****

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NUMBER: 2986 [**NW3305E**]**

**DATE OF PUBLICATION: 06 October 2017**

**2986. Mr R A Lees (DA) to ask the Minister of Finance:**

(1) Have any members of the (a) SA Airways (SAA) (i) board of directors and/or (ii) management and/or (b) National Treasury met with any persons associated with the Public Investment Corporation and/or the Government Employees Pension Fund on matters relating to SAA during the six months ending on 30 September 2017; if so, what are the details of each meeting in terms of the (aa) dates of meetings, (bb) venues where meetings took place, (cc) purpose, agenda and outcomes or agreements of each meeting, (dd) copies of all documents presented at the meetings and (ee) details of persons present at the meetings including but not limited to, full names and who or what entity each person was representing.

(2) whether he will furnish Mr R A Lees with copies of the minutes of each meeting; if not, why not; if so, by what date? NW3305E

**REPLY:**

(1)(a)(i)(ii) Yes, members of the South African Airways (SAA) board of directors and management did have meetings with the management of the Public Investment Corporation (PIC) on matters relating to the SAA during the six months period ending on 30 September 2017.

(aa) (bb)(cc)(dd)(ee)

Various meetings between the PIC and SAA were held. The two key meetings were the following:

* On 23 June 2017, a meeting between the senior management teams of PIC and SAA took place at the SAA Offices in Ekhuruleni. The PIC’s Executive Head for Listed Investments, Mr Fidelis Madavo, led the PIC’s delegation. The purpose of the meeting was to discuss the way forward for the PIC to conduct a detailed Due Diligence on SAA. The due diligence included risk analysis, financial analysis, ESG analysis as well as legal analysis. The following employees of the PIC were also present at the meeting:
  + Mr Paul Magula – Executive Head: Risk Management
  + Mr Ernest Nesane – Executive Head: Legal Services
  + Ms Rubeena Solomon – General Manager: Investment Support
  + Mr Leon Smit – General Manager: Fixed Income
  + Mr Lloyd Mahara – Portfolio Manager: Credit Analysis: Listed Investments
  + Mr Deon Botha – Head: Corporate Affairs
  + Ms Matseko Taukobong – ESG Manager: Listed Investments
  + Mr Kagiso Motepe – ESG Analyst: Listed Investments
  + Mr Sylvester Sebico – ESG Analyst: Listed Investments
  + Mr Wellington Masekesa – Executive Assistant to the CEO
  + Ms Sasa Fako – Legal Advisor
  + Mr Sindiso Ngqameni – Legal Graduate
  + Mr Tshifango Ndadza – Senior Market Risk Analyst.
* On 25 July 2017, a meeting took place at the PIC Offices in Pretoria. The purpose of the meeting was to discuss a 5-7 year funding plan to the amount of R6 billion for SAA. The following people were in attendance:
  + Dr Daniel Matjila – CEO of PIC
  + Ms Matshepo More – CFO of PIC
  + Mr Fidelis Madavo – Executive Head of Listed Equities of PIC
  + Mr Leon Smit – General Manager: Fixed Income of PIC
  + Mr Lloyd Mahara – Portfolio Manager: Credit Analysis of PIC
  + Mr Deon Botha – Head: Corporate Affairs of PIC
  + Ms Dudu Myeni – Former Chairperson of SAA
  + Mr Musa Zwane – Former Acting CEO of SAA
  + Ms Phumeza Nhantsi – CFO of SAA

1. In line with its standard practices and procedures, the PIC and SAA entered into a non-disclosure agreement and therefore the minutes of these meetings cannot be made available. However, it can be mentioned that following the due diligence process, the transaction was submitted to the Portfolio Management Committee, the Investment Committee and the PIC Board. The transaction was not approved.