**UNREVISED HANSARD**

**NATIONAL ASSEMBLY**

**THURSDAY, 11 MAY 2023**

***PROCEEDINGS OF THE NATIONAL ASSEMBLY***

The House met at 14:00.

The Speaker took the Chair and requested members to observe a moment of silence for prayer or meditation.

**ANNOUNCEMENTS**

The SPEAKER: Hon members, before we proceed with today’s business, I wish to announce that, in terms of Rule 3(34), I have designated Mr A H M Papo as parliamentary counsellor to the Deputy President of the Republic of South Africa with effect from 3 May 2023. Congratulations to you in absentia, hon member. I don’t see the hon member.

Order, hon Mcebisi and hon Mondli! I know ... Lastly, the vacancy which occurred in the National Assembly owing to the resignation of Ms D van der Walt, has been filled with effect

from 1 May 2023 by the nomination of Mr J F Smalle. The member made and subscribed the oath yesterday in the Speaker’s Office. I welcome you, hon member. Don’t take chances. It’s not his first term here. It’s his second one by the way. Hon Smalle, raise your hand so that people can see where you are. He's not here? The first day?

Hon Papo, we congratulated you in your absence. Congratulations. Thank you. Shall we proceed now, hon members? I think people feel there’s a bit of freedom. I don’t know what is happening. There’s a bit of space. It’s airy. I don’t know. I think so.

The only item on today’s Order Paper is questions addressed to the President. There are four supplementary questions on each question. Parties have given an indication of which questions their members wish to pose a supplementary question on.

Adequate notice was given to parties for this purpose. This was done to facilitate the participation of members who are connecting to the sitting through the virtual platform. The members who will pose supplementary questions will be recognised by the presiding officer. In allocating opportunities for supplementary questions, the principle of

fairness, amongst others has been applied. If a member who is supposed to ask a supplementary question through the virtual platform is unable to do so due to technological difficulties, the party Whip on duty will be allowed to ask the question on behalf of their member. When all the supplementary questions have been answered by the President, we will proceed to the next question on the Question Paper. The first question has been asked by the hon K E Magaxa. The hon the President.

**QUESTIONS TO THE PRESIDENT**

Question 7:

The PRESIDENT OF THE REPUBLIC: Hon Speaker and hon members, as I indicated in my reply to the state of the nation address debate on the 16th of February of this year, the Minister of Electricity will, as I said, be responsible for overseeing all aspects of the electricity crisis that we are going through.

The Minister of Electricity is responsible for driving the various actions being co-ordinated by the National Energy Crisis Committee to end load shedding as a matter of urgency. As I said then, matters of energy policy remain the responsibility of the Minister of Mineral Resources and Energy.

As for the issue of parliamentary oversight of energy policy matters, Parliament is required in terms of the Constitution and also its own rules, to develop mechanisms to ensure that all executive organs of state in the national sphere of government are accountable to it and to maintain oversight of the national executive authority. It is up to Parliament to decide how to exercise its oversight role with respect to matters within the jurisdiction of the Minister of Electricity.

The Minister is overseeing the full and speedy implementation of the Energy Action Plan to ensure that the severity and frequency of load shedding is reduced in the immediate term and brought to an end within the shortest possible time.

Following his appointment, Minister *Ramokgopa* conducted a diagnostic assessment of Eskom’s installed generation capacity, resulting in the identification of a set of critical interventions to maximise the energy availability factor of the generation fleet. The Ministry engaged a wide spectrum of stakeholders, including industry, various businesses, labour, original equipment manufacturers and the diplomatic community that have all pledged their support for strategic

interventions to reduce the intensity and frequency of load shedding.

The preoccupation of the Minister is to improve the performance of the existing Eskom base load fleet, maximise the performance and output of peaking stations and reduce demand through an aggressive demand side management programme. This work is being undertaken alongside measures that are being put in place to sustainably and urgently increase the construction of new generation capacity, which is currently underway. The reforms that we have already implemented have resulted in a significant increase in investment in new generation projects, with many more in the pipeline, and a number of others that are soon going to be put on acquisition and in the end will also be implemented. A great deal of work is being done in this regard, much as we are going through a challenging period with continued load shedding. I do believe that the end should soon be in sight as all these efforts bear fruit, and fruit they will bear because we now have a very focussed type of attention on precisely what needs to be done, cutting across what the management and the board at Eskom is doing, and what the Minister and all the other relevant co- operating Ministers of Mineral Resources and Energy as well as

Public Enterprises are doing. So, all hands are on deck in as far as dealing with our electricity challenge is concerned.

Thank you, hon Speaker.

Mr K E MAGAXA: Hon President, the follow-up question is as follows. While the Minister of Electricity was appointed with the view that he would expedite the government’s response to load shedding and energy security under the National State of Disaster on electricity, which the government ultimately revoked following the legal action against its rationality, is the Minister of Electricity still empowered to fast-track the government’s Energy Action Plan in the absence of the National State of Disaster on electricity, and what is the Minister of Electricity’s new approach to solving the electricity crisis following the government’s withdrawal of the National State of Disaster, given that load shedding is likely to reach stage 7 and stage 8 this winter season? Thank you.

The PRESIDENT OF THE REPUBLIC: The Minister of Electricity has his work cut out and the finalisation which is due to be announced very shortly of actually all the mandate matters that he has to attend to, set out precisely what he is meant to do.

The issue of the National State of Disaster was going to be an added tool to enhance the implementation of the address that needs to be given with regard to ending load shedding. When that was withdrawn, it did not mean that the Minister does not have the tools and the capability to be able to do his work.

What we have been in the process of doing is to look at the tasks that relate to generation in the Electricity Regulation Act. Those tasks that need to be executed by the Minister of Electricity vary or include matters of generation. They also include the identification of the type of energy source that we need and thereafter, co-operating with the Minister of Mineral Resources and Energy for the procurement process. Once it has been procured, the Minister of Electricity will then ensure that it is implemented, and deal with matters such as the financial close and also ensure that once there is financial close and it is implemented, the grid or transmission is ready.

In this regard, we will also be working very closely with other institutions such as the *National Energy Regulator of SA,* Nersa. Indeed, in all this he will also be co-operating very closely with the Minister of Public Enterprises. So, if there ever was to be intergovernmental co-operation where we

get rid of all the silos, this whole task of dealing with electricity in our country is going to be a great example because that is precisely what has started to happen now. The co-operation between the Minister of Electricity, the Minister of Mineral Resources and Energy, and the Minister of Public Enterprises is precisely what we want to see in government, where all the silos are broken down and the Ministers work in a very co-operative spirit. That is exactly what is underway now.

So, the Disaster Management Act process was going to be an aid, an enabler, but that having been forgone, other various instruments of a legislative nature are in place to enhance the work of the Minister of Electricity. Thank you, hon Speaker.

Dr W J BOSHOFF: Hon President, if I read the question correctly, it actually consisted of two elements. Hon President, how will you convince the public that the location of the Minister of Electricity in your own Presidency is not an attempt to shift oversight on energy policy away from Parliament. Then something about timeframes. You said that Parliament should actually devise its own mechanisms for

oversight, but just last week your own governing party voted down an attempt to provide exactly such a mechanism. So, I would like to know what is the actual plan that would then be acceptable and in addition to that, I would like to know the following. You appointed the Minister of Electricity and you must have had a good idea about what he should do, and yet even today you have told this House ...

The SPEAKER: You have exceeded the time for your question. I don’t know if you raised your question, but hon President?

Dr W J BOSHOFF: I would actually just like the President to answer the original questions. How are we going to ... What measures will be acceptable to him and the governing party?

The PRESIDENT OF THE REPUBLIC: I said in my original response that it is really up to Parliament how they would like the accounting process to happen in relation to the Minister of Electricity. We have said very clearly that the executive is accountable to Parliament and it therefore behoves on this Parliament to work out those mechanisms. These mechanisms would also include accountability of the Minister of Electricity.

Locating the Ministry in the Presidency does not by any means diminish the issue of accountability. Minister Ramokgopa is by no means the only Minister whose work is lodged in the Presidency. We have three Ministers, who are accountable to Parliament, whose work is lodged in the Presidency and therefore, putting the Ministry in the Presidency and particularly the Minister to be driving the process of the Energy Action Plan from the Presidency through the crisis committee that was created, is meant to enhance precisely what work needs to be done.

Broadly, with regard to the mechanism, as I have said and I repeat, that needs to be discussed by Parliament, including the matter of the accountability of the Presidency. It is my information that this matter is now under discussion in Parliament and I encourage that, that discussion should ensue and Parliament should make its own decisions in this regard. Thank you, hon Speaker.

Mr N SINGH: Hon President, saying that the Minister of Electricity has his work cut out for him is an understatement. Really, all three Ministers have their work cut out for them and I hope that work doesn’t include them having serious

differences in the Cabinet room and not dealing with the matter at hand. I see they are shaking hands.

