15 July 2026

The Minister of Finance
40 Church Square
Old Reserve Bank Building
Pretoria
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Email: DraftGeneralProcurementRegulations@treasury.gov.za

RE: DRAFT GENERAL PUBLIC PROCUREMENT REGULATIONS

A. General Comments

1. The South African Institute of Chartered Accountants (SAICA) welcomes the opportunity to make submissions on the Draft General Public Procurement Regulations (The Regulations).

2. SAICA is South Africa's pre-eminent accountancy body and is widely recognised as one of the world's leading accounting institutes. The Institute provides a wide range of support services to more than 64 000 members who are chartered accountants [CAs(SA)], associate general accountants [AGAs(SA)] and accounting technicians [ATs(SA)] whom amongst them hold positions as chief executive officers, managing directors, board members, entrepreneurs, chief financial officers, auditors, and leaders in their respective spheres of operation.

3. Our work in the public sector goes beyond member support but also includes a significant focus on advocacy and capacity building to support and encourage an improvement in public finance management.

4. SAICA welcomes the release of the Regulations as this paves the way for the full implementation of the Public Procurement Act, 2024. The Regulations directly confront the long-standing argument that procurement inhibits service delivery. They do so by transforming procurement from a compliance-heavy administrative function into a strategic, transparent, digitally enabled, and performance-oriented system. Through improved planning, modern procurement methods, strengthened contract management, enhanced integrity measures, and professionalisation of the procurement workforce, the regulations reposition procurement as a central enabler of efficient, equitable, and sustainable public service delivery. The Regulations therefore represents a significant and progressive step toward a procurement system that supports, rather than hinders, the achievement of South Africa's developmental and service delivery objectives.

B. Procurement as a Strategic Development Lever

5. Public procurement is one of the most significant instruments through which the State influences economic activity. The Regulations therefore present an opportunity to position procurement as a strategic lever for inclusive economic growth, industrialisation, infrastructure delivery, digital transformation, employment creation, climate resilience and regional integration.

6. Procurement frameworks should evolve beyond compliance-based purchasing towards strategic public procurement, where public expenditure is intentionally aligned with broader economic, industrial, environmental and social policy objectives. South Africa's developmental context requires a similar approach.

C. Policy Alignment

7. Accordingly, SAICA recommends targeted enhancements to strengthen the Regulations while remaining aligned with the following policy and legal frameworks:
   - the Constitution;
   - the Public Procurement Act, 2024;
   - the National Development Plan 2030;
   - the Medium-Term Development Plan;
   - the New Growth Path;
   - the Industrial Policy Action Plan;
   - the African Continental Free Trade Area;
   - localisation objectives; and
   - South Africa's climate commitments.

D. Summary of Recommendations

8. In certain instances, the word "may" is used in the Regulations in a manner that suggests that a procuring institution may choose whether or not to apply the relevant regulation, which could create ambiguity in the law. While we acknowledge and welcome the discretion afforded to procuring institutions, this may give rise to audit and legal risks due to differing interpretations of the Regulations, particularly in relation to procurement methods. We therefore caution against the use of the word "may" without sufficient contextual guidance, as this may result in ambiguity and misinterpretation. Furthermore, the overlap between procurement methods may confuse inexperienced officials. To address this, we recommend the inclusion of decision trees to guide procuring institutions in selecting and applying the appropriate procurement methods.

9. In several provisions, including Regulation 55, procuring institutions are required to submit reports to the Public Procurement Office, notwithstanding the Public Procurement Act, 2024, which provides for the development of an information and communication technology-based procurement system to enhance efficiency, effectiveness, transparency, integrity, and anti-corruption measures. We therefore encourage the Public Procurement Office to include functionality within the procurement system that enables the direct generation of the required reports. This would strengthen procurement reporting by improving efficiency, effectiveness, transparency, and integrity.

10. SAICA recommends that the Regulations be clarified and strengthened to improve consistency, reduce ambiguity, and support more effective implementation across procuring institutions. This includes the expanded range of procurement methods which, while beneficial in principle, may increase discretion and complexity, potentially creating new vulnerabilities for misuse if not tightly controlled and monitored.

11. The recommendations further focus on allocating responsibilities more clearly, reducing unnecessary administrative burdens, improving transparency and reporting, and ensuring that procurement processes deliver best value while safeguarding fairness and integrity.

12. More specifically, SAICA recommends that the Public Procurement Office should take primary responsibility for maintaining and verifying the prospective supplier database, supported by integration with key government systems. The Regulations should also make clearer provision for requests for quotations, including minor items, approval

requirements, advertising periods, and sole supplier conditions. In relation to request-for-bid processes, the emphasis on awarding bids primarily on price should be reduced so that supplier capability, quality, and overall value are given proper weight.

