**NATIONAL ASSEMBLY**

**WRITTEN REPLY**

**QUESTION 1320**

**INTERNAL QUESTION PAPER [No 23-2020 SIXTH PARLIAMENT]
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**1320. Mrs A Steyn (DA) to ask the Minister of Agriculture, Land Reform and Rural Development:**

1. Whether the Minister of Finance approved the construction of a new public-private partnership office block for her department; if so, (a) what is the projected cost and (b) by what date will construction start;

(2) whether, considering the merger of the two departments, there is still a need for the new office block; if so, what are the relevant details? **NW1688E**

**THE MINISTER OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT:**

1. The Department registered two separate projects with National Treasury prior to the merger of the former Department of Rural Development and Land Reform and the Department Agriculture, Forestry and Fisheries. The Minister of Finance has approved the construction of a new public-private partnership office block project registered by the former Department of Rural Development and Land Reform. The other project is still at the appointment of Transaction Advisory Team to undertake a Feasibility Study on the project. All follow-up questions will be applicable to the project by the former Department of Rural Development and Land Reform.

(a) Please refer to the table below.

|  |  |
| --- | --- |
| **Item**  | **Amount** |
| Project Cost | R2.1 Billion |
| Private Party Contribution | R1.43 Billion |
| Government Contribution | R 0.67 Billion |

(b) The projected construction start date is October 2020.

(2) There is still a need for the continuation of the project due to office space challenges and maintenance issues in the current buildings occupied by the Department. The Department also considered the expenditure already incurred on the project, termination of the project would have resulted in wasteful expenditure and legal costs/litigation from the appointed service provider.