

NATIONAL ASSEMBLY
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER: 146 [NW146E]
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146. Mr K J Mileham (DA) to ask the Minister of Finance:

- (1) Whether any progress has been made on the review of the Municipal Supply Chain Regulations, in particular section 32 of the specified regulations; if not, why not; if so, what are the relevant details;
- (2) what detailed steps are being taken to ensure that municipalities comply with the specified regulations;
- (3) what is being done to prevent the misuse of section 32 of the specified regulations?

NW146E

REPLY:

- (1) The National Treasury is currently reviewing the entire Supply Chain Management (SCM) legislative framework with a view of developing a single procurement law that seeks to, among others, improve efficiency in the procurement environment and eliminate corruption.
- (2) The National Treasury will be developing guidelines to assist municipalities on the appropriate application of regulation 32 of the Municipal Supply Chain Management Regulation by July 2016. These guidelines will assist municipalities to follow due process and thereby prevent any potential misuse of this provision in the Municipal SCM legislative framework. In the interim, municipalities should submit any enquiry to the MFMA helpdesk facility, MFMA@treasury.gov.za.
- (3) Additional to the the comment above, the MFMA provides for all processes and procedures that are undertaken at a municipality. Therefore reliance is placed on the system of delegation and other regulatory audit processes to assist in preventing the misuse of regulation 32.

Further efforts will be made to speed up the process of reviews of Section 32 and to stop the abuse that is prevalent in this regard.