13. SAICA further recommends limiting unnecessary or potentially unfair procedural steps, such as additional briefing sessions and overly broad security vetting requirements, and providing clearer guidance on competitive negotiation, competitive dialogue, direct procurement, and emergency procurement. The Regulations should also strengthen oversight by requiring the reporting of material breaches, clarify compliance obligations for construction projects, and ensure that the Codes of Conduct expressly refer to the consequences of non-compliance.

14. In addition, SAICA believes that the Regulations do not go far enough in embedding real-time transparency and digitalisation, which are essential to reducing corruption and improving public trust. While oversight mechanisms are strengthened, enforcement and consequence management remain insufficiently emphasised, raising concerns that non-compliance may continue without meaningful accountability.

15. SAICA believes that the Regulations present an opportunity for government to sufficiently leverage procurement to strengthen state productive capacity which can be achieved through the prioritisation of the underutilised state-owned manufacturing facilities and strategic production of housing materials, healthcare products, school furniture, uniforms and infrastructure components. Furthermore, skills promotion could be promoted through supervised correctional services rehabilitation programmes being implemented in approved state-owned manufacturing activities, subject to labour, human rights and occupational health legislation.

16. Overall, the Regulations mark a substantial step forward in modernising South Africa's procurement system, particularly in addressing fragmentation and procedural weaknesses. However, to achieve their full impact, they must be supported by stronger institutional capacity, enhanced transparency through digitalisation, and more robust enforcement mechanisms. Without these complementary measures, the regulations are likely to improve compliance on paper but may fall short of delivering the systemic shift towards a transparent, efficient, and corruption-resistant procurement environment that is urgently required.

17. Our detailed comments and recommendations are included below under **Annexure A: Detailed Comments on the Draft Regulations** section of this letter.

18. We would appreciate the opportunity to engage further and would be willing to discuss the comments if required. Please do not hesitate to contact Odwa Benxa (odwab@saica.co.za) in this regard.

Kind regards,

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ANNEXURE A: DETAILED COMMENTS ON THE DRAFT REGULATIONS

No.	Affected Regulation	Comment	Recommendation
1.	**Regulation 4 – Promotion of Strategic Procurement** Reference: Regulations 4(2), 4(3), 4(4) and 4(5).	The categorisation framework under regulation 4(3) focuses primarily on procurement value, supplier market complexity and sourcing strategy, but does not explicitly require procurement decisions to support national development priorities. Strategic procurement should prioritise expenditure that contributes to service delivery, economic growth, industrialisation and localisation, infrastructure development, employment creation, innovation, digital transformation, climate resilience, environmental sustainability and supply chain resilience. The New Growth Path identifies infrastructure, manufacturing, agriculture, mining value chains, the green economy and services as priority employment drivers requiring coordinated government investment.	We recommend the following: • Insert a new Regulation 4(2A) requiring procuring institutions to prioritise procurement according to its contribution to national service delivery priorities, economic growth, employment creation, industrialisation and localisation, infrastructure development, innovation, digital transformation, environmental sustainability, climate resilience, strategic supply chain resilience and inclusive economic participation. • Amend Regulation 4(5) to require strategic procurement plans to also demonstrate alignment with the, Industrial Policy Action Plan, Infrastructure Investment Plan, National Climate Change Response Strategy, localisation policies and AfCFTA priorities.
2.	**Regulations 4(5), 17, 68, 69 and 70 – AfCFTA and MSME Development**	**Strategic Utilisation of the African Continental Free Trade Area (AfCFTA) for MSME Development** The Regulations encourage localisation and enterprise development but do not explicitly recognise the strategic opportunities presented by the AfCFTA. Public procurement should be leveraged to develop South African MSMEs into regionally competitive suppliers capable of participating in African value chains and cross-border public procurement opportunities. Embedding AfCFTA objectives within the	We recommend an amendment to Regulation 4(5) to require identification of procurement categories and supplier development initiatives that strengthen the participation, competitiveness and export readiness of South African enterprises within regional and continental value chains, including AfCFTA opportunities. We further recommend an amendment to Regulations 68, 69 and 70 to support export readiness, quality standards, certification, digital