Having said that, hon President, recently a full bench of the North Gauteng High Court held that all hospitals, clinics, schools and police stations should be exempt from load shedding. This is something you’ve said in the state of the nation address and the Minister of Electricity said that. So, I cannot understand how this decision of a full bench is being appealed by this government, given the fact that water is required by everybody in our land and when electricity is not available water pump stations don’t work, and also given that we need police stations, we need hospitals to sustain life and we also need to sustain our economy. I see hon Premier Winde also said it will be too costly. Now, can we put a cost to these vital things that society requires, hon President?

The PRESIDENT OF THE REPUBLIC: Yes, the court did take that decision, and clearly the view that we have taken in government is that we do need to deal with the practicality of that decision. The whole process of load shedding is really to manage the grid, because when a number of units are not available to generate energy, you could be tempted to drive

those remaining units and you could drive them to a point of breakdown. You therefore need to manage it. The engineers tell me that you need to limit them from overheating. I’m using a colloquial term. If they were to overheat because you are driving them all at one go to generate electricity at its maximum, then the grid could collapse. So, you therefore need to feed the electricity in a number of areas in, possibly a sequential basis, and switch off other areas and switch other areas on until you reach a stage where all units are then able to give you the electricity we need.

This is possibly what we may all not understand because ... load shedding is the last resort. If we ever wanted that there should be no load shedding, the grid would collapse because a number of units, for reasons that we have dealt with, are not available at the time. As we speak now, the availability factor of our electricity has gone down below 50%. So, much as we want electricity to be generated for all and sundry all at one go, engineering wise it is practically not possible. It is for this reason that government wants to shed light, through this whole process, on the impracticality of doing all that.

And yet, the more practical way is to do your load shedding in

sequence, where you are able to shed load for a number of areas.

Ideally, I would personally want all of those hospitals and schools to be exempt, but from an engineering point of view I am told that it is practically impossible to do. So, now we are faced with a court judgement and the impracticality of it all. So, the process of then approaching the court through an appeal process is to bring to bear a better understanding so that there can be an understanding of the engineering aspects and the impracticality aspects of it all. By the way, it is not being done in an arrogant way or in a way where we are trying to second guess the court. It is actually being done to ensure that we save the grid because otherwise it would collapse if we were to implement that judgement in full. I hope that makes it clear.

By the way, let me add the following. In the first part of your question you alluded to the fact that they have their work cut out. You are absolutely right. Each one of the Ministers have their work cut out for them, and as I said during the state of the nation address as well as during the reply to the debate, these three areas of work are all very

critical to our electricity architecture. I outlined precisely what each is doing. Now, as all of them face up to the challenges that lie ahead, they are finding that in fact they have to co-operate even more. That is why there are no fights in Cabinet. There is no turf war which is being bandied around in the media. They are co-operating well and they know at what point they need to talk to each other to move things forward. I am very happy with the architecture that we have put in place. It is working and it will continue to work, believe you me. Thank you.

Mr W M THRING: Mr President, the power crisis is devastating households and businesses, eroding the nation’s economic growth prospects, disrupting power supply chains and stoking inflation. Public anger is understandably growing around the government’s inability to deal with the crisis. Electricity Minister Ramokgopa has warned that South Africans could face a cold winter that may include stage 8 power cuts. This is unprecedented, with stage 6 load shedding having eight hours or so of cuts, with stage 8 up to 12 hours and stages 9 and 10 too ghastly to contemplate. Now, Mr President, the North Gauteng High Court found that:

It is clear that whatever the President and his Cabinet Ministers averred, the consequences of policy decisions resulted in the current need by Eskom to continue to implement various levels of load shedding.

In other words, Mr President, you and your Cabinet failed to keep the lights on.

Now, taking the public into your confidence, would the President agree that government’s attempts to solve the energy crisis have failed spectacularly, and what responsibility and further initiatives, if any, do you as the Head of State and Cabinet take for the energy and resultant economic quagmire our country faces? Thank you.

The PRESIDENT OF THE REPUBLIC: I completely deny that we have completely failed in our attempts to deal with this crisis. We continue to take a number of measures and actions on a continuous basis. When I stood here and I announced the Energy Action Plan, it was welcomed by all and sundry as being a very rational plan that would address our energy crisis. We didn’t then foresee that our energy availability factor would decline further than where it was at the time. We didn’t then foresee

that three units of Kusile would just collapse. We didn’t foresee that a number of others in other power stations — Kriel and all that — would also collapse. From an engineering point of view, that is something that had not been foreseen. However, the measures that we have been putting in place, as I said in our Energy Action Plan, was to embark on new generation. New generation of a variety of sources is underway right now.

One of the things I also said in 2019 standing here in this Parliament — actually it was in the state of the nation address — was that we needed emergency power and we needed emergency power of some 3 000 megawatts. That process got underway. It has been stopped by interventions that are completely out of government’s hands. It has been stopped by either various nongovernmental organisations that have taken the process to court and environmental issues have been raised. That is what has put the brakes on what I would call immediate emergency power that could’ve been brought to bear. I still say today that what South Africa needs right now is emergency energy that we can bring in. Other countries have done so. I have been to a few countries on our continent. They have done so. They have brought in ships that are able to

generate energy and immediately solved their energy challenges and problems. I do believe that, that is the way to go right now ... to add those megawatts that we don’t have, while we wait for the construction of the other renewable energy sources, as well as the revamping or the repair of our base load coal-fired power stations that are being worked on after years of no maintenance.

Part of our plan is also to work on demand management. Part of our plan is to also work on rooftop solar installations. Now those are interventions that are going to help to reduce the pressure on the grid and add more energy sources to our overall electricity landscape.

So, those initiatives, which have been validated by many, are underway. We are repairing our power stations. We are maintaining them, and when you maintain a power station you have to take it out of the grid and sometimes it goes on for much longer than you wanted. We are dealing with big machinery here and we are dealing with suppliers that are big original equipment manufacturers that manufacture for the whole world. They don’t wait in line just for South Africa. So, when we have a generator that has broken down, we wait in line.

However, the initiatives that we are taking is to add other sources of energy, which we are doing. Soon there will be a further round of procurement that is going to add more megawatts. So, all that is ongoing and as this reaches fruition, we aim to bring load shedding under control and to an end. That is precisely what these three Ministers are doing. The Minster of Public Enterprises is dealing with the restructuring of Eskom so that we have a transmission company, so that, that transmission company is then able to put in investments in the transmissions lines so that they can absorb new energy generation. The Minister of Electricity focusses on generation and the Minister of Mineral Resources and Energy focusses on the policy, procurement process and all that. That is the architecture that we have put in place. We are not sleeping on the job and we are hoping that all these efforts will lead to the solution that the people of South Africa want to see. Thank you very much.

The SPEAKER: Thank you, hon President. Hon members, before I proceed to the next question, may I just make a plea that those who are raising supplementary questions, please avoid making long statements before you ask your question. I think I have been very ... Why? It’s because I’ve been very lenient

and allowed you to go way beyond the time allocated for that. If we could avoid that, it would be better for all of us.

Thank you very much, hon member. Thank you. Question 8 has been asked by the hon Leader of the Opposition. The hon the President.

Question 8:

The PRESIDENT OF THE REPUBLIC: Hon Speaker and Hon members, I have not been presented with any evidence of members of the Cabinet or other senior government officials alleged to be involved in corruption at Eskom. Anyone who does have such evidence should provide that information to the relevant authorities so that a thorough investigation of all credible allegations can be conducted. There are institutions whose job it is to investigate these matters as they have the legal mandate, personnel and capacity to investigate all these matters. Significant progress has been by law enforcement agencies, Eskom and other relevant government departments have also made progress in addressing crime and corruption at the entity. Various measures have been taken by the Department of Public Enterprises and reported to Parliament regarding the implementation of the recommendations of the State Capture Commission.

Coal supply agreements and construction contracts with a value of approximately R11 billion have been cancelled by Eskom.

Eskom also initiated litigation that resulted in coal supply agreements to an approximate value of R3,7 billion being declared invalid. Further losses of approximately R10 billion to Eskom were prevented by setting aside other coal supply agreements and constructors contracts. Eskom is pursuing claims with a value of approximately R4,8 billion against suppliers and former directors of Eskom. The utility has recovered approximately R2 billion unlawfully paid by Eskom to service providers.

The Special Investigating Unit, SIU, has referred 5 464 matters to Eskom for disciplinary proceedings against employees for their alleged failure to submit financial declarations, declare or get approval for doing work outside of Eskom. There are pending criminal cases or referrals to the National Prosecuting Authority, NPA, by law enforcement in at least 125 instances and a further 65 referrals to the Asset Forfeiture Unit, AFU, relating to Eskom. At least 25 former senior executives at Eskom have been included in a database of individuals dismissed for their involvement in state capture and corruption at Eskom. All this demonstrates that the

government is proactively investigating and taking action against crime and corruption at Eskom.

