TAKE 25

STARTS AT 16:08

Question 24:

The PRESIDENT OF THE REPUBLIC OF SOUTH AFRICA:

REV K R J MESHOE:

The PRESIDENT OF THE REPUBLIC OF SOUTH AFRICA:Hon House Chair, hon Meshoe, we are not in the business of entering into agreements knowing that we will default on those agreements. We abide by the terms of the agreements that we enter into. Eskom has not failed to live up to the payments that it should live up to when it comes to repaying loans. We do not intend to have Eskom in the end defaulting on the agreements that it has entered into.

I have specifically said, if you had listened very carefully, Reverend, that, as we entered into this loan, there is no security in the form of assets — a portion of Eskom indirectly or directly that has been offered as security ... We have not done that.

Now, the guarantee that has been given is part of the broad, general guarantee framework that we give as we underpin the loan processes that any state-owned enterprise has. It could be Transnet, it could be Sanral, it could be Umgeni Water, and it could be anyone.

In the end, government is the one that is the backstop to all these loan processes. It is not a specific asset.

I would like to give you assurance when it comes to that. That is how these guarantees work. A general government guarantee framework agreement works in that way. It is a broad pot of guarantees that is given by government. In the end, it is the sovereign ... it is the government in the end that is seen as the backstop. We don’t give specific assets. We don’t even give ... [Inaudible.] ... we don’t even give land. We don’t even give vehicles or anything as a guarantee, because, in the end, for the loan providers, that is worthless. That is worthless.

What is more worthwhile for them is a government guarantee. It is the sovereign guarantee that people place more emphasis on.

So, if you have read that in other countries loan providers have gone after certain assets, I can assure you that it is not going to happen here. We will not allow that to happen.

In fact, Reverend, you credit us with a level of wisdom that as we negotiate these agreements, we are not going to sell the family or the country’s silver. We are not going to do that. Thank you.

THE CHIEF WHIP OF THE OPPOSITION: Thank you for your answer, Mr President.

However, given the flip-flopping record of your government — sell SAA, don’t sell SAA, oppose the DA’s court application this morning, withdraw the opposition to it in the afternoon — it’s hard to take these assurances seriously.

The R33 billion loan from China Development Corporation poses a significant risk to the South African fiscus and to our citizens. That’s why, during the previous Question Session, we asked you to make a full disclosure of what the terms and conditions were of this secretive loan.

After Eskom, through our Promotion of Access to Information Act, initially refused to grant this request, they then gave us some information, but left out all the important information that would probably show transparency and accountability here.

Now this tactic is only all too familiar. It’s precisely the secrecy and lack of transparency that provided the fertile ground for state capture to take root in South Africa.

We will approach the courts, if necessary. But, Mr President, in the interests of openness and transparency, in breaking the secrecy and subterfuge of the last eight years, will you commit today to make these terms and conditions public so that the South African people can ... [Inaudible.] [Time expired.]

The PRESIDENT OF THE REPUBLIC OF SOUTH AFRICA: Let me say, hon House Chair, that I want to reject the notion that this loan that has been provided to Eskom is going to provide an overbearing risk in the way that you describe it on the sovereign. This loan is no different ... [Interjections.]

Yes, it is no different from the loan that Sanral has. It is no different from the role that Transnet has. It’s no different from the loan that all our state-owned entities have, including SAA as well. [Interjections.]

You may ooh and aah and all that, but in the end, all these happen under the broad government guarantee framework agreement. We have not entered in to any special deal with the Bank of China when it comes to this. It is a straightforward, vanilla type of loan ... [Interjections.] ... that is guaranteed by the sovereign. [Interjections.]

That’s what it is! It is no different whatsoever from all the others.

So, I want to say very clearly to you ... [Interjections.]

And there is a problem of hon members, and particularly Steenhuisen, to have the ability to listen. It does seem that he’s bit handicapped when it comes to that. [Interjections.] He does not ... he cannot listen. Even as one tries to give him an explanation, there seems to be a serious handicap. I would immediately have said, maybe he needs to go for audio testing, but maybe that is not his only problem. There is a deeper problem which we should maybe have some analysts look into. [Interjections.]

Because he’s not listening. Maybe it is a problem of properly assimilating the information that he is given.

So I think we have a problem with hon Steenhuisen.

But I have given him the answer. Maybe, overnight, he’ll be able to spend time and be able to assimilate properly the information that has been put before him. Thank you.

THE HOUSE CHAIRPERSON ( MS A T Didiza): Hon Steenhuisen, you stood up?

THE CHIEF WHIP OF THE OPPOSITION:Madam House Chair, I’m very glad that the President is so concerned about my health.

THE HOUSE CHAIRPERSON ( MS A T Didiza): Is it a point of order?

THE CHIEF WHIP OF THE OPPOSITION: Yes, it is, because you cannot cast aspersions ... [Interjections.]

The HOUSE CHAIRPERSON (Ms A T Didiza): Hon Ndlozi, I’ll come back to you.

