**PARLIAMENT OF THE REPUBLIC OF SOUTH AFRICA**

**NATIONAL ASSEMBLY**

**WRITTEN REPLY**

**QUESTION NO: 1878**

**DATE OF PUBLICATION: 23 JUNE 2017**

**QUESTION PAPER NO: 23**

**DATE OF REPLY:**

**Ms V Ketabahle (EFF) to ask the Minister of Telecommunications and Postal Services:**

Whether (a) his department and (b) each entity reporting to him appointed transaction advisors for tenders in the period 1 January 2012 to 31 December 2016; if so, (i) who were the transaction advisors that were appointed for tenders, (ii) for which tenders were they appointed, (iii) what was the pricing for the tenders in question and (iv) what amount were the transaction advisors paid? NW2090E

**REPLY:**

**I have been informed by the Department and Entities reporting to me as follows:**

1. No transaction advisors for tenders were appointed by the Department during the period in question.

(b) The South African Post Office (SAPO) was the only entity that appointed transaction advisors during the period in question.

1. Makombandlela Consulting, 30 April 2014 – 31 October 2014;

KPMG Services, 08 October 2015 – 18 May 2016; and

Letsema Consulting and Advisory Services, 12 January 2014 – 11 July 2014.

1. Makombandlela Consulting was appointed to advise SAPO Board on technical aspects, project management and procurement processes for the network upgrade and disaster recovery hosting tenders.

KPMG Services was appointed to assist SAPO in designing the target operating model that includes all services to be outsourced as well as the business case.

Letsema Consulting and Advisory Services was appointed to provide SAPO with procurement skills and expertise and review a list of procurement contracts, as well as initiate and conclude procurement processes.

1. The bid price for Makombandlela Consulting was R 4.752 million (excluding VAT);

The bid price for KPMG Services was R 2.416 million (excluding VAT); and,

 The bid price for Letsema Consulting and Advisory Services was R 12.264 million (excluding VAT).

1. Makombandlela Consulting was paid R 4.514 million; KPMG was paid R 2.416 million and Letsema Consulting was paid R 12.264 million all excluding VAT.

**Approved/Not Approved**

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**Dr Siyabonga Cwele, MP**

**Minister of Telecommunications and Postal Services**

**Date:**