



public enterprises

Department:
Public Enterprises
REPUBLIC OF SOUTH AFRICA

INFORMATION MEMORANDUM

**TO : Mogokare Richard Seleke
DIRECTOR-GENERAL**

**FROM : Justin De Allende
PLO**

RE : PARLIAMENTARY QUESTION NO 441

DATE : 30 March 2017

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To provide the Minister with a response to Parliamentary Question Number 441

COVER MEMO AND THE PACKAGING OF PQ BY:	
Department of Public Enterprises	
..... Deputy Director-General: Date:	COMMENTS:
..... Mogokare Richard Seleke Director-General Date:	APPROVED/DECLINED/COMMENTS



**DEPARTMENT: PUBLIC ENTERPRISES
REPUBLIC OF SOUTH AFRICA**

NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NO.: 441

DATE OF PUBLICATION: 10 MARCH 2017

441. Mr D J Maynier (DA) to ask the Minister of Public Enterprises:

Whether any state-owned companies procured any services from and/or made any payments to the (a) Afrikaanse Handelsinstituut, (b) SA Chamber of Commerce and Industry, (c) Black Management Forum, (d) Black Business Council and (e) Business Unity South Africa; if not, in each case, why not, if so, what (i) services were procured, (ii) was the total cost, (iii) is the detailed breakdown of such costs, (iv) was the purpose of the payments, (v) was the total paid and (vi) is the detailed breakdown of such payments in each case? NW497E

Reply:

ALEXKOR SOC LIMITED

- (a)** None, cost containment measures
- (b)** None, cost containment measures
- (c)** None, cost containment measures
- (d)** None, cost containment measures
- (e)** None, cost containment measures
 - (i)** R NIL
 - (ii)** R NIL
 - (iii)** R NIL

- (iv) R NIL
- (v) R NIL
- (vi) R NIL

DENEL SOC LIMITED

- (a) None
- (b) Yes
- (c) None
- (d) None
- (e) None
- b(i)-(vi)**

Year	Description	Amount
2014	Annual Membership fees Denel SOC Ltd	R 96 300.00
2015	Annual Membership fees Denel SOC Ltd	R 101 115.00
2016	Annual Membership fees Denel SOC Ltd	R106 200.00
TOTAL AMOUNT		R 303 615.00

ESKOM SOC LTD

(a)
No, Eskom has not procured any services from the Afrikaanse Handelsinstituut. However Eskom has made payments to the Afrikaanse Handelsinstituut.
Eskom has not raised a need that would require Commercial to procure services from the entity.

(a)(i)
No applicable

(a)(ii)
Not applicable

(a)(iii)
Not applicable

(a)(iv)

Eskom is a member of the Afrikaanse Handelsinstituut and from time to time supports events by the organisation.

(a)(v)
Total payments is R74 563

(a)(vi)

Year	Description	Amount
2016	Annual Corporate Membership Fee	R66 863
2016	Annual Conference and Gala Dinner	R7 700
TOTAL AMOUNT		R 74 563

(b)

No, Eskom has not procured any services from the SA Chamber of Commerce and Industry. However Eskom has made payments to the SA Chamber of Commerce and Industry.

Eskom has not raised a need that would require Commercial to procure services from the entity.

(b)(i)

No applicable

(b)(ii)

Not applicable

(b)(iii)

Not applicable

(b)(iv)

Eskom is a member of the SA Chamber of Commerce and Industry and from time to time supports events by the organisation.

(b)(v)

Total payments is R563 000

(b)(vi)

Year	Description	Amount
2016	Annual Corporate Membership	R113 000
2016	Gala Dinner	R450 000
TOTAL AMOUNT		R 563 000

(c)

No, Eskom has not procured any services from the Black Management Forum. However Eskom has made payments to the Black Management Forum.

Eskom has not raised a need that would require Commercial to procure services from the entity.

(c)(i)

No applicable

(c)(ii)

Not applicable

(c)(iii)

Not applicable

(c)(iv)

Eskom is a member of the Black Management Forum and from time to time supports events by the organisation.

(c)(v)

Total payments is R74 200

(c)(vi)

Year	Description	Amount
2016	Annual Corporate Membership	R34 200
2016	Annual Conference and Gala Dinner	R40 000
TOTAL AMOUNT		R 74 200

(d)

No, Eskom has not procured any services from the Black Business Council. However Eskom has made payments to the Black Business Council

Eskom has not raised a need that would require Commercial to procure services from the entity.