No.	Affected Regulation	Comment	Recommendation
		procurement framework will enable public procurement to serve domestic development, regional economic integration, industrial competitiveness and export-led growth.	capability, innovation, regional value chain participation, MSME development, technology transfer, mentorship, enterprise incubation and participation of women-owned and youth-owned enterprises in regional supply chains.
3.	**Regulation 5(4)** The procuring institution must verify, against available data sources and databases, the information submitted by a prospective supplier on the prospective supplier database and determine whether the supplier in any bid – a) is automatically excluded in terms of section 13 of the Act; b) is debarred under section 15(3) of the Act; c) has not provided complete information required in terms of subregulation (3); or d) has provided incorrect or false information.	Regulation 5(1) requires the Public Procurement Office to establish and maintain the prospective supplier database contemplated in section 24(6) of the Act, to ensure that persons automatically excluded under section 13 are not registered, and to remove suppliers from the database for the period contemplated in regulation 83(1). By contrast, Regulation 5(4) requires procuring institutions to verify information on that database, even though responsibility for its maintenance rests with the Public Procurement Office. This creates role ambiguity and weakens the effectiveness of centralised supplier verification. In addition, the Auditor-General of South Africa has repeatedly reported instances in which awards were made to employees, councillors, their close family members, and business associates without the required conflict-of-interest declarations being submitted, or where false declarations were made by employees or suppliers. There have also been cases in which procuring institutions awarded contracts to prohibited or debarred suppliers without being aware of their status. In our view, a properly maintained, regularly updated, and integrated central supplier database would help mitigate these risks.	• We recommend that the Public Procurement Office should be responsible for establishing, maintaining, and updating the prospective supplier database for purposes of Regulation 5(4). • This should include verifying the information submitted by prospective suppliers when they register and continuing to verify that information on an ongoing basis until they are removed from the database. • We further recommend that the prospective supplier database should be integrated with other relevant government systems and institutions, including the Department of Home Affairs, the South African Revenue Service, the Companies and Intellectual Property Commission, the South African Social Security Agency, and PERSAL. This would help ensure that supplier information remains accurate and up to date, assist in identifying potential conflicts of interest, and make it easier to detect suppliers who are automatically excluded under section 13 of the Act or who have submitted incorrect or false information. • The database should also be updated regularly to reflect debarred suppliers so that procuring institutions do not award contracts to them. • Because responsibility for maintaining the prospective supplier database rests with the Public Procurement Office, procuring

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			institutions should instead be required to verify the information submitted in bid documents against the information contained in that database. Regulation 5(4) should therefore be revised to reflect this allocation of responsibilities.
4.	**Regulation 7 – Requests for Quotations**	Regulation 7(2)(c) provides that a procuring institution may only use the request for quotations (RFQ) method where the value of the procurement is below the threshold determined by notice under section 24(2) of the Act. Regulation 7(3) further provides that a procuring institution may request quotations from fewer than three bidders only where: • emergency procurement in terms of Regulation 21 is required; • it is required on grounds of national security; • fewer than three suppliers on the prospective supplier database meet the requirements of the RFQ; or • sole supplier conditions apply. SAICA has identified a number of challenges with this regulation: • It does not appear to make provision for the procurement of minor items or purchases through petty cash. As these are not listed among the exceptions in Regulation 7(3), the regulation appears to require three quotations even in such cases, which may reduce agility and create unnecessary administrative inefficiencies for procuring institutions. • The regulation does not indicate what approvals are required before procurement may proceed	We recommend that Regulation 7 should be amended to address the following: • The Regulations should define what constitutes minor items. Alternatively, this definition could be included in the Minister's determination of threshold values under section 24(2) of the Public Procurement Act, 2024. The threshold value for minor items could also be set out i in the procurement policies of procuring institutions. • The Regulations should indicate what approvals are required before procurement proceeds in terms of Regulation 7(3). This approval process could also be set out in the procurement policy of the procuring institution. • The Regulations should specify the minimum period for which requests for quotations must be advertised. • The Regulations should define the sole supplier conditions referred to in Regulation 7(3)(d) to reduce the risk of misinterpretation and inconsistent application by procuring institutions.

