



CESA

Consulting Engineers South Africa

The Voice of Consulting Engineering

Presidential Visit 2012

“Where does the power really sit with the procurement of Professional Services”

Naren Bhojaram

19 April 2012



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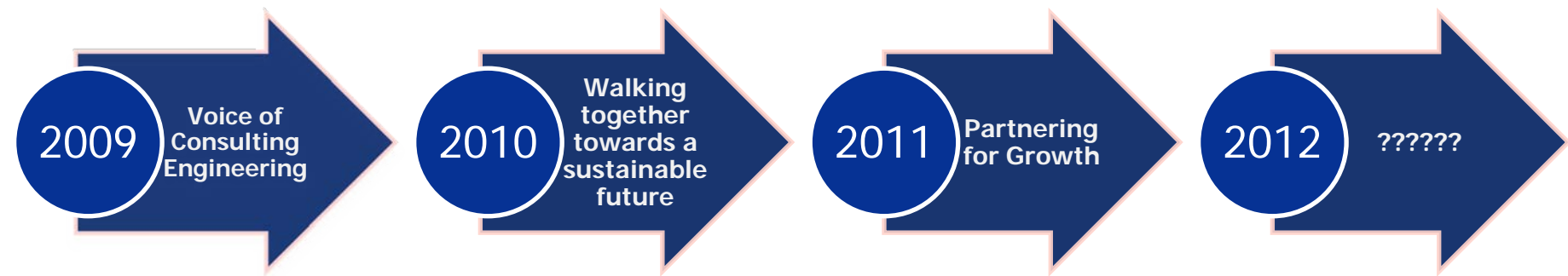
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Presentation Outline

