**MEDIA STATEMENT**

**SELECT COMMITTEE ON APPROPRIATIONS CALLS FOR LOCALLY PRODUCED VACCINES**

**Parliament, Friday, 24 June 2022 –** The Select Committee on Appropriations adopted its report on the Second Adjustments Bill to provide for an amount of R500 million for the Department of Health to cover the amount needed to procure Covid-19 vaccines. The Bill also seeks to appropriate an amount of R18.1 billion to be added to National Treasury’s budget to purchase equity from the South African Special Risks Insurance Association (SASRIA).

The adjustment of R500 million for the Department of Health is to clear the shortfall of R1.44 billion between the 2021 budget allocation of R6.6 billion for the vaccination programme and the actual expenditure of R7.4 billion for contracts entered into by the Department of Health to procure vaccines.

The Chairperson of the committee, Ms Dikeledi Mahlangu, said: “The Department of Health, together with National Treasury through the Office of the Chief Procurement Officer, should ensure that the allocation of R500 million is spent for its intended purpose.”

Ms Mahlangu added that the committee supports local production, including pharmaceutical products, that can bolster South Africa’s economic recovery plan and investment opportunities. “The Department of Health should ensure that the local production of vaccines is expanded to other pharmaceuticals so that South Africa can become a supplier to the rest of Africa, rather than continuing to import from overseas,” she said.

The committee welcomed the R18.1 billion earmarked for SASRIA to benefit businesses affected by the 2021 July unrest in KwaZulu-Natal and Gauteng. During the committee’s public hearings, the Congress of South African Trade Unions (COSATU) raised concerns about SASRIA’s exclusion of rural and township business. The committee agreed with COSATU that businesses in rural areas and townships do not benefit as much from SASRIA as they could, as they are unaware that insurance is available to them.

The committee recommended that mass mobilisation programmes be developed and implemented to educated township businesses, informal traders and rural businesses so they benefit from the insurance.

The committee further recommended that National Treasury should ensure that proper assessment is conducted to ensure that SASRIA remains financially viable, given the large number of claims arising from the July 2021 unrest. The report will be tabled in the National Council of Provinces for consideration.

**ISSUED BY THE PARLIAMENTARY COMMUNICATION SERVICES ON BEHALF OF THE CHAIRPERSON OF THE SELECT COMMITTEE ON APPROPRIATIONS, MS DIKELEDI MAHLANGU.**

For media enquiries or interviews with the Chairperson, please contact the committee’s Media Officer:

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