

**IN RE: SPEAKER OF PARLIAMENT**

**IN THE MATTER OF THE HONOURABLE M ZWANE, MP**

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**DRAFT NOTICE OF HEARING AND CHARGES**

**TO: THE SECRETARY OF PARLIAMENT**

**POWERS AND PRIVILEGES COMMITTEE OF THE NATIONAL ASSEMBLY**

Pursuant to the Schedule to the Rules of the National Assembly which prescribes the procedure to be followed in the investigation and determination of allegations of misconduct and contempt of Parliament, the Honourable Member is hereby, in terms of Item 1 of the Schedule, notified, as follows:

**NOTICE OF HEARING**

**TO: THE HONOURABLE M ZWANE, MP**

**DATE: 13 NOVEMBER 2023**

You are hereby notified to attend a hearing on **24 NOVEMBER 2023**.

The venue for the hearing shall be Committee Room **M46** at the Parliamentary precinct, in the Parliament of the Republic of South Africa, Cape Town. The hearing shall commence on the aforesaid dates at **10h00** and shall adjourn for the day at **17h00**.

**A. INTRODUCTION**

During or about March 2023, the Joint Committee on Ethics and Members' Interests (*"the Committee"*), considered a complaint received against the Honourable Mr Mosebenzi

Zwane (*“Mr Zwane”*) relating to his tenure as the erstwhile Minister of Minerals and Energy, and found Mr Zwane guilty of contravening Item 10.1.1.3 of the Code of Ethics (*“the Code”*), read with Items 5.2.2 and 5.2.3 of the Code by, amongst others, appointing as his special advisors the business associates of the Gupta family. (*“the Guptas”*).

The Committee recommended to the National Assembly (*“the House”*) a penalty as contemplated in terms of Item 10.7.7.2 of the Code, namely, that Mr Zwane enter an apology in the House.

Mr Zwane was then directed by the Chief Whip of his political party, the African National Congress, to present himself to the House at its sitting on Tuesday, 2 May 2023 to enter the apology as aforesaid.

On **Tuesday, 2 May 2023**, the National Assembly passed the resolution adopting the recommendation of the Committee. Mr Zwane had absented himself from the National Assembly and consequently failed to enter the apology as sanctioned.

Mr Zwane having disregarded and/or disobeyed the resolution of the House on 2 May 2023, the Speaker ordered that the Member present himself to the National Assembly at its sitting on 6 September 2023 in order to enter the aforesaid apology.

On **Wednesday, 6 September 2023**, Mr Zwane again absented himself from sitting of the National Assembly, and consequently failed to enter the apology as sanctioned by the Speaker.

The Member having continued to wilfully and intentionally refuse or neglect to present himself to the National Assembly to enter the apology, the Speaker of the National Assembly referred the matter to the Committee in terms of Rule 214(1) of the National Assembly Rules, read with section 12 of the Powers, Privileges and Immunities of Parliaments and Provincial Legislatures Act No.4 of 2004, for consideration and report.

Accordingly, herewith the following:

## **B. CHARGES AND ALLEGATIONS**

You are required to answer the charges and allegations relating to contempt of Parliament as listed below at the hearing.

### **CHARGE 1**

It is alleged that you are guilty of conduct constituting contempt of Parliament in terms of s 13(c) and (d) of the Powers, Privileges and Immunities of Parliament and Provincial Legislatures Act 4 of 2004 (*“the Act”*) read with Rule 10 of the Rules of the National Assembly, in that, *as a Member of Parliament you wilfully and intentionally failed and/or refused to obey the resolution of the House and order of the Speaker of the National Assembly at its sitting on 2 May 2023 to enter an apology as ordered.*

### **CHARGE 2**

It is alleged that you are guilty of conduct constituting contempt of Parliament in terms of s 13(c) and (d) of the Powers, Privileges and Immunities of Parliament and Provincial

Legislatures Act 4 of 2004 (*“the Act”*) read with Rule 10 of the Rules of the National Assembly, in that, *as a Member of Parliament you wilfully and intentionally failed and/or refused to obey the resolution of the House and order of the Speaker of the National Assembly to present yourself to the National Assembly at its sitting on 6 September 2023 and enter an apology as ordered.*

Your conduct constitutes a serious and repeated conduct constituting contempt of Parliament as contemplated in section 13(c) and (d) of the Act.

### C. YOUR RIGHTS AND OBLIGATIONS

At the hearing you will be afforded the opportunity to answer the charges and allegations against you and you are entitled to be assisted by a fellow Member.

Furthermore, you may request the Committee to allow you legal representation by a person who is not a Member, but at your own cost. In this regard, kindly notify the Committee timeously should you wish to seek outside legal representation so as not to delay the hearing. The Committee will then inform you in due course whether you may be represented by a legal practitioner who is not a Member.

If you wish to give an explanation after receiving this notice, you may do so either verbally or in writing. You may present such oral explanation at the hearing. However, should you opt for a written explanation then kindly submit the explanation to the Chairperson no later than **Friday 17 November 2023**, for the Committee's consideration.

The aforesaid charges will be put to you by the Initiator at the commencement of the hearing and the Chairperson will request you to plead to the charges. You may give a plea explanation, should you so wish. Should you refuse to enter a plea, the Chairperson will enter a plea of *"not guilty"* on your behalf.

