



EFF STATEMENT ON SIU REPORT INVESTIGATION INTO THE PROCUREMENT OF GOODS AND SERVICES FOR FIGHT AGAINST COVID-19

Saturday, 6 February 2021

The EFF welcomes the report by the Special Investigation Unit (SIU) investigation into the procurement of, or contracting of goods and services in respect of the Covid-19 National State of Disaster. The report shows deep-rooted disregard for laws and administrative processes by officials across the various department, even when it was a matter of life and death. Officials and politicians saw an opportunity in the pandemic that threatened lives, and left many including healthcare workers exposed, and looted much-needed resources to fight against the pandemic.

The report shows that COVID-19 expenditure between April to November 2020 amounted to R30,7 billion, and R10,3 billion is currently under investigation by the SIU and R250 million has been referred to the Special Tribunal to set the contracts aside and recover stolen monies. In total, R13,3 billion contracts awarded to service providers are under investigation. The money stolen was meant to buy PPEs for healthcare workers and food parcels for the most vulnerable, in times of a pandemic that has threatened and devastated livelihood.

The EFF is once again vindicated as the report by the SIU shows that Cyril Ramaphosa promises that he will make sure that no COVID-19 relief money will be stolen under his watch were empty speech. Officials and politicians deployed in government, in particular provincial departments, do not take him and his administration serious. Even when he promised severe consequences for theft of COVID-19 relief budget, they simply continued to steal.

Most importantly, this massive spree of Covid-19 looting exposes systematic weaknesses. Ramaphosa did nothing in terms of strengthening systems and processes to ensure no room for theft and corruption. He did not exercise checks and balances within the procurement system. Above all, he ignored all the signs that corruption was looming with regards to COVID-19 response. In essence, he was an absentee, useless leader whose authority was trumped with impunity by his own administration.

The EFF condemns the Department of Planning, Monitoring and Evaluation which failed to monitor COVID-19 expenditure while there was clear evidence. The Department of DPME serves no clear and practical purpose and should be closed.

It is our view that the only practical and sustainable way to deal with corruption is to build internal state capacity and abolish tenders. Instead of constructing temporary hospitals, current dilapidated facilities should have been upgraded for lasting impact. Instead of relying on fly-by-night contractors to secure finishers masks and sanitizers from producers, often from overseas, government should have done it themselves. Most of the time, the services government relies on for tenders, are easy and can be done directly by administrators.

In addition, the failure by the National Treasury to build a credible and up to date database of blacklisted suppliers who have defrauded the state contributed this looting corruption spree which has reached pandemic levels.

The EFF calls on the SIU to freeze salaries and pension to ensure that even officials who resigned before the finalisation of investigation do not get away only to pop up somewhere else in government. We further call on the NPA to act swiftly without favouritism to prosecute those found to have corruptly benefitted from COVID-19 relief tenders.

Finally, all political heads like Mayors, MECs, Premiers and Ministers under whose direct watch corruption occurred, must be investigated; this amount of looting could have never, ever, happened without coordination and monitoring by political office bearers.

It is a fact that many politicians abuse their power and put pressure and corroborate with officials by imposing pre-determined list of preferred suppliers. Many of these companies are used for fraud, money laundering and racketeering. We call on the NPA to go after both officials and politicians, and not only arrest junior officials.

ISSUED BY THE ECONOMIC FREEDOM FIGHTERS

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