

Coega awards nine contracts worth R30m to SMMEs in Eastern Cape

The Coega Development Corporation (CDC) has invested R30m in nine small, medium and micro enterprises (SMMEs) in the Eastern Cape to complete various construction projects in the Coega Special Economic Zone (SEZ).



SMMEs benefiting from Coega projects (L-R): Nandi Mpofu, Agnew Cabinets; Nolan Mathura, Ascon Civil Engineering; Laeeq Dolley, Rulasaga Plumbing; Shaheed Nordin, YKW Projects; Thembisa Doda, Mothiscore; Luleka Ncomanzi, Ingakuhle Trading Enterprise; Nonyameko Maya, Ibhayi Achuma Trading

“As an empowerment-driven organisation, the CDC is conscious of the important role that the small business sector plays in unlocking economic growth in Nelson Mandela Bay and South Africa. Our dedicated SMME Unit was specifically established to support SMMEs, in line with our vision to be a catalyst for championing socio-economic development,” says Dr Ayanda Vilakazi, head of marketing and communications at the Coega Development Corporation.

The contracts to SMMEs from the Nelson Mandela Bay metro were awarded over a time period of 12 months and include three projects, namely CCA Fencing, MM Engineering and Custom Control Area - building in zone one. The construction work on these projects includes brickwork, electrical, structural steel, civil works and landscaping, amongst others.

Fencing replacement

CCA Fencing sees the replacement of fencing in the Coega SEZ, which entails the removal of 11km of existing palisade fencing and its replacement with a more secure and durable system is due to be completed in August 2017. More than R2,000,000 of the project costs has been awarded to SMMEs Magma Civil Engineering Contractors, Construction Solutions and Ngingi Construction. The project comprises of 36% SMME participation.

Another project currently being implemented is the construction of South Africa's first factory to manufacture liquid petroleum gas cylinders for MM Engineering, with contracts worth R22,246,847 allocated to SMMEs. Work on the factory started in May 2017 and is due to be completed by February 2018. SMMEs contracted to the project to date include Ascon Civil Engineering and Y.K.W. Projects, and they represent a portion of the 39% SMME participation achieved.

"When it is running at full capacity, MM Engineering will be producing 3,200 metal gas cylinders a day. This is one of the first plants of its type in Africa. It will serve the local market, as well countries within the Southern African Development Community (SADC) and international markets," explains Vilakazi.

Building Custom Control Area administration block

The third project is the building of a CDC's Custom Control Area administration block in zone one (Logistics Cluster) in the Coega SEZ, where the contract value to SMMEs is R5,707,007. Work on the Customs Control Area building started in February 2017, and is due to be completed by October 2017. SMMEs that are involved in the construction include YKW Projects, Mamumde Trading Enterprise, Agnew Cabinets, Mothiscore, Ingakuhle Trading Enterprise, Mpuma Koloni Cooling and Electrical, Rulasqa Plumbing and Ibhayi Achuma Trading.

Vilakazi notes that in the last financial year 2016/17, the CDC's SMME procurement spend was around 38% of the value of contracts managed by the company. This amounted to R776m. All three projects have created over 171 jobs, with local residents as beneficiaries.

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