



the dti

Department:
Trade and Industry
REPUBLIC OF SOUTH AFRICA

PARLIAMENTARY QUESTIONS MARCH 2019

<p>1 THE NATIONAL ASSEMBLY QUESTION FOR WRITTEN REPLY</p> <p>419.</p> <p>Mr W.M Madisha (Cope) to ask the Minister of Trade and Industry: Whether (a) his department and/or (b) the National Lotteries Commission investigated matters related to the National Lottery's alleged fraudulent funding of a Denzhe Primary Care as reported by GroundUp in an article published on 22 November 2018 under the heading "How a Hijacked organisation scored million from the Lottery"; if not, why not; if so, what was the outcome of the investigation? NW482E</p>	<p>RESPONSE:</p> <p>The report was received by the department and is currently being reviewed.</p> <p>DISCLAIMER:</p> <p><i>"Except as explicitly state herein the Ministry: Department of Trade and Industry (the dti) does not express an opinion in respect of any factual representations. The opinion /memo provided is limited to the matters stated in it and may not be relied on upon by any person outside the dti or used for any other purpose neither in its intent or existence. It must not be disclosed to any other person without prior written approval other than by law. Nothing contained herein shall be construed as limiting the rights of the dti to defend or oppose any claim or action against the dti."</i></p>
<p>2 THE NATIONAL ASSEMBLY QUESTION FOR WRITTEN REPLY</p> <p>495.</p> <p>Mrs E.N Ntlangwini (EFF) to ask the Minister of Trade and Industry:</p>	<p>RESPONSE:</p> <p>The B-BBEE Commission received the complaint on 16 July 2018 and expects to finalise its investigation by 31 May 2019.</p> <p>DISCLAIMER:</p> <p><i>"Except as explicitly state herein the Ministry: Department of Trade and Industry (the dti) does not express an opinion in respect of any factual representations. The opinion /memo provided is limited to the matters stated in it and may not be relied on upon by any person outside the dti or used for any other purpose neither in its intent or existence. It must not be disclosed to any other person"</i></p>



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	<p>On what date is it envisaged that the Broad-Based Black Economic Empowerment Commission's investigation into G4S will be completed?</p>	<p><i>without prior written approval other than by law. Nothing contained herein shall be construed as limiting the rights of the dti to defend or oppose any claim or action against the dti."</i></p>
<p>3</p>	<p>THE NATIONAL ASSEMBLY QUESTION FOR WRITTEN REPLY</p> <p>486.</p> <p>Mrs E.N Ntlangwini (EFF) to ask the Minister of Trade and Industry:</p> <p>(a) What is the status of the Broad-Based Black Economic Empowerment Commission's investigation into the dispute between a certain person (name furnished) and a certain company (name and details furnished), (b) on what date was the case first brought to the commission and (c) on what date will the (i) investigation be completed and (ii) findings be released?</p>	<p>RESPONSE:</p> <p>According to the B-BBEE Commission:</p> <p>(a) The matter has been investigated and the parties agreed to consider alternative dispute resolution in terms of regulation 15(11) of the B-BBEE Regulations. The draft alternative dispute resolution agreement was sent to the parties following a round-table meeting on 4 December 2018 and the B-BBEE Commission still has not received input on the draft alternative dispute resolution agreement from the complainant.</p> <p>(b) The B-BBEE Commission received the complaint on 31 July 2017 from Mr. Aobakwe Tabe on behalf of his ailing mother Ms Ida Tabe.</p> <p>(c) During the investigation, Hotazel Motors (Pty) Ltd requested the B-BBEE Commission to facilitate the resolution of this through regulation 15(11) of the B-BBEE Regulations. The complainant was consulted, both parties agreed to consider alternative dispute resolution, and it was made clear that in the event that this process fails to resolve the matter, the B-BBEE Commission will proceed to finalise the investigation and issue its findings, with or without recommendations. A round-table was held with all the parties, and the draft alternative dispute resolution agreement was drafted by the B-BBEE Commission as agreed and sent to all parties for their input and response on 4 December 2018. The alternative dispute resolution agreement was signed by Hotazel Motors (Pty) Ltd on 12 December 2018, however, Mr Aobakwe Tabe requested several additional documents which were duly furnished to him. The B-BBEE Commission still awaits feedback from Mr Aobakwe Tabe despite numerous follow-ups to date. If the B-BBEE Commission concludes that Mr Aobakwe Tabe has been afforded sufficient opportunity to respond but has not done so, the B-BBEE Commission will have no choice but to declare the alternative dispute resolution process unsuccessful and proceed to make its findings, with or without recommendations, on the matter as required in the B-BBEE Regulations and the B-BBEE Act.</p> <p>(c)(i) The B-BBEE Commission will make its findings any time after the alternative dispute resolution process is declared unsuccessful. Meanwhile, the B-BBEE Commission has been affording indulgence to Mr Aobakwe Tabe to provide his input and response to the alternative dispute resolution agreement.</p> <p>(c)(ii) The B-BBEE Commission is required to afford the respondent thirty (30) days to respond to the findings in terms of regulation 15 (13) of the B-BBEE Regulations prior to issuing its final findings, and thereafter it may publish its findings. The B-BBEE Commission is, however, not permitted to publish its findings if the respondent institutes a judicial review or if the period allowed for such process has not lapsed.</p>