You may call witnesses, present documentary and verbal evidence in support of your case at the hearing. The proceedings will be conducted in English. Should you require an interpreter, this will be provided by Parliament on your timeous request.

You will be provided with copies of the unrevised Hansard in relation to the proceedings on **2 May 2023** and **6 September 2023**, as well as other relevant documents and materials. Copies of other documents and materials will be provided to you upon request.

The Initiator reserves the right to amend or supplement the aforesaid charges and to add further charges to the above, should this become necessary.

You are further advised that should you fail to attend this hearing, it may be conducted, and concluded in your absence.

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**SECRETARY TO PARLIAMENT**

*Wednesday, 8 March 2023]*

No 30—2023] FIFTH SESSION, SIXTH PARLIAMENT

**PARLIAMENT  
OF THE  
REPUBLIC OF SOUTH AFRICA**

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**ANNOUNCEMENTS,  
TABLINGS AND  
COMMITTEE REPORTS**

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WEDNESDAY, 8 MARCH 2023

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# ANNOUNCEMENTS

## National Assembly

### The Speaker

#### 1. Referral to Committees of Bills introduced

- (1) The following Bills are referred to the **Standing Committee on Appropriations** for consideration and report in terms of the Money Bills and Related Matters Act, 2009 (Act No 9 of 2009):

- (a) **Division of Revenue Bill** [B2-2023] (National Assembly – proposed sec 76).
- (b) **Appropriation Bill** [B3-2023] (National Assembly – proposed sec 77).

#### 2. Appointment of Leader of Government Business

- (1) A letter from the President of the Republic of South Africa, informing the National Assembly of the appointment of Leader of Government Business in the National Assembly, in terms of the Constitution.

#### 3. Referral to Committees of papers tabled

- (1) The following papers are referred to the **Portfolio Committee on Cooperative Governance and Traditional Affairs** for consideration and report:

- (a) African Charter on the Values and Principles of Decentralisation, Local Governance and Local Development, tabled in terms of section 231(2) of the Constitution, 1996.
- (b) Explanatory Memorandum to the African Charter on the Values and Principles of Decentralisation, Local Governance and Local Development.

# TABLINGS

## National Assembly

### 1. The Speaker

- (a) A petition from residents of the Marikana informal settlement in the JB Marks Local Municipality, calling on the Assembly to investigate the failure of local and provincial government to provide basic services to the residents. (Mr I S Seitholo)

Referred to the **Portfolio Committee on Cooperative Governance and Traditional Affairs** for consideration and report.

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## COMMITTEE REPORTS

### National Assembly and National Council of Provinces

#### 1. **REPORT OF THE JOINT COMMITTEE ON ETHICS AND MEMBERS' INTERESTS ON THE ALLEGED CONTRAVENTION OF THE CODE OF ETHICAL CONDUCT AND DISCLOSURE OF MEMBERS' INTERESTS: HONOURABLE MOSEBENZI ZWANE, MP**

The Joint Committee on Ethics and Members' Interests ("the Committee") having considered the complaints against Hon Mosebenzie Zwane, MP, reports its finding and recommendation on penalty, in terms of item 10.7.8.1 of the Code of Ethical Conduct and Disclosure of Members' Interests ("the Code"), as follows:

#### **BACKGROUND**

Honourable James Lorimer, MP of the Democratic Alliance and the Organisation Undoing Tax Abuse (OUTA) ("the Complainants") separately directed a complaint to the Committee against Honourable Mosebenzi Joseph Zwane, MP ("the Member"). The Office of the Registrar of Members' Interests received the two complaints on 27 June 2017 and 25 October 2017 respectively for an alleged breach of the Code. The Complaints relate to the Member's tenure as Minister of Mineral Resources.

Ms Stafanie Fick, the Chief Legal Adviser at OUTA deposed to the affidavit on behalf of OUTA. Honourable Lorimer, MP deposed to an affidavit in his own name.

The complaints emanate from the 5<sup>th</sup> Parliament and on 8 November 2019 the Committee that was established under the 6<sup>th</sup> Parliament took a decision to continue with the complaints against the Member. The Member was duly informed on this decision on 21 November 2019. After this, the Member requested further particulars. In reply to the further particulars, the OUTA supplemented its original complaint on 24 January 2020.

As the two complaints covered the same information and time frame, the Committee decided to deal with the complaints together. The affidavit of the OUTA had more detail and allegations and this affidavit was initially used by the Committee as the primary source document.

During the time when the Committee was deliberating on the two complaints, the Report of the Judicial Commission of Inquiry into allegations of State Capture, Corruption and Fraud in the Public Sector including Organs of State (“the Report”), became available.

On or about 26 May 2022 the Speaker of the National Assembly referred Part 4 Volume 3 (Eskom) of the Report, to the Committee. Because the Report covered the same topics as the complaints lodged by OUTA and Hon. Lorimer, MP, the three matters were then processed together by the Committee.

The Member was given an opportunity to respond to the Report. He did so on 27 June 2022. The content of the Member’s response was the same as his response to the complaints by OUTA and Hon Lorimer, MP.