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		under Regulation 7(3), which may create uncertainty in practice. • The regulation is silent on the minimum period for which requests for quotations must be advertised, which may also cause confusion for procuring institutions. • The regulation does not define the sole supplier conditions referred to in Regulation 7(3)(d). This may result in inconsistent interpretation and misapplication of the provision.	
5.	**Regulation 8 – Request for bids** (2) A procuring institution may use the RFB method if – a) the specifications are clear, standardised and low risk; b) the market is competitive and evaluation is primarily based on price; and c) a condition of the RFB is that the award is made to the supplier that meets all the requirements of the RFB and offers the lowest possible price in writing.	SAICA acknowledges that Regulation 8 is intended to apply where bid evaluation is primarily based on price. However, there have been instances where bidders meet the evaluation criteria but submit unrealistically low prices, which later result in difficulties in delivering the required goods or services. In such cases, suppliers may take longer to perform, introduce scope creep during implementation, or compromise the quality of the work in order to deliver at the quoted price. This may place procuring institutions in a difficult position, particularly where they are compelled to appoint the lowest-priced bidder despite the practical risks associated with that bid. The result may be project delays, additional costs, poor-quality delivery, and pressure on procuring institutions to incur further expenditure to ensure that the project is completed. SAICA therefore believes that price should not be the primary determinant in awarding a bid and should instead be considered together with other relevant evaluation criteria. These phrases (“***primarily based on price***” in Regulation 8(2)(b), as well as the wording “***and offers***	We recommend that Regulation 8(2) should be amended to remove the emphasis on bid evaluation being primarily based on price. While price remains an important consideration, awarding a bid primarily on price may result in compromised quality, scope creep, hidden costs, supplier underperformance, supplier failure, and insufficient consideration of supplier capability. As a result, the reference to “***primarily based on price***” in Regulation 8(2)(b), as well as the wording “***and offers the lowest possible price in writing***” in Regulation 8(2)(c), should be removed and require price to be assessed alongside capability, quality, risk, lifecycle value and overall value for money.

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		the lowest possible price in writing") create the expectation that the lowest-priced bid must always be accepted, even where this may not deliver the best overall outcome and value for the procuring institution.	
6.	**Regulation 9 – Request for proposal method** (3) A procuring institution – a) must publicly advertise an invitation in the form of a RFP in the eTender Publications Portal for a minimum period of 21 days before closure, except in emergency procurement contemplated in regulation 21; b) may publicly advertise an RFP in any other media; c) may include an invitation or a requirement to attend a briefing session to clarify the specifications and the requirements for the bid; d) must include in the RFP the project background, specifications or scope of work, evaluation criteria and weightings, functionality and technical requirements, and, subject to regulation 11, a request for price.	SAICA acknowledges and supports the invitation or requirement for prospective bidders to attend a briefing session as contemplated in Regulation 9(3)(c). However, we caution against the additional briefing session contemplated in Regulation 9(4) for the following reasons: • It is unclear what purpose this additional briefing session would serve, given that the prospective bidders would already have been evaluated on functionality and technical requirements. • The additional briefing may be perceived as unfair by other bidders who were not afforded the same opportunity or who may perceive the briefing session to disclose elements of their bidding details, which may give rise to litigation. • Such litigation may delay the awarding of the bid and, in turn, the delivery of services. SAICA also acknowledges the spirit of transparency envisaged in Regulation 9(5) through the invitation of the public, civil society, and the media to the briefing session. However, we note the following challenges with this requirement: • The Regulation may be misinterpreted in the absence of clarity on how the invitation should be issued. For example, it may be understood to require individual invitations to each civil society organisation or media house.	SAICA proposes the following: • The briefing session must be limited to the one envisaged in Regulation 5(3)(c) to protect the integrity of the bidding and awarding process. Consequently, Regulation 4 must be removed from the Regulations. • Reference to the specific invitation of civil society and the media must be removed to avoid the misinterpretation and misapplication of the regulation. Instead, procuring institution must be required to publish the invitation for a briefing session with the bid invitation documents to ensure that all prospective bidders are afforded the same information to inform their bid submissions and limit the risk of litigation that may arise from inconsistent information being provided to prospective bidders.

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	(4) A procuring institution may, in addition to publicly advertising an RFP in terms of subregulation (3), invite prospective suppliers that may meet the functionality and technical requirements to attend the briefing session referred to in subregulation (3)(c). (5) An invitation contemplated in subregulations 3(c) and (4) must include an invitation to the public, civil society and the media.	• It is unclear which segments of the media should be invited, which may create uncertainty for procuring institutions. • There may also be conflict-of-interest concerns, particularly where the bid relates to media services. This risk is amplified in relation to Regulation 9(4), where media houses that were excluded on functionality and technical requirements could still attend the briefing session, increasing the risk of unfairness and potential litigation.	
7.	**Regulation 11 – Two-stage bidding procedure** (2) The procuring institution must in stage one – a) invite bidders to submit their functionality and technical proposals without a price proposal; b) evaluate the proposals based on the functional and technical criteria; c) refine the specifications if, in the process of the evaluation under paragraph (b), it is necessary to do so; d) invite bidders to submit final functionality and	SAICA acknowledges that the application of Regulations 11(2)(c) and 11(2)(d) will require the procuring institution to invite all prospective bidders to submit revised bids based on the refined specifications. We, however, caution that there may be a risk of perceived manipulation of the revised specification to suit certain bidders which may lead to litigation exposure for procuring institutions and consequently, delayed service delivery.	We recommend that: • the two-stage bidding procedure should rather be used by procuring institutions to obtain clarification from bidders on their submitted proposals and to use the clarified information when evaluating bids against the original specifications, without revising those specifications. • Regulation 11 be amended to allow clarification of bidder proposals but prohibit changes to published specifications or evaluation criteria after bids have been submitted.

