

Tuesday, 3 October 2023]

No 131—2023] FIFTH SESSION, SIXTH PARLIAMENT

PARLIAMENT
OF THE
REPUBLIC OF SOUTH AFRICA

**ANNOUNCEMENTS,
TABLINGS AND
COMMITTEE REPORTS**

TUESDAY, 3 OCTOBER 2023

TABLE OF CONTENTS

ANNOUNCEMENTS

National Assembly

1. Referral to Committees of papers tabled..... 2

National Council of Provinces

1. Referral to Committees of papers tabled..... 10

TABLINGS

National Assembly and National Council of Provinces

1. Minister of Mineral Resources and Energy 12
2. Minister of Trade, Industry and Competition 12

National Assembly

1. Speaker.....	13
-----------------	----

National Council of Provinces

1. Chairperson	21
----------------------	----

COMMITTEE REPORTS

National Assembly and National Council of Provinces

1. Ethics and Members' Interests	31
2. Ethics and Members' Interests	33
3. Ethics and Members' Interests	39
4. Ethics and Members' Interests	42

ANNOUNCEMENTS

National Assembly

The Speaker

1. Referral to Committees of papers tabled

Please Note: The following entry replaces the entry under Referral to Committees of papers tabled in the ATC (Announcements, Tablings and Committee Reports) of 2 October 2023, published on page 12.

- (1) The following papers are referred to the **Portfolio Committee on Communications and Digital Technologies** for consideration and report. Report of the Auditor-General on the Financial Statements and Performance Information is referred to the **Standing Committee on Public Accounts** for consideration:
 - (a) Report and Financial Statements of Vote 4 – Government Communications and Information System (GCIS) for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information of Vote 4 for 2022-23.
- (2) The following paper is referred to the **Portfolio Committee on Agriculture, Land Reform and Rural Development** for consideration and report:
 - (a) Annual Report of the Communal Property Associations for 2022-23.
- (3) The following papers are referred to the **Portfolio Committee on Home Affairs** for consideration and report. Report of the Auditor-General on the Financial Statements and Performance Information is referred to the **Standing Committee on Public Accounts** for consideration:

- (a) Report and Financial Statements of the Government Printing Works (GPW) for 2021-22, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2021-22.
- (4) The following papers are referred to the **Portfolio Committee on Communications and Digital Technologies** for consideration and report. Report of the Auditor-General on the Financial Statements and Performance Information is referred to the **Standing Committee on Public Accounts** for consideration:
- (a) Report and Financial Statements of the State Information Technology Agency (SITA) SOC Ltd for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
- (5) The following papers are referred to the **Portfolio Committee on Mineral Resources and Energy** for consideration and report. Reports of the Auditor-General on the Financial Statements and Performance Information is referred to the **Standing Committee on Public Accounts** for consideration:
- (a) Report and Financial Statements of Vote 34 – Department of Mineral Resources and Energy for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information of Vote 34 for 2022-23.
 - (b) Report and Financial Statements of the State Diamond Trader for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
 - (c) Report and Financial Statements of the Council for Geoscience for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
 - (d) Integrated Report and Financial Statements of the Council for Mineral Technology (MINTEK Group) for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
 - (e) Report and Financial Statements of the National Energy Regulator of South Africa (NERSA) for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
 - (f) Report and Financial Statements of the South African Nuclear Energy Corporation SOC Ltd (NECSA) for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.

- (g) Report and Financial Statements of the National Radioactive Waste Disposal Institute (NRWDI) for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
 - (h) Report and Financial Statements of the Mine Health and Safety Council (MHSC) for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
 - (i) Report and Financial Statements of the South African Diamond and Precious Metal Regulator (SADPMR) for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
 - (j) Report of the Mine Health and Safety Inspectorate for 2022-23.
- (6) The following paper is referred to the **Portfolio Committee on Justice and Correctional Services** for consideration and report:
- (a) Annual Report of the Judicial Inspectorate for Correctional Services for 2022-23.
- (7) The following papers are referred to the **Portfolio Committee on Cooperative Governance and Traditional Affairs** for consideration and report. Reports of the Auditor-General on the Financial Statements and Performance Information are referred to the **Standing Committee on Public Accounts** for consideration:
- (a) Report and Financial Statements of Vote 15 – Department of Traditional Affairs for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information of Vote 15 for 2022-23.
 - (b) Reports and Financial Statements of Vote 3 – Department of Cooperative Governance for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information of Vote 3 for 2022-23.
 - (c) Report and Financial Statements of the Municipal Infrastructure Support Agent (MISA) for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
 - (d) Annual Report of the National Disaster Management Centre for 2022-23.
 - (e) Report of the National House of Traditional and Khoi-San Leaders for 2022-23.
- (8) The following paper is referred to the **Portfolio Committee on Social Development** for consideration and report:
- (a) Report and Financial Statements of the Central Drug Authority (CDA) for 2022-23.