Dr M Q NDLOZI: Point of order, Comrade ... [Inaudible.] Why is he rising? On which Rule? On which Rule? Can you have consistency, hon Chair? Don’t be intimidated by anyone. [Interjections.] Don’t be intimidated by anyone! Why is this guy rising? On what Rule? [Interjections.] Sit down and take it!

The HOUSE CHAIRPERSON (Ms A T Didiza): Hon Ndlozi! I’m glad you have taken your seat because, indeed, you raised a point of order. I said I’ll come back to you. But you then also did what is wrong, and continued to express yourself. Hon Steenhuisen stood up on a point of order. I’m still listening to him ... [Interjections.]

Dr M Q NDLOZI: He never said that! He just stood up!

THE HOUSE CHAIRPERSON ( MS A T Didiza): I asked ... [Interjections.] Wait ... [Interjections.]

Hon Steenhuisen, what is your point of order?

THE CHIEF WHIP OF THE OPPOSITION: Well, to quote the hon Ndlozi from earlier, “some Rule”. That’s what he got away with earlier.

Nonetheless, I thank the President for his concern about my auditory abilities and the like, but I don’t think that it is appropriate ... [Interjections.]

Mr J S MALEMA: Hon Chair, please ...

The CHIEF WHIP OF THE OPPOSITION: Can the VBS Bank looters please give me a chance ... [Interjections.] [Inaudible.]

Mr J S MALEMA: No, no! You are not going to call me a VBS looter You racist, young white man!

THE HOUSE CHAIRPERSON ( MS A T Didiza): Hon Steenhuisen, can you please come to your ... [Interjections.] [Inaudible.]

Mr J S MALEMA: A racist young man who was accused of rape, of bonking a woman in an office ... [Interjections.] You are not going to do that. [Interjections.] You are not going to do that! [Interjections.] You are accused of ... [Inaudible.] in an office. When you are in a municipality you bonk a woman in an office!

The HOUSE CHAIRPERSON (Ms A T Didiza): Hon members!

HON MEMBERS: Pay back the money! Pay back the money! [Interjections.]

Mr J S MALEMA: Racists! Racists! [Interjections.]

The HOUSE CHAIRPERSON (Ms A T Didiza): Order, hon members. Hon members of the DA and the EFF ... [Interjections.]

HON MEMBERS: Racists! Racists!

Mr N F SHIVAMBU: House Chairperson ... [Interjections.]

The HOUSE CHAIRPERSON (Ms A T Didiza): Hon Shivambu, I would listen to you. Can you please ask your members ... [Interjections.] Order! Order! [Interjections.] Can the Serjeant-at-arms come in. [Interjections.] Serjeant-at-arms, please come in. Order, hon members! [Interjections.]

The CHIEF WHIP OF THE OPPOSITION: Can I continue? [Interjections.]

The HOUSE CHAIRPERSON (Ms A T Didiza): Sergeant at arms, can you please act. [Interjections.] Hon Gardee ... Hon Shivambu, can you please ask your members to take their seats.

Mr N F SHIVAMBU: Can I raise a point of order?

The HOUSE CHAIRPERSON (Ms A T Didiza): Yes, but please first ask your members to take to their seats. [Interjections.] Hon Steenhuisen, as a chief whip, can you also ask your members to take their seats.

The CHIEF WHIP OF THE OPPOSITION: They are sitting down. I have my whips there. [Interjections.]

The HOUSE CHAIRPERSON (Ms A T Didiza): Can you please ask your members to take their seats! [Interjections.] Hon Shivambu ... hon Shivambu, can you please ask your members too to take their seats.

Mr N F SHIVAMBU: But you can’t allow a person to speak without a Rule. [Interjections.]

The HOUSE CHAIRPERSON (Ms A T Didiza): Hon member ...

Mr J S MALEMA: You are not going to be scared of this white ...

The HOUSE CHAIRPERSON (Ms A T Didiza): Hon member, can I address you.

Mr J S MALEMA: You are not gong to be scared of this white ...

The HOUSE CHAIRPERSON (Ms A T Didiza): Hon members, can you take your seats, including hon Steenhuisen.

The CHIEF WHIP OF THE OPPOSITION: I haven’t finished my point of order. [Interjections.]

Mr J S MALEMA: We are not going to be intimidated by whites here! [Interjections.]

The HOUSE CHAIRPERSON (Ms A T Didiza): Please take your seat, hon Malema. [Interjections.]

Mr J S MALEMA: There is no white man who is going to intimidate us here! [Interjections.]

The HOUSE CHAIRPERSON (Ms A T Didiza): Hon members of the DA and the EFF, can you take your seats. [Interjections.] You have disrupted one another on points of order. I will now allow the President to respond to the question. I will talk to the Chief Whips of both parties. [Interjections.] Yes, hon Steenhuisen, because you actually stood up and you went on and started responding to hon Malema. [Interjections.] I am now ruling.

Hon President, can you please answer the question.

The CHIEF WHIP OF THE OPPOSITION: Madam House Chair ... [Interjections.]

Mr J S MALEMA: You are not going to speak here, wena! You are not going to speak! [Interjections.]

The HOUSE CHAIRPERSON (Ms A T Didiza): Hon Malema!