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4 THE NATIONAL ASSEMBLY QUESTION FOR WRITTEN REPLY

394.

Ms S.J Nkomo (IFP) to ask the Minister of Trade and Industry:

(1) Whether he can provide the (a) names and surnames and (b) dates of birth of the (i) company directors and (ii) managing directors of African Global Operations, formerly known as Bosasa Operations, since its inception in 1991 to date;

(2) whether he can provide the (a) broad-based black economic empowerment certificates, (b) financial statements and (c) annual turnover of the specified company from the time of inception to date?

NW418E

RESPONSE:

(1)(a) and (b)(i) Please refer to the enclosed **Annexure A** and (ii) CIPC does not have a record of the managing directors of African Global Operations.

(2)(a) CIPC cannot provide B-BBEE certificates. (b) CIPC can only provide the enclosed financial years statements referred to as **Annexure B**. (c) CIPC can only provide Turnover from 2005 at this stage as per the table below.

Year	Turnover total declared to CIPC ¹
2005	R133 434 460
2006	R248 349 915
2007	R390 507 954
2008	R445 554 000
2009	R467 509 494
2010	R432 884 566
2011	R345 212 894
2012	R0
2013	R648 181 225
2014	R753 166 122
2015	R818 397 894
2016	R806 893 890
2017	R115 497 288

¹ Please note that according to the CIPC, the figures for 2015 and 2017 as provided by the companies as contained in the table below, differ from the recently received audited financial statements. The CIPC will be investigating the difference in figures.



<p>5</p>	<p>THE NATIONAL ASSEMBLY QUESTION FOR WRITTEN REPLY</p> <p>321.</p> <p>Mrs E.N Ntlangwini (EFF) to ask the Minister of Trade and Industry: What was the contribution of artificial intelligence to the gross domestic product in 2018? NW341E</p>	<p>RESPONSE:</p> <p>(i) Artificial intelligence (AI) is intelligence demonstrated by machines. At the present time, there is no globally agreed methodology for calculating the contribution of artificial intelligence to gross domestic product (GDP).</p> <p>(ii) Nevertheless, it is expected that AI will impact economies in at least three inter-related ways. Firstly, on the production side the deployment of artificial intelligence capabilities will raise the productivity of firms by reducing costs, and/or production time, and/or improve product customisation.</p> <p>(iii) Secondly, on the consumption side artificial intelligence will upgrade or fundamentally modify traditional goods and/or services, thereby increasing their utility and value to consumers. In additional, artificial intelligence will likely reduce the time required for routine tasks to be concluded, thereby freeing consumers' time which can be spent on other activities including consumption of other goods and services.</p> <p>(iv) According to Price Waterhouse Coopers (PWC), 2017, "AI to drive GDP gains of \$15.7 trillion with productivity, personalisation improvements", global GDP will be 14% higher in 2030 as a result of artificial intelligence.</p>						
<p>6</p>	<p>THE NATIONAL ASSEMBLY QUESTION FOR WRITTEN REPLY</p> <p>325.</p> <p>Mrs E.N Ntlangwini (EFF) to ask the Minister of Trade and Industry: How many tons of steel has the country produced in each of the past 15 years? NW346E</p>	<p>RESPONSE:</p> <p>Over the past 15 years, South Africa's primary steel industry consisted of the following major flat and long steel producers: ArcelorMittal SA, Evraz Highveld Steel and Vanadium, Cape Gate, Columbus Stainless Steel and SCAW. Small mini-mill players (Agni Steel, Fortune Steel, SA Steel Mills, Cape Town Iron and Steel Works and Veer Steel Mills have started operation in recent years.</p> <p>The steel industry has been in decline in the last 15 years. Apart from weak demand, a major cause of the decline is the influx of steel imports which adversely affect the profitability and capacity utilization rates of the domestic steel producers. This trend has been aggravated over the years by massive global excess capacity, high production costs and aged plants.</p> <p>The table and diagram below depict the decline from 2004 where production was 9.4 million tons per annum compared to current production of 6.3 million tons per annum in 2018. Highveld Steel and Vanadium closed in 2015 accounting for a reduction in 1 million tons per annum of steel capacity.</p> <p>SA's crude steel production per annum (2004-2018)</p> <table border="1" data-bbox="600 1230 1220 1391"> <thead> <tr> <th>Year</th> <th>SA Crude steel production (tonnes)</th> </tr> </thead> <tbody> <tr> <td>2004</td> <td>9 405 568</td> </tr> <tr> <td>2005</td> <td>9 393 123</td> </tr> </tbody> </table>	Year	SA Crude steel production (tonnes)	2004	9 405 568	2005	9 393 123
Year	SA Crude steel production (tonnes)							
2004	9 405 568							
2005	9 393 123							



