

**SCMB 36/08/19 PROCUREMENT OF GOODS/SERVICES/CONSTRUCTION
WORKS FROM ANOTHER ORGAN OF STATE: CONCLUSION
OF 3 YEAR AGREEMENT WITH THE SMALL ENTERPRISE
DEVELOPMENT AGENCY (SEDA) TO IMPLEMENT THE CITY
OF CAPE TOWN (CITY) COST SHARING ENTERPRISE AND
SUPPLIER DEVELOPMENT PROGRAMME**

In response to questions raised regarding the agreement with Small Enterpriser Development Agency (SEDA), the official explained that SEDA Western Cape is a Business Development Agency with a National mandate and the City has a co-operative agreement with them. The official said that the co-operative agreement makes provision for additional approval of funding if the City enters into any agreement which requires finance. He said that in this case it was the Enterprise and Supplier Development Programme that carries a financial implication as it was intended to assist the vendors of the City.

In response to questions raised regarding the agreement signed by the Executive Mayor, as mentioned in page 10 of this Agenda, the official explained that the document being referred to details a non-financial co-operative agreement.

The official further explained that although it is not a normal City of Cape Town function, the City's Business Support Policy makes provision for the development of suppliers. The official said that the Programme and funding deals strictly with development of the City's vendors as SEDA's operational cost are run as part of the National Department of Small Business Development no contributions will be paid toward the operational costs of the organisations, but only to the development costs of the vendors.

The official further explained that as SEDA obtains some funding from National Government, SEDA and the City will run the programme on a cost-sharing agreement basis, which is detailed as 45% contribution by SEDA, 45% by the City and 10% by the vendor, limited to a total contribution of R50 000 per vendor.

RESOLVED that for the reasons set out in the report and in accordance with clause 20.1 of the CCT's SCM Policy, the Small Enterprise Development Agency (SEDA) Western Cape be appointed to implement a supplier development programme, in an amount up to R1 000 000.00 (excl. VAT) per annum, from date of commencement of contract until 31 March 2022.

ACTION: C VIZZI, F SEPKINS, V JOHN



This resolution complies with the Supply Chain Management Policy as approved by Council on 30 May 2019.



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ARNO VORSTER EMPLOYEE NO. 10300397
CHAIRPERSON: SUPPLY CHAIN MANAGEMENT
BID ADJUDICATION COMMITTEE

DATE: 22/8/19