PARLIAMENT OF THE REPUBLIC OF SOUTH AFRICA

NATIONAL ASSEMBLY

WRITTEN REPLY

QUESTION NO: 386

DATE OF PUBLICATION: 19 February 2016

QUESTION PAPER NO:2

DATE OF REPLY:

Mr G R Krumbock (DA) to ask the Minister of Telecommunications and Postal Services:

With reference to President Jacob G Zuma’s undertaking in his State of the Nation Address delivered on 12 February 2015, that the Government will set aside 30% of appropriate categories of state procurement for purchasing from Small, Medium and Micro-sized Enterprises (SMMEs), co-operatives, as well as township and rural enterprises, what percentage of the total procurement of (a) his department and (b) every entity reporting to him went to (i) SMMEs and (ii) co-operatives from 1 April 2015 up to the latest specified date for which information is available? NW398E

 **REPLY:**

I have been advised by the Department and Entities as follows:-

(a)(i) The Department has spent 28% on SMMEs from April 2015 to January 2016.

(a)(ii)The Department does not have a specific classification for Co-operatives.

(b) Entities:

**Sentech SOC Ltd**

(b) (i)The percentage spend on SMMEs for period 1 April 2015 to January 2016 was 15% of the total procurement expenditure.

(b)(ii) Sentech does not have a specific classification for Co-operatives.

**SITA SOC Ltd**

(b) (i)The percentage spend on SMMEs for period 01 April 2015 to 31 December 2015 was 10%.

(b)(ii) SITA does not have a specific classification for Co-operatives.

 **Broadband Infraco SOC Ltd**

(b)(i) The percentage spend on SMMEs for a period 01 April 2015 to date is 34.56%.

(b)(ii) Broadband does not have a specific classification for Co-operatives

ZA Domain Name Authority

(b)(i) The zaDNA has spent 100% of its procurement budget on SMMEs from 1 April 2015 to date.

 (b)(ii) zaDNA does not have a specific classification for Co-operatives.

**Universal Service and Access and Agency of South Africa (USAASA)**

(b)(i) USAASA does not have a system to track procurement by SMMEs but this will be a requirement of their new electronic system. The current system does however track spending on BBEEs. The BBEE target is set at 80%. The overall budget of USAASA during the current financial year is R24, 591 million. Of this amount, about R19, 672 million have been spent on BBEEs.

(b)(ii) USAASA does not have a specific classification for Co-operatives.

**National Electronic Media Institute of South Africa**

(b)(i) NEMISA has spent 0.9% on SMMEs for a period 01 April 2015 to February 2016.

(b)(ii) None

 **South African Post Office**

(b)(i). SMMEs spending from 01 April to date is 6.60% of the total procurement spend.

(b)(ii) 14.41%