The law enforcement agencies themselves will, in addition, continue to investigate any credible information that is provided to it because that is their job and that is their speciality and they have the capacity to do so, and as I have often said here, let us allow those institutions to do their work and do it without fear, favour or prejudice. I thank you, hon Speaker.

The LEADER OF THE OPPOSITION: Thank you, Mr President, and with respect, I think you're confusing criminal liability with political liability. We know, you know, and the rest of the country knows that it is ANC cadres who are responsible for the corruption at Eskom. In your first state of the nation address, Mr President, you said:

We will intervene decisively to stabilise SOEs. The recent action we've taken at Eskom to strengthen governance, root of corruption and restore its financial position is just the beginning.

On 4 June last year, the then chief executive officer, CEO, informed the police and state security officials that members of your Cabinet are involved in the corrupt cartels at Eskom and these are serious allegations. On 5 July, he informed Minister Gordhan and your National Security Adviser, Mr Mufamadi about these Ministers who are involved in corruption, yet it now appears that you have done absolutely nothing in your Cabinet to hold these individuals accountable. We cannot sit here while a billion rand a month is being looted from Eskom and you're trying to go after the small fish when the big fish are sitting around your Cabinet table. Mr President, why have you not made any efforts to identify who those Cabinet Ministers are and hold them accountable? [Interjections.]

The PRESIDENT OF THE REPUBLIC: Hon Speaker, hon Steenhuisen’s last word is quite instructive because he says I should identify. The identification of anyone with regard to said criminal activity and corruption has to be done through an investigative process. Someone, an institution, has to investigate that, and I could easily say, Mr Steenhuisen, you stole my other beautiful tie yesterday but someone has to be able to say, ... [Interjections.] ... let us investigate

whether indeed Mr Steenhuisen stole the President's beautiful tie because if I go on just a whim and a story that, yes, you stole my tie without the evidence, without corroboration, without the investigation, then I'm ... [Inaudible] ... on thin ice. In the end, it's a beautiful tie, the process of investigation involves those agencies that are well adept, that are well capacitated, whose job is to investigate, and we as politicians can deal with whatever rumour and it's easy to make a rumour that so-and-so, or an allegation that so-and-so is involved in this and that, but where's the evidence to back that up?, and that is why in my initial reply I said, those with evidence, those with information, those with full knowledge must go to the investigation institutions. They must go and report there. I'm very interested. Just as interested as I would be if I hear that you've stolen my tie I would say yes, let that be investigated, and that's precisely what I'm also saying here and now that if there is any information that anyone in the executive has been involved in corrupt activities or theft, let the matter be investigated. That is why I say institutions that operate without favour, without prejudice, should be the ones that we put our trust in to investigate such activities rather than to deal with innuendo, rather than to deal with rumour, rather than to deal with

allegations, I cannot possibly be able to lead on the basis of whims and innuendo and just stories that are bandied around.

I need to deal with real evidence, and I've said over and over again and the members of the opposition have always said, President, do this, charge this one, I arrest somebody, take them to court. I don't do that and even if I wanted to do that and had those dictatorial ambitions, the rule of law that we have and the constitution that we have in this country would never allow me to do that. So in the end, it has to be done through due process of the law. It has to be done through the institutions that are put in place because if the President then starts investigating his own Ministers, then it means that we don't need the police. The President is the policeman himself, then it means that we don't need criminal investigations because the President is the criminal investigator himself and we cannot run a banana republic in South Africa over things like that. We cannot, that we will never do. I repeat, anybody who has information, who has evidence about anyone, be it a Cabinet Minister, be it whoever should come forward and put the information before the law enforcement agencies and they must then investigate because they are the ones who investigate these matters.

So, Hon Speaker, I must say with respect, I'm not able to help Hon Steenhuisen in this regard. The identification of people who might be involved must be done by the police and not by someone who does not have the capability or the expertise to do so. Thank you, hon Speaker.

Ms J C N MKHWANAZI: Thank you, hon Speaker, thank you, His Excellency the President, for the detailed and educational response. Mr President, considering Andre De Ruyter’s allegations that senior politicians linked to the ANC are involved in plundering and perpetuating corruption at Eskom remains dubious and untested as De Ruyter has failed to reveal those senior politicians as requested to do so by the Standing Committee on Public Accounts, Scopa. Mr President, ...

*IsiZulu*:

... angininakanga njalo ... ngila.

The SPEAKER: Order, hon members!

*English*:

Ms J C N MKHWANAZI: ... has the government ever considered strengthening the capacities of the law enforcement agencies

to assist Eskom in unearthing corruption and reduce the utility’s dependence on private-funded investigators, headed by people with close ties to the apartheid regime, and that is a threat to our democracy. Thank you, hon Speaker.

The PRESIDENT OF THE REPUBLIC: Yes, hon Speaker, thank you, yes, hon Mkhwanazi, yes, the corruption and the malfeasance that has been going on at Eskom has always been a matter of concern to us and a great deal of work has been underway, as I alluded to in my original response, with a number of people being identified, a number of them being arrested, being charged, either being disciplined or dismissed and with monies being claimed. We are committed as the government to assist Eskom as much as we possibly can, and to this end, we've set up teams that are currently busy investigating all acts of malfeasance and there has been a great deal of progress in that regard, and top of that, we've also bolstered our efforts to protect the nation's assets with regard to Eskom by deploying soldiers who are protecting our infrastructure installations at various Eskom power stations. So our focus is to reveal and unearth all these acts of malfeasance and that is a process that is ongoing. That are teams that are led by top investigators that are doing this work as we speak now and

we continue to want to add more so that we strengthen their capabilities so that leave no room whatsoever for those who have been involved in acts of malfeasance, whether they're inside Eskom or even outside, whether they're suppliers or providing any service to Eskom.

So that is precisely what we have been involved in, hence, the success rate that has been made to have more than 5 000 cases that are being investigated and with their participants being involved means that work is being done on an ongoing basis and I think that is what we should be pleased about. Now this is a complete departure from what happened in the past. In the past, we either never heard about acts of corruption inside of Eskom and wrong things were happening. Now we hear about them but we don't only hear about them, something is being done about them because of all these acts that are taking place of getting people arrested and getting assets reclaimed and monies being paid back.

So progress is being made and I have a firm belief that we will continue to make progress in this regard. Thank you, hon Speaker.

Mr A M SHAIK EMAM: Hon Speaker, Mr President, Mr De Ruyter has made a whole lot of allegations, but to date, despite numerous requests almost from the entire world, no evidence has unfolded thus far, including where he advised us that he informed Minister Gordhan and I know you to some extent did respond earlier. Did Mr De Ruyter ever draw your attention, Mr President, to any acts of corruption in Eskom or did Minister Gordhan draw your attention to the statement that De Ruyter made that he informed Mr Gordhan that there are high levels of corruption and senior politicians are involved? I'm asking that so that the public can get a clearer picture of whether there's any truth in what we are hearing or not. Thank you, Mr. President.

The PRESIDENT OF THE REPUBLIC: Hon Speaker, we have always spoken very publicly and broadly about acts of corruption that have been ongoing in Eskom. Apart from what has been in the public domain, what was unearthed through the State Capture Commission just added to the stories and the narrative. So that whole process of the aura of, if one can call it aura, or the narrative of corruption, has been known from whole contracts to a whole range but never was information ever put about the personalities that are involved, and hence I say the

process of identification of all that is a matter that should be fully put before the law enforcement agencies. It should be properly investigated so that those who are involved should then be identified and dealt with. The Zondo Commission dealt with and identified a number of names but also felt that further investigation needs to take place, and in this case, where there are identities of people, we say bring them forward, let those be investigated, and let's have a measure of finality over this. Thank you, hon Speaker.

Mr N L S KWANKWA: President, thank you very much. Thank you very much, Madam Speaker, you are reminding me of your former colleague, your predecessor rather, who used to come here and say, “evaluate isiphithiphithi [anarchy] can't be”, former President Zuma used to say that.

The PRESIDENT OF THE REPUBLIC: I didn't hear that.

Mr N L S KWANKWA: Former President Zuma used to say, “evaluate isiphithiphithi [anarchy], can't be.” You said you also can't evaluate isiphithiphithi [anarchy]. [Interjections.] President, the fact of the matter, going back to the North Gauteng High Court judgment, we took you to court by the way,

and we won again and I think what is important, President, is that it is ... especially the part where the judge found that there had been repeated breaches by the state of its constitutional statutory duties and these breaches infringed the citizens’ rights to health care, security and education. The fact of the matter, President, whether it says with regard to the allegations made by De Ruyter of a billion rand, or in the past where there was an overpayment of suppliers at Eskom to the tune of R4 billion, or whether it's the coal contracts, whether it's the evergreen contracts, corruption is endemic at Eskom.