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2006	9 603 324
2007	8 985 805
2008	8 154 958
2009	7 483 932
2010	7 616 762
2011	7 546 489
2012	6 938 400
2013	7 161 900
2014	6 412 200
2015	6 417 100
2016	6 141 300
2017	6 299 200
2018	6 328 300

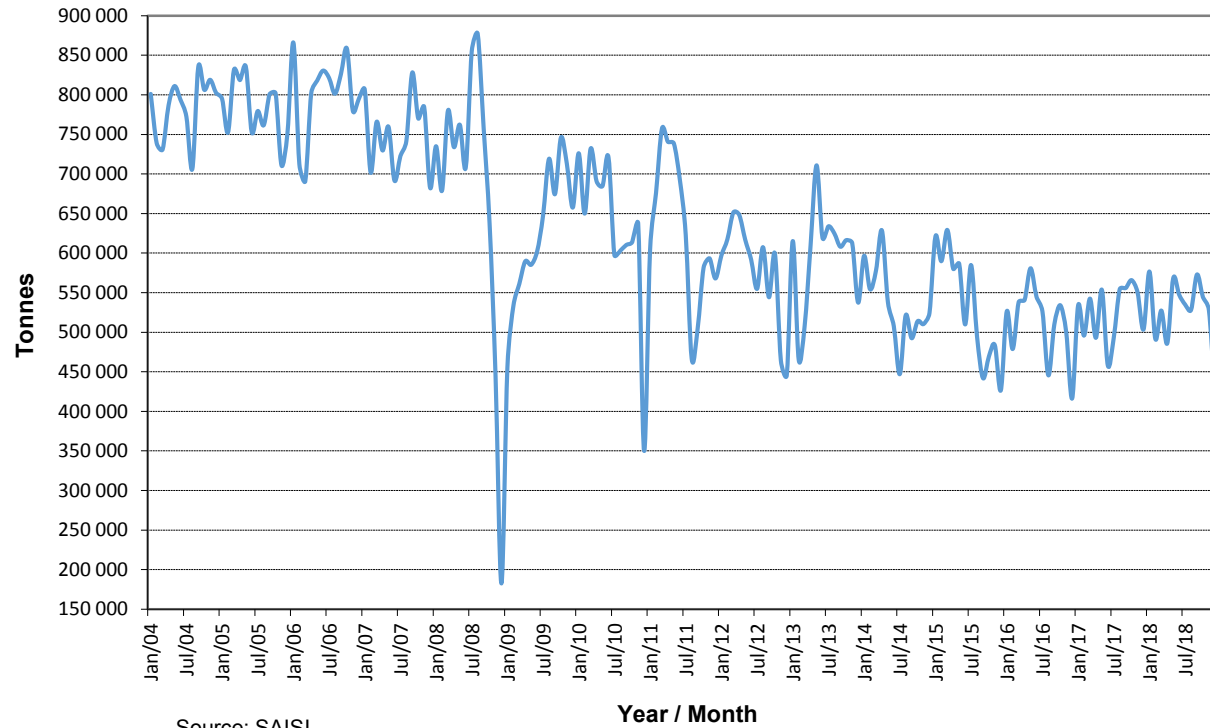
Source: **South African Institute of Iron and Steel**



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South African crude steel production January 2004 - December 2018



