

**MINISTRY**

**PUBLIC WORKS AND INFRASTRUCTURE**

**REPUBLIC OF SOUTH AFRICA**

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**NATIONAL ASSEMBLY**

**WRITTEN REPLY**

**QUESTION NUMBER: 913 [NW1202E]**

**INTERNAL QUESTION PAPER NO.: 17**

**DATE OF PUBLICATION: 22 MAY 2020**

**DATE OF REPLY: 8 JUNE 2020**

**913. Mr P A van Staden (FF Plus) asked the Minister of Public Works and Infrastructure:**

(1) Whether her Department awarded any tenders connected to the Covid-19 pandemic; if not, what is the position in this regard; if so, what (a) are the names of the businesses to whom these tenders were awarded, (b) are the amounts of each tender awarded and (c) was the service and/or product to be supplied by each business;

(2) whether there was any deviation from the standard supply chain management procedures in the awarding of the tenders; if so, (a) why and (b) what are the relevant details in each case;

(3) what was the reason for which each specified business was awarded the specified tender;

(4) whether she will make a statement on the matter? **NW1202E**

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**REPLY:**

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

1. Yes, the Department of Public Works and Infrastructure (DPWI) has informed me that it awarded tenders connected to the Covid-19 pandemic. For purposes of the response a tender means a written offer or bid above a R500 000 threshold in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of works, services or goods.
	1. The names of the businesses to whom awards were made are indicated in Column C of attached Annexure A.
	2. The amounts of each tender awarded are indicated in column D of Annexure A.
	3. The service and/or product provided by each business is indicated in column B of Annexure A.
2. Yes, I was informed by the Department that there was a deviation from standard supply chain processes in awarding the tenders listed in Annexure A.
	1. Recognising the declaration of the National State of Disaster by the State President due to the COVID 19 pandemic and a very high risk for loss of life (i.e. Death), negative health impact, negative economic impact and social impact in South Africa, it was deemed prudent to invoke the Departmental Emergency Procurement processes that deviate from standard supply chain procedures. This was done in line with Section 27(2)(L) of the Disaster Management Act, Act No. 57 of 2002, National Treasury Regulation 16A6.4 and National Treasury Instruction Note No. 08 of 2019/2020 Emergency Procurement COVID-19 in paragraph 3.5.1(i) that provide for the invocation of emergency procedures. In terms of the aforementioned NT Instruction Note, Accounting Officers are allowed to deviate from competitive bidding processes in cases that have been declared an emergency, without obtaining NT approval.
	2. The relevant details for awarding in each case is indicated in column E of Annexure A.
3. The reasons for which each specified business was awarded the specified tender is indicated in column F of Annexure A.
4. No.