### **SUMMARY OF THE COMPLAINTS**

The Complainants make the following allegations:

1. That the appointment of the Member as the Minister of Mineral Resources was orchestrated by the Guptas to ensure the purchase of the Optimum Coal Mine by Tegeta, a company which was owned by the Guptas. The appointment of the Member as Minister of Mineral Resources occurred after the former Minister of Mineral Resources was removed for resisting pressure from ESKOM to suspend Glencore’s mining licences.
2. That on 2 December 2015, after the Member was appointed as Minister, he travelled on board a private Bombardier jet ZS-OAK from Zurich to Dubai in the company of Tony Gupta and Salim Essa. This information was obtained from the Gupta leaked emails. Also, that the Member spent two days in India with the “Guptas” before flying back to Johannesburg.
3. That during the stay in Dubai, the Member was booked into the five-star Oberoi hotel which was paid for by Sahara Computers, a company which was owned by the Guptas. The Member was also chauffeur driven in a BMW 7 series at the expense of Sahara Computers.
4. That the Member had to provide approval for the sale of the Optimum Coal Mine and he also assisted with the negotiations of the sale with Tegeta. The sale of the Optimum Coal Mine to Tegeta resulted in lucrative multi-million rand deals being awarded to Tegeta for the supply of coal to ESKOM.

5. That the Member mislead Parliament when he lied in response to questions posed by various Members of Parliament.

- In a written reply to a parliamentary question by Mr. TL Brauteseth of the Democratic Alliance on 8 April 2016 he denied meeting with the Guptas
- In a written reply to a parliamentary question by Mr. J.S Malema of the Economic Freedom Fighters during May 2016 he denied travelling with the Guptas.
- In a written reply to a parliamentary question by Mr. Anton Alberts of the Freedom Front Plus on 8 June 2017 he indicated that he undertook a trip with departmental officials to promote mining and the investment climate in general.
- On 9 June 2017 answered Mr Willie Madisha in an evasive manner when asked about how he travelled to Switzerland.
- On 9 June 2017 in answering a question by Mr. Lekota of the Congress of the People, admitted that his Department paid for the trip to Switzerland and thereby acknowledged that the payment was wasted when they did not utilise the flights.
- On 23 August 2016 in answering a question by Mr Lorimer of the Democratic Alliance, failed to disclose that Kuben Moodley was also his advisor.
- On 21 October 2016 in response to Ms Deirdre Carte of the Congress of the People, he was evasive in his response about the transfer of Optimum rehabilitation funds.

6. That the Member appointed Gupta associates, Mr. K. Moodley, as his special advisor and Mr. Malcom Mabaso as his personal advisor. This is alleged conflict of interests. Mr. Moodley's company Albatime (Pty) Ltd made a R10 million payment to Tegeta towards the purchase of the Optimum Coal Mine. Mr. Moodley's wife served on the Board of Eskom as a Non-Executive Director from 2014 to 2016. Mr Malcom is a business associate of Mr. Essa and also a director of Premium Security Cleaning (Pty) Ltd.

7. That the Member's continuous absenteeism from the Portfolio Committee on Mineral Resources during the period of 2017 to 2018 frustrated the work of the Portfolio Committee to hold and inquiry into the alleged unlawful conduct of the Member.

8. That the Member abused his role on the Inter-Ministerial Committee by issuing a press statement on 1 September 2016 about the Cabinet meeting of 13 April 2016 and the work of the task team which indicated that Cabinet mandated the Ministers of Finance, Labour and Mineral Resources to constructively engage the four banks who indicated that they were closing the bank accounts of the Gupta family and businesses. This press statement was rejected by the Presidency on 2 September 2016.

9. The Complainants alleges that the Member breached item 10.1.1.3 of the Code read with items 4.1 (4.1.1 to 4.1.5), 5.2 (5.2.2 and 5.2.3) and 9.3.8 of the Code.

### **THE CODE**

Item 4.1 provides as follows:

“Members must-

- 4.1.1 abide by the principles, rules and obligations of this Code;
- 4.1.2 by virtue of the oath or affirmation of allegiance taken by all elected Members, uphold the law;
- 4.1.3 act of all occasions in accordance with the public trust placed in them;
- 4.1.4 discharge their obligations, in terms of the Constitution, to Parliament and the public at large, by placing the public interest above their own interests;
- 4.1.5 maintain public confidence and trust in the integrity of Parliament and thereby engender the respect and confidence that society needs to have in Parliament as a representative institution;”

Item 5.2 provides as follows:

“A Member must-

5.2.1 ...

5.2.2 not use his or her influence as a public representative in his or her dealings with an organ of State in such a manner as to improperly advantage the direct personal or private financial or business interests of such Member or any immediate family of that Member or any business partner of that Member or immediate family of that Member.

5.2.3 not engage in any personal or private financial or business activity, which leads to his or her using information or knowledge acquired in his or her dealings with an organ of State as a public representative which is not available in the public domain, in such a manner as to improperly advantage the direct personal or private financial or business interests of such Member or any immediate family of that Member or any business partner of the Member or the immediate family of that Member; ... “

Item 9.3 provides as follows:

“ The following kinds of financial interests are registrable interests and must be disclosed:

9.3.1 ... 9.3.7

9.3.8 foreign travel (other than personal visits paid by the Member, business visits unrelated to the Member’s role as a public representative, and official and formal visits paid for by an organ of State of the Members’ party);”

