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Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

THE NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NO. 1875

DATE PUBLISHED: 13 MAY 2022

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

(1) (a) What (i) work have (aa) certain companies (names furnished) and (bb) any of their affiliates undertaken for the National Lotteries Commission (NLC), (ii) did this work entail and (iii) was the value of each tender, contract and/or once-off project awarded to each company and/or their affiliates and (b) in which financial year was the specified work done.

(2) whether the companies and/or any of their affiliates are preferred service providers to the NLC and/or the National Lottery Distribution Trust Fund; if not, what is the position in this regard; if so, what are the relevant details? [NW2211E]

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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Mr Ebrahim Patel
Minister of Trade, Industry and Competitions
The dti Campus
77 Meintjies Street
Sunnyside
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0001

16 May 2022

Dear Mr. E Patel

SUBJECT: PARLIAMENTARY QUESTION PQ 1875

QUESTION NO. 1875

1875. Mr M J Cuthbert (DA) to ask the Minister of Trade, Industry and Competition:

(1) (a) What (i) work have (aa) certain companies (names furnished) and (bb) any of their affiliates undertaken for the National Lotteries Commission (NLC), (ii) did this work entail and (iii) was the value of each tender, contract and/or once-off project awarded to each company and/or their affiliates and (b) in which financial year was the specified work done.

(2) whether the companies and/or any of their affiliates are preferred service providers to the NLC and/or the National Lottery Distribution Trust Fund; if not, what is the position in this regard; if so, what are the relevant details? NW2211E

CHANGING LIVES

Board Members: Ms B Ferguson, Mr W Heilmeyer, 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) What (i) work have (aa) certain companies (names furnished) and (bb) any of their affiliates undertaken for the National Lotteries Commission (NLC),

Neo Solutions was appointed as a project manager to the NLC pursuant to the *Third* National Lottery Licence Request for Proposal (Licence commencing 2015 to 2023). They were also engaged for Knowledge Harvesting of the Third 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.

(bb) any of their affiliates undertaken for the National Lotteries Commission (NLC)

The NLC is not aware of any affiliate of Neo Solutions that performed work for the organisation.

What did this work entail?

(ii) The work from Neo Solutions entailed the following:

- Project Management Cost which involved the end-to-end project management of the Third National Lottery Licence RFP and decommissioning thereof.
- Knowledge Harvesting (Third National Lottery Licence RFP); and



- Cyber Security Assessment.

(iii) What was the value of each tender, contract and/or once-off project awarded to each company and/or their affiliates

The value of work done is listed below:

- 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.

Breakdown of costs appended herewith.

(b) in which financial year was the specified work done.

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.

(2) whether the companies and/or any of their affiliates are preferred service providers to the NLC and/or the National Lottery Distribution Trust Fund; if not, what is the position in this regard; if so, what are the relevant details

Neo Solutions was always, and engagements appointed in line with the NLC's Supply Chain Management Policy.

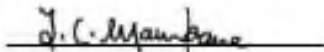
The Minister is hereby notified that information is submitted in haste due to constricted turnaround times and that the Commission reserves the right to expand upon submissions if any further clarification may be required.

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

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