- (9) The following papers are referred to the **Portfolio Committee on Tourism** for consideration and report. Report of the Auditor-General on the Financial Statements and Performance Information is referred to the **Standing Committee on Public Accounts** for consideration:
- (a) Report and Financial Statements of South African Tourism (SAT) for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
- (10) The following papers are referred to the **Portfolio Committee on Trade, Industry and Competition** for consideration and report. Reports of the Auditor-General and Independent Auditors on the Financial Statements and Performance Information are referred to the **Standing Committee on Public Accounts** for consideration:
- (a) Report and Financial Statements of Vote 39 – Department of Trade, Industry and Competition for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information of Vote 39 for 2022-23.
 - (b) Report and Financial Statements of the Industrial Development Corporation of South Africa Limited (IDC) for 2022-23, including the Report of the Independent Auditors on the Financial Statements and Performance Information for 2022-23.
 - (c) Report and Financial Statements of the Companies Tribunal for 2022-23, including the Report of the Independent Auditors on the Financial Statements and Performance Information for 2022-23.
 - (d) Integrated Report and Financial Statements of the Competition Tribunal for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance information for 2022-23.
 - (e) Report and Financial Statements of the Competition Commission for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
 - (f) Integrated Report and Financial Statements of Export Credit Insurance Corporation of South Africa (ECIC) SOC Ltd for 2022-23, including the Report of the Independent Auditors on the Financial Statements and Performance Information for 2022-23.
 - (g) Report and Financial Statements of the National Credit Regulator (NCR) for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
 - (h) Report and Financial Statements of the Companies and Intellectual Property Commission (CIPC) for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.

- (i) Report and Financial Statements of the National Consumer Commission (NCC) for 2022-23, including the Report of the Independent Auditors on the Financial Statements and Performance Information for 2022-23.
 - (j) Report and Financial Statements of the National Consumer Tribunal (NCT) for 2022-23, including the Report of the Independent Auditors on the Financial Statements and Performance Information for 2022-23.
 - (k) Integrated Report and Financial Statements of the National Empowerment Fund (NEF) for 2022-23, including the Report of the Independent Auditors on the Financial Statements and Performance Information for 2022-23.
 - (l) Report and Financial Statements of the National Metrology Institute of South Africa (NMISA) for 2022-23, including the Report of the Independent Auditors on the Financial Statements and Performance Information for 2022-23.
 - (m) Integrated Report and Financial Statements of South African Bureau of Standards (SABS) for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
 - (n) Report and Financial Statements of the South African National Accreditation System (SANAS) for 2022-23, including the Report of the Independent Auditors on the Financial Statements and Performance Information for 2022-23.
 - (o) Report and Financial Statements of the National Regulator for Compulsory Specifications (NRCS) for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
 - (p) Report and Financial Statements of the International Trade Administration Commission of South Africa (ITAC) for 2022-23, including the Report of the Independent Auditors on the Financial Statements and Performance Information for 2022-23.
 - (q) Report of the Takeover Regulation Panel for the year ended 31 March 2023.
- (11) The following papers are referred to the **Portfolio Committee on International Relations and Cooperation** for consideration and report. Report of the Auditor-General on the Financial Statements and Performance Information is referred to the **Standing Committee on Public Accounts** for consideration:
- (a) Report and Financial Statements of the African Renaissance and International Cooperation Fund for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
- (12) The following papers are referred to the **Portfolio Committee on Public Service and Administration** for consideration and report. Reports of the Auditor-General

on the Financial Statements and Performance Information are referred to the **Standing Committee on Public Accounts** for consideration:

