

NATIONAL ASSEMBLY
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER: 1154 [NW1392E]
DATE OF PUBLICATION: 29 AUGUST 2014

1154. Dr M J Cardo (DA) to ask the Minister of Finance:

With regard to the oversight of procurement processes and pricing as referred to in the Medium-Term Strategic Framework 2014-2019, (a) what is the nature of the centre-led process that will be established to adjudicate on major tenders, (b) which stakeholders will be represented in this process and (c) what measures are envisaged to improve the capacity of the State to reduce areas of over-reliance on outsourcing?

NW1392E

REPLY

- (a) The Office of the Chief Procurement Officer (O-CPO) will aggregate goods and services common across spheres of government and goods that are common and unique to a specific sector and arrange contracts thereof leveraging on greater purchasing power centrally at National Treasury.

The CPO has established transversal contracting and strategic sourcing chief directorates to arrange contracts for common goods and strategic goods of critical importance to the economy. In addition, the O-CPO has established a governance monitoring and compliance chief directorate to monitor and oversee the bidding processes for major tenders that are not necessarily common across government but are strategic, such as those arranged by public entities and other government departments e.g. Eskom, PRASA, SASSA, amongst others, to ensure that due process is followed.

- (b) Cross-functional teams consisting of Accounting Officers of various government institutions or their delegates and the O-CPO will constitute bidding committees to adjudicate on these tenders. Where necessary, advisors external to the public service will be appointed to the bidding committees on an advisory capacity.
- (c) A Capacity Development Strategy for Public Finance Management was developed and is currently being implemented in all spheres of government. The strategy seeks to address individual and organisational capacity constraints, amongst others. Support initiatives include generic functional structures; advisory and operations support services, individual development assessment, and education, training and development solutions.

Accounting Officers / Authorities are responsible for ensuring that their institutions have appropriate structures and appoint people with requisite skills. In addition, the cost containment measures announced early this year call upon Accounting Officers/Authorities to first conduct a skills gap analysis in their institutions prior to resorting to outsourcing services.