The question we want to ask is, should we then not get a firm commitment from the government to say that, some of the monies recovered in the fight against corruption at Eskom, including the revenue overruns that we get almost on an annual basis for the past years, should be used or will be used to ensure that hospitals, police stations and schools are provided with alternative sources of energy so that you don't have hospitals like Kareedouw Hospital in the Eastern Cape where they can sit with a malfunctioning generator for two months and some do not even have a generator. Thank you, Speaker.

The PRESIDENT OF THE REPUBLIC: Hon Speaker, I did not speak about isiphithiphithi [anarchy], revenue that is raised by the government as well as monies that are claimed and returned to the government is managed by Treasury and Treasury in managing the funds of the nation has to take into consideration a whole range of matters and primary in their consideration is the welfare of the people of South Africa, how best that money can be utilised and deployed. In doing so, will look at various balancing acts that they need to embark upon. The issue of alternative power sources for hospitals, schools, and a whole range of other places, including places where food is manufactured are matters that have to be decided on a case-by- case basis. It has to be what you need to take into account how much power a hospital need and what type of say alternative source of energy does it need. That is why we say it cannot be a one-size-fits-all, just a whole scale right across the board because if you were to do so, then you would be inadvertently causing enormous problems for the entire grid of the country by trying to solve one particular problem.

So one needs to always think about the consequences of each action that we take and so, therefore, in the end, in managing the say, if you like, for lack of a better word, the

allocation of the energy that should be managed by Eskom through their energy management centre. They look at all that; how much energy should be allocated to this region and when they do so, they also look at special areas like hospitals and a number of areas like that. So the matter of how the fiscus would be able to distribute as well as distribute monies claimed, I would not be able to respond to that because it is a money management matter that has to be managed by the Treasury itself and as I have said, they take a whole number of considerations into account but maybe a good thought that should be thought about but you will find that all that has a number of other needs if there ever is an overrun of revenue, they will tell you that, we already have an allocated area where the money should be deployed, but thank you very much for raising that.

Question 9:

The PRESIDENT OF THE REPUBLIC: Hon Speaker and hon members, the pledges made by the International Partners Group, comprising of the United States of America, United Kingdom, France, Germany and the European Union to support South Africa’s Just Energy Transition with around $8,5 billion in financing is on track.

In 2022, South Africa formulated the Just Energy Transition Investment Plan, which sets out the scale of investment needed to meet the country’s international carbon emissions reduction commitments. The pledges made by the International Partners Group towards this investment are contained in this investment plan that was presented here and published. These pledges consist of a combination of concessional grants, commercial loans, as well as guarantees. Work is underway to have these funds properly deployed.

Financing under the Just Energy Transition Investment Plan will not be used for investment in coal-fired power generation. International climate financing is for investments that transition economies away from the use of fossil fuels.

The bulk of the financing is for the energy sector, including the decommissioning of those power stations that have reached the end of their lives. It is also for repurposing and repowering of identified coal power stations in line with South Africa’s decommissioning schedule. It also includes support for new generation capacity, investments in the transmission grid and strengthening the distribution network.

Importantly, funds have been allocated to just transition interventions that will support vulnerable workers, reskill, train and provide new diversified economic opportunities and jobs for workers and communities affected by the transition.

A number of role-players are in the course of dotting the eyes, crossing the eyes and crossing the t’s in relation to all these. A number of interventions are now underway to ensure that this plan is actualised. I thank you, hon Speaker.

Mr K R J MESHOE: Hon Speaker, hon President, a number of European countries are buying coal from South Africa while we lack clean coal that can be used to power our generators. Some have postponed their scheduled closures of their coal power plants. This, whilst South Africa is steaming ahead with decommissioning our coal power plants to appease leaders that are disregarding the devastating effects of load shedding on local businesses, and costing our economy thousands of jobs that also leads to poverty. My question to you, Mr President is: Whether you know any European country that has been coerced or instructed to transition much quicker? For me, the words “words quicker” are telling. Much quicker from relying on coal plants or did South Africa volunteer to take that risk

that we believe will have devastating effects on our economy? We know that China is by far the largest coal consuming country, which accounts for 53% of global demand, and India is the second coal consuming country. Are they also being told to transition much quicker as South Africa has been told to transition much quicker? Thank you.

The PRESIDENT OF THE REPUBLIC: Hon Speaker, hon Meshoe, no, we were not told ... [Inaudible.] ... We have been involved in an inclusive process, and it did not start a year or two years ago. We are a participant in various international initiatives starting from United Nations, culminating in the various conference of parties, COP, started with COP 20, 21, 26 etc.

Of our own volition, we then said as a nation, climate change is a reality, and we see its devastating impact. We, like other nations, have to make our own decision and contribution to ensuring that we lower climate change. We came out with our own national determination, even before I set up the Presidential Climate Commission, processes were underway led by a variety of South Africans as well, nongovernmental organisations, NGOs, and even this whole Parliament was also in the various committees involved in discussions.

Let me tell you another concern. We are the biggest emitter on the continent, We obviously the biggest and most industrialized nation, but we are the biggest emitter. More than 80% of our energy emanates from ... [Interjections.] ... so, as we emit all the fumes ...

The SPEAKER: Hon Wolmaraans, please mute your system. Proceed, hon President.

The PRESIDENT OF THE REPUBLIC: Hon Meshoe, two or three weeks ago, I had the occasion to listen to experts at the Presidential Climate Change Commission, and a professor in health and various respiratory diseases told us the impact of emissions he is having on the health on a number ... [Inaudible.] ...

The SPEAKER: Please remove hon Wolmaraans from the system. Order. Wait. Hon President, proceed.

The PRESIDENT OF THE REPUBLIC: I thought for a minute, hon Speaker that you wanted me to dance. [Laughter.] So, this professor was telling us about the impact of emissions in the way they affect the health of South Africans. That in many

ways brought home the message about climate change and our contribution. It’s a matter that we may think that we should not care about but when you begin to think about the many South Africans who are dying and suffering from various diseases of respiratory nature, and they then ascribe it to the emissions. We have to sit up and take notice. Apart from that, we have never been compelled to take the decisions that we have taken. We took these decisions on our own volition.

Having done so, we have also said, we are going to proceed to cleaner energy, and we will do it at our own pace and our own time. What we have also said recently, and this has been starkly put forward to us by Minister Ramokgopa, who in his very good diagnostic work, having gone to all our power stations, came up with a very clear message that the process of installing the renewables that we are working on is going to take quite a long time. In the course of doing so, we should also look at the timetable of the decommissioning process. Hon Meshoe, decommissioning is something that we cannot run away from because power stations have a life cycle. There is no power station that will go on for 50 years and 100 years. Even the one that you think can go beyond 50 years, you have to keep on repairing it, and the costs of repairing that

power station may in the end be much bigger than the cost of getting renewables. As it ages, its capability and ability to generate power starts decreasing. We are saying the timetable and the schedule for doing so has to be relooked. Minister Ramokgopa has come up with a very convincing story, which is now leading us to say let us relook at the whole process of decommissioning without abandoning our commitment to move to cleaner energy. So, we have to do both in tandem. Nobody is forcing us to speed up the process because when these power stations age, hon Meshoe, they age. It’s like an old car. It becomes a guzzler – like old people - it becomes more difficult for you to operate it. So, nobody is compelling us to speed up that process. We are taking our own conditions and circumstances into account. We are even making it very clear to those partners that in the end, the jet plan has to take into account our own situation. We have to secure our energy security throughout that whole process. So, we will do what we as South Africans have to do. What they do Europe, hon Meshoe, is their business. We look at ourselves because we are a sovereign nation. We must look at our own interests not at the interests of Europe and other countries. Thank you very much.

Mr N GANTSHO: Hon President, it is evident that our government is to Just Energy Transition and ensuring that no one is left behind. This can be seen in the work that is being done by the Presidential Climate Change Commission. Given the high cost of transitioning from coal to clean energy source and the need to ensure that our country meets our goals of net zero emissions by 2030 in terms of our nationally determined contribution, Mr President, what are the challenges that government face in terms of ensuring that the energy transition does not impact negatively on our economy, and that the interest of all relevant stakeholders are taken into account? Thank you, hon Speaker.

