**UNREVISED HANSARD**

**MINI PLENARY - NATIONAL ASSEMBLY (VIRTUAL) THURSDAY, 4 MAY 2023**

***PROCEEDINGS OF THE HYBRID NATIONAL ASSEMBLY***

Members of the mini-plenary session met on the virtual platform 14:00.

The House Chairperson Ms M G Boroto took the Chair and requested members to observe a moment of silence for prayer or meditation.

# ANNOUNCEMENT

The HOUSE CHAIRPERSON (Ms M G Boroto): ... [Muted.] ... to

remind you that the virtual mini-plenary is deemed to be in the precinct of Parliament and constitute a meeting of the National Assembly for debating purposes only. In addition to the rules of the virtual sittings, the Rules of the National Assembly including the rules of the debate shall apply.

Members enjoy the same powers and privileges that apply in the sitting of the National Assembly.

Members should equally note that anything said in the virtual platform is deemed to have been said in the House and may be ruled upon. All members who have locked in shall be considered to be present and are requested to mute their microphones and only unmute when recognised to speak. This is because the microphones, hon members, are very sensitive and will pick up noise which might disturb attention of other members. When recognised to speak, please, unmute your microphone and where connectivity permits connect your video.

I am saying this thinking about what can happen with the issues of load shedding. So, if you ... even myself, if I am on load shedding just inform me that I am not audible, or I can’t be seen or I am hanging somehow.

Members may make use of the icon on the bar at the bottom of their screen which has an option that allows a member to put up his hand to raise points of order. The secretariat will assist in alerting the Chairperson to members requesting to speak. When using the virtual system members are urged to refrain or desist from unnecessary points of order or interjections. Lastly, I wish to remind you that we are

meeting in a mini-plenary session and therefore, any decision will be taken in full plenary session of the Assembly.

Hon members, the first item on the Order Paper is a subject for discussion in the name of the hon Modise. She is ready her video has been on all along, on: The African Union at 60 years of the emancipation of African people and advancement of economic integration of the continent. The hon Modise, we welcome you to open the debate.

# THE AFRICAN UNION AT 60 – SIXTY YEARS OF THE EMANCIPATION OF AFRICAN PEOPLE AND ADVANCEMENT OF ECONOMIC INTEGRATION OF THE CONTINENT

Ms M MODISE: House Chairperson, this debate is intended to commemorate and celebrate the 60 years of the existence of the African Union known as the AU. In 1963 the people of Africa gathered in Addis Ababa in Ethiopia to form a united pact to fight for the liberation of the African people. The leaders of our people then saw it fit that the fight for the liberation of the African people cannot be fought in silos. Therefore, the birth of the then Organisation of the African Unity, OAU,

cemented their collective offence against the tyranny of colonialism and apartheid.

During that historical gathering of the African people in Ethiopia, Emperor Haile Selassie, defined the historic moment in the following ways, I quote:

This is indeed a momentous and historic day for Africa and for all Africans. We stand today on the stage of world affairs before the audience of world opinion. We have come together to assert our role in the direction of world affairs and to discharge our duty to the great continent whose 250 million people we lead.

The Emperor continued and said that:

Africa is today at midcourse, in transition from the Africa of Yesterday to the Africa of Tomorrow. Even as we stand here, we move from the past into the future. The task on which we have embarked, the making of Africa, will not wait. We must act, to shape and mould the future and leave our imprint on events as they slip past into history.

For his part, the then President of Ghana, Kwame Nkrumah, outlined the objectives and the responsibilities of the liberated state at that time, for the African people that the whole continent has imposed a mandate upon us to lay the foundation of our union. At this conference it is our responsibility to execute this mandate by creating here and now the formulation upon which the requisite superstructure maybe erected. On this continent it has not taken us long to discover that the struggle against colonialism does not end with the attainment of national independence. President Nkrumah further said that independence is only the prelude to a new and more involved structure for the right to conduct our own economic and social affairs, to construct our society according to our aspirations unhampered by crushing and humiliating neocolonialist controls and interference.

We have gathered in this mini-plenary to take a step back into history in order for us to appreciate the present and then define our future. For those who may not comprehend what the Emperor Haile Selassie and President Kwame Nkrumah spoke of in 1963 about the liberation of the people of Africa, let me then remind you that for far too long the people of Africa have been defined as subhuman. The African people were nobodies in

the land of their birth. Our land was stolen at the barrel of a gun, our cultures and our way of life disrupted and our religion ridiculed as barbaric.

Those of our adversaries and colonisers held a firm belief that when God created Africans, God was guilty of creating malfeasance. The rich history of the African people in the science, arts, astrology, medicine, mathematics and philosophies were stolen and disrupted. The world learnt science and mathematics and yet failed to acknowledge the source. The highest level of plagiarism. We stand here on behalf of the gigantic African army, the African National Congress, to send an unequivocal message that as Africans we have come a long way. Indeed, we are not where we were before and we are not yet where we want to be. We still have a long way to go.

However, we are inspired by the heroism and the sacrifices of the African people for the total liberation of Africa. The then OAU has made its primary task to mobilise all the support and the resources to ensure that the remaining African countries under colonial rule and apartheid they too attain their freedom. The OAU provided material and fraternal support

to the liberation movements fighting for freedom in their respective countries. As the ANC, we too, enjoyed the support of the African people in our quest for freedom and so is the South West Africa People’s Organisation, Swapo, the Zimbabwe African National Union, Zanu and the Zimbabwe African People’s Union, Zapu, and many liberation movements on the continent.

Today the people of Africa are enjoying their freedoms and what is left is to hid Nkrumah’s call of addressing the social and economic challenges we face. The transition from the OAU to AU was consolidated in 2002 following the decision of the African people through the Abuja Treaty of 1991. The Abuja Treaty laid the framework for the establishment of the African Economic Community. A lot has been done since 1991 to put into practice their agreement of the treaty. As of today, the African people have ratified the African Continental Free Trade Agreement. One of the main objectives thereafter, is to increase trade amongst African countries and thus accelerating the economic growth of our continent.

Hon House Chair, for far too long Africa has been defined as an exporter of raw materials and an importer of manufactured goods. This therefore, signal that Africa has to strengthen

its manufacturing base and take advantage of the abundant raw materials it has. It is also important to state that the economic integration and development of Africa should happen in an environment of legality. We all know that for the economic integration to happen seamlessly, there must be some form of regulation of the movement of people and goods across borders. Hence, the call for all African countries to ensure that they put processes and systems in place to ensure that the movement of people and goods is facilitated legally.

We believe that the economic integration and development of Africa requires an environment of peace and stability there cannot be development in an environment of wars and conflicts in this regard we are disturbed by the recent conflict in the Sudan which is forcing many people to evacuate. We stand on the side of our government that the people of Sudan should move from the logic of war to the logic of peace. There is an urgent need for the warring factions in Sudan to ceasefire and return to the negotiations table to address their challenges. The people of Sudan deserve peace. In the same vein, we are disturbed by the continuing tensions in the eastern parts of DRC which have been going on for far too long. The sister people of the DRC have been robbed of peace and stability and

that their rich natural resources are looted while the war goes on.

We reiterate the call by the AU that we should silence the gun on our continent. As we celebrate the Africa and Africa Day, we should continue to pledge solidarity with the people of Palestine. We are encouraged by the stance taken by the leaders of our people in the AU to put the matter of occurrence according to the state of Israel the observer status in the AU. We believe this is a step in the right direction. Africa cannot be free until the people of Palestine are free. We are facing serious socioeconomic challenges on our continent. Our people are poor and living in conditions of squalor. Those socioeconomic challenges are compounded by the conflicts that continue to ravage our people on the continent including the war in Ukraine.

We affirmed the position of our government that the war in Ukraine should stop and allow negotiations between the two sides. South Africa has been consistent in ensuring that we cannot export war as part of our foreign policy. We shall continue to call for a peaceful resolution to conflicts because that’s how we resolved our own conflict. Once again,

let’s commemorate and celebrate the advancement of the African people by observing the Africa month and the Africa Day.

As former President Thabo Mbeki once said in the state of the nation address of 2001 that: As we strengthen the bonds of friendship and solidarity with our fellow Africans we have an obligation to help and ensure that in our country and everywhere else in our continent no African child should ever again walk in fear of guns, tyrants and abuse; no African culture should ever again experience hunger, avoidable diseases and ignorance; no African child should ever again feel ashamed to be an African. I thank you.

The HOUSE CHAIRPERSON (Ms M G Boroto): Thank you very much, hon Modise. I will do that to the incoming speakers that once you are left with one minute, I will indicate by showing my face. The hon Majola.

Mr T R MAJOLA: Hon House Chair, it is truly an honour for me to take part on this debate. One of the founding principles of the Organisation of African Unity, OAU, the predecessor of the African Union, AU was to achieve independence and self- determination and to ensure the sovereignty of the OAU member

states. While the majority of African people have obtained political emancipation, the political freedom of the African people will never be complete for as long we continue being denied the right to self-determination. That would be the violation of the AU principle and the organisation cannot afford to look away.

The AU must get involved to ensure that there is amicably solution between the Kingdom of Morocco and the Western Sahara. The two - sister countries must be able to coexist and respect each other’s territory. While we have the reason to celebrate the political freedom of African people despite some continued challenges that I mentioned above, I am worried about certain incidents of unconstitutional changes in governments. We have seen it in Mali, Burkina Faso, Niger and recently Sudan. We are equally worried about the rise of extremism or terrorism in Africa, especially in East and West Africa.

Without taking decisive against this unacceptable growing trend, our political freedoms will continue to regress and that all threaten security on the African continent.

Therefore, I implore the AU, to take a stand and act against

individuals and militias groups that are fermenting this instability.

House Chairperson, Agenda 2063 holds many promises for the integration and the economic development of the continent. Still, it is not by any stress of imagination, the first of its kind and in the continent. There has been other notable economy agendas established by the AU, such as the Lagos Plan of Action and the Abuja Treaty. Both of those development plans failed to yield the results and it is important that I underscore why those failed. Both the Plan of Action and the Abuja Treaty embraced the same principles and goals manifested in the Agenda 2063 with particular emphasis on industrialisation, trade, investment, economy and social development.

These economic integration blue print felt short of their objective due to the absence of all engagement with African legislative institutions whose primary objective involves national budgeting, allocations and priorities. That was not done and I am afraid that the AU has not learnt the lesson from those failures. Strangely, they have failed to exploit

the unique opportunity available to them through the Pan African Parliament.

