****

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NUMBER: 2475 [**NW2732E**]**

**DATE OF PUBLICATION:**

**2475. Mr R A Lees (DA) to ask the Minister of Finance:**

1. With reference to a certain National Treasury Transversal Contract () awarded to a certain company (), what are the details of (a) all processes followed to determine which entity was the winning bidder and (b) each other supplier that tendered for the specified contract, including the (i) names, (ii) contact details, (iii) tendered contract prices and (iv) nutritional contents of the animal feeds offered in each case;
2. Whether he has found a conflict of interest therein that the owner (name furnished) of the specified company who won the bid was also the Managing Director of the Land Bank Insurance Company at the time that the tender was awarded; if not, what is the position in this regard; if so, on what legislative basis did he reach this conclusion;
3. (a) Which division of National Treasury handled the awarding of the specified tender and (b) was the Land Bank involved in any way in awarding the specified tender?

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**Reply:**

1. (a) This was an open tender process for the supply of animal feed to the state, where potential bidders were invited to submit responses in accordance with the special and general conditions of tender. The products had to comply with specific technical specifications to be acceptable. The evaluation criteria was based on submission of mandatory documentation, compliance with technical specifications and price and B-BBEE.

(b) (i) Names of bidders – Refer to attached Bidder’s List **Annexure A**.

(ii) Contact details – Refer to attached Bidder’s List **Annexure A**.

(iii) Tendered contract prices – Refer to attached Contract Circular **Annexure B**.

(iv) Nutritional contents of the animal feeds offered in each case – Refer to **Annexure C**.

1. At the closing date and time of the bid on 27 May 2016, Mr Adam Maniki Rakgalakane was not in the employ of the Land Bank and therefore there was no conflict of interest. Procedurally the company could not be disqualified.

During the due diligence process conducted on 19 October 2016, Rakgalakane Investments cc declared that one of their directors, Mr Adam Maniki Rakgalakane, had since been appointed by the Land Bank on 10 August 2016. The company undertook to ask Mr Rakgalakane to resign without withdrawing its tender, if their company became successful in the bid process. The Bid Adjudication Committee awarded the tender on 28 October 2016. Rakgalakane Investments was one of the winning bidders.

Prior to communicating the outcome of the tender, National Treasury enquired on the status of Mr Rakgalakane and it was confirmed that a process to have him resigning was underway. Mr Rakgalakane had since resigned.

1. (a) The Office of the Chief Procurement Officer – Transversal Contracting Unit.

(b) The Land Bank was not involved in the awarding of this tender.