

**DEPARTMENT: PUBLIC ENTERPRISES**

**REPUBLIC OF SOUTH AFRICA**

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NO.: 738**

**QUESTION:**

**738.    Ms O M C Maotwe (EFF) to ask the Minister of Public Enterprises:**
Given that the SA Airways (SAA) currently has revenue of R543 million, but needs R2,3 billion for operations, (a) how will he ensure that the SAA is able to operate despite the challenges and (b) what contribution will the Strategic Equity Partner be bringing to ensure that the SAA is financially sound? **NW913E**

**REPLY:**

1. SAA commenced operations in September 2021, after exiting the business rescue process. It has therefore incurred costs from the beginning of the financial year and only generated revenue from September 2021.

The operating costs are being funded from the working capital that was allocated as part of the R10.5 billion funding for SAA to implement the business rescue process.

1. The contribution by the Strategic Equity Partner (SEP), is to provide approximately R3 billion as operating capital as soon as the transaction is concluded. Further financing will be determined by the new board.