

**MINISTRY OF DEFENCE & MILITARY VETERANS**

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

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

(1) Whether R 800 million was moved from the SA National Defence Force’s (SANDF) budget to pay Deloitte to do an audit of SANDF’s battle preparedness; if not, what is the position in this regard; if so, (a) what were the (i) motivation and (ii) objectives of the specified audit, (b) why does the SANDF not have the capacity to perform the specified audit itself, (c) why was Deloitte contracted to perform the specified audit, (d) when did (i) she and (ii) her department approve the specified audit and (e) what procurement processes were followed before appointing the specified company;

(2) whether there are any higher priorities for spending the funds instead of the specified audit, especially in the face of constant complaints that not enough funding is provided to among other things South Africa’s contribution to peacekeeping forces in Africa; if not, why not; if so, what are the relevant details for prioritising the specified audit? NW408E

**REPLY:**

**Question 1.**

a.(i) According to the Department of Defence's records, the Department has not concluded any audit contract with Deloitte to the value of R800 million. However, Deloitte was contracted to perform a Through Life Capability Management (TLCM) study over four years at a cost of R230 million. This requirement is a resultant of phase 1 of the TLCM Project conducted during 2013/14 in the Chief of Logistics environment. The results of TLCM phase 1 reflected that the DOD is not on par

with international standards in terms of TLCM best practice. The DOD/Armscor Acquisition, Technology Development processes and the objectives of the RESTRICTED 2 National Defence Industry Council (NDIC) were not part of the C Log study, a **requirement therefore existed to align the above mentioned aspects with**

**both international TLCM standards as well as the Defence Review 2015.**

**Question 2.**

The TLCM project is a high priority exercise since it will ultimately contribute

to a cost effective SANDF and is not at the cost of other current priorities