

**NATIONAL ASSEMBLY
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER: 3114 [NW3671E]
DATE OF PUBLICATION: 15 NOVEMBER 2013**

Mr. P van Dalen (DA) to ask the Minister of Finance:

- (1) (a) How often is the blacklist of restricted suppliers updated, (b) what criteria is used to decide whether to list a company or person on the national Treasury's blacklist and (c) what steps need to be taken in order to have a supplier blacklisted;
- (2) Will the National Treasury provide a copy of its latest blacklist of restricted suppliers to Mr. P van Dalen? NW3671E

REPLY:

- (1) a) National Treasury maintains the database of restricted suppliers. The restriction of the suppliers is made by the Accounting Officer of an institution. There are three instances wherein the list is updated.
 - i. The list of restricted suppliers is updated as and when an institution requests National Treasury to load the restricted supplier as determined by the Accounting Officer of an institution.
 - ii. The second instance when the list is updated is when there is a request to remove the name from the database before the period of the restriction ends. Section 2.4 of Practice note 5 of 2006 prescribes that the Accounting Officer/Authority is empowered, based on sound reasons, to amend/uplift any restriction imposed by him /her and informs National Treasury accordingly.
 - iii. The last instance when the list is updated is when the period of the restriction ends. National Treasury has a process of monitoring the database in terms of the end period of the restriction. The names are removed on the last day of the restriction.

b). In terms of Practice Note 5 of 2006 called "Restriction of Suppliers", the decision to restrict a supplier is vested with an Accounting Officer of an institution. The company is restricted from doing business with the public sector if:

- i. The company or person obtained preferences fraudulently;
- ii. Failed to perform on a contract; and
- iii. Has been convicted by a court of law for having engaged in corrupt activities relating to contracts.

(c) Section 2.2 of the practice note also prescribes that should the Accounting Officer / Authority opt to restrict a supplier or any other person(s) from obtaining business with the public sector, the Accounting Officer / Authority must:

- i. Inform the supplier or person(s) by registered mail or by delivery of the notice by hand, of the intention to impose the restriction, and provide reasons for such decision and the envisaged period of restriction.
- ii. Accounting Officer / Authority must allow the contractor and/ or person(s) fourteen (14) calendar days to provide reasons why the envisaged restriction should not be imposed;
- iii. Consider any reasons submitted by the contractor and / or person(s) in terms of paragraph (ii)
- iv. Impose the restriction or amended restriction; and
- v. Inform the National Treasury within five working days of such imposition of the name of the restricted person(s); the reason for the restriction; the period of restriction and the date of commencement of the restriction.

(2) The database of restricted suppliers is accessible on the National Treasury's website link:

<http://ntintranet/publications/other/Database%20of%20Restricted%20Suppliers.pdf>.