**MEDIA STATEMENT

MINERAL RESOURCES AND ENERGY COMMITTEE BRIEFED BY CENTRAL ENERGY FUND AND PUT PETROSA AND SFF ON THE SPOTLIGHT**

**Parliament, Tuesday, 10 September 2019** – The Portfolio Committee on Mineral Resources and Energy was briefed by the Central Energy Fund (CEF) and its subsidiaries on their current state of affairs, in which the issue of the R14.5 billion loss by PetroSA due to unsuccessful gas exploration and the $1 billion gas exploration deal between SFF and the South Sudanese oil company, Nilepet, were put in the spotlight.

Although acknowledging the huge financial risks associated with exploration activities, the committee raised a concern about the R14.5 billion spent by PetroSA which yielded only 20% of the envisaged outcome.

Thus, it held a strong view that the extent at which money were invested in exploration, should perhaps be regulated.

“There should be a mechanism to determine the extent at which investment can be put into exploration in order to mitigate the unfortunate circumstance of huge financial losses. The avenue of private-public partnerships could also be explored,” said Mr Sahlulele Luzipo, Chairperson of the committee.

On the $1 billion exploration deal with the South Sudanese oil company, the committee questioned the rationale behind the deal in light of the continued unstable political conditions in that country.

The committee further highlighted the issue of transformation at the CEF and its subsidiaries,  encouraging that vacant senior positions be filled by women. “Women are a necessity and equals and, they should be treated as such. Next time when entities appear before the committee we want to see women represented in the delegation,” said Mr Luzipo.

The committee asked the Department of Mineral Resources and Energy to provide information with regard to previous board members of the CEF and its subsidiaries dating back to 2010, including executive leadership at the department level.

**ISSUED BY THE PARLIAMENTARY COMMUNICATION SERVICES ON BEHALF OF THE CHAIRPERSON OF THE PORTFOLIO COMMITTEE ON MINERAL RESOURCES AND ENERGY, MR SAHLULELE LUZIPO.**