



## public works & infrastructure

Department:  
Public Works and Infrastructure  
REPUBLIC OF SOUTH AFRICA

# WORXDAILY

"Your source of DPWI leading news"

Wednesday, 30 July 2025

## MINISTER MACPHERSON RELEASES FINDINGS OF PWC REPORT INTO R800 MILLION OXYGEN PLANT TENDER

**Article by Fanisa Makhubela, Pictures by Mahlogonolo Makwela**

In a media briefing held on yesterday at the GCIS Ronnie Mamoepa Media Centre in Pretoria, Minister of Public Works and Infrastructure Dean Macpherson outlined findings of the PwC forensic investigation report into the R800 million Pressure Swing Adsorption (PSA) Oxygen Plant tender, revealing serious compliance failures, procurement breaches, and lapses in governance at the Independent Development Trust (IDT).

Joined by Director-General, Sifiso Mdakane and Deputy Director-General, Lwazi Mahlangu, Minister Macpherson detailed how the IDT failed to uphold legally required procurement standards, putting public funds and critical healthcare delivery at risk. "This report provides a clear and troubling picture of what went wrong," said Minister Macpherson. "The procurement process was flawed from the outset, and the systems designed to safeguard public money failed to function."

The PricewaterhouseCoopers (PwC) report, commissioned in January 2025, examined the awarding of the R800 million tender of which R528 million was allocated to the IDT for the supply and installation of oxygen plants in 60 hospitals across South Africa. Among its findings are:

- ♦ Eight service providers were appointed without proof of SAHPRA compliance, a legal requirement under the Infrastructure Programme Implementation Plan.
- ♦ One of the appointed companies, was found to have improperly used a SAHPRA license linked to a third party without authorisation rendering its bid submission irregular.
- ♦ The appointment process lacked adequate due diligence, with insufficient vetting of bidders' credentials, regulatory status, and delivery capacity.

The report recommended disciplinary action against IDT CEO Ms Tebogo Malaka, General Manager for Supply Chain Management Dr Molebedi Sisi, and other officials implicated in the flawed procurement process. In response, Minister Macpherson confirmed that he has written to the Hawks (Directorate for Priority Crime Investigation), he briefed the Minister of Health, and has met with the newly appointed IDT Board to initiate consequence management. Minister Macpherson reiterated his commitment to rebuilding trust in the IDT and ensuring that it plays a credible role in delivering social infrastructure.

"We are determined to implement all recommendations of the PwC report not only to address this specific failure, but as part of a broader overhaul of our supply chain management systems," he said. The Department is expected to strengthen oversight, tighten procurement controls, and ensure that entities like the IDT operate with greater transparency and accountability. During the investigation, Minister Macpherson also revealed that he and members of his team were targeted in a coordinated disinformation campaign. This included the distribution of AI-generated voice notes, falsified documents, and baseless media allegations some of which were later retracted.

**Issued by Chief Directorate: Communications & Marketing**

Editor: Nolwazi Ndhlovu, Design & Layout: Tseke Masemola