One of the primary objectives of the Pan African Parliament is to facilitate effective implementation of policies and the objectives of the AU. This objective is also reflected in the functions of the Pan African Parliament. Consistent with Rule

4 of the Pan African Parliament where it provides that Pan African Parliament shall facilitate the implementation of the policy objectives and the programmes of the union and oversee the effective implementation of the organisation by the various organisations of the union.

We are now at the defining moment in the AU Agenda 2063 as it began to evaluate the first 10 - year implementation plan of the agenda and determine if the set goals, priorities, areas, targets and the continent aims to achieve the national, regional and continental level have been realised. While we note the above challenges of economy integration, we still have a long way to go in ensuring full economy integration.

For instance, we trade more with the international countries as compared to ourselves as African states. In this process we

pay huge amounts of tariffs. Look at the issue of oil. Nigeria, Libya and many other African countries have got oil and gas but we continue to buy oil from countries outside the continent.

Mr B S NKOSI: House Chairperson, the intensification ... [Interjections] ... Am I audible, Chairperson?

The HOUSE CHAIRPERSON (Ms M G Boroto): You may proceed, honourable. Yes, you are. If only you can lower yourself, I don’t know how. We are ... No, no, not that much. Thank you.

Mr B S NKOSI: Let me switch off. I will switch off.

The HOUSE CHAIRPERSON (Ms M G Boroto): Okay.

Mr B S NKOSI: The intensification of globalisation in the last years of the 20th century have led to tremendous progress in the development of many nations and countries. However, at the same time, it has resulted in the marginalisation of others in the wake of this much celebrated progress. This is evidenced the denationalisation and removing and usurping of the sovereignty of nations states, leading to the acceleration of

poverty, unemployment and inequality, both supranationally and within countries. The current new form of globalisation is characterised by a deepening technological, economic and sociocultural integration.

In other words, the world has been flattened in terms of distance, time and space. Urgent action is therefore required to ensure that the African continent is not again left behind in the round of economic development. Africa must play its part in the globalisation world. The agreement must be seen in this light as part of the continent’s effort to reclaim its space in economic development, and thus move away from being regarded as a source of raw materials. It must embed itself in the value chain of all aspects of international economic trade and commerce.

In celebrating Agenda 2063 in the 60th year of the African Union, AU, it must ensure that the continent becomes on a long-term basis a developmental continent in a concerted effort to create a global powerhouse alongside other similar

developing continents which can progressively compete with the rest of the developed world. This initiative seeks to ensure that we create a single continental market with a population

of 1,3 billion people and a combined GDP of US$3,5 trillion by 2035. This will ensure that through the creation of the largest free trade area we bring together 55 country economies and regional communities.

As of March 2023, 54 member states have signed the agreement and 46 of these countries have now deposited their instruments of ratification. This has the potential of lifting 30 million people out of extreme poverty and ensuring that US$455 billion is boosted into the economy by 2035. As of 2017, external trade with other countries and within the continent has remained minimal compared to other free trade areas. This reflects the limitations of trade within the continent which is imposed at times by governments in an effort to protect their markets from regional competition.

As a result, trading between countries because more expensive whether with the immediate neighbours or farfetched markets. Africa has become increasingly regionally integrated through its eight regional economy communities. However, it has been less so integrated into the world global economy and trade and unable to provide a diversified portfolio of exports. Africa’s global share trade remains low at 2,9%. Regional economic

communities and custom unions serve to enhance information sharing, investment fostering, mobilisation and increased demand for regionally produced services and products, particularly export-oriented ones. They also commit to the development of infrastructure and catalysing nodal economic development.

It further deepens integration within regions in the creation of transport systems and much-needed infrastructure like dam construction, electricity grid creation and currently, migration to digital mode, using intensive internet services. This is expected to contribute to further industrialisation and development of the manufacturing potential of the continent. The African Continental Free Trade Area, ACFTA, has now entered implementation stage. It has planned that it will advance trade in value-added production across all services in the continents economy and contribute towards the establishment of regional value chains, and in this way contributing to investment and job creation.

In doing so, the potential exists to enhance and accelerate industrialisation and manufacturing. With this agreement, the following elements will be ensured. The elimination of tarrif

and non-tarrif barriers in trade and goods, the liberalisation of trade and services progressively, co-operation in investment, intellectual property rights and competition, including co-operation in all trade-related areas and customs matters. In a nutshell this agreement ensures the introduction of an enhanced regulatory harmonisation and co-ordination.

With these elements in place, it is envisaged that the continent will be the largest free trade area by country, population size and geographic area. It will make Africa the second largest free trade area to ensure the free movement of business and investment creation in a unified customs union. Research indicates that the implementation will ensure the growth of manufacturing and industrial development, tourism, intra-African trade corporation, economic transformation and enhanced relations between Africa and the rest of the world. We have experienced limited trade within the continent which has led to acceleration of poverty levels and lack of job creation, particularly amongst the youth and women.

We should know that by 2030, the continent’s population will reside in eight countries, particularly Nigeria, Democratic Republic of Congo, DRC, Egypt, Tanzania, Kenya and South

Africa. This will come with the potential to increase Africa’s economic output by US$29 million by 2050. Africa’s economic policy makers are committed to a free movement of goods, people and the creation of a customs union. There are notable successes currently, with the introduction of the Pan-African payment systems to facilitate payment across borders. In the long term, we need as a continent to secure prosperity by encouraging investment in manufacturing which will move the continent from volatile commodity dependent model of trade.

Trade facilitation will also lead to much-needed infrastructure such as new plants, new ports, transportation terminals and digital infrastructure. In this must play also of small and micro enterprises who require much-needed funding, particularly from the banking sector and support across and within regions so that these microenterprises can play a value add in the extensive value chains that are enabled by the Regional Economic Communities. Funding should also be availed. With this progress, it must also be noted that we face the reality of illicit trade and outflows of capital propelled by crime and corruption, manifesting in sophisticated crime syndicates which trade in unprocessed raw materials and resources, drugs and human trafficking in exotic

fauna and flora. These are the challenges that the agreement must respond to, later harmonisation and rules implementation.

The ANC as a nationalist organisation and foremost liberation movement in the continent supports AU Agenda 2063 including its flagship programmes, foremost of which is the implementation of the ... [Interjections.] ... This is an act in the making and path redefining moment for the continent.

The continental leadership, particularly among young people and women

The HOUSE CHAIRPERSON (Ms M G Boroto): Proceed hon Nkosi, you are still... [Inaudible.] ... your time. You are muted, hon Nkosi.

Mr B S NKOSI: This requires intergovernmental collaboration, expertise and technology sharing and participating in the developed world. It also requires enhanced South-South co- operations in areas of technology and scaling up training and availability of technologies. The ACFTA will enhance the continents competitiveness and productivity as an equal participant in the global and ever-changing economic value

change. The ANC supports this motion. I thank you, Comrade Chairperson.

Ms E N NTLANGWINI: Chair, in May 1963, 32 heads of the newly- independent African states established the first continental post-independence institution, the Organisation of African Unity, OAU. Article III of the Charter of the Organisation of African Unity, which remained operative until it was replaced by the African Union Constitutive Act in 2001 proclaimed to, amongst other things, work towards; (a) absolute dedication to the total emancipation of African territories which are still dependent; (b) affirmation of a policy of non-alignment with regards to all blocs.

Today, while all of Africa is free from its former colonisers, we are all still imprisoned by the new colonialists, and most African states are merely client states of the West. Our leaders have allowed themselves to be mere errand boys of their former colonisers, and some have taken the oppression meted out by the colonialists and African people to another level. Sudan is burning because of the ... [Inaudible.] ... leading that country, refused to allow for democratic reforms and have allowed the country’s resources to benefit only a

tiny majority and their western financiers. The war in Sudan is a selfish war fought by two military men who want the constant plundering of the country to the exclusion of the great majority of the Sudanese people. Mali continues to be in turmoil because France, a rabid former coloniser, refuses to let the people of Mali determine their future. Here in our country, we are led by a Western puppet who is selling our state to white settlers for ... apologies, sorry, Chair, my laptop just moved ... Chair, apart from the eruption of violence in the continent ... [Interjections.] ...

Mr H G APRIL: Your reading is very bad!

The HOUSE CHAIRPERSON (Ms M G Boroto): Before you proceed, hon Ntlangwini, may I just remind all the members, please, only the one who is recognised can press the unmute button please

... You do that, you will be removed from the platform. Let’s proceed, hon Ntlangwini.

Ms E N NTLANGWINI: ... we have a serious lack of visionary leadership worthy of being named in the same sentence as those who founded the OAU. The launch of the African Continental Free Trade Area this year follows years of negotiations and

preparations, and more recently, faced months of delays due to the global coronavirus pandemic. The EFF calls for an African Continental Free Trade Area wherein high tariffs on most goods and services will be reasonably reduced. This includes the reduction of barriers to capital and labour to facilitate investment development, regional infrastructure and the establishment and a continental customs union. It must be noted, the overall aim of the African Continental Free Trade Area is to increase socioeconomic development and reduce poverty amongst others.

The African Continental Free Trade Area could potentially make a big difference to the people trying to export goods from one African country to another. This means we are going to be able to produce to more people who are going to be able to afford our products and we are going to be able to be more competitive in Africa.

Sadly, we are not where we are supposed to be. At no point in recent history have we called for Africa to be industrialised stronger than there have been lately. Across the continent, industrialisation is arguably the most talked about subject amongst the policy-makers. So why has action on the ground

failed to move the needle on this important development-maker? Across the continent, just 2% of trade was with African countries in the period of 2015 to 2017, compared to 47% in America, 61% in Asia, 67% in Europe and 7% in Oceania.

According to the UN Trade Agency, many countries still do not trade with their former colonial power as they do with their neighbours. If the territory in the African countries did more business with each other, they would all benefit by creating more jobs, and so raising living standards across the continent. It is this realisation that the EFF adopted as one of their seven non-negotiable pillars, the massive development of the African economy. The EFF is the only heir to ideological clarity and the legacy of the OAU.

It's only the EFF that advocates the return of African land to African people for the full decolonisation of society. It is only the EFF that advocates for the full integration of the continent in order to unleash its development potential. It's only the EFF that advocates for the strengthening of the Pan- African Parliament to give it law-making powers over certain aspects of the continent.

It's only the EFF that calls for a currency of one defence force and a single economy planning unit for the continent. As long as countries in the continent continue working in silos, Africa will never be developed. As Kwame Nkrumah once proclaimed, “Africa must unite or perish.” Thank you, Chair.

Mr M HLENGWA: House Chairperson, the 55 member states that make up the African Union are home to more than 1,3 billion people and cover more than 30 million square kilometres.