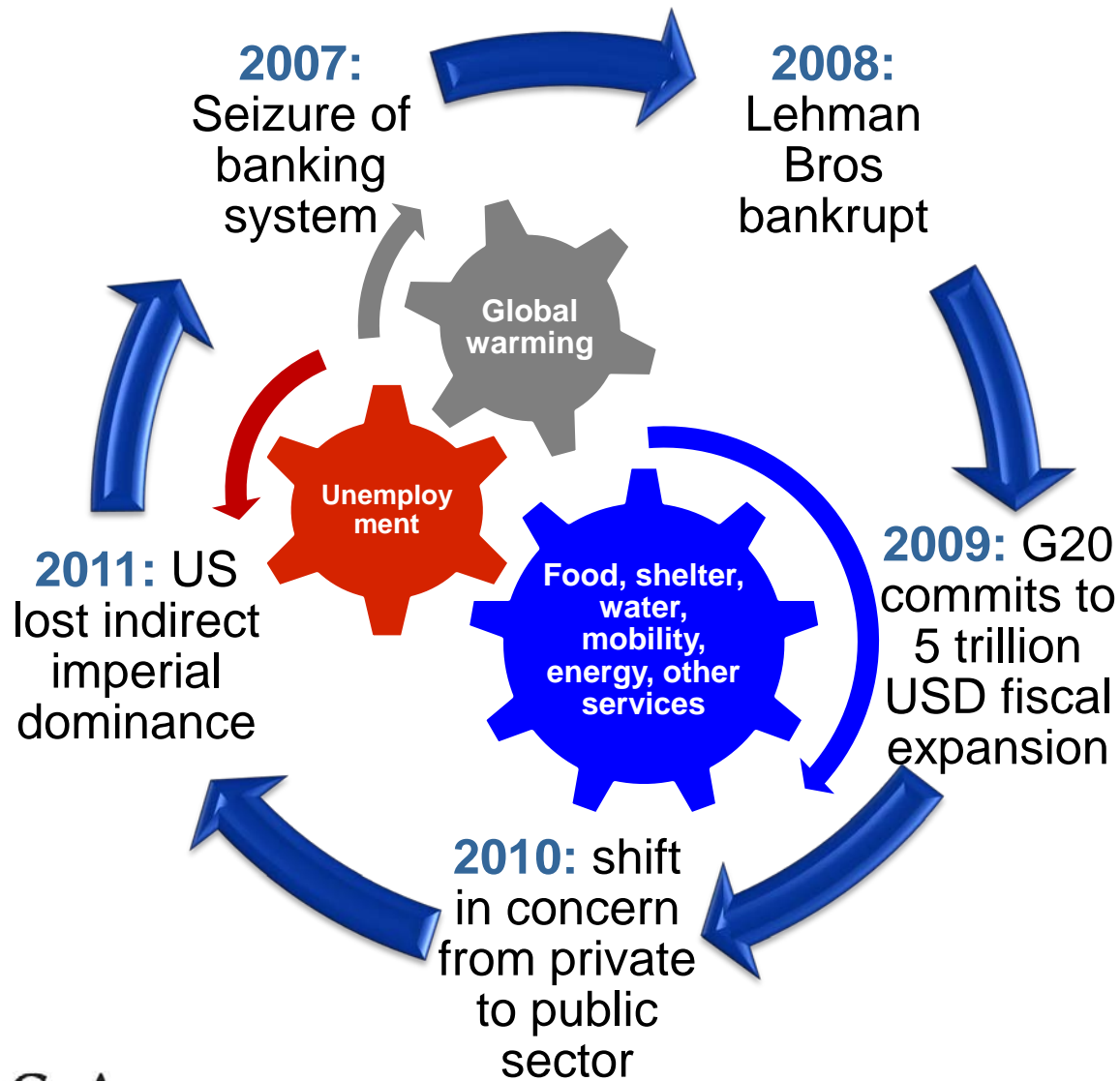
- 1. Call back the past**
- 2. Global issues impacting our industry**
- 3. Key issues in Sub-Saharan Africa**
- 4. State of the Consulting Engineering Sector**
- 5. Procurement of Professional Services**
- 6. Is Government on the right track?**
- 7. Delivery models to enhance job creation**
- 8. The one thing we all can do to grow our economy**
- 9. Summary**

