

**DEPARTMENT: PUBLIC ENTERPRISES**

**REPUBLIC OF SOUTH AFRICA**

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NO.: PQ 1588**

**QUESTION:**



**1588 Mrs N I Tarabella Marchesi (DA):to ask the Minister of Public Enterprises:**

Whether (a) his department and/or (b) entities reporting to him concluded any commercial contracts with (i) the government of the Russian Federation and/or (ii) any other entity based in the Russian Federation since 1 April 2017; if not, what is the position in this regard; if so, for each commercial contract, what are the (aa) relevant details, (bb) values, (cc) time frames, (dd) goods contracted and (ee) reasons that the goods could not be contracted in the Republic? **NW1924E**

**REPLY:**

**DPE Response**

The Department has not concluded any commercial contracts with the Russian Federation since 1 April 2017

**According to the information received from Alexkor**

There is no contract with the Russian Federation and / or any other entity based in the Russian Federation recorded in the Alexkor SOC Limited contract register since 1 April 2017.

**According to the information received from Denel**

(i) No (ii) Yes (aa) Ohotnik v Sheremetievo Ltd. (bb) R4,525,815.33 (cc) 2017 to 2018 (dd) Commercial ammunition (ee) Sales

**According to the information received from Eskom**

**(b)(i) and (ii)**

Eskom has not concluded any commercial contracts with the government of the Russian Federation, or any other entity based in the Russian Federation since 1 April 2017.

However, Eskom had a commercial contract with a Russian entity that commenced in 2010 and ended in 2017.

**(aa)**

The contract was with Tenex, a Russian Joint Stock Company owned by the Russian state- owned company Rosatom, to supply the Koeberg Nuclear Power Plant with Enriched Uranium Product (EUP).

The sourced EUP is delivered to the Eskom nuclear fuel suppliers abroad where it is processed into small pellets, which are loaded into the metallic fuel rods that make up a nuclear fuel assembly.

**(bb)**

The value of the contract was $411 121 667,50.

**(cc)**

The contract commenced on 9 March 2010 and ended on 31 December 2017.

**(dd)**

The contract was for the supply of EUP.

**(ee)**

The reason EUP is not procured within the Republic is due to the unavailability of enrichment and/or conversion facilities in South Africa.

**According to the information received from SAFCOL**

(b) According to records at our disposal SAFCOL had never concluded any commercial contracts with (i) the government of the Russian Federation and/or (ii) any other entities based in the Russian Federation since 1 April 2017. SAFCOL procures its goods and services within the boundaries of the Republic of South Africa, there are and were never intentions to contract any commercial contracts with the Russian Federation.

**According to the information received from SAA**

SAA has no commercial contracts with the Russian Federation nor any entity based in the Russian Federation to supply goods and services.

**According to the information received from Transnet**

(b)

On 05 March 2018, Transnet SOC Limited (Transnet) signed a Memorandum of Understanding (MoU) with the Joint Stock Company Russian Railways. This MOU is for 5 years, and it is valid until 2023. However, Transnet has not concluded any commercial agreements to date. The objective of this MoU was to collaborate on the following areas:

* Implementation of railway infrastructure projects.
* Provision of consulting services in the field of development of passenger and freight traffic solutions.
* Cooperation in the field of innovation, scientific Research & Development and experience exchange.
* Integration of railway and port infrastructure.
* Staff training.
* Interaction with the BRICS New Development Bank.

To date none, of the above projects has been implemented because Transnet could not find an appropriate procurement mechanism to procure the necessary services from Russian Railways.