

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**DUE IN PARLIAMENT: 17 JUNE 2022**

**2188. Mr J N de Villiers (DA) to ask the Minister of Small Business Development:**

**(1) (a) What number of law firms are contracted to the (i) Small Enterprise Finance Agency and (ii) Small Enterprise Development Agency, (b) for what period are the firms contracted in each case and (c) what** **amount has been paid to each firm for the services rendered in the 2021-22 financial year in each case;**

**(2) whether any retainer fees are paid to the law firms; if not, why not; if so,**

**(3) whether there is a pre-approved and agreed fee price schedule; if not, why not; if so, what are the relevant details;**

**(4) whether they are only paid for work conducted; if not, what is the position in this regard; if so, what are the relevant details? NW2594E**

**REPLY: I have been advised by the department as follows:**

(1)(a)(i) & (ii) Seventy (70) law firms are currently contracted to the Small Enterprise Finance Agency (**sefa**) and eleven (11) law firms are contracted with the Small Enterprise Development Agency (Seda).

(b) All law firms with Seda are contracted until finalisation of each case except one law firm which is contracted for 12 months at R921 600.00. In the case of those law firms contracted with **sefa**, the period of contract is 36 months ending during the course of this year.

(c) The following table shows amounts paid to each firm for the services rendered in the 2021/22 financial year in each case. It is to be noted that payments reflected for those companies that have invoiced to Seda and **sefa**, and those not reflected below, although contracted with the agency, may only paid when a service is sought from their respective firms. From **sefa**’s end, the reasons why some contractors are not utilised may be due to lack of response from the firms when asked to provide assistance or lack of work required to be sent out for external attorneys.

| **Seda** | | | **sefa** | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **No.** | **Law firm** | **Amount** | **No** | **Law firm** | **Amount** | **No** | **Law firm** | **Amount** | **No** | **Law firm** | **Amount** |
| 1. | Firm A | R17 000.00 | 1. | Firm A | R1 439 615,68 | 16. | Firm P | R172 650,50 | 31. | Firm AE | R74 175,00 |
| 2. | Firm B | R1 741.10 | 2. | Firm B | R1 260 984,55 | 17. | Firm Q | R171 751,32 | 32. | Firm AF | R61 340,46 |
| 3. | Firm C | R 40 000.00 | 3. | Firm C | R906 766,81 | 18. | Firm R | R162 570,67 | 33. | Firm AG | R56 580,00 |
| 4. | Firm D | R 2 375.00 | 4. | Firm D | R675 521,89 | 19. | Firm S | R158 355,00 | 34. | Firm AH | R55 922,00 |
| 5. | Firm E | R 40 237.06 | 5. | Firm E | R564 318,64 | 20. | Firm T | R155 452,51 | 35. | Firm AI | R55 291,43 |
| 6. | Firm F | R23 000.00 | 6. | Firm F | R512 667,69 | 21. | Firm U | R144 588,73 | 36. | Firm AJ | R52 763,13 |
| 7. | Firm G | R 44 907.50 | 7. | Firm G | R465 365,74 | 22. | Firm V | R142 847,11 | 37. | Firm AK | R48 012,50 |
| 8. | Firm H | R 46 000.00 | 8. | Firm H | R392 891,56 | 23. | Firm W | R133 535,65 | 38. | Firm AL | R43 125,00 |
|  | | | 9. | Firm I | R297 323,54 | 24. | Firm X | R131 265,00 | 39. | Firm AM | R34 787,50 |
| 10. | Firm J | R278 483,35 | 25. | Firm Y | R130 500,05 | 40. | Firm AN | R29 006,84 |
| 11. | Firm K | R275 014,50 | 26. | Firm Z | R104 933,48 | 41. | Firm AO | R20 326,25 |
| 12. | Firm L | R272 124,51 | 27. | Firm AA | R104 388,76 | 42. | Firm AP | R5 453,44 |
| 13. | Firm M | R238 671,02 | 28. | Firm AB | R103 250,09 | 43. | Firm AQ | R4 364,75 |
| 14. | Firm N | R226 562,70 | 29. | Firm AC | R96 770,78 | 44. | Firm AR | R1 007,76 |
| 15. | Firm O | R206 783,12 | 30. | Firm AD | R81 663,82 | 45. | Firm AS | R303,60 |

(2) No, Seda and **sefa** does not have Retainer fee agreement nor is there retainer fees paid to the law firms.

(3) In relation to law firms contracted by Seda, there is a pre-approved and agreed fee price schedule for invited tender bids. The lowest bidder is appointed and for one firm in particular the hourly rate for a Senior Associate is R1 600.00

For those law firms contracted by sefa, pre-approved and agreed fee price schedule is attached to the SLA signed between **sefa** and the law firm, entitled Annexure A, attached hereto.

(4) Yes, law firms are only paid for work conducted.

**STELLA NDABENI-ABRAHAMS**

**MINISTER: SMALL BUSINESS DEVELOPMENT**