



12 September 2023

Media Advisory: BJC and IY calls for Transparency and Accountability in the Public Procurement Bill

The Budget Justice Coalition (BJC) and the Imali Yethu (IY) coalition made a [submission](#) to parliament on the Public Procurement Bill. Furthermore, Parliament's Standing Committee is holding hearings today and tomorrow for comments on the Bill. The BJC and Imali Yethu will make an oral submission on Wednesday, 13 September reiterating its calls for transparency and accountability in the Bill.

After nearly a decade in development, the Public Procurement Bill is finally undergoing parliamentary review. This pivotal Bill, which addresses the critical need for a comprehensive framework governing public procurement in South Africa, has been long-awaited.

The provisions of the Bill, once passed as an Act, will have a direct impact on all persons living in South Africa. Not only will it have a profound impact on the financial health of our country, but it will also have a direct impact on our standard of living as citizens. Public procurement is the primary mechanism used by the government to provide goods and services to all persons living in South Africa. Access to electricity, water, public transport, decent roads, school infrastructure, medication, and social grant payments, just to name a few, are all products of procurement processes. Once passed, all these processes will be subject to the Bill and the secondary legislation and regulations passed in terms of it. For this, and many other reasons, it is critical that the Bill promotes public procurement in a manner that respects, protects, promotes, and fulfils the rights of all living in South Africa.

The joint submission makes the following key submissions:

1. Unifying the Regulatory Framework: BJC and IY welcome the creation of an overarching, singular legal framework to consolidate and streamline the regulations governing public procurement. This unified approach is vital for enhancing efficiency, transparency, and accountability in public spending. However, the Bill gives certain institutions wide powers to issue binding instructions, regulations, non-binding guidelines and model policies. There is therefore still a risk of public procurement being regulated by too many regulatory instruments, taking us back to the *status quo*, and undermining the objectives of the Bill - to unify the regulatory framework.

2. Satisfying State Capture Recommendations: The Bill's introduction follows extensive deliberations by the State Capture Commission. It is imperative that this legislation addresses and closes the legislative gaps that have allowed rampant corruption in South Africa. The Bill does not adopt and embrace key recommendations made in the Zondo Report, such as an independent anti-corruption agency, clear and binding transparency provisions and professionalisation of public procurement among others. Therefore, the Bill stands as an improvement in form but not in substance.

3. Institutional Arrangements: The submission highlights a notable shortcoming in the Bill's proposed institutional arrangements. In particular, there is no independent institution that will effectively monitor and exercise regulatory oversight over public procurement personnel and processes. The institutional arrangements mirror much of the existing arrangements, save for a few name changes. BJC and IY recommend a clearer division of functions and responsibilities, institutional arrangements that improve on the existing ones, and the establishment of an independent institution, to improve the effectiveness of public procurement, safeguard against corruption, and prevent irregular and wasteful expenditure of public funds.

4. Balancing Multiple Aims: The Public Procurement Bill must simultaneously achieve various aims, balancing efficiency and adherence to procurement norms while upholding transparency, accountability, and integrity. The BJC and IY acknowledge that overly stringent rules hamper efficiency. The Bill can do more to ensure an appropriate balance between providing institutions with flexibility and ensuring compliance with principles and laws. This balance is paramount to promoting good governance and safeguarding South Africa's interests while affording institutions the nimbleness required to ensure effective service and goods delivery across all sectors.

Our submission notes and addresses the pressing need to combat corruption and ensure responsible resource allocation and provisioning in South Africa. With widespread irregularities and financial discrepancies in procurement processes, the proposed changes aim to safeguard public funds and uphold the highest standards of public service delivery.

BJC and IY emphasise that the Public Procurement Bill is a contract with the people. It represents a commitment to realising human rights, promoting efficient public services, and ensuring transparency, accountability and integrity in government actions.

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About the Budget Justice Coalition:

The purpose of the Budget Justice Coalition is to collaboratively build people's understanding of and participation in South Africa's planning and budgeting processes – placing power in the hands of the people to ensure that the state advances social, economic, and environmental justice, to meet people's needs and wellbeing in a developmental, equitable and redistributive way in accordance with the Constitution. The organisations who make up the BJC are: Alternative Information and Development Centre (AIDC), the Children's Institute at UCT (CI), Corruption Watch (CW), Equal Education (EE), Equal Education Law Centre (EELC), the Institute for Economic Justice (IEJ), Oxfam SA, Pietermaritzburg Economic Justice and Dignity Group (PMEJD), the Public Service Accountability Monitor (PSAM), the Rural Health Advocacy Project (RHAP), SECTION27, Ilifa Labantwana, Treatment Action Campaign, the Legal Resources Centre (LRC), Centre for Child Law (CCL), 350.org, Open Secrets, Social Policy Institute, Public Affairs Research Institute, Amandla.mobi, Black Sash as well as friends of the coalition.

Budget Justice Coalition Steering Committee:

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Section27 | Matshidiso Lencoasa

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About Imali Yethu:

Imali Yethu is a coalition of civil society organisations working with the South African National Treasury to make budget information more accessible, user-friendly, and empowering. We are committed to exploring co-creation to achieve open, accountable governance. Our work is inspired by the standards of co-creation and participation envisioned by the Open Government Partnership (OGP). Refer to Imali Yethu's website for more information.