## SUMMARY OF RESPONSE BY THE MEMBER

The Member stated that-

- in the African National Congress (ANC) they do not self-deploy. He is also not the first Member to be deployed at the end of a term. That in the ANC, experience is not a requirement to be deployed. Further that his CV was public knowledge and that he does not know how Mr. Duduzane Zuma was linked to his appointment as Minister.
- he travelled to Switzerland on official business relating to job losses. He denies travelling with the Guptas and Mr. Salim Essa.
- he never enjoyed accommodation at the Oberoi hotel and did not receive a chauffeur drive in a BMW 7 series on 7, or 9 to 12 December 2015 which was paid for the Gupta Companies.
- he went to Switzerland to meet with Mr. Glasenberg of Glencore to discuss the job losses at Optimum Coal Mine. That he never pressurised any one to sell the mine.
- he never met the Guptas at their Saxonworld Estate in Johannesburg. Also that he never travelled to Switzerland with the Guptas as his itinerary shows that he was on an official trip.
- Parliamentary rules are clear in the manner in which unsatisfactory answers to questions in the National Assembly should be dealt with.
- he knew Mr. Kuben Moodley and Mr. Malcom Mabaso before he became Minister. He indicated that he was not influenced by anyone to appoint them as his advisors.
- there were Portfolio Committee meetings that were called but that he could not attend the meetings and that he did tender apologies.
- he was one of the Cabinet members who were assigned to deal with the issue of the banks.

## THE REPORT

Ad paragraph 1257 on page 562 of the Report, the following is stated: "... Furthermore, the position is not only that Mr Ajay Gupta and Mr Tony Gupta said that President Zuma could do anything they wanted him to do, there is evidence led before the Commission which showed that President Zuma was prepared to remove even people from their position who were very good in their jobs if the Guptas wanted those people removed or if the Guptas wanted people associated with them to be put into those positions."

There were instances where President Zuma removed Ministers at the behest of the Guptas. He removed Mr. Ngoako Ramathlodi and replaced him with Mr. Zwane as Minister of Mineral Resources at the behest of the Guptas. Ad paragraph 1258.9 / page 564 also paragraph 1581 on page 709

At paragraph 1585 on page 712 it is stated that, "Out of all evidence heard by the Commission ... the only reason that presents itself as the most probable reason why President Zuma chose Mr Zwane is that the Guptas wanted Mr Zwane for Minister of Mineral Resources and President Zuma also wanted somebody that had the blessings of the Guptas and who would co-operate with them."

At paragraph 1586 on page 712 the relationship between the Member and the Gupta's is addressed. The following paragraphs provide as follows:

- Ad paragraph 1586.6 "prior to his appointment as a Member of Parliament, Mr Zwane was invited to several meetings with Mr Tony Gupta in the period 2012 to 2014;"
- Ad paragraph 1586.7 "during 2013 to 2014, Mr Zwane undertook overseas trips to India, Dubai and Switzerland with inter alia, Mr Tony Gupta and Mr Salim Essa;"
- Ad paragraph 1586.8 "prior to his appointment by President Zuma as Minister of Mineral Resources on 23 September 2015, Mr Zwane seems to have been vetted by the Guptas, as a copy of his CV was sent to Mr Tony Gupta on 1 August 2015 who then forwarded it to Mr Duduzane Zuma, President's Zuma's son."
- Ad paragraph 1586.9 "as the Minister of Mineral Resources, Mr Zwane appointed Gupta associates as his special advisors, namely Mr. Kuben Moodley and Mr Malcom Mabaso;"
- Ad paragraph 1586.10 "as the Minister of Mineral Resources, Mr Zwane abused his position by intervening in negotiations to secure the acquisition of Glencore's OCH/OCM by the Gupta-owned company, Tegeta;"
- Ad paragraph 1586.11 "on his watch as the Minister of Mineral Resources, Mr Zwane's special advisors have according to Mr David Msiza, the Chief Inspector of Mines at the DMR, acted on his instructions to cause notices to be issued against Glencore-owned mines to suspend their mining licences, thus hampering mining operations and putting the mines under financial strain;"
- Ad paragraph 1586.12 "during 2016, after the banks had closed the bank accounts of the Guptas, Mr Zwane as chairperson of the Inter-Ministerial Committee, played an active role in seeking to put pressure on the banks to reopen

the bank accounts of the Guptas and issued a media statement in which he misrepresented what Cabinet had decided.”

Ad paragraph 1586.13 “when Mr Zwane met with Mr Glasenberg in Switzerland at the beginning of December 2015, he introduced Mr Salim Essa to Mr Glasenberg as his advisor when this was not true and the only reason why he did so is that he sought to assist the Guptas conclude a deal with Glencore with regard to their acquisition of oCM.”

## **FINDING BY THE COMMITTEE**

### **1. That the Member received benefits and hospitality that was not disclosed**

The Member did not provide any documentary evidence to confirm that the travel, hotel stay and being chauffeur driven in a 7-series BMW was not paid for by the Guptas. The Member did not provide documentary evidence to confirm that he paid for the travel, hotel stay and chauffeur drive.

The Committee found that the Member failed to disclose registrable interests for the period 2015/2016 and thereby breached item 10.1.1.1 read with item 9.2.1 and items 9.3.6 and 9.3.8, namely-

- Travel from Zurich to Dubai on 2 December 2015 which was paid for by the Guptas;
- Being chauffeur driven in Dubai at the expense of the Guptas (Sahara Computer);
- Two days stay in Delhi, India at the expense of the Guptas; and

### **2. That the Member abused his role on the Inter-Ministerial Committee**

The Member does not deny issuing the press statement that brought the Executive and Parliament into disrepute.

