**Media Statement**

The Standing Committee on Public Accounts (SCOPA) today received the Special Investigating Unit’s (SIU’s) sixth progress report on Covid-19 expenditure statistics. The committee heard that the SIU is investigating 5 054 contracts worth R14.8 billion, which were awarded for personal protective equipment (PPE) for Covid-19 related services. The contracts were awarded to 2 686 service providers.

The head of the SIU, Advocate Andy Mothibi told the committee that the majority of cases involve contracts awarded by provincial government. “The investigations actually reflect that most of those irregular contracts are in the provincial state institutions, followed by national and, lastly, by local government,” he said.

Adv Mothibi emphasised the importance of the SIU’s role in making recommendations for improvements and ensuring that state institutions follow these recommendations. He also informed SCOPA that the SIU will engage with the National Treasury and present its observations and recommendations. “This is so that all of these should be mitigated going forward, so that we do not have the experiences of these wide-scale irregularities and corruption, which we observed during this PPE procurement,” he said.

Members of the committee welcomed the report and praised the SIU’s work on the investigation. However, SCOPA committee member Mr Bheki Hadebe raised a concern mentioned in the report about the long time it takes to conclude administrative processes arising from referrals for blacklisting. “You have instances of referrals that were referred November 2020 and we are now in December 2021, a year and a month from that time. All what you get is that ‘SAHPRA [South African Health Products Regulatory Authority] has confirmed receipt of referral and they are under consideration’,” Mr Hadebe said. The committee should be made aware of any major stumbling block causing these delays. “It can’t take less time to investigate and take more time to consider whether or not to blacklist,” he said.

Members of the committee also raised concerns with the National Prosecuting Authority’s slow pace in dealing with these cases. Another committee member, Ms Sisisi Tolashe, said it would be good to get the NPA to brief the committee on progress with these cases referred by the SIU, “… so we can also hear from them what their frustrations are so that the committee can be of assistance where possible”, Ms Tolashe said.

The Chairperson of SCOPA, Mr Mkhuleko Hlengwa, raised a point relating to blacklisting an individual in relation to one of their companies, instead of also blacklisting the other five the person may also own. This allows them to continue operating within the system. “The vulnerabilities of the system continue to be exploited, because we are not dealing with individuals, which is something we need to consider,” he said. There is a need to blacklist people who are party to companies under investigation.

**Faith Ndenze**

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