Mr J S MALEMA: No, you must allow the President to answer. The President is going to answer. The white boy is ... [Interjections.] [Inaudible.] The President is going to answer! We are not scared of these whites!

The HOUSE CHAIRPERSON (Ms A T Didiza): Hon members, I have allowed the President to respond!

Mr J S MALEMA: He must sit down! He must sit down!

The HOUSE CHAIRPERSON (Ms A T Didiza): Can you allow me to chair.

An HON MEMBER: Shut down his mic! Shut down his mic!

The HOUSE CHAIRPERSON (Ms A T Didiza): Take your seats, hon members! Hon Steenhuisen ...

The CHIEF WHIP OF THE OPPOSITION: Madam Chairperson, I’d like to make my point of order.

The HOUSE CHAIRPERSON (Ms A T Didiza): Yes, I hear you. Allow me to rule.

The CHIEF WHIP OF THE OPPOSITION: It’s a separate point of order.

The HOUSE CHAIRPERSON (Ms A T Didiza): Can you please allow me to rule that, for now, the President must respond. [Interjections.]

The HOUSE CHAIRPERSON (Ms A T Didiza): Madam House Chair, with respect, I rise on Rule 85 ...

The HOUSE CHAIRPERSON (Ms A T Didiza): With respect, I’m also asking you to take your seat.

The CHIEF WHIP OF THE OPPOSITION: Rule 85! You’re going to let me be called a racist in this House?

The HOUSE CHAIRPERSON (Ms A T Didiza): Can you take your seat?

The CHIEF WHIP OF THE OPPOSITION: This is not right!

The HOUSE CHAIRPERSON (Ms A T Didiza): Take your seat. [Interjections.] Order, hon members! Can the House be in order! Hon President, please respond. [Interjections.] Hon Steenhuisen, I will address your other point of order once the President has responded to the question. Hon President, please respond to the question.

The PRESIDENT OF THE REPUBLIC OF SOUTH AFRICA: Hon House Chair, I actually did respond. Unless there is another question, I’m rather sad and taken aback by the ... [Interjections.] ... and almost handicapped by what is happening.

But, I did respond. I guess my response had been to hon Steenhuisen in the way that I was trying to answer him. So, I’m ready for the next question. Thank you. [Interjections.]

The HOUSE CHAIRPERSON (Ms A T Didiza): Hon members, can you take your seats. I ruled that I would give the President an opportunity. On Rule 67, in terms of our own Rules, which is the rule of precedence of presiding officers ...

Whenever the presiding officer addresses the House during a debate, any member then speaking or offering to speak must resume his or her seat. And the presiding officer must be heard without interruption.

I tried several times ... to members who were raising points of order against points of order, and you did not observe the Rule. That is why I, at the end, had to use my discretion to actually say, I will say I will speak to the Chief Whips of both parties whose members were even at the point of physical fight. In order to bring order to the House, I ruled and I still rule that I will now give an opportunity to the President to address the next question. [Interjections.]

You may have a problem, hon Steenhuisen. I will request that that matter ... [Interjections.]

Hon Steenhuisen, protection must be offered equally to all members of the House. At the moment I have ruled ... [Interjections.]

No. Hon Steenhuisen, Rule 67 still applies. I am speaking and you shall listen. Hon President, can you please answer ...

Mr M A PLOUAMMA: Hon Chair ...

The HOUSE CHAIRPERSON (Ms A T Didiza): Hon Shivambu, can you please ask your supplementary question. Hon Plouamma.

Mr M A PLOUAMMA: Thank you. You did not recognise me. I have a point of order. [Interjections.]

The HOUSE CHAIRPERSON (Ms A T Didiza): Hon Shivambu, please take your seat. What’s your point of order?

Mr M A PLOUAMMA: Hon House Chair, I do respect your ruling.

The HOUSE CHAIRPERSON (Ms A T Didiza): Yes.

Mr M A PLOUAMMA: But I think we cannot allow in this House for someone to say that whites can’t speak in this House. [Applause.] We cannot!

The HOUSE CHAIRPERSON (Ms A T Didiza): Hon member ... [Interjections.] Can you finish your point of order. [Interjections.] Order! [Interjections.]

Mr M A PLOUAMMA: Sit down! Sit down! [Interjections.]

The HOUSE CHAIRPERSON (Ms A T Didiza): Hon Kwahula ...

An HON MEMBER: [Inaudible.] ... member. Never point at me! Never! Never!

An HON MEMBER: Fok off!

The HOUSE CHAIRPERSON (Ms A T Didiza): Hon Plouamma! Can you please take him out! Hon Plouamma! [Interjections.] Hon Paulsen! Serjeant-at-arms, can you please take those members out! [Interjections.] Hon Plouamma ... [Interjections.] Hon Plouamma ... [Interjections.] Hon Plouamma! [Interjections.] Can you please ... the protection services, come in. Can we suspend the House for five minutes. Protection services ...

BUSINESS SUSPENDED AT 16:27 AND RESUMED AT 16:30.

TAKE ENDS AT 16:31