**THE NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

 **Question 2839**

 **Dr M J Figg (DA) to ask the Minister of Trade and Industry:**

(1) Has his department had discussions with the National Treasury about the proposed new procurement regulations for tenders under R10 million; if so, what are the (a) substance of these discussions and (b) further relevant details;

(2) Has his department found that the proposed regulations are at odds with the (a) Broad-Based Black Economic Empowerment (B-BBEE) Act, Act 53 of 2003 and (b) B-BBEE Codes of Good Practice?NW3312E.

Response:

1. and (2)

The National Treasury recently circulated proposed draft amendments to the Preferential Procurement Policy Framework Act (PPPFA) Regulations, 2015 for comment. The Department of Trade & Industry (**the dti**) has since responded officially to the draft amendments to the Regulations through the Office of the Director-General.

In the main, **the dti** confined its comments to the preference point system, Broad-Based Black Economic Empowerment (B-BBEE) and local content. The substance of the comments is contained in the Submission to the National Treasury. An official response is awaited from the National Treasury.

Furthermore **the dti** has requested a further engagement with the National Treasury to support and clarify its comments, if the need arises. The position of **the dti** is that public procurement is an important industrial policy instrument and should be appropriately enshrined in any amendments to the Regulations of the Preferential Procurement Policy Framework Act in combination with other policy objectives, inclusive of broad-based black economic empowerment.