

**NATIONAL ASSEMBLY**

**FOR WRITTEN REPLY**

**QUESTION NO 1887**

**MATTERS RELATING TO THE COSTS AND PRODUCTION OF THE ANNUAL REPORTS (INTERNAL QUESTION PAPER NO. 22-2009)**

**"1887. Ms MR Shinn to ask the Minister of Science and Technology:**

- (1) In respect of each version of the 2008/09 annual report of her department and the annual reports of each statutory and other entity reporting to her department, (a) what was the (i) budgeted cost, (ii) actual costs and (iii) breakdown of cost in respect of (aa) printing, (bb) graphic design, (cc) other costs and (dd) unit cost of each were (i) produced and (ii) distributed;**
- (2) Whether any version of the abovementioned reports was retracted or withdrawn; if so, (a) how many times were each annual report withdrawn or retracted, (b) what (i) were the reasons for each withdrawal or retraction, and (ii) was the amount spent on each version and (c) how many copies were withdrawn in each case;**
- (3) how was the decision to award the contract to the (a) graphic design company and (b) printing company made;**
- (4) whether (a) her department or (b) any of those public entities that fall under her department held a function on tabling their 2008/09 annual report, if so in each case, (i) what was the name of the public entity, (ii) how much did the function cost, (iii) what is the breakdown, (iv) where was the function held, and (v) how many guests were invited?"**

**NW2449E**

**REPLY:**

- 1. The public entities reporting to the Department of Science and Technology (DST) are the Academic of Science for South Africa (ASSAf), the Africa Institute for South Africa (AISA), the Council for Scientific and Industrial**

Research (CSIR), the Human Sciences Research Council (HSRC), the National Research Foundation (NRF), the South African National Energy Institute (SANERI), and Tshumisano Trust. Information for the National Advisory Council on Innovation (NACI) and the South African Council for Natural Scientific Professions (SACNASP) has also been included.

Note: The actual costs indicated in the table below for the DST, the HSRC, the CSIR, Tshumisano and ASSAf include the costs of designing, editing and printing, as the service providers gave combined figures for these three services.

Institution	(a)(i) Budgeted costs	(ii) Actual costs	(iii)(aa) Cost of printing	(bb) Cost of graphic design	(cc) Other costs	(dd) Unit costs	(dd)(i) Produced	(d)(ii) Distributed
<i>Rands</i>						<i>Number</i>		
DST	385 000	287 096				191,40	1 500	1 000
AISA	160 000	184 897	108 756	75 064	1 077	184,90	1 000	726
ASSAf	190 000	115 970			0	115,97	1 000	987
CSIR	400 000	376 830				125,61	3 000	1 600
HSRC	700 000	909 817			217418	139,07	5 500	3 670
NACI	200 000	105 103	29 802	55 643	6 076	674,89	1 500	827
NRF	650 000	579 282	291 436	119 260	168 586	386,00	1 500	500
SACNASP	9 000	8 800	8 700		100	17 60	500	500
SANERI	170 000	153 490	98 190	18 500	17 950	204,65	750	700
Tshumisano	189 000	158 613				198 27	800	800

- No version of the 2008/09 annual report was retracted or withdrawn for the DST or any of the public entities falling under the Department.

However, the DST, the HSRC and the NRF had to reprint certain sections of their annual reports for the following reasons:

**NRF:** The NRF annual report was not retracted. However, during the printing process two pages had to be rerun in order to correct errors on the key performance indicator (KPI) report included in the annual report. This

was necessary mainly to provide a clarification for Figures 2 and 3 on p 4 of the KPI report, and to correct a misprint in Table 10 on p 9 of the KPI report. No additional costs were incurred by the NRF.

**HSRC:** Before the launch of the annual report and upon receipt of the first set of copies from the printers some errors were detected in the report. The necessary corrections were made and the reports were subsequently reprinted with these corrections. At that stage, some copies had already been sent to Parliament. The report was not withdrawn, however. Instead, errata will be made available to Parliament and other stakeholders.

