**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NUMBER: 2631 [NW3104E]**

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**2631. Adv A de W Alberts (FF Plus) to ask the Minister of Finance:**

(1) (a) How many (i) large, (ii) medium and (iii) small businesses that have contracts with the State suffered losses and (b) how many of the specified businesses (i) in total and (ii) since 2011 had to close because the State and state institutions did not meet their payment obligations within 30 days;

(2) (a) how many complaints were submitted to the Chief Procurement Ombudsman since the inception of the institution, (b) what types of complaints have been received and (c) how many of the complaints (i) were resolved and (ii) were not resolved?

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**REPLY:**

1. (a) (i) (ii) the Instruction Note 5 of 2016/17 does not require the supplier to indicate the size or their business. (iii) each supplier get contracted with individual organs of state.

(b) Suppliers have started in July 1, 2016 to directly report their non-payment to government through formal channels, as a result the National Treasury does not have information prior to 1 July 2016 that could have contributed to the closure businesses.

1. (a) A total of 4041 valid invoices were unpaid, to the value of R439 283 025, 63 were received since 1 July 2016. (b) the complaints vary from undisputed invoices to work performed without a contract or purchase order in place. (c)(i) 1342 invoices to the value of R103 541 992,10 were resolved (ii) 2699 to the value of R335 741 033,53 are still not resolved. Annexures attached per Organ of State (procuring entity) from 1 July 2016.