Africa has vast mineral wealth, with among others, the richest deposits of platinum, gold and diamonds. Our continent holds 60% of the arable land on earth, which means we have vast untapped potential in regard to agriculture and food security. Africa also has a youthful population, with more than 60% of its people aged 25 or younger.

In short, Africa is a continent rich in potential. The African Union, first established in 1963 as the Organisation of African Unity has 14 guiding objectives, which include, “To promote democratic principles and institutions, popular participation and good governance”, and “To establish the necessary conditions which enable the continent to play its rightful role in the global economy ... [Inaudible.] ... “

The HOUSE CHAIRPERSON (Ms M G Boroto): Hon Hlengwa ...

*IsiZulu*:

... angazi noma ngeyami le eyenza nje kodwa inkulumo yakho inobuhixihixi nokusalela, ngathi ungavala ividiyo.

*English*:

Mr M HLENGWA: Sure, that is fine. Thank you, Chair. ...

[Inaudible.] ... becomes, how has South Africa contributed?

With our first democratic elections in 1994, and the adoption of our Constitution, South Africa broke free of the shackles of colonialism and apartheid to afford every citizen the right to vote. We established a democratic dispensation where the government was representative of the people, and put in place mechanisms to promote good governance and uphold democracy, as such, the Constitutional Court, Parliament, and the SA Human Rights Commission were established.

However, 29 years under the ruling party has seen much of these hard-won gains hollowed out, with most state-owned entities on the verge of collapse and unable to provide services and government representatives facing charges or

convicted of fraud and corruption, laid bare on a grand scale in the Zondo Commission. Our courts, at times – which is most often than not - appear to be the last bastion of our democracy. When it comes to establishing “the necessary conditions to enable the continent to play its rightful role in the global economy and in international relations”, South Africa has come up short again, thanks to the combined impact of the COVID-19 pandemic, load shedding and the devastating losses due to corruption, as well as irregular, fruitless and wasteful expenditure on the part of the government. Our economy is in tatters. According to Deloitte, “No economic growth is a real possibility in 2023”.

Then there is South Africa’s current conundrum in relation to President Putin of Russia in the Ukraine invasion and war.

South Africa abstained, yet again, in the most recent vote for a UN resolution which described Russia as an aggressor in Ukraine and Georgia.

This was despite our Brics partners, China, India, and Brazil, as well as African nations including Algeria, Cameroon, Egypt, Ivory Coast, Kenya, Libya, Malawi, Morocco, Nigeria, Rwanda, Sierra Leone, Tunisia, and Zambia all voting in favour of the

same Resolution. South Africa, yet again, defined itself outside the collective.

If South Africa is to play a significant role in the AU, the government will need to get its house in order. A country with half its population dependent on grants for survival, ravaged by unemployment, inequality and crime, apparently intent on alienating all its major economic partners by siding with Russia, amongst others, is barely able to keep its doors open for business, let alone provide resources and support for the continent. Therefore, hon Chairperson, the AU remains a strategic body for Africa and South Africa has got a role to play, but the current trajectory to make sure that South Africa plays a meaningful role in the AU is not what is taking place right now. We need to press the reset button and make sure that we go back to the basics of what it is that forms the AU and what it is that should define the role of ... [Inaudible.] ... I thank you.

*Afrikaans*:

Mnr F J MULDER: Agb Voorsitter, die AU het na 60 jare van bestaan min om op te roem. Afrika se ekonomiese ellende is daar vir almal om te sien. Daar kan met reg gesê word dat die

kontinent het skouspelagtig misluk om enigsins sy groot ekonomiese potensiaal te benut. Sonder enige ekonomiese vooruitgang kan daar nie sprake van bevryding wees nie. Mense wat nie kos of ekonomiese vooruitsigte het nie kan nie vry wees nie.

Wanneer ‘n land soos China toenemend sy gretige oë op ‘n kontinent rig en sy belange daar uitbrei, is dit duidelik dat die teenoorgestelde besig is om te gebeur. In stede van vryheid, is die kontinent toenemend bereid om Chinese invloed te duld in ruil vir korttermyn-voordele. Die vraag is wat het die AU in 60 jaar bereik om Afrika te bevry. Die antwoord is weinig.

*English*:

House Chair, since independence most African countries have suffered coups d’état. Africa has witnessed more than

200 successful or aborted military coups since 1960. Africa ranks near the bottom when it comes to competing in the global economy, held back by fragmented markets that inhibit efficiency and constrain economic growth.

A new player is emerging in the effort to defragment Africa and boost the productivity of its economies, namely the African Continental Free Trade Area, AfCFTA. The big question is whether this effort will also elevate the competitiveness of African economies. Competitiveness — the set of institutions, policies and factors driving productivity — is a key determinant of sustainable growth and provides a path for effective integration into the global economy.

Leading economies are moving away from the rules-based system that has governed global trading arrangements for decades. In this new reality, competitiveness is perhaps even more important for emerging markets in developing economies. In a zero-sum trading landscape, more and more countries are vying for the same market. Only the most competitive — those with strong economic fundamentals, policy frameworks and diversified sources of growth — are likely to expand and sustain the growth.

Africa faces a host of hurdles to competitiveness and trade. Steps to improve the economic infrastructure and reforms to boost innovation have been stifled by political instability, corruption, institutional resistance and heavy costs

associated with infrastructure development and technological catch-up.

Africa is desperately in need of a success story and the current state of South Africa is not assisting at all. South Africa is currently letting our continent down. The FF Plus will most certainly support this motion. Thank you, Chair.

Mr S M JAFTA: Chairperson, the AU occupies a unique role on the continent. President Mbeki has played a crucial role in shaping the AU’s Peer Review Mechanism and we thank him for that. Our focus in this debate pays attention to the role of the AU in promoting regional integration and integrating the African markets. Our attitude is also in light of the AfCFTA agreement recently signed by a host of African countries. The AU has to ensure that we liberalise African market access in respect of cross-border freight road transport, including harnessing regulated competition in respect of cross-border passenger road transport.

We have read the Protocol on Transport, Communications and Meteorology in the Southern African Development Community with interest. We believe that this must be the AU’s greatest

preoccupation. The AU has to put emphasis on investment in transport infrastructure, including in human resources and technology.

Improving transport networks in order to foster integration and co-operation between member states is at the heart of the AU’s regional trade and integration ... [Inaudible.] ... papers. It doesn’t need to be said that the AU must harmonise the regional and domestic policies of member states so that they are interactive. It has to clear up public-sector support to provide a transparent policy, and a legal and regulatory environment. We therefore believe that the work of the cross- border road regulatory forums must form part of the AU’s DNA.

The challenges in cross-border freight road transport and passenger movement, including intraregional trade blockages and fragmented cross-border Pan-African infrastructure, cannot be left unattended. Our hope is that the AU will work tirelessly to address some of the challenges of the continent. Thank you.

The MINISTER OF INTERNATIONAL RELATIONS AND COOPERATION:

Greetings to all the hon members. Chairperson, I think it is

important that we thank the hon Modise for introducing the subject to the House. I believe that there are many achievements led through the organisation of African Unity, as well as the African Union, AU, which we should be proud of, as we celebrate the 60th anniversary of our organisation.

I would suggest that hon Nkosi and hon Hlengwa should sit with hon Mulder, and provide him the breakdown of the role the Organisation of African Unity, OAU, played in the fight against apartheid. Our continent has developed a range of road maps, which the hon members have also referred to. One of the more important is our road map to peace and stability, in that, we still have a great deal of work to do, to ensure that we have a continent that is fully peaceful, and has a prosperity that benefits all the Africans.

It is important that we have the African Continental Free Trade Area, AfCFTA, and that as South Africa through our Parliament and our government, we contribute to the implementation of the Continental Free Trade Area Agreement and provide the support, to ensure the necessary regulatory framework, as well as the infrastructure for logistics and

other support, that will make the Free Trade Area Agreement a reality for the continent.

Hon Chairperson, I wish to speak today to the ongoing challenge of silencing the guns in our continent, and ensuring that we create a foundation for a peaceful and prosperous Africa. We fully support the objective of the African Union of silencing the guns in our continent. Our Agenda 2063, indicated that conflicts remains one of the four most impediments to sustainable development for Africa.

It was thus in 2013, that the AU agreed that we should commit to an Africa in which guns would be silent. This forms a key pillar of Agenda 2063, the Africa we want. We have not yet achieved this objective. Lasting peace has proved elusive in many parts of our continent. However, Chairperson, it is important that we recognise where progress is being made. We have achieved notable success in a number of conflict areas. We have a range of peace deals that has been agreed upon, and they have ensured increase in peace and stability.

Hon members would recall, the role South Africa played in ensuring that in 2019, the Central African Republic ended its

conflict, and South Africa has continued to support that country on its road to democracy. In September 2018, South Africa again along with the AU played a role in entrenching peace in South Sudan through the comprehensive agreement. We were honoured, recently, to host a successful African Union- led peace talks between the Government of the Federal Democratic Republic of Ethiopia and the Tigray People’s Liberation, TPLF.

This was in Pretoria in our own country, and we were deeply privileged that we were chosen to be the site of this peace process. We were honoured by the presence of the High Level Panel led by former President Obasanjo, supported by President

Uhuru Kenyatta of Kenya, as well as our own former Deputy President, Dr Phumzile Mlambo-Ngcuka. They successfully

facilitated the talks, which resulted in a permanent cessation

of hostility and a peace agreement that is currently being implemented, thankfully, by those parties.

Of course, we agree that the conflict in Sudan, has indicated that we should not rest our laurels at the signing of an agreement. We must ensure that we support the post-conflict process, and ensure that peace is sustained. We have also

noted the important role the AU has taken on, in signing the co-operation agreements in ending conflict with its global partners. The South Sudan deal was mediated through a joint effort by the African Union, the Intergovernmental Authority on Development, IGAD, the United Nations, UN, European Union, EU, China, the United States, US, United Kingdom, UK, and Norway.

In 2017, the African Union and the UN, signed the Joint United

Nations AU Framework for Enhanced Partnership in Peace and Security. This marked a major step forward in interagency co-

operation, and it helps to create new mechanisms to improve collaboration in entrenching peace and preventing conflict on the continent. I’m also pleased to report that the African Union has made great strides since developing its *Peace and*

*Security Architecture*, PCA, in line with the 2013 Lusaka

roadmap.

The AU Specialised Technical Committee on Defence, Security and Safety, STCDSS, declared that, the African Standby Force has reached full operational capacity in June 2016. So, where we have peace operations to be deployed, the Standby Force provides capability within a short space of time, and

particularly, in areas where humanitarian needs must be addressed. At the country level, the partnership and support of the United Nations special political missions, SPMs, along with the AU, has been particularly important.

In Libya, we noted the close engagement of the AU and the UN

in contributing to military officers from the ruling party, agreeing on practical steps toward a ceasefire agreement, and

political talks that are to lead to an election for a new

Parliament in Libya. In Somalia, beyond the UN’s mandate to provide support to the AU mission in Somalia through the UN

support office in that country, the UN has also been providing support along with the AU for Somali government to prepare for elections.

In Sudan, the mission in Dufour of the AU and the UN, has provided critical support in seeking to work with the transitional government to implement protection of civilians in that area. We have to ensure that we do succeed in silencing the guns. Chair, as members have said, despite the progress, we as the African Union, continue to face notable challenges, and our Parliament should assist the African Union in addressing these. One of the more important, are the severe

financial constraints and the perpetual underfunding of the peace missions of the African Union.

Our Parliament needs to do more to provide support to the AU in this regard. Our continental body continues to be dependent on external donors for support, including the European Union and the United Nations. These, support us to makeup shortfalls. We must end this dependency, and ensure

predictable sources of funding for the African Union, so that we are able to sustain peace operations. We must always also actively reduce the number of guns present in the continent, as they are source of conflict and violence. The vast number of illicit small arms and light weapons on the continent, must be removed from Africa.

They remain a primary instrument of violence, implored particularly, by nonstate armed terrorist groups on our continent. At the commemoration of the Africa Amnesty Month, AMM, 2022, in Togo, the African Union Commissioner for Political Affairs, Peace and Security, Ambassador Bankole, indicated that, we have to ensure that we mitigate the proliferation of small arms and light weapons in Africa. Our union is also working to narrow the funding gap for activities

directed at arms control and removal of weapons from the continent, as well as ensuring that technical financial support is offered to Liberia, Togo and Tanzania, to ensure that guns that are our threat are removed.

This follows a similar successful initiative in which arms were collected and destroyed in Madagascar, Nige and Uganda, again led by our African Union. Another challenge is the role of the external parties in stirring insecurity in Africa, and many of our continent’s fragile states, the activities of foreign countries, have undermined regional efforts to curb violence, and have contributed to political and social divisions. A case in point again, is Libya. Since the start of 2019, a civil conflict between two rival governments has rapidly spiralled into a destructive proxy war.

Despite an arms embargo, foreign states have been implicated in the channelling of arms and ammunition to both sides, thus undermining prospects, for a peaceful resolution, and contributing to a growing humanitarian crisis in Libya. The AU has also been sidelined in diplomatic efforts to solve Libyan crisis, which have largely been managed and led by parties from outside the African continent. Chairperson, you would

also believe that there are opportunities for the AU to continue to strengthen efforts at silencing the guns.

One is the implementation of firm counter terrorism initiatives on the continent. The AU has called for the development of a special unit for countering terrorism within the African Standby Force, and the United Nations has already committed to assisting the counter terrorism measures of AU member states. The AU has also have a very important role to play, in ensuring the improved participation of women and youth in peace and security agenda.

South Africa continues to play a leadership role in supporting and advancing the women, peace and security agenda, not just in Africa, but globally, in collaboration with a number of partner counties. What this work has done, is to link to the creation of network of women conflict mediators, who have been groomed for deployment into conflict zones, and who have done an amazing work in areas such as Mozambique and in South Sudan.

Chairperson, while indeed much remains to be done, the accomplishments of the African Union at 60, are tremendous.

Furthermore, given the challenges we have emerged from, we can only thank the African Union for all that they have done, including, supporting our struggle for freedom against apartheid. It is important that we take a moment of this debate to celebrate the achievements of our union, and to build on the sense of hope that exists currently in Africa, that we are going to have a true renaissance, as our youth of continent rises to the myriad challenges. I thank you, Chairperson.

Mr A M SHAIK-EMAM: Thank you very much Chairperson. There seems to be some network interference, but anyway. First of all, I want to thank hon Modise for introducing this motion and yes, the National Freedom Party will support it.

Let me first talk about the good things that the African Union may have achieved. It has helped to end the catastrophes in Burundi, in the Central African Republic, in the Comoros, in Darfur, Somalia, South Sudan, and Mali, and to protect people from violence. And, of course, we must not forget the role it played in liberating South Africa during the apartheid era.

In October 2022, the African Union organized negotiations in South African that resulted in the peace deal between Ethiopian Government and the Tigray People’s Liberation Front. And these are achievements. Initiatives against HIV and Aids and malaria have also resulted in fewer deaths in the continent.

Hon Chairperson, despite progress, I must agree with the hon Minister that yes, there is outside influence by the foreign governments who cause division, chaos and mayhem in the African continent. But more importantly, they want to have a control over the natural resources in this very rich African continent. Very little of which is still controlled by Africans in Africa. And that is why I go back to what our late leader Muammar Muhammad Abu Minyar al-Gaddafi said when the slain President of Libya articulated his vision of the United States of Africa. This was in 1999. The vision was very clear, the continent being ruled by one government under a single President with a united defence force and one foreign trade policy.

To protect our continent from the vultures of the West, Africa needs to unite with a united defence force, a consolidated

foreign and trade policy which benefits Africans. If you have the right people to govern our countries. Of course, one of the major problems we have is a leadership crisis, not forgetting looting, corruption and other things in the continent. The question we need to ask ourselves, do we have a pharmaceutical industry in the African continent? The answer is no. Do we have infrastructure, trade and development programmes amongst African nations in the African continent?

Very little is happening. Okay. Do we have our own currency? No, we don’t have our own currency.

Don’t you think hon Chairperson that it is time that African countries must come together elect the right credible leaders so that you can ensure that you enhance the quality of life of the people in the African continent. And that is not happening. I’m not sure if you telling me my time is up by looking at me, Chairperson?

I can’t hear you. Can you hear me? Are you there, can you hear me?

The HOUSE CHAIRPERSON (Ms M G Boroto): You are now left with four seconds to finish. I was going to say it that when I show my face, it is when you are left with one minute.

Mr A M SHAIK-EMAM: Okay. I withdraw the point. Thank you for that Chairperson. I must also agree that firearms and firearms

- I think we need a gun-free South Africa and a gun-free African continent. But very importantly, unless you identify credible leadership in the continent, then little or nothing will change the wealth of this continent... [Time Expired.]

The HOUSE CHAIRPERSON (Ms M G Boroto): Thank you. Your time has expired now. I will now allow hon Chetty to speak. You are muted hon Chetty.

Mr M CHETTY: Hon Chair, I will have the video camera off for better connectivity.

The HOUSE CHAIRPERSON (Ms M G Boroto): No problem.

Mr M CHETTY: Chairperson, since the inception of the organization of the African Union, AU, in 1963, and its proclamation “free at last from the bondage of colonialism and

apartheid.” Yes, we are free and blessings to those struggle heroes and heroines who paid for this freedom with their life and livelihoods. Our very own tata Nelson Mandela was ranked high as one of those heroes. But are we truly free on the African continent? With the continuous scandals involving one or another African leader breaking out on social media not forgetting our very own former President Jacob “Nkandla” Zuma, and the current lame duck President “flip-flop” Ramaphosa, amongst those.

One cannot be faulted for believing that emancipation and economic advancement has benefited a few power-hungry African leaders and not the majority of the African people on the African continent. Our people are still starving in Africa. We have failed to ensure that the Africans child 60-years later, is on an equal footing to the American, European or Asian counterparts.

The wealth of Africa is in the hands of those few who are closely connected to the political elite, while the people of Africa are still chained to poverty, unemployment, and are homeless. If those visionaries that pioneered the Organization of African Union had to see how these current leaders in power

have lost their moral compass and ideologies, blinded by self- enrichment and greed at the expense of a more prosperous life for the African people.

We, as South Africa must not shy away from our share of responsibility in failing to fast-track the emancipation and economic integration of the African people. We had a fortune, or some would view it as misfortune of having three of our South African leaders, former President Thabo Mbeki, Minister Nkosazana Dlamini Zuma and current President Cyril “Ramaphalaphala” who are collectively responsible for the lack of political will and the government’s failure to implement and pursue the agenda set out by the visionaries ... [Interjections.] ...

The HOUSE CHAIRPERSON (Ms M G Boroto): Hon Chetty, please hold on! I see the hand of hon Radebe.

Mr B A RADEBE: Hon Chairperson, I am rising on Rule 82, the member has just desecrated the name of the President which is unparliamentary. Thank you, Chair.

The HOUSE CHAIRPERSON (Ms M G Boroto): Thank you. I heard that too but he said the President of the country ... [Interjections.] ...

Mr J J MCGLUWA: Chairperson, point of order!

The HOUSE CHAIRPERSON (Ms M G Boroto): ... I’m still on the floor, Mr Mcgluwa. There was a point of order and I have to rule on it.

Mr J J MCGLUWA: The member said “the President of Phala- Phala.”

The HOUSE CHAIRPERSON (Ms M G Boroto): It is true and the order is sustained. I will remove you from the platform. I didn’t give you permission to speak. I will remove you from the platform. I heard him very well. I will not even check on Hansard, I heard him very well. And I said it be sustained. I am going to remove you if you keep on talking back to me.

Because I didn’t give you the opportunity. Hon Chetty, what you said is not parliamentarian, please proceed.

Mr M CHETTY: ... who are collectively responsible for the lack of political will and the government’s failure to implement and pursue the agenda set by the visionaries of the Organization of the African Union 1993.

South Africa has also failed the African Union in ensuring that we provided a permanent home of the Pan African Parliament. Twelve years later, the Pan African Parliament is still housed in rented premises at Gallagher Estate with no clear sign on the horizon of the much promised permanent home. And that is the failure of our African leadership.

The African Continental Free Trade Area, AfCFTA, which was conceptualized in 2012, to enhance trade ... [Inaudible.] ... on the continent only came into force in May 2019, displaying a total lack of urgency to advance in South Africa trade which has always been demanded by ...

Let’s not forget about the wars and the civil unrests that are currently raging and the economic impact that ... [Inaudible.]

... Russia and Ukraine has on the African continent. The fleeing of innocent families, most recently from Sudan, and

previously Congo, Cameroon, Ethiopia, Mozambique, Mali, Burkina Faso.

The theme of “Silencing the Guns in Africa by 2020” has failed these families. Where is the decisiveness in making decisions for the right reasons vanished? Where are those African leaders who used to lead the African continent with the courage of the convictions for the benefit of the African people and not themselves? Yes, the AU can claim that it has achieved some success in the past 60-years, but tragically, the agenda set out by our visionary leaders of 1963 has not been fulfilled. Sadly, Agenda 2063 would be a bridge too far for our current leaders who are punch-drunk with their own perceived power rather than the plight of the African people.

