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Repeal of the Overvaal Resort Limited Bill [B 36-2017]

Aventura, a former State Owned Company had fourteen (14) resorts that at the time were loss making. In 2001, Cabinet took a decision to dispose Aventura's assets, as they were no longer relevant to government's core business. Out of the fourteen (14) resorts that Aventura owned six (6) were disposed of, to different purchasers. The remaining eight (8) were sold to one bidder called Forever Resorts. Difficulties were encountered when the eight (8) resorts were transferred to Forever Resorts as in the Masters' Office the title deed continued to identify government as the owner. The eight resorts were finally sold to Forever Resorts with Siyonwaba Consortium as the BBEE partner. In light of the aforesaid, the Overvaal Resort Act (No. 127 of 1993) which established Aventura as a state-owned company is now no longer relevant, hence the need for repealing the Act.

However, in repealing the Overvaal Resorts Limited Bill (B36-2017), a number of issues were brought to the Committee's attention:

- Firstly, an agreement agreed to in the Aventura Resorts Transformation Consultative Forum in 1997 to benefit employees of Aventura through an Employee Programme of Share Ownership was never implemented in the selling of Aventura to Forever Resort.
- Secondly, the 30% Broad Based Black Economic Empowerment share ownership owned by Siyonwaba Consortium was nullified after this percentage was sold back to the original purchaser of Aventura. The deal, as a result became void of an empowerment percentage designed to benefit previously disadvantaged people of South Africa in terms of the BBEE policy.
- The Forever Consortium BBEE Forum who are complainants to the deal raised these matters with the Department of Public Enterprises for ten years without any success.
- The Department only showed willingness to engage the complainants after the Portfolio Committee on Public Enterprises instructed it, and when it became apparent that Forever Resorts would not get the title deed of ownership of Aventura assets without the Department repealing the Overvaal Act (No.127 of 1993).
- The land claims issue remains unresolved and Members of the committee wanted to know why the issue remained unresolved. The Department of Public Enterprises responded by saying claimants themselves were not united and their list was also not valid and that is what is delaying the process.

For their part, in trying to address the matter, the affected beneficiaries (Forever Consortium BBEE Forum) engaged a number of stakeholders and as such presented the following timeline of events to the Committee:



- The DPE was made aware of the irregularities right from the beginning and only the acknowledgement of receipt letter was received dated the 8th of March 2010.
- The matter was then referred to the Department of Trade and Industry (DTI) and the response was received dated the 10th of September 2010.
- The matter was referred to Public Protector South Africa who advised Forever Consortium BBBEE Forum on the 10th of February 2012 to take the matter up with the Directorates for Priority Crimes.
- The matter was then referred to the Directorates for Priority Crimes on the 24th of May 2012.
- The matter was again referred to the DPE who again only electronically transmitted the acknowledgement of receipt letter dated the 18th of February 2016.
- The matter was again referred to Public Protector South Africa who advised on the 8th of September 2016 that one Lieutenant Colonel Madisha was never employed by the Directorates for Priority Crimes.
- The matter was again referred to the B-BBEE Commission who only electronically transmitted the acknowledgement of receipt letter dated the 16th of September 2016.
- The matter was again referred to the DPE and the unproductive meeting was scheduled for the 30th of March 2017.
- Lastly, the matter was referred to the Department, Planning, Monitoring and Evaluation on the 7th of November 2017.

After careful deliberations and engagements with the Department of Public Enterprises and the affected beneficiaries, the Committee formed an opinion that as soon as the Act is repealed, the Department of Public Enterprises will no longer be interested in addressing matters raised by the complainant, namely Forever Consortium BBBEE Forum. Therefore, in light of the unresolved issues, the Committee took a decision to reject the repealing of the Overvaal Resorts Act (No.127 of 1993) up until matters raised by the complainant are properly addressed and a time frame is set to resolve them.