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| **MINISTRY: COMMUNICATIONSREPUBLIC OF SOUTH AFRICA**Private Bag X 745, Pretoria, 0001, Tel: +27 12 473 0164 Fax: +27 12 473 0585Tshedimosetso House,1035 Francis Baard Street, Tshedimosetso House, Pretoria, 1000 |

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NUMBER: 196**

**DATE OF PUBLICATION: 17 FEBRUARY 2017**

**Mrs M R Shinn (DA) to ask the Minister of Communications:**

 (a) Which of the three set-top box suppliers who received orders from the Universal Service and Access Agency of South Africa (USAASA) on 6 August 2015 is taking legal action against (i) USAASA and (ii) her department for the cancellation and cessation of the assembly process, (b) what are the terms of the legal action being taken and (c) what has been the response of (i) her department and (ii) USAASA to the legal action? NW207E

**REPLY: MINISTER OF COMMUNICATIONS**

1. The three service providers, namely Leratadima Marketing Solutions, CZ Electronics and Bua Africa have separately declared a dispute for arbitration. So far only Leratadima Marketing Solutions has filed its claim in the Arbitration Foundation of Southern Africa. USAASA has not yet received claims of the other two service providers.
2. Leratadima Marketing Solutions claim is in two parts. In the first part it seeks an order declaring that USAASA is liable to pay Leratadima Marketing Solutions for variation in the foreign exchange rate, which occurred during the subsistence of the Purchase Order which Leratadima was executing. The second part relates to what Leratadima says is a consequential loss which it has suffered as a result of suspension of production.
3. USAASA is not contractually liable to the service providers to pay for the variance in the exchange rate. Insofar as the claim for consequential loss is concerned, the Supply and Delivery Agreements with service providers stipulate that neither party shall be liable for the special or consequential damages suffered by the other party arising out of the Agreement howsoever arising.

**MR NN MUNZHELELE**

**DIRECTOR GENERAL [ACTING]**

**DEPARTMENT OF COMMUNICATIONS**

**DATE:**

**MS AF MUTHAMBI (MP)**

**MINISTER OF COMMUNICATIONS**

**DATE**