related to the contract or order:
 - 1) proof of registration as a learner with the relevant SETA; and
 - 2) a copy of the mentorship agreement entered into with the learner or the company mentorship agreement entered into with the relevant qualified agency;
 - c) within two weeks of updating a workplace training plan, the revised workplace training plan;
 - d) a quarterly progress report and a final report at the end of the structured mentorship period including a log of exposure and interactions with the mentor in sufficient detail to demonstrate compliance with requirements, signed off by the mentor, the supervisor and the learner.
- 4.2.6** Learners shall be required by the mentor to complete training reports required by the relevant qualifying authority whenever a substantial activity or training period has been completed.
- 4.2.7** The mentor and supervisor shall sign off all reports and logbooks to allow the learner to move to other projects or employment and continue the path towards qualification.

4.3 STRUCTURED WORKPLACE LEARNING FOR CANDIDATES

- 4.3.1** Mentoring associated with structured workplace learning for candidates shall be in accordance with the prescripts of the relevant professional body or statutory council.
- 4.3.2** The contractor shall:
- a) appoint a supervisor who is actively engaged in work directly associated with the contract to issue tasks, oversee their implementation and provide input to the candidate on an on-going basis;

- b) identify a suitable mentor for the candidate. If the contractor does not have an inhouse mentor, the contractor shall enter into a mentoring agreement with the candidate and an external company as required by the professional body or statutory council; and
- c) issue each candidate with a portfolio of evidence file which is to be kept up to date with all the documentation issued or prepared including the workplace training plan and all revisions thereof as well as copies of the logbook entries and training experience reports.

4.3.3 The mentor shall from time to time provide an updated workplace training plan for a candidate outlining the activities in which the candidate will be involved, including activities required by the relevant professional body or statutory council. The mentor shall require candidates to maintain a logbook issued by the relevant professional body or statutory council. The mentor shall sign off such logbook at quarterly presentations and progress review meetings.

NOTE: The mentor should ensure where the duration of the contract or order exceeds the minimum time to register in a professional category of registration that candidates are exposed to the full range of activities and work towards assuming the full level of responsibility recommended by the relevant professional body or statutory council. This may require rotations and secondments.

4.3.4 The contractor shall submit to the employer's representative, in respect of each candidate:

- a) within one month of commencing work directly related to the contract or order:
 - 1) a workplace training plan together with name of the candidates' mentor and supervisor;
 - 2) proof of registration as a candidate with the relevant professional body or statutory council; and
- b) within one month of commencing work directly related to the contract or order a copy of the mentorship agreement entered into with the candidate or the company mentorship agreement entered into with a professional body or statutory council;
- c) within two weeks of updating a workplace training plan, the revised workplace training plan;
- d) quarterly progress reports and a final report at the end of the structured mentorship period including a log of exposure and interactions with the mentor in sufficient detail to demonstrate compliance with requirements, signed off by the mentor, the supervisor and the candidate.

4.3.5 Candidates shall be required by the mentor to complete training reports required by the relevant professional body or statutory council whenever a substantial activity or training period has been completed.

4.3.6 The mentor and supervisor shall sign off all reports and logbooks to allow the candidate to move to other projects or employment and continue on the path towards registration where the work related to the contract ends for whatever reason prior to the candidate gaining sufficient experience for registration.

5 RECORDS

5.1 The contractor shall submit all the documentation required in terms of clause 4 in a timely manner and according to a prescribed format where applicable.

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

5.3 The contractor shall, upon termination of the opportunities provided in order to satisfy the contract skills development goal, certify the quantum and nature of the opportunity and submit the certificate, counter-certified by the relevant individual, to the employer's representative for record-keeping purposes.

6 SANCTIONS

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

NOTE: The contract establishes the sanctions that apply. These are set out in a tender evaluation schedule, the scope of work or contract data. Sanctions where tender evaluation points are granted with respect to a tendered CSDG or where a minimum CSDG is specified are usually applied in the form of:

- a) financial penalties (low performance damages), typically formulated on the difference between the contracted CSDG and the CSDG achieved in the performance of the contract; and
- b) the issuing of completion certificates only after the certificates described in clause 5 are received.

