

**MINISTRY**

**PUBLIC WORKS**

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**NATIONAL ASSEMBLY**

**WRITTEN REPLY**

**QUESTION NUMBER: 2356[NO.NW2930E]**

**INTERNAL QUESTION PAPER NO.: 38**

**DATE OF PUBLICATION: 16OCTOBER2020**

**DATE OF REPLY: 26 NOVEMBER 2020**

**2356. Ms S J Graham (DA) asked the Minister of Public Works and Infrastructure:**

(1) What progress has been made in meeting the target of 25% set in her department’s 2020 Annual Performance Plan for new leases to be with black-owned properties;

(2) whether her department intends entering into a lease with landlords who are not compliant with the requirements of Black Economic Empowerment in cases where (a) there are no black-owned properties in a certain area and (b) black-owned properties do not meet certain criteria; if not, why not; if so, what are the relevant details;

(3) whether in cases where black-owned properties do not tender for a specific contract, her department will cancel the tender process and re-tender in order to allow for those businesses to participate; if not, what is the position in this regard; if so, what (a) number of times would the procedure be followed and (b) other mechanisms would be used to ensure that the 25% target is met?

NW2930E

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REPLY:

**The Minister of Public Works and Infrastructure:**

1. I was informed by the Department of Public Works and Infrastructure (DPWI) that the Department has thus far awarded a total of seven (7) lease contracts for the current financial year. Of these, five (5) have been awarded to black owned properties.
2. The Department continues to award leases to landlords who do not meet requirements of Black Economic Empowerment. The details are as provided in Annexure A (attached). It is not in the Empowerment Policy of the Department not to award any tender to landlords who do not meet requirements of the Black Economic Empowerment.
3. The Department will not cancel tender and restart the procurement processes solely on the basis of non-participation of bidders who comply with the requirements of Black Economic Empowerment.

Additionally, the cancellation of tenders are legislated in that departments are only allowed to cancel tenders in instances where due to changed circumstances there is no longer a need, funds are no longer available to cover the expenditure, no acceptable tender is received or there is a material irregularity in the tender process. Departments are only allowed to cancel a tender for the first time and thereafter any further cancellations must be approved by the National Treasury.