

**MINISTRY OF DEFENCE & MILITARY VETERANS**

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**280. Mr S J F Marais (DA) to ask the Minister of Defence and Military Veterans:**

(1) What are the (a) reasons for and (b) relevant details of the Armscor expenses on fines and penalties of R690 000 during the 2019-20 financial year;

(2) whether any investigations were done into this matter; if not, why not; if so, was anyone held accountable for the specified expenses? NW283E

**REPLY;**

Armscor disclosed an amount of R585 000 relating to penalties in the 2019/20 Annual Report. Of this amount R 190 000 was relating to the 2019/20 financial period and R395 000 to the 2018/19 financial period.

These penalties were levied on Armscor’s facilities (Protechnik, Flamengro and Ergotech) in the execution of work for the Department of Defence where services/products were delivered late and were therefore penalised. Late deliveries occured due to a lack of of capacity due to resignations as well as technical dificulties experienced.

The services rendered were in relation to :

* Non enginerring work on the upgrade of the SANDF’s mobile defence laboratory technology demonstrator ;
* Increasing the range of current artillery systems in the SANDF ;
* Development and testing of sample body armour sizes for SANDF males and females.

The reasons for all penalties levied were investigated and the appropriate corrective actions taken in terms of Armscor’s disciplinary processes.