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Coega sues Bhisho for R149m

By ESTELLE ELLIS and ODETTE PARFITT

THE Coega Development Corporation (CDC) is suing the Eastern Cape department of health for R149-million in fees for work it has done for Bhisho, claiming the money was withheld because it refused to bend tender regulations.

CDC spokesman Dr Ayanda Vilakazi said: "We have now served the department with a legal letter of demand and instituted a legal action to recover the outstanding debt."

Health spokesman Sizwe Kupelo claimed they were being hamstrung by the CDC in their investigations into the matter.

Kupelo said a forensic report compiled by treasury could not substantiate all of the CDC's allegations.

"There are some findings that need a response from the [health] official involved," he said.

The CDC's main allegation is that the urgency of work was fabricated by the department to bypass regulations and issue emergency tenders to preferred service providers.

The department says the corruption allegations are without substantiation.

In a special presentation to the portfolio committee for health in the Eastern Cape legislature, the CDC sets out how they arrived at the figure of R149-million.

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