(d)(i)

No applicable

(d)(ii)

Not applicable

(d)(iii)

Not applicable

(d)(iv)

Eskom is a member of the Black Business Council and from time to time supports events by the organisation.

(d)(v)

Total payments is R 350 000

(d)(vi)

Year	Description	Amount
2016	Annual Corporate Membership	R200 000
2016	AGM and Gala Dinner	R150 000
TOTAL AMOUNT		R 350 000

(e)

No, Eskom has not procured any services from the Business Unity South Africa. Eskom did not make any payments in 2016. Eskom has not raised a need that would require Commercial to procure services from the entity.

(e)(i)

No applicable

(e)(ii)

Not applicable

(e)(iii)

Not applicable

(e)(iv)

Not applicable

(e)(v)

Not applicable

(e)(vi)

Not applicable

SAFCOL SOC LIMITED

(a) None, cost containment measures

(b) None, cost containment measures

(c) None, cost containment measures

(d) None, cost containment measures

(e) None, cost containment measures

(i) R NIL

(ii) R NIL

(iii) R NIL

(iv) R NIL

(v) R NIL

(vi) R NIL

SAX SOC LTD

South African Express Airways did not procure any services from and/or make any payments to the

- (a) None, cost containment measures
- (b) None, cost containment measures
- (c) None, cost containment measures
- (d) None, cost containment measures
- (e) None, cost containment measures
 - (i) R NIL
 - (ii) R NIL
 - (iii) R NIL
 - (iv) R NIL
 - (v) R NIL
 - (vi) R NIL

The airline is presently facing challenges pertaining to both its liquidity and profitability. As a result, the airline is currently not in a financial position to support expenditure that does not directly support the airline's core functionality.

TRANSNET SOC LTD

- a) Transnet has not procured any services from and/or made any payments to the Afrikaanse Handelsinstituut. The company is not in the list of Transnet's service providers.
- b) Transnet has made payments totaling **R2 859 009** (excl. VAT) to SA Chamber of Commerce and Industry in the past three years.
 - (i) Detailed breakdown of costs, refer to table below:

Year	Description							Amount
	SPONSORSHIPS	ANNUAL /GALA DINERS	MEMBERSHIP/SUBSCRIPTION	MARKETING	STAKEHOLDER ENGAGEMENT	CONFERENCES	TRAINING	
	1 994 182	129 839	550 079	81 589	30 996	57 368	14 965	2 859 009
2014	438 596	-	27 337	81 579	8 996	57 368	702	614 578
2015	482 456	51 066	-	-	22 000	-	-	555 523
2016	531 902	33 750	366 147	-	-	-	8 298	940 097
2017	541 228	45 023	156 595	-	-	-	5 965	748 811
Total Amount								R 2 859 009.00

c) Transnet has made payments totaling **R1 077 193.00**(excl. VAT) to Black Management Forum in the past three years.

(i) Detailed breakdown of costs, refer to table below:

YEAR	DESCRIPTION	AMOUNT
2014	Sponsorship	R 200 000.00
2016	Sponsorship	R 877 193.00
TOTAL AMOUNT		R 1 077 193.00

d) Transnet has made payments totaling **R700 000** (excl. VAT) to the Black Business Council amounting in the past three years.

(i) Detailed breakdown of costs, refer to table below:

YEAR	DESCRIPTION	AMOUNT
2014	Annual/ Gala Dinners	R 500 000.00
2015	Annual/ Gala Dinners	R 50 000.00
2017	Stakeholder Engagement	150 000.00
TOTAL AMOUNT		R 700 000.00

e) Transnet has made payments totaling **R22 800** (excl. VAT) to Business Unity South Africa in the past three years.

(i) Detailed breakdown of costs, refer to table below:

YEAR	DESCRIPTION	AMOUNT
2014	Annual/ Gala Dinners	R 22 800.00
TOTAL AMOUNT		R 22 800.00

Remarks:

Reply: Approved / Not Approved

Mr Mogokare Richard Seleke

Director-General

Date:

Ms Lynne Brown, MP

Minister of Public Enterprises

Date: