**MEDIA STATEMENT**

**JOINT DEFENCE COMMITTEE TO ENGAGE TREASURY ON POSSIBILITY OF CONTINGENCY RESERVES FUNDING TO SUPPORT AD HOC DEPLOYMENTS**

**Parliament, Friday, 24 February 2023 –** The Joint Standing Committee on Defence has resolved that it must engage the National Treasury on the possibility of an “up-front” allocation as a contingency, primarily to fund ad hoc deployments of the South African National Defence Force (SANDF). The committee met senior SANDF leadership yesterday to get an update on ad hoc deployments and their impact on SANDF funding.

The committee was concerned that delays in releasing funding for these deployments impacts on planned operations and negatively impacts on cash flow management within the SANDF. “It is for this reason that it might be prudent to engage the National Treasury to investigate if it is possible, as guided by the Public Finance Management Act, to create such reserve funds to ameliorate the cash flow challenges,” said Mr Cyril Xaba, the Chairperson of the committee. The committee will also look for other options to resolve this challenge.

The committee’s concerns are based on reservation that funding for ad hoc operations using baseline allocations might impact on the effective implementation of operations, especially because of the limited resources available to the SANDF. Also, the committee is cognisant that these ad hoc deployments are now a regular occurrence, which has the potential to deplete SANDF resources as it awaits reimbursement.

Meanwhile, the committee has called for a thorough analysis of the reimbursement paid to the SANDF for deployments in various missions to ascertain the scale of expenditure versus reimbursements made. This is to ascertain if South African taxpayers have to cover some cost for deployments, especially outside South Africa. While the committee acknowledged the rationale behind reimbursements a year after deployment, the committee remains concerned by the direct impact on cash flow for the SANDF.

The committee also called for the SANDF to provide the committee with a breakdown of reimbursement by government departments supported by the SANDF, such as the department of Health, Water and Sanitation, and the police. The committee remains of the view that departments must reimburse the SANDF for these services.

Meanwhile, the committee welcomed the additional funding, including the R1 billion allocated for the 2023/24 to strengthen the country’s airlift transport capability, R700 million for the procurement of helicopters, vehicles and technology for border safeguarding, and over R1 billion for the midlife upgrade of the SA Navy’s frigates and submarines over the medium-term economic framework. This allocation will ameliorate the current limited strategic capabilities within various SANDF environments and will ensure the effective provision of support to the SANDF.

The committee also considered the letter from the President regarding the employment of members of the SANDF to assist the South African Police Service in protecting Eskom power stations around the country. The employment was authorised in accordance with the provision of Section 201 (2)(a) of the Constitution read with Section 19 of the Defence Act.

The committee is of the view that the deployment is for the greater good of the country and will ensure security and that the country works as it should. The deployment is from 16 December to 16 March 2023 at an expected cost of R206 031 240.

**ISSUED BY THE PARLIAMENTARY COMMUNICATION SERVICES ON BEHALF OF THE CO-CHAIRPERSONS OF THE JOINT STANDING COMMITTEE ON DEFENCE, MR CYRIL XABA, AND MR MAMAGASE NCHABELENG**

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