

MEDIA RELEASE **PSA supports Treasury's call to blacklist companies and individuals implicated in corruption**

DATE 10 March 2022

EMBARGO None

ENQUIRIES communication@psa.co.za

The Public Servants Association (PSA) supports the call by the Special Investigation Unit (SIU) for Treasury to blacklist 506 companies and individuals owing to corruption, non-performance, and other malpractices whilst conducting business with the state.

Various reports suggest that the South Africa economy lost R1.5 trillion to corruption in five years. Between 2014 and 2019 and since the start of the COVID-19 pandemic, corrupt individuals enriched themselves and contracts worth millions of rands have been declared invalid. Recently, the Special Tribunal ruled that two companies involved in the construction of the controversial border fence at the Beit Bridge border post must pay back millions owing to the shoddy work done.

South Africa continues to lose vast amounts of money to corruption. Blacklisting such offending companies will be a step in a right direction in sending a clear message to those doing business with government to refrain from corrupt activities. It is concerning that there is a poor culture of good governance, despite the existence of institutions such as Scopa, Office of the Auditor-General, and Treasury, amongst others, to play an oversight role to promote good governance. In addition, the country's finances are further depleted by establishing commissions and forensic investigations with little or no money being recovered.

Treasury must adhere to the SIU's call in pursuit of good governance as corruption continues to flourish. Doing business with government has become one of the quickest ways to make money without delivering the goods or services without any consequences for those involved. Blacklisting such identified companies and individuals must be prioritised.

The PSA implores government to ensure that persons in senior positions who are found to be enablers of corruption are also brought to book. Cadre deployment is another enabler of corruption and has crippled government departments and service delivery to the public. The observation by the Director-General of Treasury that South Africa is showing signs of becoming a failing state should serve as an alarm call to those in leadership to reflect on their role of ensuring that the country rebuilds a capable state.

END