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Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

THE NATIONAL ASSEMBLY

SUPPLEMENTARY REPLY

QUESTION NO. 1039

Mr M Waters (DA) to ask the Minister of Trade, Industry and Competition:

- (1) What (a) number of institutions and/or projects were funded to the value of R10 million or greater by the National Lottery, (b) was the funding intended for in each case and (c) are the names of the organisations that received such funding in each of the past 10 financial years;
- (2) whether any (a) audit and/or (b) inspection was conducted for each project in order to ensure that the money was spent on the actual purpose of the allocation; if not, what is the position in this regard; if so, what were the findings in each case? [NW1329E]

SUPPLEMENTARY REPLY:

Following an initial reply from the NLC setting out the reasons why they will not be able to provide the requested information within the available time before the Parliamentary Reply was due and requesting additional time, kindly find the supplementary reply submitted by Ms Thabang Mampane, Commissioner of the National Lotteries Commission, which is reproduced below.

Response from the National Lotteries Commission:

“A total of hundred and fifty (150) organisations were funded to the value of R 10 million or greater by the National Lotteries Commission (NLC) in the past 10 financial years. The names of funded organisations and the amounts are highlighted on the attached list (See Annexure A). The NLC has a fully-fledged Monitoring and Evaluation Department that monitors implementation and outcomes of funded projects. All funded

organisations signs a Grant Agreement with the NLC with terms and conditions relating to how the grants are to be used. The NLC follows up on these conditions and applies its internal policies in cases on non-compliance. The NLC has sourced the services of a panel of engineers responsible to assist in providing NLC with quality assurance reviews on funded infrastructure projects. The Office of the Auditor General South Africa (AGSA) also conducts in-depth audit into NLC's funding process. In recent years, the NLC received a negative media coverage from an on-line media publication (GroudUp) alleging a wide range of corruption in relation to certain projects that were funded by the organisation. The NLC Board appointed an audit firm, Sekela Xabiso to investigate the alleged corruption and the investigation is on-going. In addition to that, the Honorable Minister of Trade, Industry and Competition has also appointed an audit firm, Nexia, SAB&T to investigate the same allegations and the investigation is on-going as well. All findings from the relevant assurance bodies (audit/investigation) are/will be analysed and reviewed in order to ensure that proper remedial actions are implemented."

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