The Committee found that the Member breached item 10.1.1.3 of the Code read with item 4.1 of the Code as read with item 4.1.3, 4.1.4, and 4.1.5.

That the Member did not act with the public trust placed in him. That he did not discharge his obligations in terms of the Constitution, to Parliament and the public at large by placing the public interests above his own interests. That he did not maintain public confidence and trust in the integrity of Parliament and thereby engender the respect and confidence that society needs to have in Parliament as a representative institution.



**3. That the Member mislead or lied in his responses to parliamentary questions**

The questions and answer sessions were dealt with in the National Assembly. An allegation that the Member misled the National Assembly in his answers falls to be adjudicated by the National Assembly in terms of the rules of the House.

The Committee made no finding.

**4. The Member was appointed at the behest of the Guptas**

The Committee found that the Member did not breach the Code on the aspect of his appointment as Minister of Mineral Resources as the reason for the appointment falls to the former President, Mr. Zuma.

**5. The Member appointed business allies of the Guptas as his advisors**

The Committee found that the Member breached item 10.1.1.3 of the Code read with items 5.2.2 read with 5.2.3 of the Code for appointing advisors who were business associates of the Guptas.

**6. The Member was appointed to ensure the sale of Optimum Coal Mine to Tegeta**

**7. The Member was involved in the negotiations and approval of the sale**

The Committee found that Member breached item 10.1.1.3 of the Code read with items 4.1.3 and 4.1.5 of the Code.

In this regard the Member failed to act of all occasions in accordance with the public trust placed in him and failed to maintain public confidence and trust in the integrity of Parliament and thereby engender the respect and confidence that society needs to have in Parliament as a representative institution;

**RECOMMENDATION BY THE COMMITTEE ON PENALTY**

**1. Breach- that the Member received benefits and hospitality that was not disclosed in respect of-**

1.1 Travel from Zurich to Dubai on 2 December 2015 which was paid for by the Guptas;

- 1.2 Being chauffeur driven in Dubai at the expense of the Guptas (Sahara Computer); and
- 1.3 Two days stay in Delhi, India at the expense of the Guptas.

The Committee recommends the penalty found in item 10.7.7.1 (ii) of the Code as follows:

That the Member be fined the amount of 5 (five) days' salary.

**2. Breach- that the Member abused his role on the Inter-Ministerial Committee by-**

- 2.1 The issuing of a press statement on the matter of the bank accounts of the Guptas while he was a Member of the Inter-Ministerial Committee, which was retracted by Cabinet the next day.

The Committee recommends the penalty contemplated in item 10.7.7.2 of the Code as follows:

That the Member enter an apology in the House for the press statement that he issued that had to be retracted by Cabinet.

**3. Breach- that the Member appointed business allies of the Guptas as his advisors**

- 3.1 Appointing advisors who were business partners to the Guptas, namely Mr. Kuben Moodley and Mr. Malcom Mabaso.

The Committee recommends the penalty contemplated in item 10.7.7.2 of the Code as follows:

That the Member enter an apology in the House for appointing special advisors who were business associates of the Guptas.

**4. Breach- that the Member was appointed to ensure the sale of Optimum Coal Mine to Tegeta and that he was involved in the negotiations and approval of the sale**

- 4.1 That the Member participated in the negotiations of the sale of OCH/OHM and approved the sale.

The Committee recommends the penalty contemplated in item 10.7.7.2 of the Code as follows:

*That the Member be suspended from his seat in Parliamentary debates for one Parliamentary term.*

REPORT TO BE CONSIDERED

**BEKIZWE NKOSI**

**LYDIA MOSHODI**

**CO-CHAIRPERSONS OF THE JOINT COMMITTEE ON ETHICS AND MEMBERS'  
INTERESTS**

PARLIAMENT OF THE  
REPUBLIC OF SOUTH AFRICA

NATIONAL ASSEMBLY

ORDER PAPER

TUESDAY, 2 MAY 2023

Meeting of House: 14:00

ORDERS OF THE DAY:

1. Consideration of Report of Joint Committee on Ethics and Members' Interests on **Alleged contravention of Code of Ethical Conduct and Disclosure of Members' Interests: Honourable Mosebenzi Zwane, MP** (Announcements, Tablings and Committee Reports, 8 March 2023, p 3).
2. Debate in terms of Rule 130: **The economic impact of the Financial Action Task Force grey listing of South Africa and steps required to exit the grey list** – (Dr D T George).
3. Consideration of Report of Portfolio Committee on Justice and Correctional Services on **Constitution Eighteenth Amendment Bill [B 1 - 2023]** (National Assembly – sec 74) (Announcements, Tablings and Committee Reports, 17 March 2023, p 76).
4. Second Reading – **Constitution Eighteenth Amendment Bill [B 1 - 2023]** (National Assembly – sec 74) – (Minister of Justice and Correctional Services).
5. Consideration of Report of Portfolio Committee on Justice and Correctional Services on **Certificate of Exemption submitted to National Assembly for approval, in terms of section 46(4)(a) of Regulation of Interception of Communications and Provision of Communication-Related Information Act, 2002 (Act No 70 of 2002)** (Announcements, Tablings and Committee Reports, 22 March 2023, p 6).
6. Consideration of Report of Portfolio Committee on Justice and Correctional Services on **Draft Regulations, for approval, in terms of section 94(1) of Legal Practice Act, 2014 (Act No 28 of 2014)** (Announcements, Tablings and Committee Reports, 15 March 2023, p 40).
7. Consideration of Report of Portfolio Committee on Justice and Correctional Services on **Draft Regulations, for approval, in terms of section 94(3) of**