**NATIONAL DEPARTMENT OF PUBLIC WORKS AND INFRASTRUCTURE (DPWI)**

**ANNEXURE A: LIST OF TENDER (>R500 000.00) AWARDS CONNECTED TO THE COVID-19 PANDEMIC**

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|  | **Column A** | **Column B** | **Column C** | **Column D** | **Column E** | **Column F** |
| **Serial No** | **Office** | **Commodity** | **Service Provider** | **Amount** | **Procurement Process** | **Reason for award to each business** |
| 1 | CPT Regional Office | Procurement of 1000 hand sanitisers and servicing for 12 Months | Hornes Projects | R3 864 000.00  | Emergency (Negotiated Procedure) | The service provider installed all automatic hand sanitiser units and is also responsible for the servicing of the units for a 12 month period.  |
| 2 | DBN Regional Office | Decontamination of facilities to prevent & combat spread of Covid-19 - Justice. Magistrate Courts in Midlands District Municipality | Zulu Royal Civil Construction | R1 800 000.00  | Emergency Procedure as per National Treasury Instruction No 08 of 2019/2020. | Service provider is the highest point scorer and lowest in price.Minimum of at least 3 comparative quotes obtained  |
| 3 | DBN Regional Office | Decontamination of facilities to prevent & combat spread of Covid-19 - Justice. Magistrate Courts in UMgungundlovu District Municipality  | Themihlase | R1 877 246.00  | Emergency Procedure as per National Treasury Instruction No 08 of 2019/2020. | Service provider is the highest point scorer and lowest in price.Minimum of at least 3 comparative quotes obtained |
| 4 | DBN Regional Office | Decontamination of facilities to prevent & combat spread of Covid-19 - Justice.Magistrate Courts in EThekwini District Municipality  | Avellanche Projects | R1 885 987.00  | Emergency Procedure as per National Treasury Instruction No 08 of 2019/2020. | Service provider is the highest point scorer and lowest in price.Minimum of at least 3 comparative quotes obtained |
| 5 | DBN Regional Office | Decontamination of facilities to prevent & combat spread of Covid-19 - Justice. Magistrate Courts in Ugu District Municipality  | Kamanga Trading | R1 050 448.00  | Emergency Procedure as per National Treasury Instruction No 08 of 2019/2020. | Service provider is the highest point scorer and lowest in price.Minimum of at least 3 comparative quotes obtained |
| 6 | DBN Regional Office | Decontamination of facilities to prevent & combat spread of Covid-19 - Justice. Magistrate Courts in EThekwini District Municipality  | Makumalou | R1 878 831.00  | Emergency Procedure as per National Treasury Instruction No 08 of 2019/2020. | Service provider is the highest point scorer and lowest in price.Minimum of at least 3 comparative quotes obtained  |
| 7 | DBN Regional Office | Decontamination of facilities to prevent & combat spread of Covid-19 - Justice. Magistrate Courts in Zululand District Municipality  | Manceda Projects and Trading | R1 742 983.00  | Emergency Procedure as per National Treasury Instruction No 08 of 2019/2020. | Service provider is the highest point scorer and lowest in price.Minimum of at least 3 comparative quotes obtained  |
| 8 | Head Office | Sanitiser - hand liquid | Crystal Pier Trading 148 | R9 085 000.00  | Emergency Procedure as per National Treasury Instruction No 08 of 2019/2020. | Service provider is the highest point scorer with ready stock available. Procured for 25 000 EPWP participants across the country. 7 service providers invited and 6 Quotations received. |
| 9 | Head Office | IT Server infrastructure | Odirile IT Holdings | R4 989 868.00  | Emergency Procurement. Negotiated single source quotation | Supplier selected based on similar service they provided to the Department for past 6 months. Supplier compliance status was confirmed on the National Treasury Central Supplier Database. DPWI engaged with the service provider to provide pricing as per the solutions required and in ensuring value for money the solutions will also be used beyond lockdown and COVID-19 |
| 10 | Head Office | Video conference and virtual meeting rooms | YottaZetta | R2 932 500.00  | Emergency ProcurementNegotiated single source quotation | Supplier selected based on the similar service they provided to the Department for past 6 months and their status was also confirmed on the National Treasury Central Supplier Database. DPWI engaged with the service provider to provide pricing as per the solutions required and in ensuring value for money the solutions will also be used beyond lockdown and COVID-19 |
| 11 | Head Office | Remote management tools | Ikando t/a IT Master | R2 196 530.00  | Emergency procurementNegotiated single source quotation | Supplier selected based on the similar service they provided to the Department for past 6 months and their status was also confirmed on the National Treasury Central Supplier Database. DPWI engaged with the service provider to provide pricing as per the solutions required and in ensuring value for money the solutions will also be used beyond lockdown and COVID-19 |
| 12 | Head Office | Network / Security specialist | Tipp Focus Holdings | R2 382 800.00  | Emergency procurementNegotiated single source quotation | Supplier selected based on the similar service they provided to the Department for past 6 months and their status was also confirmed on the National Treasury Central Supplier Database. DPWI engaged with the service provider to provide pricing as per the solutions required and in ensuring value for money the solutions will also be used beyond lockdown and COVID-19 |
| 13 | Head Office | Beitbridge phase 1 borderline infrastructure and installation: Infrastructure Contractor | Caledon River Properties t/a Magwa Construction | R37 176 844.00 (projected) | Emergency Procurement (Negotiated Procedure) | The service provider was already on site and the requirements were already in their previous BoQ – the old prices in the BOQ would be used thus reducing the procurement cost. |
| 14 | Head Office | Beitbridge phase 1 borderline infrastructure and installation: Principal Agent | Profteam cc | R3 259 071.00 (projected) | Emergency Procurement (Negotiated Procedure) | The service provider was already on site and the requirements were already in their previous BoQ – the old prices in the BOQ would be used thus reducing the procurement cost. |
| 15 | Kimberley Regional Office | Installation and maintenance of 65 no touch hand sanitisers (automated dispensers plus monthly refills) for a period of 36 months. | Bidvest Steiner |  R657 162.00  | Emergency Procurement (Negotiated Procedure) | Initially awarded to (Rentokil-Initial) but could not fulfil the delivery of order, citing global shortage of the requested items. Shopping procedure was done with other service providers within Kimberley and only Steiner could secure the required units urgently for the Region.  |
| 16 | Mmabatho Regional Office | Provision of sanitary services on a monthly basis for 12 months | Perfect Girlz |  R994 529.00  | Emergency Procurement (Negotiated Procedure) | The service provider offered the total solution at the most negotiable price |
| 17 | Pretoria Regional Office | Masks | Biological Pharmaceuticals |  R2 132 000.00  | National Treasury Contract: RT32-2019  | Existing contract in place with the relevant service provider. |
| 18 | Pretoria Regional Office | Cleaning services @ Momentum Building (DOJ) | Onkgopotse Enterprise |  R553 631.00  | Urgent Procurement (1 quote) | Existing contract in place with the relevant service provider. |
| 19 | Pretoria Regional Office | Building Infrastructure Services, Salvokop Quarantine site | Labstyres (pty)ltd | R1 333 348.00  | Emergency Delegation Procurement | Emergency work in response to Novel Coronavirus (COVID-19) 21 Lockdown at the Salvokop Isolation and Quarantine Centre. Service providers were appointed from Central Supplier Database and Construction Industrial Development Board respectively. |
| 20 | Pretoria Regional Office | Decontamination at CGO Building |  MLA Consortia  |  R914 147.00  | Emergency Delegation Procurement | Awarded on the basis of obtaining highest score |