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	technical proposals based on the refined specifications; and e) shortlist bidders that meet the refined functional and technical requirements.		
8.	**Regulation 12 – Competitive dialogue method** (4) The procuring institution must – a) evaluate the proposals and shortlist the prospective bidders in accordance with the bid evaluation criteria; b) engage in dialogue with the shortlisted bidders – i. in accordance with the procedure and framework contained in the RFP; ii. to identify the solution and specifications that best meets the needs referred to in the RFP; iii. refines the specifications and, if necessary, the terms of the contract;	SAICA acknowledges that the application of Regulations 12(4)(c) and 12(4)(d) will require the procuring institution to invite all prospective bidders to submit revised bids based on the refined specifications. We, however, and similar to Regulation 11 per above, caution that there may be a risk of perceived manipulation of the revised specification to suit certain bidders which may lead to litigation exposure for procuring institutions and delayed service delivery.	We recommend that: • the competitive dialogue method should be used to allow procuring institutions to obtain clarification from bidders on their submitted proposals and to use that clarification when evaluating bids against the original specifications, without revising those specifications. • Regulation 12 be amended to allow clarification and dialogue on proposed solutions while prohibiting changes to published evaluation criteria and requiring a clear audit trail for all engagements.

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	c) invite final bids on the basis of the refined specifications and contractual terms; and d) evaluate those bids against the refined specifications and award the bid.		
9.	**Regulation 13 – Competitive negotiation** (1) The procuring institution may engage in competitive negotiation with bidders if – a) the requirements for complex projects are not fully defined or require innovative solutions; b) the project requires an advanced technological solution; or c) it is an emergency procurement. (2) The procuring institution must – a) initiate the competitive negotiation procedure by issuing a RFP; b) shortlist bidders based on predetermined evaluation criteria; c) engage in negotiations with shortlisted bidders to refine their proposals and achieve best value;	• Regulation 13(1) sets out the circumstances in which competitive negotiation may be used. However, the Regulation does not explain why the use of competitive negotiation is limited to those circumstances. If the purpose of competitive negotiation is to help procuring institutions achieve the best value, it is not clear why its use should be restricted to only certain procurement methods and procedures. • Regulation 13(2)(f) also appears to suggest that some changes may be made to the published requirements during negotiation, as it only prohibits "material" changes. The use of the word "material" may introduce subjectivity into the bid evaluation and award process, which could lead to inconsistent interpretation and expose procuring institutions to litigation.	We recommend that Regulation 13 should be amended to address the following: • Regulation 13(1) should be revised to make it clear that competitive negotiation may be used more broadly across procurement methods and procedures where this would help procuring institutions achieve best value. • The Regulation should clarify which aspects of a bid may be negotiated, such as price, to reduce uncertainty and support consistent application. • Regulation 13 should also state expressly that no changes may be made to the published evaluation criteria during negotiation. • The reference to "material" changes should be removed to avoid subjectivity and reduce the risk of inconsistent interpretation. Alternatively, the word should be defined in the Regulations. • We further recommend that the regulation should introduce a requirement to record negotiation sessions and introduce an independent observer requirement for high-value negotiations (value to be specified in the Regulations) to minimise the risks introduced through negotiations which could provide unfair advantages to certain bidders and post-bid manipulation.

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	d) evaluate proposals based on the evaluation criteria outlined in the RFP; e) document the process with reasons for the selection and award; and **f)** ensure that no material changes to the published requirements are allowed during negotiation.		
10.	**Regulation 14 – Direct procurement method** (1) A procuring institution must procure directly from a supplier – a) if the supplier has exclusive intellectual property or licensing rights to provide the required goods or services; (2) A procuring institution may use the direct procurement method – (a) in emergency situations that cannot be accommodated using the RFQ, RFB or RFP methods; (b) subject to subregulation (3), to extend or renew existing contracts if changing suppliers is impractical or costly.	• SAICA generally agrees that direct procurement may be appropriate where a supplier has exclusive intellectual property or licensing rights to provide the required goods or services, as contemplated in Regulation 14(1)(a). However, the application of this provision may be challenging in practice. For example, in information systems procurement, there may be multiple systems that offer similar functionality. Although each system vendor may hold exclusive intellectual property or licensing rights over its own product, a procuring institution may still find it difficult to justify selecting one vendor over another on that basis alone. • Regulation 14(2) further introduces a risk of contract extension without competition. • Regulation 14(5) is insufficient in terms of post-award transparency as only the details and reasons need to be published.	• We recommend that Regulation 14(1)(a) should be amended to make it clear that a conclusion that a supplier has exclusive intellectual property or licensing rights to provide the required goods or services must be based on a detailed market analysis. This analysis should confirm both that the supplier has those exclusive rights and that no other supplier can provide similar goods or services. • We recommend that the number or duration of contract should be limited with inclusion of an appropriate process to deal with extensions and price and scope review. • We recommend that the disclosure in regulation 14(5) be strengthened to publish the full justification including the market analysis evidence.

