

**DEPARTMENT: PUBLIC ENTERPRISES**

**REPUBLIC OF SOUTH AFRICA**

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION No: 1027**

**QUESTION**:

**1027. Mr. E M Buthelezi (IFP) to ask the Minister of Public Enterprises:**

Whether he and/or the director-general of his department have been informed of reports of a certain company (name furnished), whose directors (names furnished) are accused of corruption and fraud within Transnet and are responsible for the destabilisation and erosion of the specified entity; if not, what is the position in this regard; if so, what steps has he and/or the director-general taken? NW1136E

**REPLY:**

The department is aware of findings and recommendations set out in the report published by the Commission of Inquiry into State Capture (Commission). The department’s consultation with law enforcement agencies on the implementation of the Commission’s report revealed that all referrals on criminal and civil matters concerning Transnet’s affairs are under investigation. The implementation of the recommendations is monitored through implementation plan the President published in response to the state capture report. The department also monitors that Transnet supports law enforcement agencies in their investigations concerning all recommendations in the report. This includes monitoring that Transnet institutes civil proceedings to recover all resources that were illegally diverted from company to ensure that they are used to benefit the country’s citizens.

**According to information received from Transnet:**

Mr Shane and Integrated Capital Management (ICM) were included in the recommendations of the Judicial Commission of Inquiry into allegations of State Capture, Corruption and Fraud in the Public Sector Including Organs of State including Organs of State that were directed towards law enforcement agencies for investigations. Accordingly, the Minister of Public Enterprises and the Department are aware of allegations regarding Mr Shane and ICM. In particular, the Minister has noted that the Commission recommended in respect of 39 cases that ”*(t)he law enforcement agencies [should] conduct such further investigations as may be necessary with a view to possible prosecution*” of named individuals and entities.

No recommendations on Integrated Capital Management (ICM), its directors Marc Chipkin, Clive Angel, and Stanley Shane were directed at Transnet for action. However, where further investigations present a case for civil recovery, Transnet will act accordingly. Transnet is assisting all the law enforcement agencies in all matters being pursued by the agencies.

Mr Shane ceased being a director on the Transnet Board on 28 June 2017. He no longer serves in any capacity at Transnet. He was removed as chairperson of the Transnet Second Defined Benefit Fund (“the Fund”) upon his resignation as a director on 28 June 2017 and no longer serves on the board of trustees of the Fund.

**Remarks: Reply: Approved / Not approved**

**Jacky Molisane PJ Gordhan, MP**

**Acting Director-General Minister**

**Date: Date:**