

Draft Public Procurement Regulations 2026

What Businesses Need to Know

The National Treasury has released two draft regulatory frameworks for public comment:

- Draft General Public Procurement Regulations, 2026
- Draft Public Procurement Tribunal Regulations, 2026

These drafts are intended to give effect to the Public Procurement Act, 2024. Importantly, these regulations are not yet law. They are currently open for public consultation and may change before final promulgation.

Why this matters

The Public Procurement Act, 2024 introduces a single regulatory framework for public procurement in South Africa.

However, the Act cannot be fully implemented until the supporting regulations are finalised. These draft regulations therefore provide the first detailed view of how procurement will operate in practice.

The 7 key changes

The draft regulations introduce seven core structural changes to how public procurement will operate, namely:

1. Public Procurement Tribunal
2. Standardised Procurement Methods
3. Enhanced Supplier Due Diligence
4. Structured Evaluation Criteria
5. Preferential Procurement Framework
6. Transparency and Reporting
7. Contract and Performance Management

Key timelines

Draft Tribunal Regulations:
comments due within 30 days of publication

Draft General Procurement Regulations:
comments due by 15 June 2026



What the draft regulations propose

A Public Procurement Tribunal

The draft Tribunal Regulations propose a formal mechanism to:

- Review procurement decisions (e.g. bid awards)
- Review debarment decisions

A fee of R500 is proposed for submitting a review application. This introduces a structured process for suppliers to challenge procurement outcomes.

Enhanced supplier due diligence

Before awarding contracts, institutions must verify:

- Ownership and beneficial ownership
- Financial standing
- Legal and regulatory compliance
- Conflicts of interest

In certain cases, suppliers may be subject to security vetting.

Preferential procurement framework

The draft regulations introduce structured thresholds:

- Up to R20 million: may be set aside for specific categories of suppliers
- R20 million – R100 million: subject to prequalification
- Above R100 million: may require minimum 25% subcontracting

Contract and performance management

The framework includes:

- Limits on contract variations
- Mandatory performance monitoring
- Provisions for penalties and debarment

Standardised procurement methods

Public institutions will be required to use defined procurement methods, including:

- Request for Quotation (RFQ)
- Request for Bid (RFB)
- Request for Proposal (RFP)

Each method is governed by specific rules and conditions.

Structured evaluation criteria

Bids must be evaluated against clearly defined criteria, such as:

- Cost-effectiveness and price
- Technical capability and functionality
- Capacity to deliver
- Applicable preference measures

Evaluation criteria must be disclosed upfront and applied consistently.

Transparency and reporting

Institutions will be required to publish:

- Tender awards
- Contracts
- Procurement information (subject to confidentiality limitations)

Who is affected?

Businesses participating in public sector tenders:

- May need to strengthen compliance and documentation
- May need to reconsider bidding strategies

What does this mean for business?

A more structured procurement environment

Procurement processes are expected to become:

- More standardised
- More transparent
- More formally governed

Increased compliance requirements

Suppliers should anticipate:

- More detailed documentation requirements
- More extensive verification processes

Greater accountability and review mechanisms

The introduction of the Tribunal may result in:

- Increased use of formal review processes
- Greater scrutiny of procurement decisions

What now? What should companies do?

Although these regulations are still in draft form, organisations can begin preparing.

1. Review compliance readiness

- Confirm tax and regulatory compliance
- Ensure ownership structures are clear and documented

2. Strengthen bid quality

Ensure submissions clearly demonstrate:

- Technical capability
- Experience
- Delivery capacity

3. Consider delivery models

Assess whether future bids may require:

- Joint ventures
- Subcontracting arrangements

4. Monitor developments

- Track updates from National Treasury
- Consider participating in the public comment process

5. Prepare for increased scrutiny

- Ensure submissions are complete, accurate, and internally reviewed

Final note

These draft regulations are not yet in force. The consultation process remains open, and changes may still be made before finalisation.

Organisations should use this period to:

- Understand the proposed framework
- Assess potential operational impacts
- Prepare for possible implementation

For further guidance on procurement readiness or submitting comments, contact nFold.

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