The PRESIDENT OF THE REPUBLIC: Hon Gantsho, thank you very much for that question, because what you are raising is precisely what the Presidential Climate Change Commission is working on. It is doing it in quiet an admirable way in that it is consulting with various stakeholders throughout our country, but they have also focussed on areas that have many of our coal mines and power stations. We have insisted that they must consult in a broad and thorough manner. They have labour involved, community-based organizations and many other organizations that deals with lives of our people, including

business. In doing so, we are guided by one principle that as we transit from fossil fuels to cleaner energy and move towards our national determined contribution by 2030 as we have said, we leave no one behind. We have also made it clear that, for instance, I have made it very clear to even global leaders that we have just built two mega power stations and spent a great deal of money in building those. They are the newest fleet that one could say there is in the world, and we are not going to just shut down Kusile and Medupi. We are going to proceed towards clean energy whilst taking into account – as I said earlier – our own circumstances. Those circumstances have to deal with how do we transit? Are we going to leave certain people behind? Are we going to leave the landscape that’s filled with workers who have lost their jobs either in coal mines or power stations or are we going to have a just transition? We argued that we are committed to a just transition. A just transition should mean that everyone is involved right across the board.

The other important thing that we need to look at it is how through this process, we can create new industries, we can create hydrogen jobs, and we can create clean energy-aligned

jobs. Those are areas that we want to exploit so that we leave no one behind.

Other countries have done so. When the Prime Minister of Spain was here, he explained fully to me the process that they went through; how they were able to migrate from ... yes, closing some of their coal mines and at the same time creating jobs in the same areas and also creating more jobs. That is what we aspire to do. That is the journey that we want to take. The slogan “Leave no one behind” is very important to us and that is the way we are headed. Thank you, hon Speaker.

The LEADER OF THE OPPOSITION: Mr President, the $8,5 billion can really get us out of our energy crisis, and it can be a giant leap forward for our country. The Western Cape is showing very clearly how it can be done. We are moving fast to get people out of the dark. We are building battery storage capacity, enabling the generation of renewable energy, incentivising rooftop solar, and other small scale generation.

The DA embraces a clean energy future, the ANC is clinging to the dirty coal of the past. The reason for this is, as Minister Gordhan puts it, “the cadres have to eat”. President,

from your previous response to my question, you showed clearly that you seemed to have given up on fighting corruption in your own Cabinet. The ANC resists the transition to clean energy because it feeds off it. Mr President, Mr De Ruyter reported the allegations to the police and the secret service a year ago. Nothing has been done ...

The SPEAKER: Question, hon member please. Order!

The LEADER OF THE OPPOSITION: ... surely as a President, you should be less worried about your stolen nectars, and more worried about the tars that your Cabinet Ministers have to cartels that are stealing from the people of South Africa.

The PRESIDENT OF THE REPUBLIC: Hon Speaker, I didn’t decipher a question from what hon Steenhuisen was saying. He was making a statement. I didn’t hear a question, clearly because he is playing to the gallery, and making a political speech from a matter that we should be dealing with very seriously. Climate change is a reality. What has been put forward by either Mr De Ruyter or whatever we have said, come forward and table the real evidence. From what I also heard from the police, and what I heard from the investigation unit as they replied to

some of the questions; they seemed to have said, from what I heard that they have not been supplied with the full information. So, if there is full information, incidents, names, occurrences, etc, that should all be put forward. Once it is put forward, I am absolutely certain that those matters will be investigated. I really could not, for the life of me, see why they cannot be investigated. So, I want to repeat, whatever information there is, participation in all these activities by whoever, should be brought forward in the detail that is required. Once it is put forward, it should then be investigated. I heard that when he was asked question, he then desisted from even putting forward the sharp end of the information that he seemed to have. That information should now be put forward now that we know what he had said. Once it is put forward, I am sure it will be investigated. I have said that we cannot deal with innuendo, we cannot deal with those types of rumours without full evidence and information. Let us be an evidence-based type of institution and deal with it.

Thereafter, we will then arrive at the truth. So if you want truth, come forward with information and it will be dealt with on that basis. Thank you very much, hon Speaker.

Mr B N HERRON: Hon President, one of the three pillars of the Just Energy Transition programme is the call to renewable energy shift, the creation of green jobs, and the reskilling of workers in the energy sector.

In recent weeks, we have heard comments and conflicting comments from government around the future of coal plants and the extension of their life span. Whilst you indicated in response to the first question that Ministers in the energy space are working in a co-operative spirit, it doesn’t appear that there is a lot of coherence around the implementation of the Just Energy Transition programme. Mr President, what could be the consequences if we fail to fulfil our obligations in terms of the Just Energy Transition programme agreement? Thank you.

The PRESIDENT OF THE REPUBLIC: Hon Speaker, the Just Energy Transition initiative is the first of its kind in the world. As we speak now, a number of other countries, and developing economy countries, like us, are negotiating their own. So, we were the first of the blocks largely because we realise the seriousness that we need to have in addressing climate change, crafted a clear plan, which was present to our partners, and

they found it quite attractive and decided that they are going to support South Africa in transiting to a clean energy dispensation. This, we found very favourable. They were able to put resources on the table. We insisted that we should have grants, and largely because much of the damage to the climate is not solely the responsibility of South Africa. Much of it was done by the Northern country’s economies. So, that is where the grant portion comes in. The concessional loans which would come at beneficial interest rates, and thereafter the loans themselves. We were able to arrive at a deal as it were. It is a great boon to South Africa, because it brings enormous resources. It’s not every day that you are able to pick

$8,5 billion, and if you deal with the exchange rate today, it is a great deal of money that would do what we invested in our country, some of it being grants being invested, particularly in areas which are going to be greatly affected, but more importantly, to strengthen the transmission because our transmission requires billions of rands.

Now, if we are not able to finally close that deal, it basically means we lose that investment that could have come our way. Some of it is going to come through private sector companies, some through development institutions, and finance

institutions working together with our own development finance institutions. So, we then lose a resource of funding that could have been made available. I look more at the grant side, as well as the concessional loans, which is cheap money that everybody is looking for in the world. We would lose that. We would have to do things so badly to lose that. I do not believe that what you perceive as incoherence in government would lead to that. In fact, there is no incoherence. There would be emphasis laid on certain aspects, for instance, we have now said that we should look at the scheduling of the decommissioning process. It should not be a decommissioning process that is going to be fast paced, it must take into account our own circumstances. Talking to that may sound incoherent, but it is not incoherence, because in the end we are saying, and we have always said that we will transit from fossil fuel energy to clean energy at our time and at our own pace. Some people may find ... when we say at our own time, we are disturbing the apple cart, but we are not, because in the end we have to do it taking into account the needs of our people, and the requirements of our energy security.

Therefore, we need to focus on all these areas. So, there is no incoherence. There is possibly emphasis of one area at a particular time, for instance, you’ll find that the three

Minister or four if you like, because we have to include also the Minister of Forestry, Fisheries and Environment, who also plays a role in this architecture, all of them articulate the same message. It is a government message. It is inspired by the processes that we have been through. It is also led by the commission that I set up - the Presidential Climate Change Commission. So, we are singing to the same hymnbook. There is no incoherence. Going forward, we will be hearing the harmony of the music that we will be playing, instrument after another. If you listen carefully, there will be base, there will be bugle, there will be a piano and there will be a trumpet as well. That would be wonderful music as we transit to renewable energy. Thank you very much.

Question 10:

The PRESIDENT OF THE REPUBLIC: Hon Speaker and hon members, investment in geology is important for supporting development. The applications of geology span from minerals exploration, energy security, ground water security, early warning mechanisms for natural disasters, infrastructure development and optimal land use.

We have accordingly invested a great deal of money, an additional amount of R335 million in recent years towards an integrated multidisciplinary mapping strategy through the Council for Geoscience, CGS. An additional R813 million has been allocated towards furthering this development in the current medium-term cycle.

The information collected from this exercise is yielding desirable outcomes. For example, a massive rock type in the Northern Cape known as pegmatite has been characterised.

There is increasing demand for the minerals found in this rock type to fulfil the just energy transition commitments towards the green the economy in our country.

This mapping work is done in line with the exploration strategy that was approved by Cabinet last year.

Yet, as we announced through the Minister of Finance in the 2020 Budget Speech, the National Treasury was exploring plans to establish a Sovereign Wealth Fund.

It was envisaged that this Sovereign Wealth Fund would provide an important tool for saving and investing in future generations, as well as to have the potential to strengthen our country’s fiscal framework.

The National Treasury intended to explore a variety of possible funding sources, such as the proceeds of spectrum allocation, petroleum, gas and minerals, the sale of noncore state assets, future fiscal surpluses and savings.

However, the outbreak of the COVID-19, shortly after the 2020 budget, meant that government had to reassess its priorities.

Due to the impact of the pandemic on the economy and the need for government to provide enomous relief measures, the country has been running substantial fiscal deficits.

Since the 2023 budget statement, the economy has had an uncertain outlook.

Any decision to move forward with a Sovereign Wealth Fund needs to take into account the current economic and fiscal situation. The establishment of a Sovereign Wealth Fund should

be considered when fiscally affordable. This is what many other countries have done in the past. Thank you, hon Speaker.

Mr S LUZIPO: Hon Speaker and hon President, with the most informed answer. The Council for Geoscience, has not only established a footprint in the African continent, but also at a global level as far as mineral exploitation is concerned.