**DST:** Reprinting was necessitated by grammatical errors discovered in the report after the document had been signed off for printing. Correcting the errors and the layout cost the DST R18 844, inclusive of VAT. No copy was withdrawn.

### Question 3

Institution	(a) Decision to award contract to graphic design company	(b) Decision to award contract to printing company
DST	The DST has identified a pool of service providers on their database for design, printing and editing. Every year the DST requests quotations from this pool and awards the contract on a rotational basis.	The DST has identified a pool of service providers on their database for design, printing and editing. Every year the DST requests quotations from this pool and awards the contract on a rotational basis.
AISA	Three quotations were obtained. Approval of the service provider was done through AISA's internal procurement procedures.	Three quotations were obtained and the appointment of the preferred supplier was motivated. Approval of the service provider was done through AISA's internal procurement procedures.
HSRC	An open tender procedure was followed with a threshold value of over R200 000.	A closed tender was followed with a strong emphasis on capacity to deliver in time.
CSIR	The company was identified through the CSIR procurement process, which took into account the service provider's Broad-Based Black Economic Empowerment (BBBEE) level.	The company was identified through the CSIR procurement process, which took into account the service provider's BBBEE level.
NRF	Over time the service provider used to produce the NRF's annual, KPI and impact reports was repeatedly selected as the most suitable bidder through the	Over time the service provider used to produce the NRF's annual, KPI and impact reports was repeatedly selected as the most suitable bidder through the

	open tender processes used by the NRF. Consequently, the NRF has approved the service provider as a preferred service provider. On 31 March 2008 the Bid Award Committee of the NRF approved the request to enter into a service level agreement (SLA) with the service provider to assist the NRF with broad areas of communication and branding. A limited (three-year) SLA between the NRF and the service provider was signed on 8 April 2008.	open tender processes used by the NRF. Consequently, the NRF has approved the service provider as a preferred service provider. On 31 March 2008 the Bid Award Committee of the NRF approved the request to enter into a service level agreement (SLA) with the service provider to assist the NRF with broad areas of communication and branding. A limited (three-year) SLA between the NRF and the service provider was signed on 8 April 2008.
<b>Tshumisano</b>	Three quotations were obtained. Approval of the service provider was done through Tshumisano's internal procurement procedures.	Three quotations were obtained. Approval of the service provider was done through Tshumisano's internal procurement procedures.
<b>SANERI</b>	Four quotations were obtained. The Executive took a decision based on price and credentials, as well as previous work done. The company that did the graphic design also handled the printing.	Four quotations were obtained. The Executive took a decision based on price and credentials, as well as previous work done.
<b>SACNASP</b>	Three quotations were received. The service provider was selected on the basis of the best quotation and service record. The company that did the graphic design also handled the printing.	Three quotations were received. The service provider was selected on the basis of the best quotation and service record. The company that did the printing also handled the graphic design.
<b>ASSAf</b>	Three quotations were obtained for printing and graphic design. ASSAf's internal procurement process was followed.	Three quotations were obtained for printing and graphic design. ASSAf's internal procurement process was followed.
<b>NACI</b>	Three quotations were obtained.	Three quotations were obtained.

- 4 (a) The Department did not hold a function on tabling the 2008/09 annual report.
- (b) The CSIR and the HSRC were the only entities that held functions. The information relating to their functions is set out in the table below:

(i) Institution	(ii) Cost of function	(iii) Breakdown	(iv) Venue	(v) Guests Invited
HSRC	R75 226	Venue and flowers R63 826 Small gifts for guests R11 400	Southern Sun Hotel	1 250
CSIR	R69 326	Equipment, digital management, set-up and dismantling of plinths and exhibition stands. After-hours set-up and staffing trial runs over the weekend and set up of cabling R26 100 Broadcast production and video recording R8 250 Catering, refreshments, arrival teas and coffees, luncheon and waiters and catering staff R17 444,31 Event photography R1 670 Shuttle hire to transport the media and car rental for staff to set up on Saturday and Sunday R5 280 Stationery R1 332 Gifts for media and guests (copies of presentations and handouts) R9 250	Knowledge Commons Boardroom at the CSIR	142