1. Call back the Past

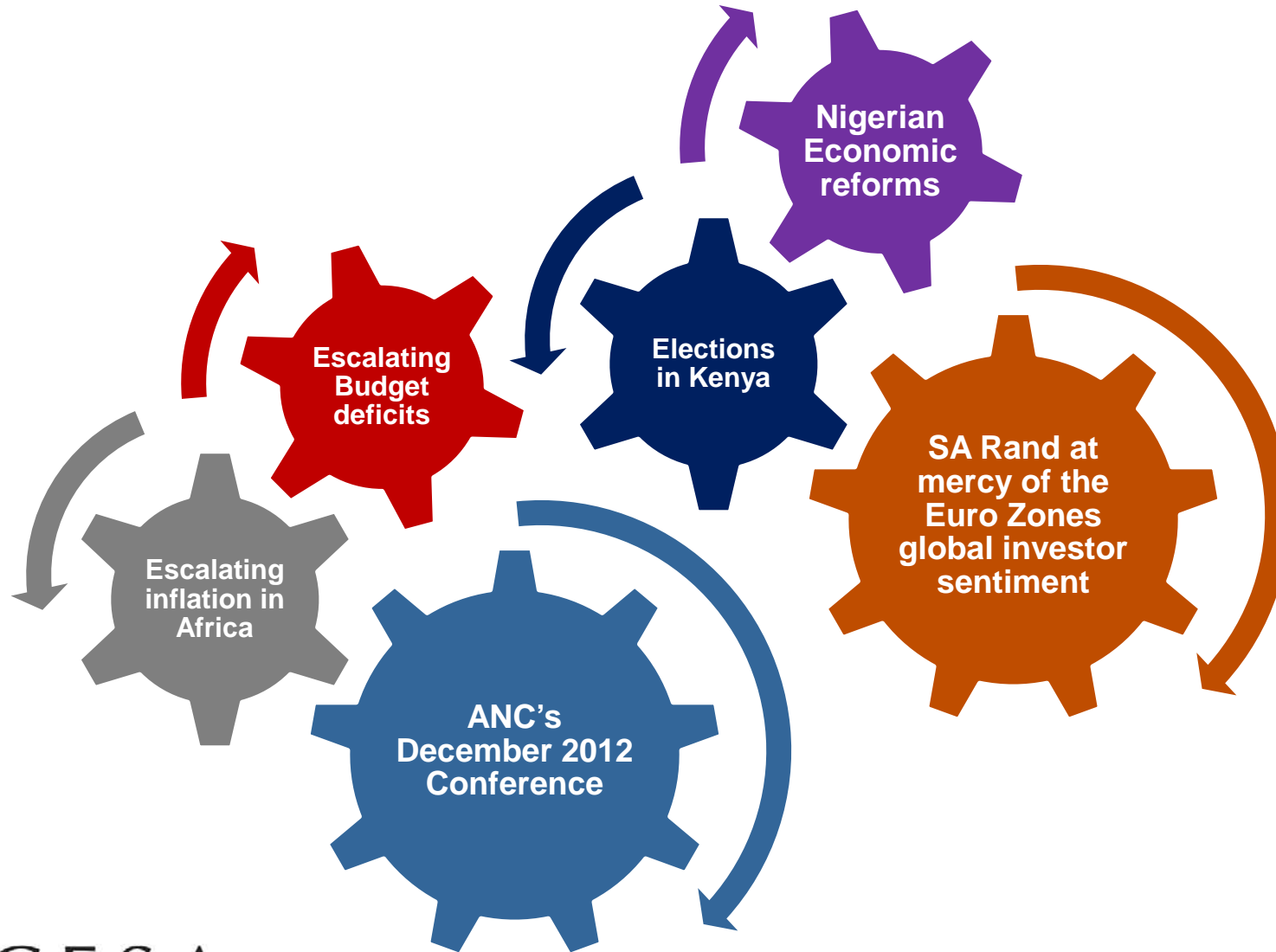
1. Call back the Past



2. Global Issues Impacting our Industry



3. Key issues in Sub-Saharan Africa

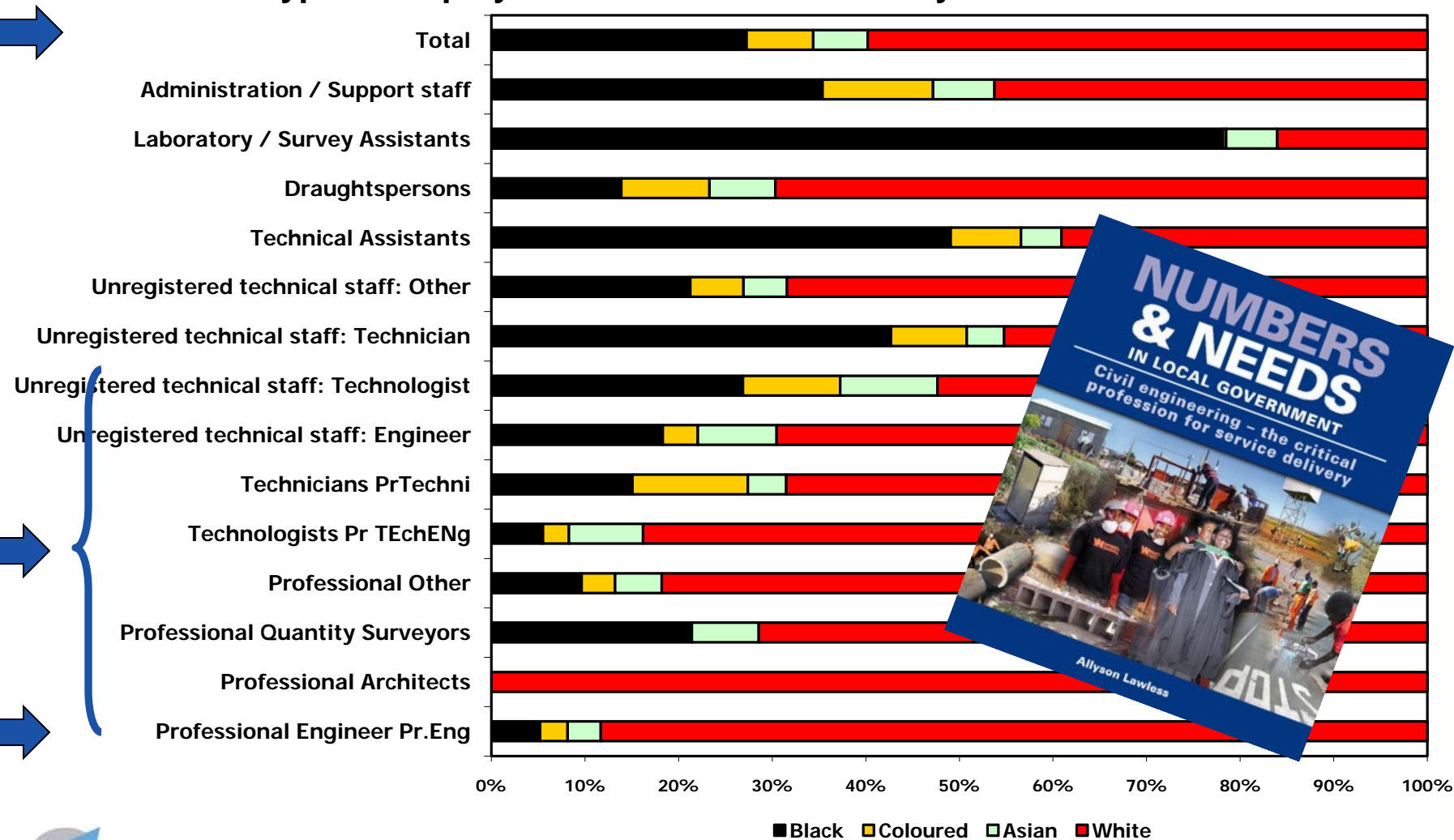


4. State of Consulting Engineering sector Page 1 of 4