**Legal Practice Act, 2014 (Act No 28 of 2014)** (Announcements, Tablings and Committee Reports, 15 March 2023, p 42).

8. Consideration of legislative proposal to amend National Small Enterprise Act, 1998 (Act 102 of 1996), submitted by Portfolio Committee on Small Business Development (Announcements, Tablings and Committee Reports, 15 March 2023, p 31).
9. Debate on Freedom Day: **Consolidating and safeguarding democratic gains.**

## FURTHER BUSINESS

### ORDERS OF THE DAY:

1. Consideration of Report of Standing Committee on Appropriations on **Eskom Debt Relief Bill** [B 5 - 2023] (Announcements, Tablings and Committee Reports, 28 April 2023, p 3).
2. First Reading debate –**Eskom Debt Relief Bill** [B 5 - 2023] (National Assembly – sec 77) – (Minister of Finance).
3. Second Reading debate –**Eskom Debt Relief Bill** [B 5 - 2023] (National Assembly – sec 77) – (Minister of Finance).
4. Consideration of Report of Portfolio Cooperative Governance and Traditional Affairs on **Traditional Affairs General Amendment Bill** [B 16 – 2022] (Announcements, Tablings and Committee Reports, 24 April 2023, p 149).
5. Second Reading debate – **Traditional Affairs General Amendment Bill** [B 16 – 2022] (National Assembly – sec 76) – (Minister of Cooperative Governance and Traditional Affairs).
6. Consideration of Report of Portfolio Cooperative Governance and Traditional Affairs on **Oversight visit to Sol Plaatje and Phokwane Local Municipalities from 28 March to 1 April 2023** (Announcements, Tablings and Committee Reports, 24 April 2023, p 125).
7. Consideration of Report of Portfolio Cooperative Governance and Traditional Affairs on **Oversight visit to Kannaland Local Municipality from 31 January – 03 February 2023** (Announcements, Tablings and Committee Reports, 24 April 2023, p 112).
8. Consideration of Report of Portfolio Cooperative Governance and Traditional Affairs on **Oversight visit to Lekwa Local Municipality from 12 -13 October 2022** (Announcements, Tablings and Committee Reports, 24 April 2023, p 97).
9. Consideration of Report of Portfolio Cooperative Governance and Traditional Affairs on **2023/24 annual performance plans, strategic plans**

**REPUBLIC OF SOUTH AFRICA**

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**MINUTES OF PROCEEDINGS**

OF

**NATIONAL ASSEMBLY**

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WEDNESDAY, 6 SEPTEMBER 2023.

1. The House met at 15:03.
2. The Speaker took the Chair and requested members to observe a moment of silence for prayer or meditation.
3. [15:04] The Speaker expressed her displeasure that despite the House, on 2 May 2023, having approved the report of the Joint Committee on Ethics and Members' Interests on the contravention of the code of ethical conduct and disclosure of members' interests by Mr M J Zwane, the member had on two occasions failed to comply with the resolution that he apologise to the House for his conduct.
4. [15:08] Questions – Cluster 2: Social Services.
5. The House adjourned at 18:18.

X George  
Secretary to Parliament



**PARLIAMENT**  
OF THE REPUBLIC OF SOUTH AFRICA

**THE SPEAKER**  
PO Box 15 Cape Town 800 Republic of South Africa  
Tel: 27(21) 403 2595 Fax: 27(21) 461 9462  
speaker@parliament.gov.za

Mr M Zwane MP  
African National Congress  
Parliament  
CAPE TOWN  
8000

By Email: [mzwane@parliament.gov.za](mailto:mzwane@parliament.gov.za)

Dear Mr Zwane,

**REPORT OF JOINT COMMITTEE ON ETHICS AND MEMBERS' INTERESTS ON  
ALLEGED CONTRAVENTION OF CODE OF ETHICAL CONDUCT AND DISCLOSURE OF  
MEMBERS' INTERESTS**

As communicated to you in May 2023, the Assembly approved the recommendations arising from the above Committee's findings in respect of your breaches of the Code, and related penalties as specified in the report.

The following are penalties as imposed:

- a) *a fine to the amount of 5 (five) days' salary* – the penalty will be effected in the May 2023 salary run;
- b) *a suspension from participation in Parliamentary debates for one Parliamentary term, and*
- c) *an apology to be entered in the House.*

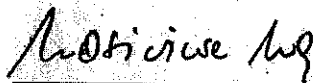
The fine to the amount of 5 (five) days' salary was effected in the May 2023 salary run.

Your suspension from Parliamentary debates will take effect from the resumption of the third Parliamentary term running from 29 August to 22 September 2023. In this time, you will not be able to participate in debates in plenary or mini-plenary sessions of the National Assembly, make a members' statement or pose a question to the Executive for oral reply.

