

**NATIONAL ASSEMBLY**  
**QUESTION FOR ORAL REPLY**  
**QUESTION NUMBER: 155 [NO2156E]**  
**DEADLINE: 3 September 2021**

★155. **Mr A M Shaik Emam (NFP) to ask the Minister of Finance:**

In view of the challenges that we face in the Republic as a result of not receiving value for money, as an estimated R300 billion a year is lost to corruption, what measures does he intend to put in place as a matter of urgency to ensure that all spheres of government in the Republic will receive value for money, pay market-related prices and close all gaps in terms of corruption?

NO2156E

**REPLY:**

As part of our commitment to ensuring value for money, we are:

- intervening decisively to improve our procurement systems.
- Strengthening the capacity of supply chain personnel; and
- Working together with law enforcement agencies to bring to book all those involved in acts of corruption.

The National Treasury has already initiated various interventions that are at varying stages of progress:

1. A **single statute**. Our goal is to ensure that the Public Procurement Bill, coheres and provides for reform of the public procurement legal landscape and system to incorporate and provide for the repeal of all other statutes that deal with public procurement.
2. The **Public Procurement Regulator** (as published in the Draft Public Procurement Bill) that will have jurisdiction over the whole public procurement system, including all organs of state currently under the Public Finance Management Act and the Municipal Finance Management Act.
4. **Data and transparency**. The National Treasury, in its Office of the Chief Procurement Officer (OCPO) has initiated data consolidation projects that will consolidate data from BAS, Central Supplier Database (CSD) and LOGIS for National and Provincial departments. Another outcome of this project is to consolidate data from institutions (e.g. SOCs, Local government, etc) that are using various payment systems. The CSD, E-tender portal and the Covid-19 expenditure dashboard are examples of platforms that will improve transparency.
5. **Enhanced compliance and enforcement mechanisms**. South Africa has no central administrative body tasked with enforcement of public procurement rules. Currently enforcement is done through various law enforcement agencies and a combination of legal mechanisms scattered throughout the

administration and remedies enforced in the normal courts. The Public Procurement Bill must, therefore, make provision for enhanced compliance measures, a dispute resolution and enforcement mechanisms. Close working relationships with the SIU, Hawks, NPA, Police and Public Protector are already in place to investigate the various allegations of corrupt transactions.

6. **Closing the gaps on corruption.** South Africa has a robust anti-corruption framework and sufficient laws to address corruption; however, laws are **inadequately enforced** and accountability and consequence management is low.