The vision of leaders such as Ghana’s Nkwame Nkrumah amongst others in 1963, who advocated for full continental integration as a must to ensure Africa be taken seriously internationally must be turning in their grave that 60-years later their vision hasn’t achieved their expectations. I thank you.

The HOUSE CHAIRPERSON (Ms M G Boroto): Thank you, hon Chetty. Your time has expired. I will know us the hon Modise to close

the debate as I invite my colleague hon Dyantyi to take us to the next item. Proceed hon Modise.

Ms M MODISE: Thank you very much, House Chair. Let me take this opportunity and thank the members who have contributed in this debate in commemorating and celebrating the Africa Day.

Indeed, the people of Africa have committed themselves to the total liberation of Africa. We are not where we were, and surely not where we want to be. But the Africa and Africans have registered serious progress since 1963.

However, we remain worried about the instability on our continent as it derails our progress in our agenda of the development of Africa, politically, socially, and economically. We have to commit to the advancement of the African Agenda to ensure the rebirth of the continent through the various initiatives by the African Union, AU, such as the peer review mechanisms and the integration of our continent economically through the African Continental Free Trade Area, AfCFTA. As South Africa, we shall continue to provide support for peacekeeping missions on the continent and humanitarian support in the event of disasters. Our commitment is visible in the delegated powers of the Deputy President of our country

to continue with the peace consolidation efforts in South Sudan. As we have quoted former President Thabo Mbeki when he said,

No African child shall ever again feel ashamed to be African, we shall do everything in our power to define the Africa we want.

Let me dedicate and close of my inputs in this debate, in the memory and legacy of one of our founders of the African National Congress, Dr Pixley Ka Isaka Seme, who later became the President of the ANC. President Seme is amongst those who laid the foundation of the rebirth of Africa. Delivering his seminar speech in 1906 titled “The Regeneration of Africa” at Columbia University in the United States. President Seme said and I quote:

The brighter day is rising upon Africa. Already I seem to see her chains dissolved, her desert plains red with harvest, her Abyssinia and her Zululand the seats of science and religion, reflecting the glory of the rising sun from the spires of their churches and universities. Her Congo and her Gambia whitened with commerce, her crowded cities sending forth the

hum of business, and all her sons employed in advancing the victories of peace – greater and more abiding than the spoils of war.

The ANC is a product of a Pan-African ideals, and it is a champion of pan Africanism in words and in deeds. It is a common cause that almost all African countries have attained their liberation and thus realizing the dream of Dr Seme, that the brighter day is rising upon Africa. Thank you very much.

Debate concluded.

# MEASURES TO DEAL WITH THE SOUTH AFRICAN POST OFFICE’S PROVISIONAL LIQUIDATION AND THE NEGATIVE IMPACT THIS MAY HAVE ON THE DELIVERY OF ITS CORE SERVICES, INCLUDING THE PAYMENT OF SOCIAL GRANTS ON BEHALF OF SASSA.

Ms T BODLANI: House Chairperson, in 1994 South Africans stood in snaking lines with much jubilation to cast their first democratic vote. A vote they hoped would bring them political and economic freedoms. A rebirth from the inhuman apartheid past. Today, we see those lines daily across South Africa. The sick and desperate enduring harsh elements because the South

African Post Office, Sapo, just does not have the heart nor the infrastructure to disburse social grants.

Chairperson, in welcoming today’s debate, it is apt that from the onset we all agree as members of this Parliament who have sworn to be faithful to the republic, that the SA Post Office is a monumental disaster. This agreement will assist the debate so we can refrain from political platitudes and accusing those who insist on stating the facts about this once glorious entity of been unpatriotic.

It is my hope that today, hon members will choose truth over political expediency. If we do that, perhaps this government can finally take decisive action about SAPO’s future.

House Chairperson, let me use this moment reassure South Africans that contrary to the propaganda spread by the ANC, the DA would never ever take away anyone’s social grant. In fact, a DA led national government would increase social grants to empower beneficiaries to have more disposable income to cope with the rising cost of living.

The DA will budget for the introduction of the conditional universal basic income grant at R595 per month for adults without formal employment between the ages of 18 and 59, of which the is estimated at R157 billion per year. The DA cares.

House Chairperson, reporting to the Communications and Digital Committee, Sapo delivered devastating, yet expected news that their financial difficulties are ongoing and that they have forecasted a loss of R2,3 billion in the 2022/23 financial year.

House Chairperson, simply put the R2,4 billion bailout that Treasury has approved for Sapo is going into a black hole, while the future of thousands Sapo employees hangs in the balance. Sapo monthly liabilities continue to increase due to the monthly losses, as monthly expenses continue to exceed monthly revenue.

Sadly, the portfolio committee has received reports from the department that SAPO employees in the Eastern Cape have been killed for trying to expose rot and corruption in the entity. The DA conveys its deepest condolences to the families who lost their loved ones.

The committee has also received reports on how Sapo employees are looting and destroying Sapo infrastructure as they feel frustrated by the uncertain futures they face. These are the unintended consequences of yet another failed state-owned company.

House Chairperson, allow me to quote from the Sapo report which reads:

“Sapo cash flow position is extremely dire, as creditors, medical aid contributions, pension fund contributions and Sars obligations remain unpaid and will continue not to be paid unless urgent financial assistance is provided.”

Hon Chairperson, to put all this in context, Sapo has outstanding liabilities of R5,3 billion. Sapo owes the ill- conceived Post Bank R3,2 billion. Essentially, Sapo is over R8,5 billion in the red.

House Chairperson, the provisional liquidation of Sapo comes as no surprise to the DA or anyone who has followed the downward spiral of this entity in the last few years. Business Administration 101 informs that Sapo could have been salvaged

had the ANC not held its myopic views about wanting control of everything.

A partial privatization of SAPO could have brought in investment and better management processes. How and why does the ANC government still consider Sapo as a viable investment? Even as a sentimental gesture, the insistence to keep Sapo open is just irresponsible and lacking the political urgency to reprioritize funds to help the poor.

As we pause for an honest reflection on SAPO, allow me to categorically state how SAPO is a classic example of what happens when oversight mechanisms are ignored and the governing ANC uses its majority to defend the indefinable, pushing for bail out after bail out, with no real benefit to Sapo clients, South Africans.

Sapo is a real example of how ANC cadre deployment can destroy companies and services that are meant to help the poor. This, while clichés such as ‘our people’ are used to pacify those who continue with their blind loyalty to an organization that has lost its moral fibre, South Africans just cannot catch a break.

The irresponsible and prolonged national lockdown has left many South Africans unemployed, with no prospects of finding employment as load shedding is shedding jobs. While the R350 social relief grant serves as temporary provision for assistance intended for persons in dire material need, South Africans want jobs.

The DA maintains, jobs give dignity. Creating an enabling environment for economic growth and job creation is above the pay grade of the President and his Ministers.

House Chairperson, the irony is that, in South Africa, the biggest beneficiaries of the partnership between Sapo and Sassa are the criminals who loot the state of millions of rands.

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Hon

Chair, Chairperson of the Portfolio Committee on Communications, hon Members of Parliament, MPs, members of the media, fellow South Africans.

The story of the SA Post Office, SAPO, is intertwined with the story of the development of the Republic of South Africa. This

entity, which was formed over 200 years ago, has lived from the formation of the Republic through the years of oppression and struggle till democratization.

It is, therefore, imperative that we state up front that saving this historical institution and turning it into a viable business which continues to serve the people of South Africa is our priority.

As a state-owned organisation, the SA Post Office plays a crucial role in contributing to South Africa’s social and developmental goals by providing postal, logistics, financial and government services via its postal network.

At its core, it is mandated to provide these services to citizens, particularly vulnerable individuals and communities in an affordable and convenient manner at a national scale.

Within this context, this postal network is a strategic contributor ensuring economic inclusion, improving living conditions and is a catalyst to reducing inequality and alleviating poverty.

Hon Chair and hon members, since its establishment in 1792, the dominant role of the SA Post Office has been the collection and delivery of letter-post. However, evolving market factors and technological advancements have displaced the need for physical letters. As a result, letter volumes are declining and in tandem, revenue has reduced from R3,4 billion in 2015 to R2,6 billion in 2022. This trend has posed a significant threat to the sustainability of the SA Post Office in its historical form.

Additionally, the growth of electronic financial platform has posed a further threat to the SA Post Office Financial Services segment as transaction volumes and revenue have declined.

In the 2014-15 financial year, the entity experienced a prolonged and crippling strike which lasted about five months from which it has never fully recovered. At this point, SAPO entered financial distress and the shareholder placed the organisation under administration.

Other contributing factors in the story of the SA Post Office are the ill-conceived decisions from past management which

includes the reinstatement of almost 500 employees who had been dismissed following the illegal five-month long strike.

During the period between 2012 and 2019 a total of 10 384 part-time employees who were previously only engaged by mail centres during peak periods were absorbed on a full-time basis.

Furthermore, monies intended for a turnaround strategy were used for consumption instead of investment in infrastructure and modernisation. Therefore, these incidents adversely affected the cost structure of the company.

The advent of COVID-19 exacerbated the financial challenges facing the entity further affecting its ability to pay its creditors.

Government has, over the years, embarked on several interventions to get the SA Post Office back on track. These include a total of R7,3 billion cash injection between 2016 and 2019, partnerships with State Information Technology Agency, SITA, and Postbank on infrastructure development and sourcing of expertise from the private sector.

We have also defended SAPO’s reserve market of 1kg letter and package distribution in the entire Republic. In fact, we are currently in court because there are other unregistered players encroaching in that space to the detriment of the SA Post Office.

Through partnership with the Department of Transport,

4 million Motor Vehicle Licensing are issued by SAPO on an annual basis in the entire Republic except for the DA government in the Western Cape, which refuses to come to the party.

Working with the Department of Health, SAPO distributes chronic medication to patients at their doorstep all over the country and social grants recipients receive their social grants from SAPO on a monthly basis.

Notwithstanding the above, SAPO has seen slow recovery over the past few years despite these interventions from government.

On the 9th of February 2023 a judgement was issued to place SAPO under provisional liquidation, which led to a Provisional

Liquidator being appointed on the 30th of March this year. Working with the Provisional Liquidator, the entity continues to ensure provision of essential services are not affected.

Hon members, we want to assure you that we have been working tirelessly with the entity to explore various options to find an optimal approach within the legal prescripts and confines of the provisional liquidation to save the entity and ensure business continuity.