- (a) Report and Financial Statements of Vote 09 – Department of Planning, Monitoring and Evaluation for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information of Vote 09 for 2022-23.
 - (b) Report and Financial Statements of Vote 11 – Centre for Public Service Innovation for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
- (13) The following papers are referred to the **Portfolio Committee on Women, Youth and Persons with Disabilities** for consideration and report. Reports of the Auditor-General on the Financial Statements and Performance Information are referred to the **Standing Committee on Public Accounts** for consideration:
- (a) Report and Financial Statements of Vote 20 – Department of Women, Youth and Persons with Disabilities 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information of Vote 20 for 2022-23.
 - (b) Report and Financial Statements of the National Youth Development Agency for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
- (14) The following papers are referred to the **Portfolio Committee on Public Works and Infrastructure** for consideration and report. Reports of the Auditor-General and Independent Auditors on the Financial Statements and Performance Information are referred to the **Standing Committee on Public Accounts** for consideration:
- (a) Report and Financial Statements of Agreement South Africa (ASA) for 2022-23, including the Report of the Independent Auditors on the Financial Statements and Performance Information for 2022-23.
 - (b) Report and Financial Statements of the Council for the Built Environment (CBE) for 2022-23, including the Report of the Independent Auditors on the Financial Statements and Performance Information for 2022-23.
 - (c) Report and Financial Statements of the Construction Industry Development Board (CIDB) for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
 - (d) Report and Financial Statements of the Independent Development Trust (IDT) for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.

- (15) The following papers are referred to the **Portfolio Committee on Sport, Arts and Culture** for consideration and report. Reports of the Auditor-General on the Financial Statements and Performance Information are referred to the **Standing Committee on Public Accounts** for consideration:
- (a) Report and Financial Statements of Vote 37 – Department of Sport, Arts and Culture for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information of Vote 37 for 2022-23.
 - (b) Report and Financial Statements of the South African Institute for Drug-Free Sport for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
 - (c) Report and Financial Statements of Boxing South Africa for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
 - (d) Report and Financial Statements of the National Library of South Africa for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
 - (e) Report and Financial Statements of the Pan South African Language Board (PanSALB) for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
 - (f) Report and Financial Statements of the Performing Arts Centre of the Free State for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
 - (g) Report and Financial Statements of the Luthuli Museum for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
 - (h) Report and Financial Statements of the Afrikaans Language Museum and Language Monument for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
 - (i) Report and Financial Statements of Amazwi South African Museum of Literature for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
 - (j) Report and Financial Statements of the Market Theatre Foundation for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.

- (k) Report and Financial Statements of the Ditsong Museums of South Africa for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
- (l) Report and Financial Statements of the War Museum of the Boer Republics for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
- (m) Report and Financial Statements of The Playhouse Company for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
- (n) Report and Financial Statements of the uMsunduzi Museum for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
- (o) Report and Financial Statements of the South African State Theatre for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
- (p) Report and Financial Statements of the Artscape for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
- (q) Report and Financial Statements of the Iziko Museums of South Africa for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
- (r) Report and Financial Statements of the National Museum - Bloemfontein for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
- (s) Report and Financial Statements of the Freedom Park for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
- (t) Report and Financial Statements of the KwaZulu-Natal Museum for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
- (u) Report and Financial Statements of the National Film and Video Foundation for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
- (v) Report and Financial Statements of the National Heritage Council for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.

- (w) Report and Financial Statements of the Nelson Mandela Museum for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
- (x) Report and Financial Statements of the South African Library for the Blind for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
- (y) Report and Financial Statements of the William Humphreys Art Gallery for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
- (z) Report and Financial Statements of the South African Heritage Resources Agency (SAHRA) for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
- (aa) Report and Financial Statements of the Robben Island Museum for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
- (bb) Report and Financial Statements of the National Arts Council of South Africa for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.

National Council of Provinces

The Chairperson

1. Referral to Committees of papers tabled

- (1) The following papers are referred to the **Select Committee on Cooperative Governance and Traditional Affairs, Water and Sanitation and Human Settlements** for consideration:
 - (a) Reports and Financial Statements of Vote 15 – Department of Traditional Affairs for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information of Vote 15 for 2022-23.
 - (b) Reports and Financial Statements of Vote 3 – Department of Cooperative Governance for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information of Vote 3 for 2022-23.
 - (c) Report and Financial Statements of the Municipal Infrastructure Support Agent (MISA) for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
 - (d) Annual Report of the National Disaster Management Centre for 2022-23.