Source: SAISI



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<p>7</p>	<p>THE NATIONAL ASSEMBLY QUESTION FOR WRITTEN REPLY</p> <p>238.</p> <p>Mrs E.N Ntlangwini (EFF) to ask the Minister of Trade and Industry: What has he found to have been the impact of loadshedding on economic production in the period 1 January 2018 to 12 February 2019? NW248E</p>	<p>RESPONSE:</p> <p>It is impossible to estimate with a significant degree of accuracy, what the impact of loadshedding has been until the production data for the period is released by Statistics South Africa (StatsSA).</p> <p>Nevertheless, loadshedding is likely to have had a significant impact on Manufacturing and Mining production. There are a number of ways in which this happens.</p> <p>They include plant shutdowns where production is substantially delayed. In some cases, this production can be recovered when power is restored, by the factory running an additional shift or working overtime, although this has a direct impact on the cost of production.</p> <p>In sectors such as Food-processing, an entire batch of production may need to be discarded if there is an electricity interruption which prevents an important step in the production process from being concluded.</p> <p>Under these circumstances, the loss to the firm and the economy can be calculated as the value of the inputs which have to be discarded, or, the potential market value of production and associated taxes which would have accrued to the company and government respectively had the production process been successfully concluded.</p> <p>It is due to the likely significant impact on economic production, that the President of the Republic has assigned a high-level Cabinet team to oversee and advise on how best to strengthen Eskom and reduce the likelihood and incidence of loadshedding.</p>
<p>8</p>	<p>THE NATIONAL ASSEMBLY QUESTION FOR WRITTEN REPLY</p> <p>81.</p> <p>Mr D.W Macpherson (DA) to ask the Minister of Trade and Industry: (1) What (a) is the current status quo of the negotiations with a certain company to transfer or sell Ekandustria Industrial Park to the Gauteng provincial government and (b) total (i) amount has the specified company spent on Ekandustria in terms of</p>	<p>RESPONSE:</p> <p>(1)(a) The Industrial Park is owned by Mpumalanga Economic Growth Agency (MEGA), an entity of the Mpumalanga Provincial Government.</p> <p>(b)The Industrial Parks Revitalization Program at this stage caters for the revitalization of the state owned industrial Parks. The first phase of revitalization for Ekandustria covers the following: -</p> <p>(i) 6 000m2 of Roofing; (ii) Installation of 2km invisible fencing; and (iii) Revitalization of Waste Water Treatment Plant.</p> <p>The maintenance will be provided for by MEGA.</p> <p>(2) 143 is the total number of factories and 88 are operational.</p> <p>(3) Asset register is kept by MEGA.</p> <p>(4) The Operations of the Industrial Park are under the management of MEGA.</p>



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maintenance and security and (ii) number of jobs have been lost in Ekandustria in the past three financial years;
(2) what (a) is the total number of factories in Ekandustria and (b) number of the specified factories have been operational in the specified financial years;
(3) whether all properties in Ekandustria have been recorded in an asset register and were physically verified; if so, what total revenue amount was earned from properties in Ekandustria in the past three financial years;
(4) whether the specified company can confirm what total amount is owed to the City of Tshwane Metropolitan Municipality for electricity and water for the past three financial years; if so, what are the relevant details in each case;
(5) what total amount has his department made available to the company for the revitalisation of Ekandustria in the specified financial years?
NW86E

(5) MEGA was approved for funding under the Critical Infrastructure Programme of **the dti** for an amount of R49 999 866 for phase 1 of revitalization of Ekandustria Industrial Park.



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<p>9 THE NATIONAL ASSEMBLY QUESTION FOR WRITTEN REPLY</p> <p>148.</p> <p>Mr W Horn (DA) to ask the Minister of Trade and Industry: With reference to the reply of the Minister of Public Service and Administration to question 3797 on 21 December 2018, what was the total expenditure incurred by his department relating to the travel privileges contained in the 2007 Ministerial Handbook of former (a)(i) Ministers and (ii) their spouses, (b)(i) Deputy Ministers and (ii) their spouses, (c) Ministers' widows or widowers and (d) Deputy Ministers' widows or widowers (i) in each of the past five financial years and (ii) since 1 April 2018? NW153E</p>	<p>RESPONSE:</p> <p>(a) (i) (ii) (b) (i) (ii) (c) (d) (i) (ii)</p> <p>the dti did not incur any expenditure relating to travel privileges as contained in the 2007 Ministerial Handbook for former Ministers, Deputy Ministers, their spouses, widows or widowers in the past five financial years.</p>
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