In line with the overall objective to save SAPO from liquidation, the Ministry and the department together with SAPO have explored various options to save the entity, we will, therefore, in the next week table an approach to Cabinet for approval to ensure business continuity.

The services of Senior Legal Counsel and external lawyers have also been sourced to provide advice and guidance on the optimal option in dealing with these matters. Our plan is to get the matters resolved before the 1st of June 2023 final court date so that the entity can continue to operate.

For now, it is vital to assure the public that we are working tirelessly to ensure that the optimal option to mitigate against liquidation is put in place with the objective being to save the entity. This will ensure that the impact of the liquidation on ordinary South Africans making use of SAPO services is mitigated against.

Hon members and hon Chair, a critical ... [Sound glitch] ... post office is to ensure that we reposition and modernise the entity to respond to services needs of our people in the present digital era.

It is for this reason that the Cabinet has already approved the Post Office of Tomorrow Strategy which reviews SAPO’s operating model to restructure it in such a way that it can operate as a sustainable, productive and efficient entity.

It thus eliminates organisational duplications and inefficiencies by restructuring the organisation in such a way that the entity is positioned to become a modern, sustainable entity over the short to medium term.

The priority focus areas of the Post Office of Tomorrow strategy include repositioning the entity to become the following:

Firstly, a leading logistic service provider for South Africa and region.

Secondly, a logistic service partner to other e-commerce and logistics players, including Small, Medium and Macro Enterprises, SMMEs, and informal traders nationally and internationally based on its expansive postal network.

Thirdly, an e-commerce hub for South Africa and the region.

Fourthly, business digital hubs that also serve as digital hubs for communities.

Lastly, Designated Authentication Authority that also fulfils its role as a national trust centre in the age of digital identity and services.

To give effect to the Post Office of Tomorrow Strategy, the department has already embarked on the amendments to the SAPO

Act and as such the SAPO Amendment Bill has already been introduced in Parliament for processing.

We want to conclude by reiterating that government’s main objective is to ensure that this entity is repositioned, modernised and continues to serve the millions of South Africans it has been serving over the past 200 years.

As reported here today and to the portfolio committee earlier in the week, much of the spade work has already been done and we are in the process of laying the bricks towards activating the Post Office of the Future.

We also want to invite South Africans to walk this journey with us as government to ensure that we turnaround the fortunes of the South Africa’s Post Office for it to live another 200 years and beyond.

Working together, we can grow the South African Post Office. Thank you, hon Chair.

Ms B S MASANGO: House Chairperson, in keeping with righting the wrongs of apartheid and ridding people of South Africa of

the inhumane, undignified way of living, Parliament, in 2004 established the Social Assistance, SASSA Act, to, among other things:

Ensure the effective, efficient and economical use of funds designated for payment to beneficiaries of social security; the promotion and protection of the human dignity of applicants for and beneficiaries of social security; the protection of confidential information held by the Agency other than as is contemplated in section 16; honest, impartial, fair and equitable service delivery; mechanisms to regulate community participation and consultation.

Instead of the above and in total contravention of the act that established the agency, the following are some of the responses to questions we have been asking to the hon Minister of the Department Social Development:

The total potential loss over the last ten years is projected at R536 683 179,12. Some of the cases are not yet finalised to come to the full determination of the actual loss.

R215 million in potential loss in 2018-19 and R109 million in 2013-14.

Eighty-two thousand and eighty-four, South African Social Security Agency, SASSA, cards were stolen in the past five years and R23 million was stolen from the cards since 2018.

The questions yielding these responses are triggered by enquiries we are fielding as members of the portfolio committee, from applicants and beneficiaries of social grants who, after not receiving their grants on published dates, they’ve had to endure long queues, repeated over days as they are not assisted for one reason or another.

The chaos that has accompanied grant payments in South Africa over at least 10 years shows that the department and SASSA have not learnt any lessons from the series of lapses in the grant payment system.

House Chairperson, serious observations and possible solutions have come from civil society, the opposition parties like the DA and all these have fallen on deaf ears. Today’s debate is a direct and desperate attempt to seek measures that will save

the lives and livelihoods of beneficiaries who are on the receiving end of daily closures of post offices.

The measure we continue to bring to the table is the institutionalisation of the grant payment system in South Africa. The legislation that established the agency is clear on this matter. I do not have time in this debate to recount the challenges that have had dire effects on individuals and families who are recipients and beneficiaries of social grant.

It is sufficient to state that the legislation, for the most part has not been adhered to and the results of that is the mayhem experienced by people who, by category are vulnerable and should therefore be protected from further vulnerability from a government they installed to govern them.

In a February portfolio committee meeting, SASSA officials themselves told the Members Parliament that SA Post Office,

SAPO, had failed to provide dignified services, adequate equipment to comply with norms and standards, and adhere to a payment schedule time.

This is a direct contravention of the SASSA Act and is a clear but disturbing demonstration of SASSA throwing their hands in the air about their failures to deliver on their constitutional mandate to:

Act, eventually as the sole agent that will ensure the

effective and efficient management, administration and payment of social assistance.

It is very concerning hon House Chairperson and frustrating to have to hear about how SAPO or Postbank are not doing their

work. The beneficiaries did not apply to SAPO or Postbank for social grants, they applied to SASSA, the agency set up by an

Act of Parliament to pay grants.

It is for this reason that as the DA, we call upon the

Department of Social Development to consider, without delay, putting systems in place to institutionalise the payments of

grants as outlined in the SASSA Act. As the partnering with other entities, which is also in the Act, has proven to be ineffective and a source of indignity and dishonour for many millions of South Africans.

The DA will ensure that it institutionalises the grant payment system in South Africa, when it governs in the year 2024.

Thank you, hon House Chairperson.

Mr S TAMBO: House Chairperson, the SA Post Office is dead and the ANC has killed it. As we debate the impact of the provincial liquidation on its ability to deliver its core service, it’s strange because already it is struggling and unable to do so.

The condition of SAPO has been on constant decline due to management, lack of modernisation and competitive ability and the state that has no financial no how on how to manage the state-owned entity, that is central to the communication ability of millions of South Africans.

As things stand, SAPO’s liability is sitting at R5,8 billion and the negative asset value of R6 billion. It is now the definitive fact that the entity has only been able to generate revenue to the amount of R2,5 billion for the financial year of 2022-23. Meaning that there’s no prospects of servicing its debt with the consistent trend in declining revenue.

Now, the debt situation of SAPO is interesting, because when one deeply considers that what it is, at centre of it, is the accumulation of debt and the fact that SAPO operates as a tenant in South Africa, which only owns half of the properties it is operating.

SAPO is a tenant of the private sector, out of the 1183 branches of SAPO, the entity is a tenant in 571 branches which are projected to close, due to failure to pay rent and electricity and due to legal action against it from land lords.

The tenant that is SAPO owes its landlord was R235 million, that is why we are here today and that is why SAPO has been put under provisional liquidation, because of the state that insists on embarrassing itself, by not only in land and property, to even render the services it is charging.

SAPO is under conditional liquidation because it’s a

non-compliant tenant, that is failing to remain relevant in an evolving communication sphere.

On the courier services front, the post office cannot even categorise itself as a competitor, because of its failure to modernise operational systems, means it is a post office stuck in the dark ages and is unreliable.

The recent allocation of R2,4 billion is more of a headache than a relief for SAPO. Because, the entity doesn’t know whether it will use the resources to offset its mounting rental debt, handle litigation or modernized its services. It is therefore laughable and exercise in futility to discuss the possible rescue of SAPO from liquidation complete collapse because there’s no strategy.

Retrenchments which are already crippling the little remaining expertise at SAPO are not a means to create a revenue stream. And further affirm that there’s indeed a deliberate collapse of SAPO, to ensure its privatisation, which would lead to millions of South Africans being depended it, on some expensive private sector providers, to render the affairs such as couriering goods, payments of social grants and issuing of vehicle licences.

That is the purpose of a prolong and a deliberate collapse of SAPO and that is what has now led to its provisional liquidation.

Six point nine million grant beneficiaries will see their livelihoods threatened as government scramble to find a means to disperse social grants and ultimately the parasitic tendering system will be the intervention. Which will be made sundering the disbursement of social relief funds to the private sector.

The interim solution is that the tenant state-owned entity called SAPO, must service its debt that has been irresponsibly accrued due to foolish and reckless government that refuses to be independent. There must be money set aside for resolving the rental irresponsibility of SAPO and in the long term, the entity must own the buildings in which it operates.

The long term reality is that South Africans must imagine this untenable situation, as South Africa continues to pursue narrow minded privatisation of state services. We must imagine the inability of services being provided such as electricity, water, railway services. Because the private sector is willing

to collapse a state-owned entity, SOE, whenever its profit margins are being threatened.

The core objective of all South Africans must be the removal of the ANC from power as the matter of urgency or future generation will have nothing to inherit in this country. I thank you.

Ms Z MAJOZI: Hon House Chairperson, considering that South Africa has been part of the era of digitalisation for several years, arguably, the SA Post Office, Sapo, had to be aware of the major shift this would cause in consumer patterns.

Their clear inability to forecast such changes, and to adapt and embrace the shifting nature of postal services can only be trumped by the entity’s perennial failure to fulfil its primary function, namely that of delivering mail on time and to the right address.

It consistently misses mail delivery targets that it sets for itself, and today finds itself humbled and in provisional liquidation. Although Communications and Digital Technologies Minister, Gungubele, has called on SAPO to prevent the

liquidation, the IFP is still deeply concerned about Sapo’s financial health.

This, considering the post office’s most recent financial statements, for 2021-22 to end of March 2022, which indicated that the entity owed creditors more than R4,4 billion, and its debt exceeded its assets by R4 billion.

Despite nearly R8,5 billion in bailouts being paid to the entity over the last five years, it has merely been a case of throwing good money after bad. The so-called benefits to the citizens of this country by the post office remain below par in almost every aspect of its mandated service delivery. It is one story after the other. We have learned that Sapo could not pay medical aid for employees again. Many South Africans will not be able to get their Sassa grants because some offices of Sapa will be closed.

As the IFP, we cannot allow our people to suffer, due to mismanagement of funds. We as the IFP will continue to advocate for a South African Post Office that has stability, that is financially heathy, that is able to provide services to the people of South Africa.

Fortunately, the private sector has stepped up and filled the vacuum. Professional postal and courier services are now available, but at a cost that exceeds the capacity of the majority of our poor and most vulnerable. Further, according to Minister Gungubele, if Sapo was to be liquidated,

6,9 billion beneficiaries will receive their grants and not less than 12 000 workers would also be affected.

