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DEPARTMENT OF PUBLIC WORKS
NOTICE 357 OF 2019

**TENDER VALUE RANGE ADJUSTMENTS IN TERMS OF THE CONSTRUCTION
INDUSTRY DEVELOPMENT REGULATIONS, 2004 (AS AMENDED)**

I, Thembelani Waltermade Nxesi MP, Minister of Public Works, acting under regulation 17(A) of the Construction Industry Development Regulations, 2004, as amended, and after consultation with the Construction Industry Development Board hereby determine and adjust the range of tender values for purposes of determining the values of contracts that contractors are considered capable of undertaking and a method for the calculation of the range of tender values as proposed in the Schedule below.

Given under my hand at Pretoria on the 23rd day of May 2019.


MR TW NXESI, MP
MINISTER OF PUBLIC WORKS

SCHEDULE

1. Tender Value Range Adjustments

The tender value range adjustments set out in Table 8 of Regulation 17 is hereby amended and adjusted as set out in Table 1 below:

Table 1: Tender Value Range Adjustments (TVR)

Grade	Current (TVR)	Proposed Adjustment (TVR)
1	200 000	500 000
2	650 000	1 000 000
3	2 000 000	3 000 000
4	4 000 000	6 000 000
5	6 500 000	10 000 000
6	13 000 000	20 000 000
7	40 000 000	60 000 000
8	130 000 000	200 000 000
9	No Limit	N/A

2. Method of Calculation

The range of tender values is adjusted using Producer Price Index Final Manufactured Goods.

The different index options (Consumer Price Index, Producer Price Index Final Manufactured Goods, Producer Price Index Building & Construction and Construction and Contract Price Adjustment Provision) were considered and were tested for appropriateness, volatility and reliability.

3. Implementation date

These tender value range adjustments takes effect three months after the date of publication in the gazette of the notice by the Minister.