

BORDER POST

Public Works take companies to task

MAYIBONGWE MAQHINA

mayibongwe.maqhina@inl.co.za

THE Department of Public Works and Infrastructure is pushing ahead with the blacklisting of the two companies implicated in the controversial Beitbridge border post fence.

The department has given the companies 14 days to respond as to why they should not be restricted from doing business with the state.

This was revealed by Minister Patricia de Lille in response to parliamentary questions from DA MP Benedicta van Minnen. Van Minnen asked about progress made on recommendations by the standing committee on public accounts (Scopa) to blacklist the principal contractor and the main contractor from doing business with the state.

She also asked why there were still a number of contracts in place with the two companies.

In March, De Lille issued a directive to the department to appoint a service provider to use an emergency procurement process to erect the border fence at the Beitbridge border post.

However, an investigation found that the fence cost R40.4 million, which consisted of a R37.1m payment to the contractor and R3.25m to a professional agent.

It was overpriced by R14m and may have been exceeded by R17m.

The investigation also revealed a series of procurement and other irregularities, including R21.8m upfront payment to the contractor and R1.8m to the principal agent when construction had not started. The department was found to have failed to test the market to determine the reasonable contractor and pricing.



COMPANIES implicated in the Beitbridge border post fence inquiry have been given two weeks to respond to questions posed by the Department of Public Works. | **TIMOTHY BERNARD** African News Agency (ANA)

The report had recommended that the department lay criminal charges against the contractor and principal agent and identified officials for misrepresentation to justify payments.

In her written response, De Lille said the blacklisting of the two companies was brought to the department's

restriction committee and authority (RCAA) last August. De Lille also said the department had not identified any justifiable grounds to terminate existing contracts with the two companies as they were duly awarded.

"However, the department is in the process of reviewing these contracts

though its internal audit unit.

"The department is further seeking legal advice as to whether the conduct of the respective companies in relation to the Beitbridge contract constitutes sufficient grounds to seek termination of their remaining contracts with the department."