With unemployment still sitting at 32,7%, the loss of 12 000 jobs would be devastating and impact, not only the employees, but also their extended families. It would also be a catastrophe for millions of Sassa grant beneficiaries who would have to find alternative pay points as well as resubmit IDs and Rica’ed cellular numbers in the process.

Government should be ashamed of itself for not instituting corrective action against the entity years ago. Its operation should have been re-engineered, the digitalisation error should have been planned for well in advance, it staff should have been technically trained, technology embraced and its declining infrastructure should have been rectified.

If we were to rescue Sapo today, government will need to fuel in another bailout of more than R6 billion, which we cannot afford. It is money that the government does not have. If Sapo needs this, we need to make sure that the government deal with mismanagement and do not shy away from it. We must also deal with all the other shenanigans that are happening in this government entities. Thank you.

Ms T BREEDT: House Chairperson, the SA Post Office, Sapo, is essentially bankrupt. It is estimated that it owes its creditors at least R4,4 billion, but cannot afford to repay it, despite receiving bailouts. The latest of which is

R2,4 billion for this financial year. It has also recorded financial losses for the past 15 years.

But it gets worse. A report released in December 2022 confirmed that Postbank insiders have helped criminal syndicates steal over R150 million in Sassa grant money, money that should have gone to the most vulnerable in our country.

The poorly -secured Postbank, furthermore, blocked grant recipients from making ATM withdrawals, using their Sassa cards in December, because of a further R18 million that was stolen.

Going back further in 2020, it was reported that Postbank’s master key was stored incorrectly during a data centre migration in July 2018 and 25 000 fraudulent transactions followed.

*Afrikaans*:

En so kan ons aangaan. Dit gaan egter nie die situasie beredder nie.

Die poskantoor lewer ’n noodsaaklike diens aan Suid-Afrikaners in die vorm van sy sleutelmandaat, maar ook aan die meer as

7 miljoen Sassa-begunstigdes wat afhanklik is van die Posbank se maandelikse uitbetalings van die Sassa-toelae.

Dit is total onaanvaarbaar dat die poskantoor toegelaat is om so ver van die pad af te dwaal. Dit is ongehoord van nasionale poskantore om so baie kantore toe te maak, en dienste van gemeenskappe af weg te neem. Dit is geen wonder dat skulde die hoogte in skiet nie, want as jy nie dienste lewer nie, hoe kan jy ’n inkomste verwag?!

Dit is egter uiters arrogant van die Minister in die Presidensie om te sê dat besighede en krediteure die

poskantoor se finansiële situasie uitbuit en dat hul slegs beheer van die poskantoor by die regering wil wegneem. Die blaam vir die situasie waarin die poskantoor hom bevind is nie te make aan ander nie, maar slegs aan homself.

Wat egter waar is, is dat die enigste oplossing vir die benarde situasie waarin die poskantoor homself bevind, die privatisering van die instelling is.

Die poskantoor het ’n gulde geleentheid in die Covid-19- pandemie laat verby glip. In ’n tyd waar koeriermaatskappy gefloreer het, kon die poskantoor munt slaan daaruit om die nasionale verspreider te wees en ingekoop het op die verspreiding van goedere, soos vele ander maatskappye, maar hy het egter nie.

Die poskantoor met sy verspilde kanse moet sy besigheidsplan indringend hersien, anders sal daar geen uitkoms gevind kan word nie. In plaas daarvan om besighede te blameer vir sy situasie, moet hy by hul gaan leer hoe om besigheid te doen.

As ’n verlenging van die regering, speel die poskantoor en die Posbank ’n baie belangrike rol in die uitbetaling van Sassa-

toelae. Daar moes nie so lank gewag gewees het om die IT- stelsels te opgradeer om bedrog en diefstal te voorkom nie. Nou gaan dit R400 miljoen oor die volgende drie jaar kos om op te gradeer en wie weet, op die huidige baan sal die poskantoor binne drie jaar nie meer bestaan nie.

*English*:

Minister Ntshavheni announced also with great fanfare in this very House that the post office’s so-called turnaround strategy will be playing a role in the economic and digital inclusion by giving rural households access to government services. This is yet another sparkling example of how the ANC and its Ministers have failed and are continuing to fail South Africans, especially those from rural households.

*Afrikaans*:

Sassa-begunstigdes moet elke maand wonder waar hulle geld vandaan gaan kom en of daar vir hulle geld gaan wees. Dit is ’n lottery met mense se lewens. Dit is nie regverdig nie. Die ANC faal Sassa-begunstigdes. Die ANC faal Suid-Afrikaners.

Suid-Afrika verdien beter. Ek dank u.

Mr B M MANELI: House Chair, hon Minister and Deputy Minister, hon members, fellow South Africans, this debate takes place few days after we commemorated Freedom Day and Workers’ Day, which we celebrate annually on the 27 April and 1 May, respectively. These are significant dates on our calendar, which propel us to take a moment and reflect on how far we have come in our democracy and continue to struggle in our pursuit of a national democratic society where the quality of life of all South Africans are uplifted, in particular, that of the poor and the marginalised. Majority of whom are black, female, the elderly, youth and persons living with disabilities.

Hon members, our vision for a national democratic society is characterised by a thriving economy wherein the state is able to use its capabilities to direct national development for fiscal redistribution, utilisation of state-owned enterprises and effective regulation. This therefore ... [Inaudible.] ... the ANC’s response to today’s debate as we speak about the provisional liquidation status placed on the SA Post Office, Sapo, and the entities sustainability broadly. The ANC maintains that the SA Post Office has a developmental mandate and is a key role player in the provision of easily accessible

and affordable postal services. It directly responds to the rights of all South Africans to receive an imparting information or ideas that are enshrined in our Bill of Rights to enable the movement of communication and various other parcels with its massive geographic footprint.

Sapo has access to 12 million households to help national address database and administers around 800 000 parcel volumes. But we have also seen the post office play a central role in delivering learning materials of books to various schools across the country. Another important component in Sapo’s operations is its partnership with the Department of Social Development for the disbursement of social grants. To this end, Sapo has facilitated payment of around 900 000 Sassa beneficiaries and facilitates transactions worth R6 billion to third party pays.

While the narratives seeks to suggest that government is intentionally creating dependence on social grants, it is worth also taking into cognisant the reality ... [Inaudible.]

... experiences of a large population of our country which is riddled with abject poverty and struggling to join labour force due to historic economic exclusion and a contracted

economy due to slow economic growth and slow recovery from the impact of the COVID-19 pandemic, the 2021 July unrest and diaspora of natural disasters that we have been witnessing across the country amongst other things.

In addition to these functions, Sapo also plays an ... [Inaudible.] ... role in the housing and distribution of DTT decoders. Hon members would know that the digital migration project is imperative to our agenda and programme of ensuring digital intrusion, as it is closely linked to the release of spectrum and reduction of the cost communicate. The world is going digital and technology is becoming more and more sophisticated. South Africa better not be left behind. These are mammoth responsibilities that contributes to the socioeconomic ... [Inaudible.] ... of our country.

Therefore, as opposition parties advocate for the closure or privatisation of Sapo, a question therefore arise to what determination should that be done? It is an open secret that the primary concern of the private sector is profit maximization. Therefore, one of the two things are likely to happen should the entity be privatised. One being the cost of service will be escalated, thereby excluding the majority of

people acquiring its services. Secondly, the scope of the entity will be narrowed to focus on citizens account where there is economic activity. Leaving the many people who reside in villages and small dorpies [towns] who also need these services owing to lack of profitability. This has been agreed upon by the IFP in its presentation that it does appreciate the private sector but of course, it costs more even in the spaces where they are to reach such services, which then contradicts any possibility from their side to see that our people are still taken care of.

Being placed under provisionally liquidation is not a desirable state for the entity to be in. The ANC remains committed to turning around the entity and placing it on a path of recovery and self-sustainability. It is in this light that we welcome the proposal of government to rescue the post office and use the R2,4 billion allocation to catapult its recovery. It is regrettable that an allocation of more than R3 billion towards Sapo’s turnaround strategy have been made

by the National Treasury in the past. Yet, we stand here today with an alien entity and nothing to show for the recapitalisation, except for offers to buy the entity. Coming strongly from the former CEO Mark Barnes who is the very

person who was entrusted with using that money to effect competencies and effective measures to turn the entity around.

The historical record that has been given by the Minister earlier on, speaks to this period where we need to have turned things around and things would not have turned around. I must then therefore take this as an opportunity to thank the patriots who have come to the post office irrespective of its ailing entity, but be prepared to make it turnaround as they would have come up with strategies.

Therefore, with dedicated patriotic men and women who are committed to making our state-owned enterprises work for the greater good of the society, the SA Post Office has the potential to get out of its current state into a path of successful implementation of the Sapo of tomorrow’s strategy. In doing so, the following will be the integral: Managing the debt owned creditors, modernisation of its business and postal network, transitioning the entity into a service platform, relaunching the logistics business, payment channel services, relaunching the support trust centre, establishing digital hubs.

The ANC believes that these will enhance the entity service offering and therefore strengthen its business pace. As it effects its strategy, we employ on Sapo to strengthen its relationship or partnership with other government departments, as well as various businesses within the private sector with a purpose to create public private partnership, not the privatisation, as encouraged in our Economic Recovery and Reconstruction Plan. Therefore, put Sapo as a service provider of other service providers.

Furthermore, the ANC is of the view that the reposition of Post Bank as a fully flashed state bank, will not only be progressive for both entities as they leverage on each other’s strength and capabilities. But it will also deepen inclusivity as the entities will expand their reach and service offerings to black owned SMMEs and efficiently rolling out the disbursement of grants. The Sapo of tomorrow must make Sapo a going concern which optimises its services and partnerships.

Embraces technology to serve the people of our country and Parliament appropriations to deliver on the universal service obligation. This is the reason we must all work together to save Sapo as a state-owned enterprise.

I want to submit, as I conclude, that indeed, having listened to all that have presented, its either we have complaints or in fact, a repetition of what the ANC proposes as a way forward. It is for that reason that South Africa should be reminded that so far there have not been alternatives that have been put on the table to oppose the ANC policy, except to propel the ANC that it should implement its policies with ... [Inaudible.] ... and for that reason, South Africans should still place their trust and hoping that the ANC’s ability to redress the situation having learned from the mistakes we have accepted, but we do have a plan on the table. The post office of tomorrow remains that plan, and we should support every effort to make than plan a reality. I thank you, hon Chair.

Mrs N W A MAZZONE: Hon Chairperson, hon Maneli unfortunately is living in a parallel universe if he thinks that South Africa has any trust left in the post office whatsoever. Many post offices have been forced to close down in the recent years. In fact, according to data compiled by The Outlier, there were 1 512 conventional post office branches and 697 post office agencies in 2018. Today, only 626 post offices that are still operational.