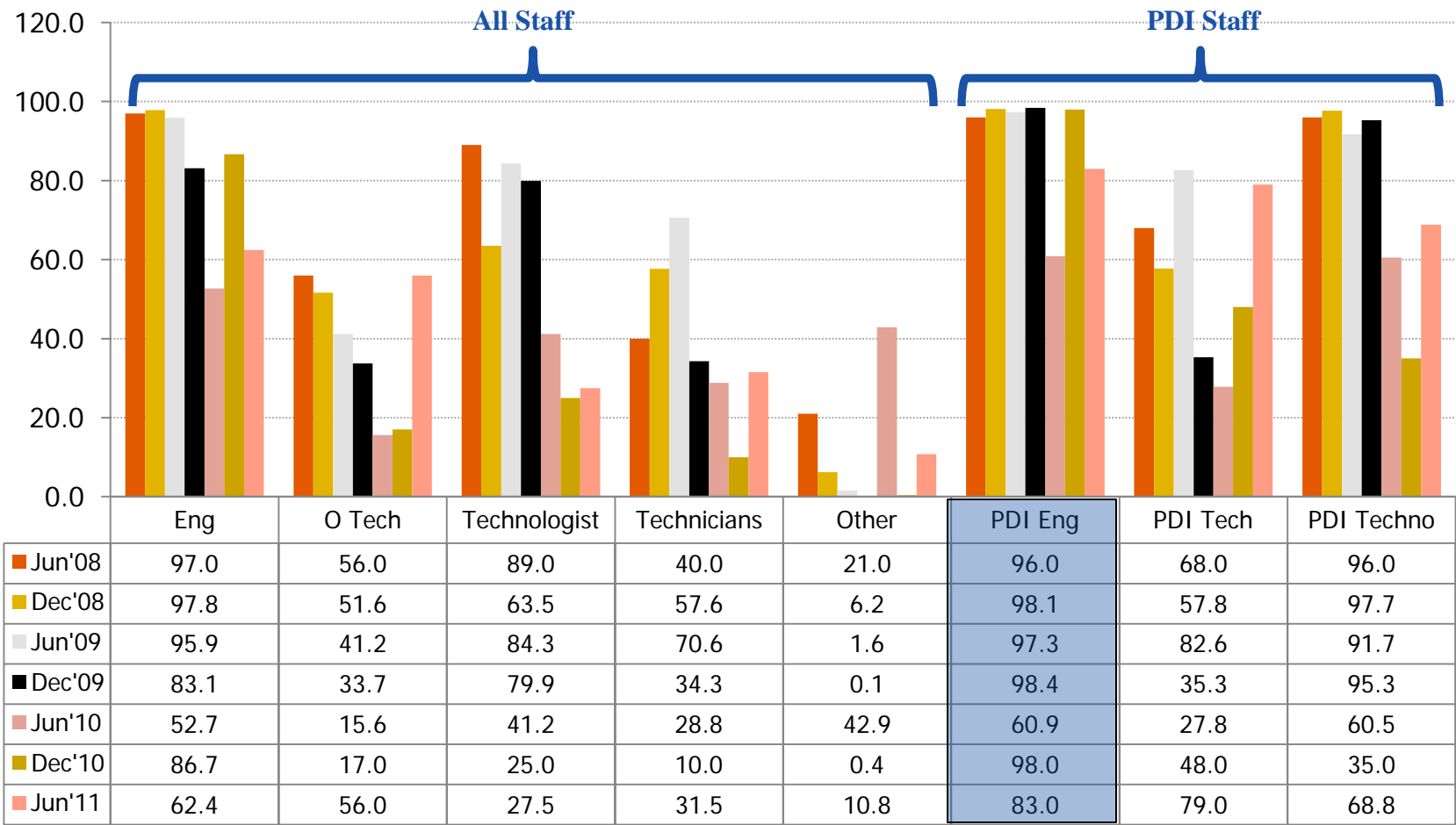
- CESA Engineers are **competent & in demand**
- Our Engineers are **not in the right place**
- Our profession has become **unattractive** as it has been reduced to a **commodity**
- What is a professional?
 - it's a **service** (implies experience, references etc)
 - Tertiary learning PLUS **Code of Conduct**
 - **Quality, experience, competence** varies
- Procurement of our services **MUST** include **objective** and **subjective** criteria in a **single evaluation process**