In August South Africa will be hosting the Brazil, Russia, India, China and South Africa, Brics, Summit. Does the President envisage utilising this platform amongst others, to ensure that CGS enjoys competitive advantage as far as mineral exploitation and mineral exploration is concerned within the Brics countries? Thank you very much.

The PRESIDENT OF THE REPUBLIC: Hon Speaker, yes, hon Luzipho, we will want to use every platform we possibly can to showcase the capability of our geosciences unit and also the endowment that we have as a country. We do so on an annual basis at a Mining Indaba, at which our Minister of Mineral Resources and Energy participate actively bringing together many African countries who have been participating. This year we had some

9 000 delegates more than at any other time. At that moment we are then able to showcase what South Africa has to offer.

When we hold the Brics Summit, we expect that one of the endowments that our country will showcase is our mineral resources or rather the mineral endowments that we have. However, more importantly, because coming together of Brics Summit will also bring a number of African countries through the outreach programme we have as Brics. Many of those will also want to showcase what they have to offer as African countries. Many of them have their mineral wealth and mineral endowments to offer. This gives us a great opportunity for co- operation and working together with them. So, this is an area we will want to exploit. However we want to exploit it more meaningfully. Go beyond just extracting rock and dust, move towards how best we can beneficiate those minerals. Also lead us in the path of industrialisation, where we can manufacture products that will come from the minerals that we extract from the African soil.

So, great opportunities will open for us and they do not only start through geoscience they extend towards industrialisation as well. So, thank you very much for raising that because it

gives us a clear window of the opportunities that lie ahead. Thank you, hon Speaker.

The LEADER OF THE OPPOSITION: Hon President, you can survey and discover, but we make our own arrangements ...

The SPEAKER: Order!

The LEADER OF THE OPPOSITION: You make yours. You can survey, discover and beneficiate all the minerals on earth, but if we do not have electricity there really has no point.

Not a single question on the Order Paper today, we can define the problem. On the one hand the ANC complains about the ailing mining sector and at the same question speaks of expropriation. It is the same backward thinking of state control that has destroyed state-owned entities and that has led to load shedding and why we have an energy crisis. It is exactly this backward thinking that has collapsed the mining sector and that has destroyed the mining jobs in the country. It is why we have gone from hero to zero in mining, left behind by Zambia and other countries.

Hon President, do you support expropriation of mines? A simple yes or no question – is not a flip flop like the eyes can see.

Do you, yes or no, support expropriation of mines?

The SPEAKER: Order! I thank you the hon Leader of the Opposition. Order please! It is after lunch by the way. I know exactly what has happened here. The hon the President.

The PRESIDENT OF THE REPUBLIC: Hon Speaker, I just do not know where this question has come from. No, no, I am asking you.

For we are now talking about exploration. That is what we are talking about. Be that as it may ...

The SPEAKER: Hon members, please! Hon members! Proceed hon President.

The PRESIDENT OF THE REPUBLIC: Be that as it may, we have no policy to expropriate the mines. We do not. We see mines as being a very keen contributor to the economic growth. For that reason we have sought to pass legislation which this Parliament has passed to make sure that there is

transformation and empowerment of the previously disadvantaged. That is why the legislation that we have passed to enable black people and our communities become equity holders in mining activity. It is still a very relevant piece of legislation.

So, in that regard we see integrated growth. I would have wanted you to speak more about how best all South Africans, hon Steenhuisen, can participate together in building the wealth of our country and how those who were previously excluded from the economic activity can participate. I am yet to hear you come out very clearly on an issue like that. In the end your inability to articulate that even in this Parliament speaks volumes of exactly where you stand. Thank you, hon Speaker.

Mr S S ZONDO: Hon President, considering that the lowering carbon emission is at the heart of the global climate change narrative, and that a green economy will mean so much more for people of South Africa, especially poor people who depend on national resources in rural areas. A green economy is an inclusive economy with decent jobs underpinned by a

sustainable, efficiency, clean and profitable infrastructure solution for generations to come.

Hon President, given the government’s current short-comings in ensuring efficiency and effectiveness in service delivery: How are you going to ensure that the transition to a green economy meet the desired objectives?

THE PRESIDENT OF THE REPUBLIC: Hon Speaker and the hon Zondo, the transition to a clean energy economy which by the way will not only revolve around hydrogen. Of course you say green because it encompasses the whole range of subsets. It is going to be driven by the people of South Africa in all their facets. That is why through the Presidential Climate Change Commission we are interfacing and interacting with various entities in our communities, business and in labour, united in our quest to ensure that our advance to clean energy is movement for a process that is going to be inclusive and that is going to generate economic growth and that is going to provide all the various services to our people that you alluded to.

So, we see this process as not only involving government. Government would want to act with all key role-players. We hold a firm belief that when we work together with various role-players there is great success in store for us. As we move into new sectors of the economy, there will be even greater success because everyone is well incentivised. We do believe that the new sectors of the economy will open spaces for everyone. Unlike what we have had in the past, where certain people were given space and capability to operate.

With these new sectors, we will be able to open up enough opportunities for all of our people to be able to play their key role in the economy of our country. So, we want our transgression forward to make a clean break with our past.

Open up new vistas and avenues for South Africans, to participate together in a growing economy. Thank you, hon Speaker.

Mr M G E HENDRICKS: Hon Speaker, Al Jama-ah supports the boosting the Sovereign Wealth Fund suggested by the hon Luzipho in his question. As a member and one of the leaders of the African Parliamentary Network on Illicit Financial Flows and Taxation, this block five-year researchers found that 50%

of South Africa’s gross domestic product, GDP, leaves the country through illicit financial flows.

Will His Excellency, the hon President, put plans in place to stop these illicit financial flows and boost the Sovereign Wealth Fund with this windfall to finance the noble objective the hon Luzipho has raised in his question to you? Thank you very much.

The PRESIDENT OF THE REPUBLIC: Hon Speaker and hon Hendricks, you should know that we have laws that keep developing and sharpening those laws that should prevent illicit financial flows out of our country. However, more importantly, the more forward looking part of this whole question is about setting up a Sovereign Wealth Fund which the Minister of Finance has addressed. A matter that we all in this government are committed to. We would like to see the creation of a Sovereign Wealth Fund. We keep looking at various initiatives through which we can have a fund like this created.

Successful nations have been able to set up Sovereign Wealth Funds. Some of them have done so through windfalls that they have had either from their natural resources or windfalls from

some other economic activities. We have not had such. However, some have set up wealth funds by promoting savings amongst their people. There are a number of ways through which these can be set up. We remain committed to set up a Sovereign Wealth Fund. We will continue finding ways to which we can do so.

We will want to do so to secure future generation’s futures, particularly at an economic level. I speak in great admiration of countries that I have seen creating Sovereign Wealth Funds and how through their various economic acting entities, be their state-owned enterprises or through other forms of gathering wealth, they have been able to masify their wealth and in the end be able to do a number of great impressive things moving forward. So, it is a direction that we are committed in taking. We look forward to the creation of a mega Sovereign Wealth Fund in the future. Thank you very much.

Question 11:

The PRESIDENT OF THE REPUBLIC: Hon Speaker, the government takes the allegations made in the Al Jazeera documentary titled, *Gold Mafia,* very seriously. We are committed to preserving the integrity of our financial system in the

interest of the broader economy and ordinary citizens. Investigative and regulatory authorities will act in accordance with their mandate, including in co-ordination with other jurisdictions where necessary, to take action against those found guilty of wrongdoing.

With respect to actions currently being taken to investigate individuals who are alleged in the documentary to be criminally implicated, an enquiry has been registered by the Directorate for Priority Crime Investigation to investigate these syndicates and individuals. This investigation is at an enquiry stage and no arrests, as far as I’m aware of, have been made as yet. Details of the steps that are being taken cannot be divulged at this stage without compromising the investigation.

At the same time, the government is working with the Financial Action Task Force, FATF, to implement an action plan to strengthen the country’s efforts to counter money laundering and financing of terrorism. The SA Police Service, SAPS, Detective Service is currently investigating several serious criminal cases that include these offences. The investigation of proceeds generated by serious crimes like fraud,

corruption, tax evasion, customs and excise and narcotics- related offices are also investigated across police service.

The government will continue to combat corruption and money laundering in South Africa. It will also do so both through strengthening its capacity or capability to investigate, to prosecute and to prevent financial activities, and thoroughly investigating specific allegations, particularly those contained in the Al Jazeera documentary. I thank you, hon Speaker.

Mr B N HERRON: Through you, Madam Speaker. Mr President, the recent 2023 SA Investment Conference, you addressed an audience of global representatives. What was impressed in this conference, I understand that South Africa’s recent grey listing is a matter that you addressed extensively with the audience, showing them that, the idea of South Africa being a hub for fraud, corruption and money laundering, was not a true reflection of our country, and that we were working methodically and urgently to address and resolve our grey listing.