The SA Post office workers are also facing a mass deal of retrenchments and wage cuts, according to a parliamentary report that was released in March this year. This is despite the fact that over 6,3 million beneficiaries or put in another way, 54% of 11,7 million beneficiaries were paid through the post office and Postbank in January 2023. Postbank has stated that around 175 000 cards expired at the end of March this year. The SA Post Office has started the gradual process to issue new cards and that almost all beneficiaries whose cards expired last month have already received new cards. We have yet to see this materialise.

However, this is more frightening, approximately 860 000 cards expire in April of this year, nearly 2,8 million will expire this month, and another 1,8 million cards will expire in June. SA Post Office was placed under provisional liquidation earlier this year for failing to settle its enormous debt. The enterprise is now technically insolvent and has lost money every year since 2013. It has been forced to close its branches across the country for years, and now it has been forced to cut thousands of jobs.

SA Post Office is on the brink of collapse and we must be aware of this fact. It is facing complete and utter bankruptcy despite receiving R8 billion worth of bailouts since 2014.

Let’s repeat that number, R8 billion worth of bailouts. A High Court judgement revealed that year to date loss at the post office since 31 June 2020 was R1,066 billion. Only 55 of the post office’s 1 416 operational branches were profitable.

The High Court placed the post office under provisional liquidation in February, with an application for final liquidation to be heard on 1 June 2023. That date is fast approaching. A final liquidation is the worst case scenario. It will result in the post office operations closing permanently and workers permanently losing their jobs. The final liquidation of the post office will also cause massive detriment to South Africa’s Social Grant System as the state- owned enterprise, SOE distributes social grants to more than

7 million beneficiaries every month.

SA Post Office’s financial situation is beyond dire, with liabilities outweighing its assets by a very heavy R4 billion and debt of R8 billion. In the latest 2023 Budget, National Treasury announced the SA Post Office would get another

bailout of R2,4 billion from government coffers. This bailout is nowhere to be seen. Chairperson, I can take that there is no money to bail out the post office. This follows the bailouts that I have spoken of earlier in my speech.

Meanwhile, the group says that it has been left with no choice but to retrench more than 6 000 people. That is 40% of its positions due to its financial constraints. It is noted that its Wage Bill makes up 68% of its costs, and its business has simply become unsustainable due to private sector companies encroaching on its services and the government steering clear of using the post office itself. Let me repeat that, the government itself does not use the SA Post Office.

In the proposed law all government institutions will be encouraged to use the services and infrastructure of SA Post Office to deliver on its services. This will not save the post office I’m afraid, but instead will just turn the government entities from timeously carrying out their duties. Instead, the provisionally liquidated SA Post Office should rather be urgently looking at ways to or privatise aspects of the postal service to develop a practical and affordable delivery system,

to all communities across our country, as well as align itself with the digital age, to avoid its untimely demise. Thank you.

*Xitsonga*:

Man K B BILANKULU: Mutshamaxitulu, ndzi khensa nkarhi lowu mi nga ndzi nyika wona. Maafrika-Dzonga hinkwenu ndza mi losa.

Ndzi ri i nhlikani. A swi kanakanisi leswaku mavandla hinkwawo yo kaneta lama ma nga ePalamende a ma si tshama ma navela ku pfuna kumbe ku vona leswaku vanhu va ka hina va hlayiseka. A hi nga vuli nchumu hi vandal ra DA leri laha va fumaka kona va nga va tekeleki enhlokweni vanhu va ka hina. A hi langutelangi ku twa nchumu xa kahle lexi va nga xi vulaka. Vandla ra ANC ri ta ya emahlweni ku vona leswaku SA Post Office, Sapo, ya pfuniwa leswaku yi kota ku tlhela yi yima hi milenge yi ya emahlweni ku tisa vukorhokeri eka vanhu va ka hina. Hi languta swinene eka vanhu lava humaka etindhawini ta le makaya.

*English*:

Ms E N NTLANGWINI: On a point of order, Chairperson.

The CHAIRPERSON (Mr Q R Dyantyi): Thank you. Please, pause, hon Bilankulu.

Ms K B BILANKULU: I did.

Ms E N NTLANGWINI: Chair, there is no interpretation services.

The CHAIRPERSON (Mr Q R Dyantyi): Thank you, hon Ntlangwini. May we please attend to the interpretation.

Ms K B BILANKULU: You must learn all the languages, Ntlangwini.

The CHAIRPERSON (Mr Q R Dyantyi): Hon Bilankulu, please, I have asked you to pause.

Ms E N NTLANGWINI: I would gladly do that, mam, but I am just thinking for the others. Thank you.

The CHAIRPERSON (Mr Q R Dyantyi): You don’t have to respond as it will get into a discussion. [Laughter.] May you please sort out the interpretation. It seems to have been working up until now. Thank you. I hope it is attended to. Indicate if it was not attended to as we proceed. I would now ask the hon Bilankulu to proceed.

Ms K B BILANKULU: It is disputable that structural apartheid in our country not only denied former generations the right to a dignified life anchored on a free will and self- determination, but it also fostered systemic reproductive of poverty, unemployment and inequalities. This is evidence by the social and economic exclusion we continue to witness today. At the core of today’s debates lies the essential service of mitigating abject poverty for millions of South Africans through the essential service provided by Sapo of the disbandment social grant.

There are about 18 million people who are beneficiaries of social grants every month. This is a drastic increase from three million people in 1994. This shows that over the years government has expanded its social relieve programmes to ensure all those who are in need again access to social security as propelled by the Freedom Charter and our Constitution.

Empirical evidence has shown that through the distribution of the child support grant nutritional outcomes have improved as a result of increased access to food as well as educational outcomes including improved school’s attendance and

educational attainment. Notwithstanding the challenges that Sapo has had as it relates to the distribution of the SA Social Security Agency, Sassa, grants, the ANC believes that Sapo has an obligation to its public mandate which include ensuring the Sassa grant beneficiaries from across the country and in the most rural areas are able to access their grants leveraging on the geographical spread of Sapo offices.

Hon members, it is our firm believe that through stronger and more efficient state-owned entities that serve the agenda of South Africans and the nation broader socioeconomic vision towards 2030 that the process of supporting of Sapo to turnaround and restructure through the successful implementation of its corporate plan coupled with its public mandate, is crucial. The Department of Social Development, Department of Communications, Sapo and Post Bank must look at ways in which they can all draw from their strength and capabilities to ensure that the disbursement of grants is better co-ordinated and implemented going forward.

We remain concerned about the challenges and the sustainability of Sapo. Their current lack of infrastructure capacity has proven hindered their operation and they have not

been able to provide efficient distribution of grants due to the large scales. To this end, the Department of Social Development has ceded its agreement with Sapo and the Post Bank and only playing an intermediary and strategic role in ensuring that whilst effort as outlined by the previous speakers to strengthen Sapo and increase its efficiencies and competence, the beneficiaries of Sassa are not negatively affected and further plunged into positions of vulnerability. Although the Post bank plays a critical role in dealing with the disbursement of Sassa grants to most beneficiaries in the main, there remain a strong willing between the Post Bank and Sapo. This is particularly importance also because a significant number of Sassa beneficiaries still prefer to utilise Sapo as a main point of contact for some of their services including accessing social grants.

The modernisation of Sapo services and systems is long overdue. As the ANC we are encouraged by the plans in the Sapo strategy. However, we implore on all role players to ensure that it is fully and successfully implemented. If Sapo is to continue to carry out its public mandate it is imperative that it stays afloat to prevent branch closures. Equally, more needs to be done to better mitigate against job losses within

the entity. We support the proposed partnership with the Department of Labour and Small Businesses to help some of the Sapo employees venture into business partnership with the state.

Hon members, this provisional liquidation placed on Sapo and some of its operations and the implementation of its strategy is unfortunate. However, we hope that an amicable solution can be reached so that we turn the corner and have a stronger Sapo that will build its competences on strong infrastructure solutions including ATM infrastructure solutions in strategic locations. What is important to acknowledge and reflect on as it relates to the interventions that have been made to ensure that the developments related to Sapo, the Department of Social Development and other entities is that Sassa has implemented interim strategies to manage aspects of the transition. These interventions included, but not limited to a process of ensuring that Post Bank partners with other stakeholders to reduce the pressure on Sapo. The partnerships with larger merchants is a process that is currently being implemented as well as smaller merchants such as spaza shops, a process that is yet to be implemented. There is indeed a need for government to strengthen efforts in order to ensure

that the credibility of institutions such as Sapo is not undermined and they affectively contribute to our vision for a capable and developmental state. I thank you, Chair.

Ms T BODLANI: Chairperson, perhaps I need to remind Minister Gungubele that before joining this department he was a Minister in the Presidency which bears and view all government departments and entities. Unfortunately, his proposed interventions are reactionary and they happen on the eve of the liquidation of the state company with the biggest causalities being the poorest of the poor. The plans laid down by the Minister today are nothing new. His predecessors, all

13 of them, have refused to acknowledge how Sapo fail to adjust to modern postal services and digitalisation when the sector was transforming. Again, it shows the short sightedness of the ANC.

I have to agree with hon Maneli. The SA Post Office has nothing to show for previous bail outs. As hon Maneli correctly points out the collapse of Sapo is a mistake which he says the ANC has leant from. It is a very expensive mistake at the cost of the poor. The DA calls on government and Sassa

to stabilise the social grant services. Recipients should receive their grants with a sense of dignity.

Chairperson, criminality remains a threat to Sapo and Sassa. The irony is that the biggest beneficiaries of the partnership between Sapo and Sassa are criminals who loot from the state million of rands of grants meant for the poor. The lack of consequence management and low to nonprosecution of officials who simply resigned once they are caught, is a travesty of justice. The only measures to mitigate the impacts of the SA Post Office provisional liquidation on the delivery of its core mandate including pay outs on behalf of Sassa, is to get rid of this government and put in power the caring and capable DA government.

During the portfolio committee’s oversight visit to the Sapo head offices employees reported that they were asked to clean the bathroom in anticipation of our visit. This was confirmed by the CEO who confirmed that Sapo cannot afford to pay cleaning services, a health and safety risk yet we expect the same workers to help avoid liquidation. How?

Hon Bilankulu, I am happy to report that stars are aligning for the DA's moon shot pact to save South Africa. The DA ... [Time expired.]

The CHAIRPERSON (Mr Q R Dyantyi): Just on the moon. Let’s stop it there because your time has expired before you get to the moon.

Debate concluded.

The mini-plenary session rose at 16:22.