4. State of Consulting Engineering sector Page 2 of 4

Typical Employment Breakdown : January – June 2011

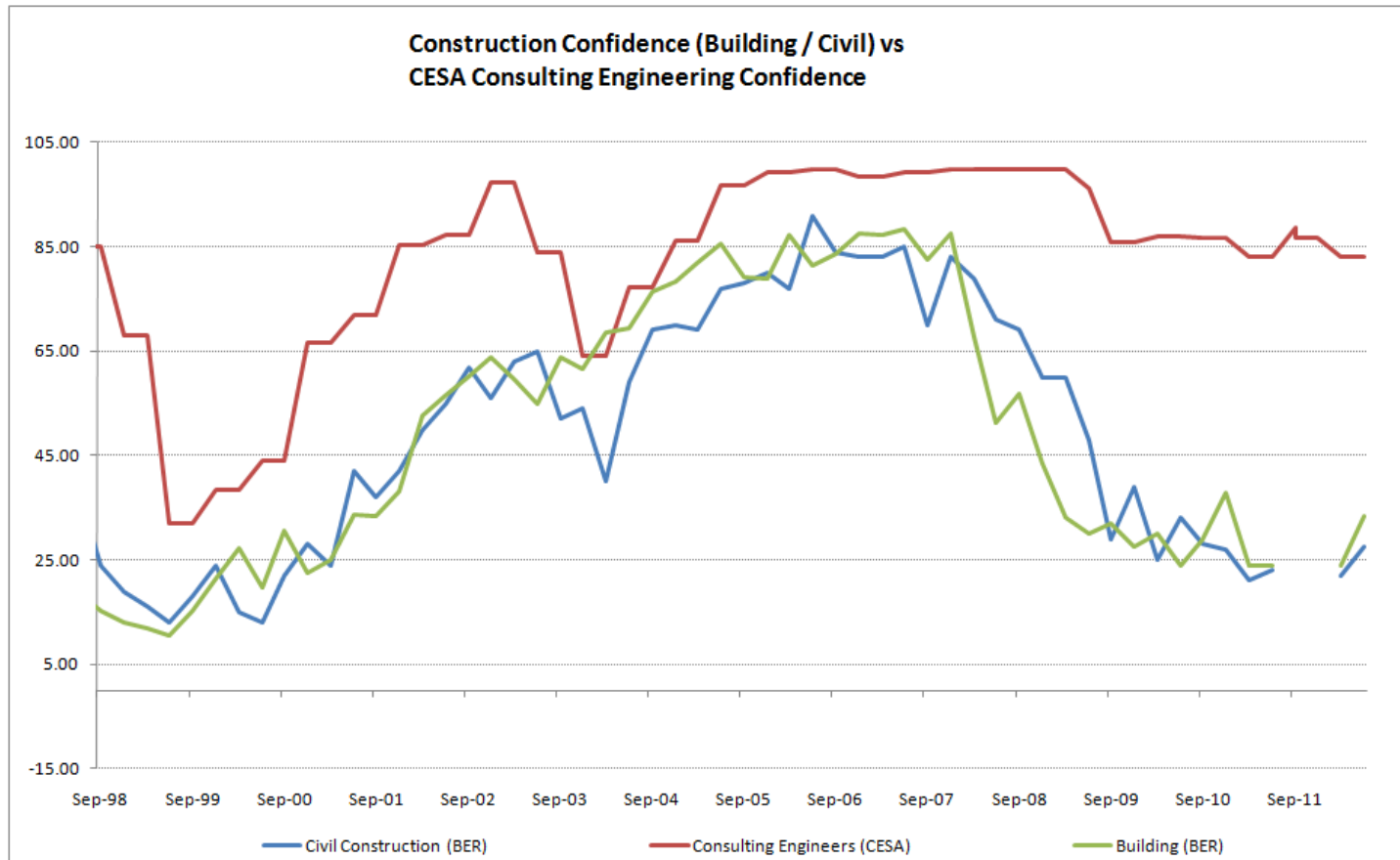


Recruitment problems



Source: CESA BECS

Industry Confidence



Source: CESA BECS, BER

5. Procurement of Professional Services

- **Preferential Procurement regulations are good**
 - **wide application is required**
- **Experience is necessary to assess quality (also structure)**
- **Inexperience leads to “centre of power” for procurement to wander**
- **Government Departments are not conducive to attracting experienced engineers**

6. Is Government on the right track?

- **New Growth Path (2010)**
- **2011 Accord on local preference signed (Gov, Labour, Civil Society & Business)**
- **Need to approve Consulting Engineers as a designated sector**
- **Work of the National Planning Commission bodes well for our industry**



7. Delivery models to enhance job creation

- Job Creation requires innovation in unlocking projects
- Win-win mentality is required (trust)
- Entrepreneurial delivery mechanisms:
 - Framework Contracts
 - PPP's
 - Unsolicited bids (PPP's)
 - Partnering
 - (continue traditional models)
- Share in risks (no risk... no reward!)



8. The one thing we can all do to grow our economy

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Face the brutal facts!



Corruption Perception Index 2011

Rank	Country	Score	Rank	Country	Score
1	New Zealand	9.5	75	China	3.6
2	Denmark	9.4	95	India	3.1
7	Netherlands	8.9	100	Indonesia	3.0
10	Canada	8.7	112	Senegal	2.9
16	United Kingdom	7.8	120	Bangladesh	2.7
24	USA	7.1	120	Mozambique	2.7
32	Portugal	6.1	154	Kenya	2.2
32	Botswana	6.1	154	Nepal	2.2
41	Poland	5.5	154	Zimbabwe	2.2
57	Namibia	4.4	168	Angola	2.0
64	South Africa	4.1	182	Somalia	1.0
69	Ghana	3.9	182	North Korea	1.0

