

**NATIONAL ASSEMBLY
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER: 1336 [NW1704E]**

1336. Mr C Brink (DA) to ask the Minister of Finance;

In respect of draft contracts published for comment by municipalities in terms of section 33 of the Municipal Finance Management Act, No 56 of 2003, in the 2018-19 municipal financial year, (a) on which draft contracts identified by the relevant municipality and/or the parties to the contract did the National Treasury give adverse comments and/or ask clarity-seeking questions, (b) what was the essential reason for the adverse comments and/or the clarity-seeking question in each case and (c) which of the specified draft contracts were subsequently concluded by the relevant municipal councils unamended and/or without answers to clarity-seeking questions by the National Treasury?

NW1704E

REPLY:

- a) Section 33 of the MFMA requires a municipality to amongst others, solicit the views and recommendations of the National Treasury and the relevant provincial treasury. Treasuries generally review matters of compliance with the MFMA, processes followed, contents of draft contracts, supply chain management, alignment of resources and future obligations, as well as processes of consultation with the public and transparency principles. Draft contracts are reviewed to advise municipalities that contract management are aligned to the provisions in terms of section 116 of the MFMA. No adverse comments were raised on any of the draft contracts received during the 2018/19 financial year.
- b) There were no adverse comments on the draft contracts. Comments were more for the municipal officials and council's consideration prior to approval.
- c) We do not maintain records of contracts entered into after the conclusion of the comment process. No further processes were followed, since the MFMA requires such contracts to be made public on municipal websites to maintain the accountability and transparency principles.