Then we have this incredible story told by Al Jazeera and uncovered by the investigative unit, which basically concludes that, none of the activities that have been reported on would have been possible without the involvement of the banking system of South Africa and Zimbabwe. The story tells us how smugglers pays off the South African bank official to launder and account for cash.

For South Africa the story concludes that, a cigarette mogul and his money laundering partner, were able to bribe officials at Absa, Standard Bank and Sasfin Bank to help them pack the dirty money and remove it from South Africa to host them from companies across the world. Mr President, as we address the eight issues that we must resolve in order to exit grey listing.

How addressing this issue would shut down these kind of criminal activities, and really enable us to restore our reputation as a country that is not a hub for these kind of activities? Thank you.

The PRESIDENT OF THE REPUBLIC: Hon Speaker, I guess, the progress that we have made is often not looked at because, we

have many issues that we have to address with regards to this whole process, and we are now only left with eight. Those eight, in my view, are within reach. There are matters that we could resolve fairly quickly. Of course, it might take time to have a resolution. I am confident that, working through the various institutions that we have, and particularly, the very co-operative way that our institutions now work through the Fusion Centre, we should be able to address these.

The commitment is there right across our criminal justice fighting institutions to address these, and I’m confident that, when we have addressed these, we should be able to avoid the types of mishaps that even the banking sector got involved in as it is reported by Al Jazeera, and the fact that, those investigations are underway, it should actually hearten us because in the end, the rule of law must take its own course, and it must apply.

So, we are in the process of, if you like, living up to what FATF would like us to live up to, and soon get out of the grey listing, so that our status can return to that of old.

Therefore, I have no doubt that we will get there. Thank you, hon Speaker.

Ms B P MABE: Through you, hon Speaker. Mr President, the documentary exposed that, illegal mining is not only happening in South Africa, and therefore, it is not only a South African problem, but a continental problem which robs countries of their deserved income and opportunities for growth. What measures is the government taking to ensure that there is a regional collaboration, through SADC, and continental, through African Union, AU, to deal with this problem, and find a lasting solution? Thank you.

The PRESIDENT OF THE REPUBLIC: Hon Speaker and hon Mabe, yes, illegal mining activities, are not only a South African activity. They run right across the continent. In fact, many countries on our continent are experiencing illegal mining, and in the other places, they have found a way of managing it a lot better, they call it artisanal mining, which allows a number of people in various communities to participate in this industry in an organised manner.

Unfortunately, in our country it has descended to where it has. At a SADC level, it is being addressed and in a continental level as well. The discussions are continuing to take place and our Minister of Mineral Resources and Energy is

involved with his counterparts on the continent in dealing with this matter. It is right across the continent, and of course, the problem is where it takes place, through the illegal activities.

It robs the fiscal and the country of the revenue that should accrue to the people of any country, and in our case, to the people of South Africa. So, this is a broad matter and it involves, and it should include a lot of co-operation amongst a number of key role-players in our country and across a number of countries and across the continent as well. So, efforts are indeed underway to have it addressed in at proper a manner as it is possible. Thank you, hon Speaker.

The LEADER OF THE OPPOSITION: Hon President, it’s not only gold and cigarette that is being smuggled. A little while ago, the United States government announced that, weapons, ammunitions and materials of war, were loaded onto a sanctioned Russian ship, the Lady R, which was dug was your government naval base in Simon’s Town, last December.

This suggests that the ANC government is actively arming Russian soldiers ... [Interjections.] ... for murdering and

maiming innocent people, not only in Ukraine, but also across the African continent. It’s been half a year now, since the scandal of the Lady R drugged in Simon’s Town’s throat. I also find it inconceivable, that a President who wears your socks, not even breathe on the situation by now.

Mr President, can you confirm, whether weapons of war were loaded on board in that Russian ship before she left Simon’s Town?

The PRESIDENT OF THE REPUBLIC: Through you, hon Speaker, the matter, rather, let me say ... [Interjections.] ...

The SPEAKER: Hon Mr President, I am really sorry. You have a choice whether to respond to this question or not. Hon members, order, because this is a new question. It is. Hon members, all that I am saying is, this is a new question. So, if the President wishes to respond to the question, he will. If he doesn’t ... [Interjections.] ... no come on, hon, you are a leader of a party, Stop doing that, you are a leader.

Hon Steenhuisen, please, you can do better than that, honestly. Over to you, hon President.

*Sesotho:*

Mong W T LETSIE: Ke ka hoo a sa beng le materiki.

The PRESIDENT OF THE REPUBLIC: Hon Speaker, whilst hon Steenhuisen puffs off his anger and performing, I wanted to say, hon Steenhuisen that, Simon’s Town is not what you call, your government, Simon’s Town. It is South Africa’s, it belongs to the people of South Africa. I wanted to correct you, and I want you to be patriotic, and regard installations as important as those, as belonging to the people of South Africa.

So, I want you not to be derisive, and I don’t want you also to be as insulting as you are, about things and installations such as those. It belongs to the people of South Africa.

Having said that, we are all aware of the news that we all became aware of, of Lady R, and that whole matter, hon Steenhuisen, is being looked into ... [Interjections.] ... no, it isn’t, it’s being looked into.

Whilst the process continues, I want you to allow that process to continue o reach its fruition. I know that you are so keen and you are so interested in knowing exactly what happened.

The matter is being looked into, and in time, we will be able to speak about it. Yes, within time, we will talk about it.

So, hon Speaker, as you correctly said, this matter is best left where I is, and the answer is that the matter is being looked into. Thank you very much.

The SPEAKER: I thank you, hon the President. Hon members, please, may I have your attention, please. Rule 142(6) states that, a supplementary question must arise directly from the original question, and the reply given to that too, and may not constitute a new question. That was the basis which – hon member, please lower your hand because I am on the floor right now, and I’m addressing you. – Now, that is the basis on which, hon members, I made a remark which I believe is correct. Now, you may now raise your point of order, hon.

Thank you very much, hon Steenhuisen. Hon members, I think it’s also going to ... [Interjections.] ... no, wait,

*IsiXhosa*:

... yima, lungu elihloniphekileyo uDlakude.

*English*:

You know what, here, we are political parties with divergent views on every matter, for that matter. However, what I will not accept is, hon members screaming, and you have a right to hackle, by the way, but what you don’t have a right to do, is to scream at members and insulting them at times. This is very demeaning and humiliating.

Therefore, I’m addressing all of us, let’s not do that. I was correct to say, hon Steenhuisen, I did not expect that from you because you are a Leader of the Opposition in this House. Please, I am a Presiding Officer, and all I’m saying is, order, and that order applies even to the President, even to the Leader of the Opposition party. Thank you.

Mr M HLENGWA: Through you, Madam Speaker. Mr President, at the heart of this, is the collapse of the intelligence operations in the country. We have seen this before, and every time a new episode arises, is the clearest indication that there is a problem. We have seen the collapse of an intelligence around Phala phala, the 2021 riots, the Thabo Bester matter, the Bushiri matter, the syndicate operating within Eskom, the cash-in transit heists, the cross border crimes and the political killings ... [Inaudible.] ... the list is endless.

State security resides in the Presidency. So, this is squarely on your table. The question then becomes, do you have confidence in the current arrangement, capacity and capability of the intelligence stature, and law enforcement agency to deal with crimes, and if so, on what basis, and if not, what reforms are you prepared to put on the table as a matter of urgency to ensure that you are able to push back on the frontiers of crime? Thank you, Madam Speaker.

The PRESIDENT OF THE REPUBLIC: Through you, hon Speaker, hon Hlengwa, the answer is yes. I do have confidence, and the processes that we are involving which emanated from the Report of the Mufamadi High Level Panel and the other investigations that we have had, are pointing us in the right direction, and we are in the process of rebuilding, informing, repositioning our intelligence services.

I’m confident that many lapses that we have had, and some of which you have alluded to, are lapses that will not happen in the future. So, yes, I have full confidence that we are on the right path of recovery and of rebuilding. Thank you, hon Speaker.

Question 12:

The PRESIDENT OF THE REPUBLIC: Hon Speaker, government’s resolve to ensure the safety and security of South Africans is evident through, among other things, the significant increase in the resourcing of prosecutors and police as announced in the February budget speech.

This budget will assist in the recruitment of some 10,000 new police officers to be deployed countrywide to fight crime and additional prosecutors to tackle complex cases of corruption.

To ensure that complex and high level corruption cases are dealt with swiftly and efficiently, Special Commercial Crimes Courts have been established in all provinces and are being capacitated with technological tools to allow for virtual testimony and digital receipt of evidence.

A review of the anti-corruption architecture is near completion. The review will make proposals for enhancement of our institutional architecture, which includes the proposals for an effective agency to fight corruption.