8. The one thing we can all do to grow our economy

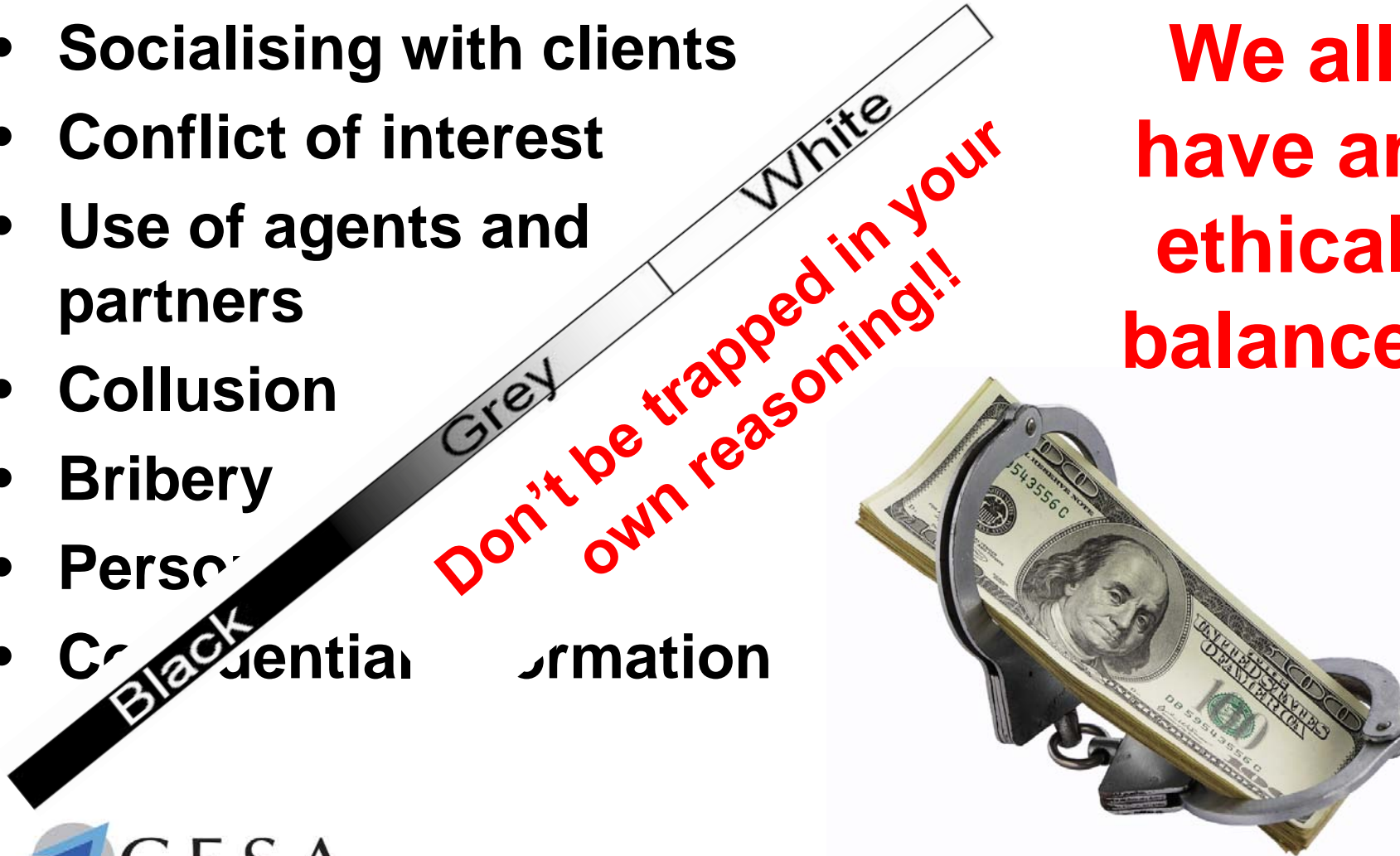
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Address Business Integrity

- Socialising with clients
- Conflict of interest
- Use of agents and partners
- Collusion
- Bribery
- Personal information
- Confidential information

Don't be trapped in your own reasoning!!

We all have an ethical balance!



8. The one thing we can all do to grow our economy

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Embrace CESA BIMS

- Based on **FIDIC** Guidelines
- Guideline is part of **CESA Code of Conduct**
- Failure to comply results in **disciplinary action**
- Focus is on **internal** and **external** integrity issues
- High level **Do's and Don'ts** provided
- **Reporting** all cases to CESA
- Support and encourage use of CESA **Whistleblower Schemes**
- Conscientious **Objection**



8. The one thing we can all do to grow our economy

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Listen to the voices on the street

- Perceptions of the man on the street (TNS Survey 2011)
- Corruption, poverty, unemployment in top tier
- Social, well being issues & service delivery in second tier
- CESA members can make a difference to the top tier issues



8. The one thing we can all do to grow our economy

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Look at yourself in the mirror !

- Examine your own ethical balance!
- Align it to your BIMS policy &
SAY NO TO CORRUPTION!



CESA Engineers, Unquestionably Ethical!

9. Summary

- 1. Economic environment is unstable**
- 2. CESA Engineers are ready to deliver**
- 3. Value add of engineers to be recognized**
- 4. Procurement of our services need review**
- 5. Entrepreneurship in project delivery**
- 6. We (you!!) need to fight corruption**

THANK YOU

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