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**NATIONAL ASSEMBLY**

**WRITTEN REPLY**

**PARLIAMENTARY QUESTION: 2284**

**DATE OF PUBLICATION: 11 August 2017**

**Mr M S Mbatha (EFF) to ask the Minister of Economic Development:**

With reference to his reply to question 1874 on 31 July 2017, what was the monetary value of the tenders for which transaction advisers were used by (a) the Industrial Development Corporation’s appointment of Price Waterhouse Cooper Ltd for the Masorini Steel Project, (b) the Industrial Development Corporation’s appointment of PSG Capital for the UCW Transaction, and (c) the Industrial Development Corporation’s appointment of Ernst and Young and Rothschild (South Africa) for SCAW? NW2522E

**REPLY**

The IDC from time to time undertake large transactions for which it requires advisory or technical support, often involving global consultancy firms with expertise in the areas concerned.

In the three transactions referred to, the IDC utilized specialist advisory skills for transactions with initial transaction value estimates set out in the table below:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **No.** | **Name of Transaction Advisor** | **Tender description** | **Initial Monetary / Transcation Value** | **Tender pricing** | **Amount paid to date** |
| 1 | PriceWaterhouseCoopers Incorporated | Transaction Advisory Services for the Masorini Steel Project | US$ 5 billion | R 3,506,800 | R 3,049,919 |
| 2 | PSG Capital (Pty) Ltd | Transaction Advisor for the UCW Transaction | R 550 million | R 2,351,114 | R 2,351,114 |
| 3 | Ernst & Young Advisory Services (Pty) | Transaction advisor on the Corporatisation of Scaw | R 6 billion | R 17,256,155 | R 13,520,721 |
| 4 | Rothschild (South Africa) (Pty) Ltd and Identity Capital Partners (Pty) Ltd Joint Venture | Transaction advisory services to the IDC to identify strategic equity partners to its subsidiary, Scaw | R 6 billion | R 17,500,000 | R 7,579,905 |

**END**