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Department:  
Trade, Industry and Competition  
REPUBLIC OF SOUTH AFRICA

## THE NATIONAL ASSEMBLY

### QUESTION FOR WRITTEN REPLY

**QUESTION NO. 1877**

**DATE PUBLISHED: 13 MAY 2022**

**Mr M J Cuthbert (DA) to ask the Minister of Trade, Industry and Competition:**

Whether certain companies (names furnished) are utilised by the National Lotteries Commission (NLC) as and when the NLC needs its services; if not, what is the position in this regard; if so, (a) what are the relevant details of the services provided by the companies, (b) on what date did the companies and/or any of their affiliates start working for the NLC and (c) what total amount has been paid to the companies and/or any of their affiliates by the NLC to date? [NW2213E]

**REPLY:**

I have been furnished with the attached reply to the question submitted, by Ms Thabang Mampane, Commissioner of the National Lotteries Commission.



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National Lotteries Commission (NLC)  
P.O Box 1556  
Brooklyn Square 0083, Pretoria

**Mr Ebrahim Patel**  
**Minister of Trade, Industry and Competitions**

The dti Campus  
77 Meintjies Street  
Sunnyside  
Pretoria  
0001

16 May 2022

Dear Mr. E Patel

**SUBJECT: PARLIAMENTARY QUESTION PQ 1877**

**1877. Mr M J Cuthbert (DA) to ask the Minister of Trade, Industry and Competition:**

Whether certain companies (names furnished) are utilised by the National Lotteries Commission (NLC) as and when the NLC needs its services; if not, what is the position in this regard; if so, (a) what are the relevant details of the services provided by the companies, (b) on what date did the companies and/or any of their affiliates start working for the NLC and (c) what total amount has been paid to the companies and/or any of their affiliates by the NLC to date?NW2213E

#### **CHANGING LIVES**

**Board Members:** Ms B Ferguson, Mr W Hofmeyer, Ms P Mvulane  
Dr C Lubisi (Minister's Representative)  
Adv N Nene (Company Secretary)

*Established in terms of the Lotteries Act 57 of 1997, as amended*



### **Response from the National Lotteries Commission:**

Section 14(1) read together with Section 10(1)(a) of the Lotteries Act 57 of 1997 ("the Act") enjoins the Board of the NLC to advise on the issuing of a Licence to operate the National Lottery.

One of the Board's key functions in terms of Section 10(1)(a) of "the Act is to advise the Minister on the issuing of a Licence to conduct the National Lottery. Pursuant to advising the erstwhile Minister, on the issuing of the *Third* National Licence to Operate the National Lottery, which process commenced on 2012/2013 financial year, Neo Solutions was contracted as one of the service providers following a Supply Chain Process in accordance with NLC's Supply Chain Management Policy.

At this point we provide response to the questions before the Commission on its engagement with Neo Solutions.

- a. Whether certain companies (names furnished) are utilised by the National Lotteries Commission (NLC) as and when the NLC needs its services; if not, what is the position in this regard; if so, (a) what are the relevant details of the services provided by the companies**

Neo Solutions was appointed as a project manager to the NLC for evaluation of the Third National Lottery Licence Request for Proposal. They were also contracted to document the lessons learnt from the National Lottery Licence RFP pursuant to NLC's Knowledge Management Strategy. In addition to the above, Neo Solutions was contracted to conduct assessment on Cyber Security following a threat to NLC information security. The above appointments were made in line with NLC Supply Chain Management Policy.

- b. on what date did the companies and/or any of their affiliates start working for the NLC and the work was performed in the following financial years:**

The work was performed in the following financial years:

- 2014-2016 Financial Year – Project Management Cost which involved the end-to-end management of the Third National Lottery Licence RFP and decommissioning thereof
- 2016/2017 Financial Year – Knowledge Harvesting (Third National Lottery Licence RFP);



and

- 2020/2021 Financial Year – Cyber Security Assessment.

**c. what total amount has been paid to the companies and/or any of their affiliates by the NLC to date?**

The total value of work done over the financial periods was R26,167 496.98 inclusive of VAT as is listed below and detailed in appended Annexure:

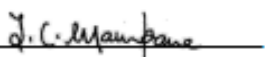
- Project Management Cost which involved the end-to-end project management of the Third National Lottery Licence RFP and decommissioning thereof – R 22 683 110.48 including VAT
- Knowledge Harvesting (Third National Lottery Licence RFP) – R2 986 386.00 including VAT; and
- Cyber Security Assessment – R498 000.00 including VAT.

The Minister is hereby notified that information is submitted in haste due to constricted turnaround times and that the Commission reserves the right to expand upon submissions if any further clarification may be required.

The Commission remains committed to upholding principles of accountability and transparency as well as accurate and credible reporting.

I trust you find the above in order.

Yours Faithfully,

  
Ms. Thabang Mampane  
Date: 16 May 2022

**-END-**