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	(5) A procuring institution must publish the details of, and the reasons for, the use of the direct procurement method on the institution's official website within 7 days of the award.		
11.	**Regulation 21 – Emergency procurement** (3) A procuring institution must – a) record the deliberations, decisions, and reasons for procurement under this regulation; b) submit a post-emergency report to its accounting officer or accounting authority which includes – i. the circumstances giving rise to the emergency; ii. the methods of procurement used and the reasons for their use; iii. compliance with the institution's procurement policy and these Regulations; iv. contractual compliance and performance; and	• SAICA notes that Regulation 21 does not require approval of emergency procurement by the accounting officer or accounting authority, and the Regulations are silent on the approval process that should apply in such cases. SAICA believes that it is imperative that emergency procurement is approved by an appropriate delegated official to ensure that there are appropriate processes in place to prevent the abuse of emergency procurement. • SAICA further notes that Regulation 21 does not require emergency procurement to be reported to the Public Procurement Office. In our view, such reporting should be required to enable the Public Procurement Office to publish a consolidated report on emergency procurement undertaken across procuring institutions. • Regulation 21(3)(c) requires the post-emergency report to be published on the procuring institution's website. However, this may result in the publication of operational information that could expose the procuring institution to litigation from prospective suppliers who were not awarded the contract. • Furthermore, the risk of abuse of regulation 21 exits where poor planning is treated as emergency.	We recommend that Regulation 21 should be amended to address the following: • The procurement policy should provide for the approval of emergency procurement by an official delegated by the accounting officer or the accounting officer similar to regulation 14. This would support Regulation 21(3)(b), which requires the submission of a post-emergency report to the accounting officer or accounting authority. • The accounting officer or accounting authority should be required to report emergency procurement to the Public Procurement Office within 14 days, in a prescribed format as per the current PFMA Instruction Note No. 03 of 2021/22. • Regulation 21(3)(c) should be revised to avoid requiring the publication of operationally sensitive information on the procuring institution's website. Instead, only an appropriate summary of the emergency procurement should be made public. • We further recommend that the regulation should include sanctions where the use of emergency procurement is due to poor planning.

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	v. recommendations to improve the institution's procurement policy and the effectiveness of its response to the emergency; c) publish on its official website the post-emergency report within 30 days.		
12.	**Regulation 24 – Evaluation criteria**	SAICA notes that Regulation 24 does not expressly require construction projects to comply with the Construction Industry Development Board Act, 2000. In our view, it would be important for the Regulations to include this requirement, given the significance of construction projects in service delivery, the substantial budgets often involved, and the need to ensure the quality of such projects. Furthermore, the evaluation criteria do not expressly consider long-term public value.	Regulation 24 must be amended to: • specifically require compliance with the Construction Industry Development Board Act, 2000 on construction projects to ensure the delivery of quality projects for effective service delivery. • insert an additional evaluation criterion: "Whole-of-life public value, including economic development, climate resilience, operational efficiency and long-term fiscal value."
13.	**Regulation 27 – Security vetting** (1) A procuring institution must include the security vetting requirements in its bid documents. (2) The procuring institution must subject bidders who are shortlisted following bid evaluation to mandatory	SAICA agrees that security vetting should form part of the bid award process. However, the following issues should be considered: • The vetting process may increase procurement costs where procuring institutions appoint service providers to conduct the vetting. • Regulation 27(2) requires vetting to be conducted for all shortlisted bidders, which may be impractical where a large number of bidders pass the functionality and technical evaluation stage.	We recommend that Regulation 27 should be amended to address the following: • Vetting should be limited to the bidder selected for award in order to improve efficiency and reduce unnecessary costs in the procurement process. • The Regulations should provide guidance on the vetting of international suppliers, particularly where procuring institutions must procure directly from manufacturers and have no practical alternative source.

