

Statement to Portfolio Committee on Home Affairs

In 2012, my son Jonathan and I were in a position to explore a long-held ambition to invest in a world-class gateway into South Africa for non-scheduled aviation. By non-scheduled aviation we mean aircraft that are not run by major airlines or on a schedule, and which serve customers primarily in tourism, business, and the public sector.

We initiated a detailed review of the available options and started consultation with potential stakeholders to better understand the market. It soon became apparent that OR Tambo International, unlike most major airports in the world, did not have a facility dedicated to both domestic and international non-scheduled aircraft movements.

Further research identified underutilised land and facilities within the Denel complex at OR Tambo, which could be turned into an ideal terminal for non-scheduled traffic. We then entered into discussion with the Airports Company South Africa (ACSA), ACSA's property company (Precinct 2A), and Denel. All parties were supportive of our proposal, and in due course we signed a lease agreement with Denel for the facilities in question – and Fireblade Aviation came into existence. In parallel, we started consultation with other stakeholders to determine their support for the project.

From inception Fireblade's business plan, as shared with Denel, ACSA and other key stakeholders, was that Customs and Immigration facilities should be available on site. These were always to be manned by the State. Without the ability to support international flights, it was clear that the business venture would not be profitable. Both Denel and ACSA were enthusiastic supporters of the concept. Fireblade opened its doors to domestic traffic in September 2014, following an investment of approximately R150 million.

Because of the need for the State to provide Customs and Immigration services at Fireblade, we knew full well that approvals would be needed from many different Government bodies. Early engagement ensured that the building's design had the necessary space dedicated to international movements and included those parties' specific requirements.

This process started in 2012, and over the best part of the next four years 27 approvals by various Government bodies were obtained. By the early part of 2016 the sole approval outstanding was that of the Minister of Home Affairs. During a meeting at the Minister of Home Affairs' Office in Pretoria on January 28th 2016, Minister Gigaba, the then Minister, granted this final approval.

Following this meeting, Home Affairs failed to act on the approval granted by the Minister, and it soon became clear that there was no intention of honouring this. After multiple engagements with Home Affairs and the Minister's Office to understand this change of heart, Fireblade was left with no choice but to seek clarity from the courts. Fireblade saw this as a last resort and followed this route reluctantly.

The Pretoria High Court, then a Full Bench of that same court, followed by the Supreme Court of Appeal, ruled on this matter, and all found that the Minister had indeed granted permission to Fireblade and his attempt to argue otherwise was ill-founded. The Full Bench of the High Court went so far as to find that the Minister had told deliberate untruths while under oath on facts central to the matter, thereby having violated the Constitution. After unsuccessfully applying for leave to appeal to the Supreme Court of Appeal, the Minister has subsequently lodged an application to the

Constitutional Court for leave to appeal these judgments, but crucially no longer challenges the finding that he did grant approval.

Following these judgments, on February 12th 2018 the first international flight passed through the Fireblade Terminal. There have since been 691 international movements carrying 1,401 passengers, as at 30th October 2018. We would like to take this opportunity to pay tribute to the State Officials who provide this service with great efficiency and who have, we are certain, contributed to those passengers' favourable impressions of South Africa.

At this point I would like to specifically address three comments made in the media about Fireblade:

- Firstly, that this is the only privately-owned facility of its kind in South Africa;
- Secondly, that Fireblade enables uncontrolled flights in and out of South Africa;
- Thirdly, that this is a facility for the exclusive use of the Oppenheimer Family.

These comments are simply not true! To address each in turn.

In addition to Fireblade, other privately-owned airport facilities exist in the country, such as Lanseria and Kruger Mpumalanga International Airports, who offer international services. There are also multiple bonded warehouses at South Africa's international airports (which process goods carried on international flights) that are privately owned. Therefore Fireblade is by no means unique.

All the above facilities enjoy services and support from the appropriate State agencies, in terms of clearing passengers and cargo into and out of the country. The primary control of aircraft arriving and departing at any such airfield is exercised by Air Traffic Navigation Services (ATNS), who manage the national airspace on behalf of the South African Government. All of Fireblade's movements are controlled by ATNS, ACSA, and the Department of Transport, while Customs and Immigration services supporting international movements are provided by the State and take place in a sterile area within the Fireblade Terminal. There are no circumstances under which aircraft can circumvent this system.

Finally, the Fireblade Terminal is available to any non-scheduled flights that receive the necessary permissions from the South African government and meet Fireblade's operating criteria. Since Fireblade opened for business in 2014, there have been 13,884 total movements of which less than 5% were operated on behalf of the Oppenheimer family. Of the 691 international movements that have taken place since February 2018, only 6% were operated on behalf of the Oppenheimer family. As with all commercial businesses, Fireblade is constantly seeking to attract the maximum numbers of legitimate customers possible within its ACSA agreed mandate to only handle non-scheduled flights.

We are extraordinarily proud of the Fireblade facility and are delighted with the cooperation of the various State entities providing independent services to it. We think that Fireblade is in the process of achieving its ambition – providing a first-class service to its customers and enhancing their perceptions of South Africa, while at the same time reinforcing the Oppenheimers' enduring commitment to our country.

Thank you for giving us this opportunity to be here in Parliament and we look forward to answering any questions that you may have about the facility and its operations.