

Mat Cuthbert MP

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7 November 2025

Support for the Public Procurement Amendment Bill

Dear President Ramaphosa,

I am writing on behalf of the Democratic Alliance (DA) to urge you and your party to support the Public Procurement Amendment Bill (also known as the Economic Inclusion for All Bill).

This Bill specifically addresses our enduring and painful challenges of poverty, unemployment, and inequality.

Your support is not a matter of party politics, but a question of finding the most effective way of graduating from a system that has failed to transform the economy for the majority.

While we recognise the imperative of economic redress from apartheid, which excluded the majority of South Africans from full and fair participation in the economy, Broad-Based Black Economic Empowerment (B-BBEE) has only worked for a tiny, politically-connected elite.

As a result, 44 million South Africans remain trapped in poverty. No fewer than 12 million are jobless.

South Africa has a R1200 billion government procurement budget. Under BBEEE, much of this money flows to fewer than 1200 companies, and by some estimates, only 100 individuals. The vast majority of black South Africans have not benefited at all from this system of patronage, privilege and inefficiency. Instead, it has made their lives substantially more difficult and poorer by placing a premium on doing business and reducing the financing available for pressing frontline services from security to education, roads, water and electricity.

The time to end such excess, inefficiency and elitism is now. The new Bill proposes a system whereby empowerment is measured by economic inclusion rather than extreme wealth for a few. By using poverty and opportunity as the key determinants for disadvantage, the Bill ensures that the support goes to those who need it most. In so doing, it establishes a more equitable framework for full economic participation.

We have taken this step to ensure that our ambitions are shaped not by what happened yesterday, but by the prevailing conditions today and by creating the opportunities of tomorrow.

We ask you to support a Bill that aims to deliver freedom and fairness, not fat cats. By doing so, you will ensure your position on the right side of history: a South Africa of inclusion, growth and citizen empowerment. The choice is yours.

Yours sincerely,

Mat Cuthbert, MP