

**MINISTRY**

**PUBLIC WORKS & INFRASTRUCTURE**

**REPUBLIC OF SOUTH AFRICA**

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**NATIONAL ASSEMBLY**

**WRITTEN REPLY**

**QUESTION NUMBER: 6 [NW953E]**

**INTERNAL QUESTION PAPER NO.: 01 [of June 2019]**

**DATE OF PUBLICATION: 20 JUNE 2019**

**DATE OF REPLY: 08 JULY 2019**

**6. Mr M N Nxumalo (IFP) asked the Minister of Public Works and Infrastructure:**

Whether her department has put in place any processes to ensure transparency and measure the competence of service providers for departmental tenders; if not, what is the position in this regard; if so, how effective has she found the specified processes to be in ensuring that (a) those persons who have connections will no longer benefit and (b) new markets will open up for the youth in particular?

**NW953E**

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**REPLY**

**The Minister of Public Works & Infrastructure:**

Yes, the Department’s Annual Procurement Plan, which contains a list of all planned tenders for any one particular financial year is published on the National Treasury website on a quarterly basis, as a process of ensuring transparency. This gives service providers a preview of the available/possible tenders that will be published and processed in that particular period and avails to suppliers a mechanism to plan for business opportunities within Public Works.

Transparency within the procurement process is enhanced further through the publication of all tender adverts indicating high level evaluation criteria/methods in four media platforms, namely, the Departmental website; Government Tender Bulletin; National Treasury eTender Portal; and in the case of construction projects in the CIDB iTender Portal as well. Furthermore, as a transparency measure the responses from all bidders for any one particular tender are published in the Departmental website indicating also the offers of the respective bidders. All tender awards are also published through various media platforms, wherein the tenders were also advertised.

The processes to measure the competence of service providers are entrenched in the evaluation criteria that assess functionality/quality levels of all the tender responses received. Further to this a recommended tender within the construction procurement space is subjected to a risk assessment by professional service providers appointed on the respective project. The risk assessment is based on criteria that include technical risk and commercial risk. The technical risk assessment is further sub-divided into two criteria, namely: an assessment on the quality of current and previous work performed by the tenderer in the class of construction work stated in tender document, as well as adherence to contractual commitments demonstrated by the tenderer in the performance on current work and previous work.

1. In an effort to root out fraud and corruption, to support the prevention of collusive practices and SCM abuse, detect possible conflict of interest through ‘***connections’*** in the SCM system, as well as ensuring compliance to all relevant prescripts and policies a number of controls have been put in place and these include:

All SCM practitioners/officials involved in the SCM processes are required to annually sign a Code of Conduct for all Departmental Officials Engaged in Supply Chain Management (PA00), which specifically enjoins the relevant officials to declare in writing to the Head of Supply Chain Management Unit, to the extent required by their respective positions, any business, commercial or financial interest or any activity undertaken for financial, material and/or personal gain.

In respect of every tender/bid specification/evaluation process that an official or SCM practitioner participates in there is a requirement for the disclosure of their respective financial interest by signing a Declaration of Interest and Confidentiality form (PA18) every time there is either a specification or evaluation meeting in relation to that particular tender.

Further to this and as part of disclosures in the quarterly financial statements all SCM practitioners are required to complete Related Party Declarations in which the official is required to disclose in detail the participation of spouses and close family members in partnerships, close corporations and/or companies.

* Any official failing to adhere to this requirement by declaring his/her interest is subjected to the relevant disciplinary code. Where an official declares interest, that official is required to recuse him/herself from the relevant process.
* All bidders that participate and respond to bids are required to complete a Declaration of Interest and Bidder’s Past SCM Practices (PA11) that stipulates that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority and/or take an oath declaring his/her interest, where:
* The bidder is employed by the State; and/or
* The legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.

1. Through the implementation of the Preferential Procurement Regulations (PPR) of 2017 new markets and opportunities have been opened for designated groups, with the youth also being provided for in that regard.
2. I am currently busy reviewing the tender procedures that are used in the Department and will in due course introduce measures, including a Procurement Transparency initiative that will, among other features, open up tender processes by way of tender registration and making bid adjudication processes open to public observation.