Recent cases mentioned by the hon member highlight weak border controls in our country. The establishment of the Border Management Agency, with border guards who have been given certain peace officer powers, will help to address the weaknesses in border controls.

Strengthening international cooperation with other countries, including mutual legal assistance and extradition matters, is a priority as we fight against all forms of transnational crimes.

The ability of the criminal justice system to respond to criminal activities needs to be complemented by long term developmental strategies to prevent crimes from happening in the first place and increasing levels of safety in communities.

The Integrated Crime and Violence Prevention Strategy, which was adopted last year, recognises that the social and economic contributors to crime must be addressed collaboratively by all stakeholders. It also recognises that our response needs to be integrated and holistic.

The six pillars of the strategy as approved by Cabinet and as announced are:

Firstly, an effective criminal justice system; secondly, support to victims of crime;

thirdly, early social interventions to prevent crime and violence;

fourthly, effective and integrated service delivery; fifthly, safety through environmental design and planning; and, lastly, active public and community participation.

Hon Speaker, in putting this strategy into practice, the security cluster is working to improve the efficiency, the responsiveness and professionalism of the criminal justice sector while mobilising communities and establishing strategic partnerships to reduce crime and violence. Hon Speaker, I thank you.

Mr T N MMUTLE: Hon Speaker, firstly it is worth noting by this Parliament as well as the public, that this Parliament is very peaceful without the EFF. The government’s aspiration Mr President, about growing the economy, is negatively affected by the challenges of crime, corruption and general safety of

our people and property. It is therefore logical that if we want to sustain economic growth, the peace and security cluster, should be capacitated to create a stable and peaceful environment for economic growth.

In that regard we note progress in the establishment of the BMA as you’ve mentioned and border guards in addressing the weaknesses in the border control, as well as additional allocation to the cluster as presented in the budget by the Minister of Finance.

However, Mr President what are the plans of the government to further strengthen the security cluster, to create a conducive environment or the economic growth that we are embarking on?

Thank you very much.

The PRESIDENT OF THE REPUBLIC: Thank you, hon Speaker, thank you, hon Mmutle. The criminal justice cluster is completely committed to dealing with the situation of crime and corruption in our country and the integrated crime and violence prevention strategy, speaks specifically to the efforts that we as government are making, because in the end South Africans want to feel safe. They want to live in safe

environments, and they want to know that safety is going to underpin their lives as a whole.

And it is to this end that we are pouring resources as well as ensuring that there’s full capability by professionalizing, yes, the police service and ensuring that that the criminal justice system is strengthened through the various... [Interjection.] So, through this integrated strategy, which we adopted last year we hope and aim to ensure that it will contribute to stabilizing our country from a security point of view. Because as you correctly say if there’s anything that troubles the people of South Africa, is their safety and if we want our people to live in safety, it is this that we need to focus attention on.

And that is why the very first part of the pillars of this strategy is; an effective criminal justice system, but more importantly to show the care that our government has to victims of crime and criminality. We say that there should be maximum support to the victims. And we should focus more on the prevention of crime and violence, and through the efforts of employing more police officers and of enhancing the cooperation between the police and the defence force. We are

enhancing the stabilisation of safety in our communities. And through this we want to see an integrated service delivery, fully. Where all these arms that are meant to fight crime, are united in their effort, and they work together on an ongoing basis.

But the more important aspect hon Mmutle, is to ensure that there is community involvement. In the end the best defence for our people is to have communities working together and cooperating with the police to ensure that we rid, our communities and our areas off crime, which makes for an unsafe environment where our people live.

We do believe that implementing this strategy will go a long way towards reducing the levels of crime in our country. And it is to this end that we have taken the steps that we have taken including laying out resources to make sure that indeed we make South Africans to feel safe. Thank you, hon Speaker.

The LEADER OF THE OPPOSITION: Mr President, let me assure you, I am patriotic, and I still think to the Mandela legacies of approach to conflict internationally. And that is why I will not be standby for not a moment while you and our government

drag us into the guttery of the world, along with despot and dictators to prey on innocent civilians and who are guilty of war crime.

Mr President, I cannot believe the answer to your previous question on this matter. The eyes of the world are upon South

Africa; we are facing African Growth and Opportunity Act, AGOA, not being renewed and now face the risk of sanctions because this government will not come clean on this matter.

How do we sleep at night, how do you sleep at night when South African arms and ammunition loaded at the Lady R, at Simon’s Town naval base - could have been used to slaughter innocent civilians at Ukraine and the other parts of Africa? Our question is simple this; how do you face the world, and do you sleep at night? Thank you.

The PRESIDENT OF THE REPUBLIC: Hon Speaker, earlier you invoked a provision that says; an unrelated question to the questions that are asked, are questions that one does not need to answer, and this is one of them. And thank you, hon Speaker.

Ms L L VAN Der MERWE: Hon Speaker, Mr President I thought this question would somehow have touched on our failure to extradite the Guptas, because I think most of us are still traumatised by the fact that while we were thinking they were in jail, they were actually gallivanting the globe with stolen taxpayer money and SA, South African passports. But that having been said Mr President, one matter that will completely erode our standing in the international community and cause a severe security crisis, is if our electricity grid collapses and a total blackout occurs, which many energy experts are warning against. Not even Electricity Supply Commission, Eskom, can give us a guarantee that this will not occur.

A total grid collapse will lead to a national crisis that we’ve never seen before and could threaten many lives and with the heighten risk of social unrest, looting and vandalism. Mr President you ... [Inaudible.] ... us that our electricity woes will be something of the past soon. But can you tell me whether your government has got a safety and security plan in place for the eventuality of the grid collapse and what that plan would be. I thank you, Mr President.

The PRESIDENT OF THE REPUBLIC: Thank you very hon Speaker, hon Van der Merwe, through the national security council this government looks at a number of security facts that face our country. And, indeed the electricity one, is one of those and we continue to look at various options and scenarios, and when obviously those events eventuate and are near to eventuating, indeed the people of South Africa will be the first to know.

Because, on an ongoing basis, we do proper assessments, the security assessments of our country, is one of the top items on my daily agenda and as I am briefed, also by the Minister of State Security as well as our various other operatives or officials in that sector. So, indeed it is one of those matters we look at, but the efforts that we are putting in place with regards to energy, security are the type of efforts which I do believe will continue and will go forward to bear fruit, to prevent that eventuality that you are talking about. But nonetheless we do look at the number of scenarios and the scenario that you paint is one of those, that we look at.

Thank you very much hon Speaker and the hon member.

Mr F J MULDER: Hon Speaker through you to the hon President, with reference to the mention of Bushiri, Bester and arrest

made to us before the House today. Will the hon President agree that the mere fact that South Africa has some 300 000 registered private security officers and 4500 registered security businesses with a combined turnover exceeding

R111 billion per year, is a clear indication that South African citizens have lost faith to the government and its ability to fulfil its constitutional mandate which guarantees the safety of South African citizens, leaving South Africans with no option other than to bring about this security and intelligent services with opt to tax money, as is the case with other disciplines thus resulting in double taxation?

Thank you, Speaker.

The PRESIDENT OF THE REPUBLIC: Hon Speaker and hon member, my information is many countries have private security firms and that does not mean that their residents’ countries or people have lost complete faith in their own governments.

Some of the security companies that operate here, emanate from your more developed economic countries and their strong and powerful in those countries. Having cut their teeth on security matters in their home countries. So, their presence there in those countries and the proliferating in various

countries around the world by no means does it mean that those citizens have lost confidence in their own governments.

We must accept that private security is a modern feature of modern society and really it depends on the preferences of either individual household including companies and where people live, for instance where people live in private or enclose estate, is not the police who guard them, it is private security. And in a number of places where companies have their installations, is private security that looks after them.

So, it depends on the choices that they make, and, in the end, we are finding that cooperation between private security firms and the police, is something that we find very helpful. And our cooperation and can speak to the police they will tell you that it increases and enhances the eyes and the ears of South African police, and they work in great cooperation together.

So that in many ways should enhance the safety of our people. And of course, acts of criminality and many others are cause by a whole range of factor including state of unemployment, poverty and so forth. So, we’ve got to have a

multidisciplinary of enhancing the security of our people and if utilising for those who have taken maybe choice, private security, that should be something that we say it’s their choice, but we as government through the regulator that we have for private security by the way are finding it very helpful to work and cooperate with private security. So we don’t see private security as an enemy, we see private security as an added force that enhances the safety of our people. Thank you hon Speaker and I hope that answers your question. Thank you.

The SPEAKER: I thank the hon, the President, hon members that concludes questions to the President. I thank the hon, the President. Order, order! I request members to stand and wait for the Chair and the Mace to leave the Chamber. And that concludes the business for the day and the House is adjourned.

Question session concluded.

The House adjourned at 16:29.