Furthermore, you were expected to present yourself in the National Assembly, on 2 May 2023, to enter an apology to the House. Despite your commitment to do so, according to the Chief Whip of the Majority Party, you were absent. This conduct is unacceptable. You are hereby instructed to arrange with the Chief Whip of the Majority Party to enter this apology during plenary at the earliest opportunity at the commencement of the third Parliamentary term on 29 August 2023.

Copies of the Announcements, Tablings and Committee Reports (ATC) containing the report (8 March 2023, p 3), and related Minutes of Proceedings of the National Assembly, dated 2 May 2023, are attached.

Yours sincerely,



**Ms N N Mapisa-Nqakula MP**

**Speaker of the National Assembly**

Date: 30 AUGUST, 23

cc: Mr C T Frolick MP  
House Chairperson: Committees, Oversight & ICT

Ms P C P Majodina, MP  
Chief Whip of the Majority Party

Mr B Nkosi MP  
Chairperson: JC on Ethics and Members' Interests (National Assembly)

Mr X George  
Secretary to Parliament





**PARLIAMENT**  
OF THE REPUBLIC OF SOUTH AFRICA

**THE SPEAKER**  
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speaker@parliament.gov.za

**Ms V S Siwela MP**  
Chairperson: Powers and Privileges Committee  
PO Box 16  
CAPE TOWN 8000

Per email: [vsiwela@parliament.gov.za](mailto:vsiwela@parliament.gov.za) / [nzixesha@parliament.gov.za](mailto:nzixesha@parliament.gov.za)

Dear Ms Siwela,

**MEMBER'S CONDUCT TO BE CONSIDERED BY THE COMMITTEE: MR M.J. ZWANE**

On 2 May 2023, the National Assembly approved the report of the Joint Committee on Ethics and Members' Interests on the contravention of the code of ethical conduct and disclosure of members' interests by Mr Mosebenzi Joseph Zwane and related penalties as specified in the report. The penalties imposed included a fine to the amount of five days' salary which was effected in May 2023, a suspension from participation in Parliamentary debates for a Parliamentary term, which took effect from 29 August to 22 September 2023.

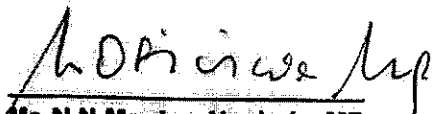
Mr Zwane has however on two occasions, 2 May and 8 September 2023, failed to present himself to the House in order to enter an apology as resolved by the Assembly. I have communicated to Mr Zwane that his conduct is unacceptable. In terms of section 13(c) of the Powers, Privileges and Immunities of Parliament and Provincial Legislatures Act, 2004 (No 4 of 2004), ("the Act"), conduct constituting contempt includes failure or refusal to obey any rule, order or resolution of a House of the Houses. National Assembly Rule 10 makes provision for the offence of contempt. The Rule states that a member who wilfully fails or refuses to obey any rule, order or resolution of the House may be found guilty of contempt of Parliament in terms of the Powers and Privileges Act, 2004. The conduct of Mr Zwane, on the face of it, appears to be in contempt of the House.

I therefore refer the conduct of Mr Zwane to the Powers and Privileges Committee in terms of Rule 214(1) read with section 12 of the Powers, Privileges and Immunities of Parliament and Provincial Legislatures Act, 2004 (No 4 of 2004) ("the Act") for consideration and report in terms of its mandate.

The following documents are attached:

- (a) Letter from the Speaker to Mr Zwane;
- (b) Unrevised Hansard of 2 May and 6 September 2023; and
- (c) Minutes of Proceedings of 2 May and 6 September 2023.

Yours sincerely,

  
**Ms N N Mapisa-Nqakula, MP**  
Speaker of the National Assembly

Date: 12 SEPT. 2023

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NATIONAL ASSEMBLY  
TUESDAY, 2 MAY 2023  
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TUESDAY, 02 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.

CONSIDERATION OF REPORT OF JOINT COMMITTEE ON ETHICS AND  
MEMBERS' INTERESTS ON ALLEGED CONTRAVENTION OF CODE OF ETHICAL  
CONDUCT AND DISCLOSURE OF MEMBERS' INTERESTS: HONOURABLE  
MOSEBENZI ZWANE, MP

The SPEAKER: I am informed the there is an agreement that there will be no declarations taken. I now recognise the hon Chief Whip of the Majority Party.

There was no debate.

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The CHIEF WHIP OF THE MAJORITY PARTY: Thank you very much, hon Speaker. To hon members, I hereby move that the Report be adopted as it is presented. Thank you much.

The SPEAKER: The motion is that the Report be adopted.

Question put: Are there any objections?

The SPEAKER: None. No objections.

Report on Alleged contravention of Code of Ethical Conduct and Disclosure of Members' Interests: Honourable Mosebenzi Zwane, MP accordingly adopted.

The SPEAKER: Hon members, the charge of bridging the Code of Ethical Conduct and Disclosure of Members' Interests for Assembly and Permanent Council Members of which hon Zwane has been found guilty is a very serious one. The committee did not however recommend that reprimand be issued. There will be no reprimand. For the findings made by the committee, the Assembly has agreed on the following penalties:

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That the member be fined the amount of five day's salary for receiving benefits and hospitality that were not disclosed for the period 2015-16, that the member enters an apology in the House for the press statement that he issued that had to be contradicted by Cabinet and for appointing special advisors who were business associates of the Guptas, that the member be suspended from parliamentary debates for one parliamentary term for their involvement in the sale of Optimum Coal Mine to Tegeta.