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	security vetting to verify a bidder's background, integrity and financial standing including – a) criminal background checks; b) verification of ownership and beneficial interest; c) financial due diligence; and d) legal and regulatory compliance. (4) The procuring institution may seek further clarification from a bidder regarding any concern arising from the vetting contemplated in subregulations (4) and (3). (5) The procuring institution must complete the vetting contemplated in subregulations (4) and (3) within 30 days, unless it extends the period on good grounds	• There may be difficulties in vetting international suppliers and their staff because of differing privacy laws in their respective countries. This may further delay the procurement process. • Regulation 27(2)(c) is unclear on the extent of the financial due diligence required. For example, a review of the financial statements audited alone may not accurately reflect the true financial position and capacity of a supplier without independent confirmation of available funds. In addition, bidders may submit the financial statements of a parent company to support their financial standing, and it is unclear whether procuring institutions should accept this. • Regulation 27(5) requires the vetting process to be completed within 30 days, but it is unclear from when that period must be calculated. • Regulation 27(5) further provides that the 30-day period may be extended on "good grounds". However, the term "good grounds" is not defined, which may lead to ambiguity, misinterpretation, and inconsistent application. • More broadly, the vetting process may delay procurement because of the additional time required to complete it and the practical challenges identified above. • It also appears that Regulations 27(4) and 27(5) incorrectly refer to sub-regulations (4) and (3) instead of sub-regulations (2) and (3).	• The Regulations should also provide guidance on the scope of the financial due diligence required, to ensure that the process remains practical and cost-effective. • The term "good grounds" should be clarified to reduce the risk of ambiguity and inconsistent application by procuring institutions. • Regulation 27(5) should be corrected to refer to sub-regulations (2) and (3), instead of sub-regulations (4) and (3). • To improve efficiency in the vetting process, the Public Procurement Office should ensure that the prospective supplier database is integrated with relevant state systems, including those of the South African Police Service for real-time confirmation of criminal records, the Companies and Intellectual Property Commission for real-time confirmation of ownership, beneficial interest, and legal and regulatory compliance, and the South African Revenue Service for real-time confirmation of tax compliance.
14.	**Regulations 26, 27, 29 and 83 – Clarification of "Good Grounds"**	The term "good grounds" is used in relation to vetting timelines (27), removal before expiry, approval of a variation or amendment of the scope of a contract in excess of the thresholds for contract management (29), bid validity (26) and reduction or revocation of debarment periods (83), but is not defined. This creates	• The Regulations should include a general definition of **"good grounds"** as **objective, verifiable and documented evidence demonstrating a legally relevant basis for departing from the ordinary requirement,**

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		ambiguity, inconsistent treatment and possible administrative or political interference. The Regulations also do not consistently specify the objective criteria, evidentiary requirements, responsible decision-maker, review mechanism or appeal process that should apply when "good grounds" is relied upon.	**period or consequence prescribed in the Regulations**. • The Regulations should further require that any decision based on "good grounds" must be supported by written reasons, documentary evidence, an opportunity for affected parties to make representations where appropriate, approval by the relevant accounting officer or accounting authority, and independent review by the Public Procurement Office or National Treasury where the decision affects debarment, removal, or other supplier rights.
15.	**Regulation 34 – Bid committee system**	SAICA acknowledges the Bid committee system envisaged in Regulation 34 but believes that the system can be further strengthened to preserve its integrity and effectiveness.	We recommend that: • Bid committee members must be continuously rotated to preserve their objectivity and limit the risk of corruption in the procurement system. • While the Code of Conduct requires bid committee members (and accounting officers, accounting authorities, officials involved in procurement, any person involved in procurement, suppliers or bidders) to declare their conflicts of interest, the declarations must be required to be done continuously as and when conflicts of interest arise and at least once a year.

No.	Affected Regulation	Comment	Recommendation
16.	**Regulations 67 – Measures to advance sustainable development**	The sustainability provisions are important but lack sufficient specificity to guide consistent evaluation and contract management.	We recommend that the Regulations must: • Provide specific provisions for the evaluation and contract management including the evaluation of lifecycle carbon emissions, circular economy practices, recycled materials, renewable energy, climate resilience, biodiversity, energy efficiency, water efficiency, waste reduction and supplier ESG capability. • Allow for proportionality to be applied, for example climate-related disclosures should be required for major procurements above R100 million.
17.	**Regulation 69 – Measures to advance creation of jobs, intensification of labour absorption and development of small enterprises within particular geographical area**	**Youth Employment** Given South Africa's exceptionally high youth unemployment, Regulation 69 can be strengthened to make procurement a more deliberate lever for youth employment and skills development.	We recommend that the Regulations be amended to require measurable commitments in strategic sectors relating to apprenticeships, internships, graduate programmes, artisan development, youth-owned enterprises and technical skills transfer, with performance monitored through contract management.