ANNEX A: INCORPORATING THIS STANDARD IN A PROCUREMENT DOCUMENT

(Informative)

A1 GENERAL

A1.1 The following clause should be added to the scope of work of a contract or order to establish requirements:

Skills development requirements

The contractor shall achieve in the performance of the contract the contract skills development goal established in this *Standard for developing skills through infrastructure contracts (March 2020)*

NOTE: The term contractor may need to be changed to "consultant" or "professional service provider" or "supplier" depending upon the term that is used in the form of contract that is adopted. The term "performance of the contract" may need to be replaced with "execution of an order" where the scope of work forms part of an order.

A1.2 Where an employer requires that employees of the state be seconded to the contractor in order to be provided with structured workplace learning opportunities in accordance with the provisions of this standard, the following clause should be included in the scope of work:

A1.3 The specified number of employees of the state is The employer must provide a list of persons for selection by the contractor as prescribed in the implementation guidelines. Persons selected by the contractor shall be seconded to the contractor under the terms and conditions prescribed in the implementation guidelines.

A1.4 Where the contract is part of a Strategic Infrastructure Project (SIPs) the contractor will be required to report to the Presidential Infrastructure Coordinating Council through the respective SIP Skills Coordinators linked to the office of the SIP Coordinator, using the approved PICC reporting template.

A2 SANCTIONS

A2.1 Sanctions should be provided for in the contract in the event that the contractor fails to substantiate that any failure to achieve the contract participation goal was due to quantitative under runs, the elimination of items, or any other reason beyond the contractor's control which may be acceptable to the employer.

A2.2 Reference should be made to the cidb Practice Note to be published on methodologies and mechanisms to be adopted for sanctions on contractors who fail to comply with the provisions of the Standard.

ANNEX B: ROLE AND FUNCTION OF SKILLS DEVELOPMENT AGENCY

(Informative)

The Skills Development Agency (SDA) will provide career management and compliance reporting functions for all learners for CSDG compliance in terms of this Standard. Where the contractor provides direct employment to unemployed learners, or enrolls own employees for CSDG compliance, the contractor shall register them with the cidb SDA. The SDA can also act as an employment intermediary for unemployed learners.

The roles and functions of the Skills Development Agency (SDA) are summarised below.

B1 CAREER MANAGEMENT AND COMPLIANCE REPORTING

B1.1 The contractor shall enter into a contract agreement with the cidb SDA, training provider or skills development facilitator to manage their learners according to the provisions given below:

- a) preparing training plans for registered learners, including details of the scope of experiential work to be covered and expected outcomes;
- b) registering learners with the appropriate Sector Educational and Training Authority established in terms of the Skills Development Act of 2008 (Act 37 of 2008);
- c) conducting entry and exit level medicals for learners at the conclusion of each placement opportunity;
- d) providing personal protective equipment;
- e) liaising with the supervisor to monitor onsite training progress of learners;
- f) liaising with the supervisor to arrange for summative assessments at appropriate stages of the training; and
- g) liaising with the supervisor to prepare reports for the employer's representative and cidb at practical completion of the contract.

B1.2 The relevant training provider or skills development facilitator shall invoice the contractors for the provision of these services as per cost schedule in Table 3.

B1.3 The cidb SDA shall open a trust fund to ring-fence monies essential for all learner requirements where necessary provided for in this standard such as personal protective equipment, medical assessments, insurance, course fees, monitoring as well as top up training and assessment.

B2 EMPLOYMENT INTERMEDIARY

B2.1 The cidb SDA can act as an employment intermediary for unemployed learners and provide contractors with learners qualifying for participation in the CSDG, as well as managing their employment functions such as payment of stipends, workman's compensation, provision of personal protective equipment, trade specific tools, etc.

- B2.2** In such cases, the contractor shall contract directly with an SDA, training provider or skills development facilitator of their choice for the recruitment, placement and management of learners. The contractor shall pay the SDA, training provider or skills development facilitator in accordance with the notional costs provided for in this standard, or as amended by a Gazette.