



the dtic

Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

THE NATIONAL COUNCIL OF PROVINCES

QUESTION FOR WRITTEN REPLY

QUESTION NO. 1077

Mr H J Van den Berg (Northern Cape: FF Plus) to ask the Minister of Trade, Industry and Competition:

(a) What is the total premium amount in Rands that has been paid by his department above market price for tenders as a result of the Broad-Based Black Economic Empowerment markups, specifically the (i) 25% premium for tenders below R50 million and (ii) 11% premium for tenders above R50 million in terms of the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003), and as permitted under the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000), regulations, (b) how has this impacted the value for money in each rand that has been spent and (c) what measures are in place to ensure compliance with the said Acts while preventing such premiums from disproportionately benefitting a small group of tenderers? CW1202E

REPLY:

(a)(i)(ii) (b)(c) **the dtic** does not have any tenders awarded where a premium had to be paid for tenders below R50 million or above R50 million as a result of applying preference point system as permitted under the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2003) and its applicable Regulations.

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