# NATIONAL ASSEMBLY

**FOR WRITTEN REPLY**

**QUESTION NO. 2355**

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**(INTERNAL QUESTION PAPER NO. 22)**

**Dr H C Volmink (DA) to ask the Minister of Health:**

(1) For each provincial department of health, (a) who signs off on the (i) tenders and (ii) payments for medication and (b)(i) which pharmaceutical companies are used and (ii) why;

(2) with regard to the current medicine shortages, what (a) are the details of each case where the shortages are due to procurement issues and (b) went wrong in each case;

(3) whether any of the medicine shortages were due or in part due to acquiring medicines that were not affordable; if so, what are the relevant details;

(4) how does his department ensure that the acquisition of medicines is financially viable?

###### NW2716E

**REPLY:**

(1) (a) (i) The following provinces do not have provincial contracts:

* Free State, Mpumalanga, Limpopo, Northern Cape and North West.

Officials in provinces who sign off on provincial tenders are:

* Eastern Cape: Depot Manager and Director: Supply Chain Management.
* KwaZulu-Natal: Head of Department.
* Gauteng: Chairperson of the Provincial Bid Adjudication Committee.
* Western Cape: Officials according to financial delegations.

(ii) Provincial officials who sign off on the payments for medication are:

* Eastern Cape: Director: Finance at the depot.
* Free State: CEO, Depot Manager, Head of Pharmaceutical Services and Finance Manager, according to financial delegations.
* Gauteng: Director: Finance at the medical supplies depot.
* KwaZulu-Natal: Assistant Manager: Pharmaceutical supply depot.
* Limpopo: Senior Manager: Pharmaceutical Services and Financial Manager.
* Mpumalanga: Chief Financial Officer.
* Northern Cape: Director: Financial Services, Depot Manager, Deputy Director: Finance, Administrative Officers and Clerks according to financial delegations.
* North West: Head of Department, Chief Financial Officer and Director: Supply Chain Management.
* Western Cape: Assistant Director as Head of Finance Division at the depot.

(b) (i) The list of pharmaceutical companies is attached as **Annexure A**.

(ii) The companies are contracted using a competitive bidding process. Provinces purchase medicines from these contracted suppliers unless there is a breach of contract.

(2) (a) & (b) Medicine shortage is never a permanent problem. It changes almost everyday. Please supply the list of medicines which you believe we are short of and we will provide you with a reason.

(3) No. Medicines procured on tender are either approved essential medicines or formulary items reviewed by Provincial Pharmaceutical and Therapeutics Committees. The approval of an essential medicine includes a systematic evaluation of affordability which involves application of various pharmaco-economic tools.

(4) In the tendering process a competitive bidding process is used. Prior to advertisement of tender, provinces submit estimates and sign off on the estimated expenditure. In addition, price negotiations are entered into before a tender is finalised.

END.