

Public Procurement Act–Synopsis

The Bill aims to:

- Empower the Minister of Finance to oversee its implementation and administration.
- Create a unified system for fair, transparent, and efficient public procurement.
- Prescribe the award of contracts to disadvantaged businesses and fight corruption.
- Promote transparency, local preference, and finding quicker solutions for disputes.
- Apply its prescripts across most organs of state as listed for implementation.
- Take precedence over any other conflicting law around for procurement processes.
- Establish a Public Procurement Office (PPO) to ensure fair enforcement of the rules.
- Allow the PPO to investigate violations and refer matters for criminal sanction.
- Authorise the PPO to conduct searches without warrants where necessary.
- Empower provincial treasuries to oversee transparent procurement management.
- Direct Accounting Officers to ensure total compliance with the prescribed rules.
- Promote and ensure that all role players avoid conflict of interest.
- Exclude ineligible bidders who will have to provide clear disclosure of interests.
- Prohibit interference in the procurement process including automatic exclusions.
- Protect officials reporting untoward conduct during the procurement process.
- Debar ineligible bidders from participation in the procurement process.
- Prioritize contract allocation to advance disadvantaged groups.
- Allow for set-asides of contracts to favour black people, women and small businesses.
- Apply prequalification including demands for subcontracting to disadvantaged groups.
- Favour businesses that are owned by certain individuals and South African citizens.
- Designate sectors allowing only for locally produced products to be considered.
- Favour bids that will create jobs, develop SMMEs and located in certain preferred areas.
- Penalise those suppliers who do not comply with any developmental contract term.
- Direct organs of state to use clear methods of evaluation and adjudication criteria.
- Ban conflicted officials from serving on bid committees to prevent corruption.
- Create online portals for bidders to view how the process unfolds.
- Allow for lawful access for investigative purposes and compliance with other laws.
- Allow unhappy bidders to appeal any decision and request a reconsideration.
- Establish an independent Public Procurement Tribunal to reconsider tender decisions.
- Appoint a retired judge to head the Tribunal to review bid awards and debarments.
- Direct organs of state to solve all disputes within 10 days of notification.
- Create a penalty framework including fines and imprisonment for criminal conduct.
- Commence once a date has been set by the President and followed by Regulations.
- Instruct the Minister to report to Parliament within two years on its implementation.

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