Order, hon members! Order, man! Order! Now, hon members, I note that hon Zwane is not here this afternoon. However, I do want to inform the House that the penalties will be implemented and the House will be informed at the appropriate time. That concludes this item.

Order! Hon members, the next item on the Order Paper is the debate on the urgent matter of the National Public importance.

The CHIEF WHIP OF THE MAJORITY PARTY: Thank you very much, hon Speaker. On the previous ruling that you have made, I just want to confirm that hon Zwane is aware of today's plenary. He

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was duly informed by me to be present in the House today. So for records, I want to put that. Thank you, hon Speaker.

The SPEAKER: Thank you very much, hon Chief Whip. Hon members, let us take note of the comments made by the Chief Whip. That the hon members had been informed. Hhayi, what is happening? First day, nje. Hon members, asseblief man. I note the hand of hon Singh.

Mr N SINGH: Thank you, hon Speaker, firstly, I want to appreciate the comments made by the Chief Whip of the African National Congress because we were going to rise on a point of order. It's normal practice that when a member is reprimanded or such a sentence is being passed on any member of this House that member either physically in the House or virtually and we do not have any indication of that member being either virtually in the House.

So, I would like to recommend hon member that we look at our rules to see whether or not when a member is in the House that he be reminded of the that sentence. This is a very, very serious offence that the country should really take note off. Thank you, hon Speaker for giving us the sentence.

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The SPEAKER: Thank you very much, hon Singh.

DEBATE ON URGENT MATTER OF NATIONAL PUBLIC IMPORTANCE: THE  
ECONOMIC IMPACT OF THE FINANCIAL ACTION TASK FORCE GREY  
LISTING OF SOUTH AFRICA AND STEPS REQUIRED TO EXIT THE  
GREYLIST

Dr D T GEORGE: Speaker, on 24 February the Financial Action Task Force, FATF, added South Africa to its grey list of countries that are under increased monitoring to address strategic deficiencies in countering money laundering, terrorist financing and proliferation financing. Our grey listing was no surprise. In 2019, FATF red-flagged South Africa for high levels of corruption and noncompliance to regulations. Although National Treasury scrambled to improve laws and regulations, it was too late. There was no co-ordination between the financial and the security clusters. And currently, South Africa remains deficient on security.

By 2025, we must improve on investigations, increased prosecutions, identify, seize and confiscate proceeds of these crimes and implement targeted financial sanctions. Despite the market already factoring in the likely grey listing before it

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WEDNESDAY, 6 SEPTEMBER 2023

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*PROCEEDINGS OF THE NATIONAL ASSEMBLY*

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The House met at 15:03.

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

The SPEAKER: Order! Order, hon members! Hon Zwane, are you here? Hon Zwane? Yes, Chief Whip?

The CHIEF WHIP OF THE MAJORITY PARTY: Hon Speaker, I am not hon Zwane; my name is Penny Majodina, the Chief Whip. Hon Zwane was here yesterday knowing very well that we are supposed to be here in this House today for the reprimand. I cannot account on his whereabouts when he is not here in the House. I suggest that the Speaker finds accordingly and act accordingly with all powers vested in you. Thank you.

The SPEAKER: Thank you very much, Chief Whip. Order, hon members! Hon members ... [Interjections.] ... he can't be on



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the virtual platform; he knows he should be here. Hon members, just to remind all of us that hon Zwane should have presented himself to the National Assembly in May, if I am not making a mistake. Hon Zwane decided to stay away from Parliament without an apology and without informing the Chief Whip of the Majority Party. Today should have offered us an opportunity to reprimand hon Zwane on the basis of a recommendation which came from the Committee on Ethics. Now he is not here.

I am deeply disappointed because hon Zwane was here yesterday, I saw him, he was seating next to the hon member who is dressed in yellow right next to the door there. At some point when I was watching him, because I wanted to remind him that today he is supposed to present himself here, at some point he left the House and came back again. Today he is not here.

So, hon members, I just thought that I should provide that kind of clarity to all of you because sometimes when decisions are made people take it that you are being personal or being on a witch hunt. It is not a witch hunt, and it will not be personal, the Speaker will then apply her mind assisted by the legal team of Parliament on what the appropriate penalties will be for hon Zwane.

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## NATIONAL ASSEMBLY

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I thank you, hon members for your time. I am sorry that this had to happen. I am deeply disappointed by hon Zwane. This is disrespect to the House. Thank you, hon members.

Now we proceed to the business of today's Order Paper which is questions addressed to Ministers in Cluster 2: Social Services.

## QUESTIONS TO MINISTERS

## CLUSTER 2 - SOCIAL SERVICES

Question 411:

The MINISTER OF SOCIAL DEVELOPMENT: Hon Chairperson, it is good to be back in the House today. As we are all aware, the early childhood development, ECD function was moved to Basic Education. However, that does not remove us from some responsibilities that have to be done by our department. Therefore, in answering the question: Prior to the handover of the ECD funds into the Department of Basic Education, my department developed an ECD upscaling and funding strategy that is inclusive of the needs of children with special needs. This has been part of the handover package to the Department of Basic Education for their consideration.