## DPE Stationery:DPE logo.jpg INFORMATION MEMORANDUM

**TO : Mogokare Richard Seleke**

**DIRECTOR-GENERAL**

**FROM : Justin De Allende**

**PLO**

**RE :** **PARLIAMENTARY QUESTION NO 555**

**DATE : 22 March 2017**

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To provide the Minister with a response to Parliamentary Question Number 555

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| **COVER MEMO AND THE PACKAGING OF PQ BY:**  **Department of Public Enterprises** | | |
| **……………………………….**  **Act. Deputy Director-General: TE**  **Date:** | | **COMMENTS:**  **………………………………………..** |
| **…………………………………**  Mogokare Richard Seleke  **Director-General**  **Date:** | **APPROVED/DECLINED/COMMENTS**  **…………………………………………..**  **…………………………………………..**  **………………………………………….** | |



**DEPARTMENT: PUBLIC ENTERPRISES**

**REPUBLIC OF SOUTH AFRICA**

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NO.: 555**

**DATE OF PUBLICATION: 10 MARCH 2017**

**555.     Mr C Mackensie (DA) to ask the Minister of Public Enterprises:**

(1) Whether the (a) employees, (b) directors and (c) management of Transnet filed declarations of interests; if not, in each case, why not; if so, (i) who checks the specified declarations and (ii) what are the further relevant details in this regard;

(2) Has any action ever been taken for a conflict of interest arising from the declarations; if so, what are the relevant details;

(3) How many of the specified persons have business dealings with Transnet;

(4) What are the names and designations of each Transnet employee who decides on sponsorship allocations?

**Reply:**

(1)(a) Employees, (b) directors and (c) management of Transnet SOC Ltd (“Transnet”) are required in terms of the Declaration of Interests and Related Party Disclosures Policies to file their declaration of interests annually, and as and when changes occur.

1. Transnet Group Company Secretary will check Transnet Corporate Centre and each Operating Division (OD) has their Divisional Company Secretary conducting this function.
2. Declaration of Interests are compulsory for Managers (Levels A - F) and any other employee who has an interest or is related to a person with actual or potential interest in doing business with Transnet or any of its subsidiaries. It is also compulsory for all employees involved in Transnet Procurement related activities to declare their interests regardless of their level.

Reminders and campaigns on the Declaration of Interests and Related Party Disclosures are undertaken prior to the beginning a new financial year so as to ensure adherence to the process.

The Declaration of Interest (“DoI”) are filed electronically and the notifications thereof are routed to the relevant Company Secretary for acknowledgement and stored accordingly by the Document Management Function.

The DOI’s fraud compliance reviews are conducted by Transnet Internal Audit (“TIA”). The purpose of these reviews is to determine compliance with the Declaration of Interest and Related Party Disclosures Policy with a view to identifying whether a selected sample employees declared their interests accurately and in full. Review by TIA, forensics assessments, and consequence management as applicable is followed in cases where wrong doing has been identified.

The Company also has a Code of Ethics in place which guides the conduct of Directors, Management and Employees.

(2) Transnet is currently dealing with three employee cases: two from Transnet Pipe Lines and one from Transnet Freight Rail.

(3) The Audit Report is still being finalised and necessary disciplinary action will be taken. Any companies involved are provisionally black listed and final blacklisting is pending the disciplinary hearing of the employees.

(4) The following Transnet Corporate Centre (TCC) Employees have Delegated Authority to sign off on sponsorships and may sub-delegate same to the Company’s Operating Divisions/Specialists Units:

Mr Siyabonga Gama – Group Chief Executive

Mr M Buthelezi – Chief Operating Officer

Mr Garry Pita – Chief Financial Officer

Mr Thamsanqa Jiyane – Chief Officer Advanced Manufacturing

**Mogokare Richard Seleke Lynne Brown, MP**

**Director-General Minister of Public Enterprises**

**Date: Date:**