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MINISTER OF WATER AND ENVIRONMENTAL AFFAIRS

NATIONAL ASSEMBLY: QUESTION 3426 FOR WRITTEN REPLY

A draft reply to the above-mentioned question asked by Mr S Mokgalapa (DA); is attached for your consideration.

ACTING DIRECTOR-GENERAL

DATE: 15/12/2010

DRAFT REPLY APPROVED/AMENDED

MRS BEE MOLEWA, MP

MINISTER OF WATER AND ENVIRONMENTAL AFFAIRS

DATE: 2010/12/14

NATIONAL ASSEMBLY

FOR WRITTEN REPLY

QUESTION NO 3426

<u>DATE OF PUBLICATION IN INTERNAL QUESTION PAPER: 19 NOVEMBER 2010</u> (INTERNAL QUESTION PAPER NO. 38)

3426. Mr S Mokgalapa (DA) to ask the Minister of Water and Environmental Affairs:

- (1) Whether the Mhlatuze Water Board purchased any tickets for the 2010 Fifa Soccer World Cup tournament; if not, how was this conclusion reached; if so, (a) what amount was spent on tickets, (b) for which games were tickets purchased, (c) what (i) is the name of each specified person who received the specified tickets to the games and (ii) is the relationship of each person with Mhlatuze Water Board and (d) what is the (i) name and (ii) designation of the person who authorised the purchase:
- (2) whether the person who authorised the purchases acted in accordance with the procurement policy; if not, what action has been taken against this person; if so, how was this conclusion reached?

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REPLY:

(1)(a) No. Mhlathuze Water Board did not purchase tickets for the 2010 Fifa Soccer World Cup tournament. The former Chief Executive of the Water Board did however purchase a soccer world cup package from Marcus Evans without the authority of the board.

(1)(b) Falls away.

(1)(c)(i) Falls away

(1)(c)(ii) Falls away.

(1)(d)(i) Mr S.S. Mbedzi

(1)(d)(ii) Former CEO of Mhlathuze Water Board.

Mhlathuze Water's former Chief Executive (CE), Mr S Mbedzi, purchased a Soccer World Cup Package from Marcus Evans which consisted of two components: Soccer tickets and Hospitality package. The entity, Ticketing Establishment providing tickets failed to provide proof of FIFA registration to meet SARB requirements for Mhlathuze Water to effect the tickets' payment. Mhlathuze Water ended up only paying for the Hospitality component to the value of R1.9 million. Due to failure to secure soccer tickets, the hospitality package also ended up being not utilised resulting in a wasteful expenditure that has been disclosed in the 2010 Annual Financial Statements.

(2) Normal Procurement process was not followed; the Board did not approve the purchase of the 2010 Fifa World Cup Tickets. Disciplinary actions were taken.