No.	Affected Regulation	Comment	Recommendation
18.	**Regulation 71 – Interventions** (1) If the Public Procurement Office or a relevant provincial treasury identifies a material breach of the Act by a procuring institution or receives a report from a person alleging a material breach, the Office or treasury must – (g) if the institution refuses or fails to implement the remedial action, report the breach and the refusal or failure to the relevant executive authority and may report the breach to – i. the Auditor-General of South Africa; and ii. the South African Police Service, if it is an offence in terms of section 60(1) and (2).	• Regulation 71(1)(g) appears to suggest that the Public Procurement Office or the relevant provincial treasury may report a material breach to the Auditor-General of South Africa and the South African Police Service only where the procuring institution refuses or fails to implement remedial action. In our view, this is too narrow. A material breach of the Act should be reported regardless of whether remedial action is implemented, as the breach would already have occurred. This will allow the Auditor - General to be aware of the potential risk areas within the institution and to plan their audit accordingly. Furthermore, this will improve internal controls, the governance processes and assist the Executive Authority in discharging his/her responsibilities effectively. • In addition, Regulation 71(1)(g) does not indicate what action the executive authority or the Auditor-General of South Africa is expected to take once a material breach has been reported.	We recommend that Regulation 71(1)(g) should be amended to require that all material breaches of the Act be reported to the Auditor-General of South Africa for consideration in the audit process, and to the relevant executive authority for oversight of consequence management against those responsible for the breach.
19.	**Regulation 76 – Codes of conduct**	The Codes of Conduct for Accounting Officers, Officials, Members of Accounting Authorities and Members of Bid Committees (Annexure 3), Other Persons Involved in Procurement (Annexure 4), and Bidders, Suppliers or Other Persons Involved in Procurement (Annexure 5) do not refer to the consequences of failing to comply with them.	We recommend that the Codes of Conduct in Annexures 3, 4, and 5 should expressly refer to the consequences of non-compliance, as contemplated in Regulation 77. This could be done by including a cross-reference to Regulation 77 to indicate the consequences of failing to comply with the relevant codes.

No.	Affected Regulation	Comment	Recommendation
20.	**Regulation 82 – Debarment register**	The current challenges that exist with debarment is that delayed updates on the debarment register reduces its impact on the procurement process. Furthermore, a lack of integration of the debarment register with the procurement systems raises the risk that suppliers that have been barred may not be identified timeously. Regulation 82 currently does not address these challenges.	We recommend that the debarment register be integrated with the real-time prospective supplier database so that procuring institutions are able to identify the barred suppliers at bid submission stage.
21.	**Regulation 83 – Period of Debarment**	SAICA believes that regulation 83 has the following challenges: • It allows for discretion in reducing the periods 'on good grounds' which could result in inconsistent treatment of reducing the debarment period. • There are no clear criteria for reduction of debarment period which could once again result in inconsistencies. • Increases the risk of political or administrative interference.	We recommend that the regulation be strengthened to include: • Clear criteria for reduction or revocation of debarment; • Require independent review by the Public Procurement Office for early lifting of debarment.
22.	**Regulation 85 – Information and communications technology**	SAICA notes that Regulation 85(1)(b)(iii) introduces the requirement procuring institutions to ensure that artificial intelligence (AI) decision systems are ethically reviewed and tested for bias. However, we believe that the Regulation can be further expanded to deal with other aspects of artificial intelligence. SAICA further notes that Regulation 85(2) requires that a procuring institution's information and communication technology-based platform must support mobile device access, text-to-speech capability; and at least three official languages. We believe that this Regulation can	• We recommend that the Regulations be amended to introduce a new regulation governing AI used by procuring institutions in procuring AI systems and by suppliers during bidding and during contract performance. • The AI requirements should include human oversight, explainability, cybersecurity, auditability, POPIA compliance, independent validation, interoperability, lifecycle governance, vendor accountability, intellectual property and transparency.

No.	Affected Regulation	Comment	Recommendation
		be further strengthened to guide procuring institution in ensuring a fully digitalised procurement system.	• Suppliers should disclose whether AI was used, the extent of AI-generated content, verification of AI outputs and accountability for all submitted information. The Regulations should expressly state that AI use does not diminish or transfer the supplier's contractual, legal or professional responsibility. • We recommend that the Regulations should require progressive end-to-end digitalisation of procurement planning, advertisements, bid submissions, bid opening, evaluations, contract management and supplier performance management, supported by encrypted submissions, electronic signatures, immutable audit trails, automated bid opening and public dashboards.