- (e) Report of the National House of Traditional and Khoi-San Leaders for 2022-23.
- (2) The following papers are referred to the **Select Committee on Public Enterprises and Communications** for consideration:
- (a) Report and Financial Statements of the Media Development and Diversity Agency (MDDA) for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
 - (b) Report and Financial Statements of the Universal Service and Access Agency (USAASA) for 2022-23, including the Reports of the Auditor-General on the Financial Statements for 2022-23.
 - (c) Report and Financial Statements of the Universal Service Access Fund of South Africa (USAF) for 2022-23, including the Reports of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
 - (d) Report and Financial Statements of Broadband Infracore SOC Limited for 2022-23, including the Report of the Independent Auditors on the Financial Statements for 2022-23.
 - (e) Report and Financial Statements of the National Electronic Media Institute of South Africa (NEMISA) for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
 - (f) Report and Financial Statements of the South African Broadcasting Corporation (SABC) Limited for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
 - (g) Integrated Report and Financial Statements of Sentech SOC Ltd and its subsidiaries (the Group) for 2022-23, including the Report of the Independent Auditors on the Financial Statements and Performance Information for 2022-23.
 - (h) Report and Financial Statements of the South African Post Office SOC Limited (SAPO) and its subsidiaries for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
 - (i) Report and Financial Statements of the State Information Technology Agency (SITA) SOC Ltd for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
- (3) The following papers are referred to the **Select Committee on Health and Social Services** for consideration and report:

- (a) Report and Financial Statements of Vote 19 – Department of Social Development for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information of Vote 19 for 2022-23.
 - (b) Report and Financial Statements of the National Development Agency for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
 - (c) Report and Financial Statements of the South African Social Security Agency (SASSA) for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
-

TABLINGS

National Assembly and National Council of Provinces

1. The Minister of Mineral Resources and Energy

- (a) Report and Financial Statements of the National Nuclear Regulator (NNR) for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.
- (b) Report and Financial Statements of the South African National Energy Development Institute (SANEDI) for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23.

2. The Minister of Trade, Industry and Competition

- (a) Integrated Report and Financial Statements of the National Lotteries Commission (NLC) for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23 and the Financial Statements of the National Lottery Distribution Trust Fund (NLDTF) for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23 and the Financial Statements of the National Lottery Participant's Trust (NLPT) for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2022-23 .
- (b) Report and Financial Statements of the National Gambling Board (NGB) for 2022-23, including the Report of the Independent Auditors on the Financial Statements and Performance Information for 2022-23

National Assembly

1. Speaker

- (a) Report and Financial Statements of Vote 12 – Office of the Public Service Commission (PSC) for 2022-23, including the Report of the Auditor-General on the Financial Statements and Performance Information of Vote 12 for 2022-23.
- (b) Letter dated 29 September 2023, from the Minister of Public Enterprises to the Speaker of the National Assembly, explaining the reasons for the delay in the tabling of the Annual Reports of the South African Airways, Denel and Alexkor for 2022-23.

Dear Honourable Speaker

LATE TABLING OF ESKOM, SOUTH AFRICAN AIRWAYS, DENEL AND ALEXKOR ANNUAL REPORTS AND AUDITED ANNUAL FINANCIAL STATEMENTS (AFS) FOR THE 2022/23 FINANCIAL YEAR

In terms of Section 65(1)(a) and (2) of the Public Finance Management Act No.1 of 1999 (PFMA), as amended, I am required to table the annual reports, annual financial statements, and audit report of those public entities, for which I am responsible, in Parliament within six months after the end of the financial year to which those statements relate.

To ensure that, as the Executive Authority, I am able to comply with this obligation, section 65(1)(d), read with section 55(3) of the PFMA, requires the accounting authority (Board) to submit to me, the company's annual report, audited financial statements and audit report, five months after the end of the financial year.

Eskom, SAA, Denel and Alexkor have not been able to finalise and submit their respective annual reports to me within the prescribed timelines. Eskom's external auditors have identified matters that still need further investigations and/or attention. Eskom anticipates that the AFS will be finalised during October 2023.

SAA has indicated that the audit had begun later than expected and may only be finalised after the outstanding audits for the previous financial years are completed. Denel has indicated that the audit will only be finalised in November 2023.

Alexkor will be holding its 2022 AGM to table its annual report and financial statements on Friday, 29 September 2023. It has indicated that its 2023 external audit will be finalized at the end of October and will endeavor to hold its AGM as soon as possible thereafter.

The audited reports for Eskom, SAA, Denel and Alexkor will be promptly tabled, as each entity finalises and submits their respective reports.

Regards,

(Signed)
PJ GORDHAN, MP
MINISTER
DATE: 29/09/2023

- (c) Letter dated 29 September 2023, from the Minister of Higher Education, Science and Innovation to the Speaker of the National Assembly, explaining the reasons for the delay in the tabling of the Annual Reports of the National Student Financial Aid Scheme (NSFAS) for 2021-22 and 2022-23.

Dear Honorable Speaker

DELAYS ON SUBMISSION OF THE NSFAS 2021/22 AND 2022/23 AUDIT REPORT, AUDITED ANNUAL FINANCIAL STATEMENTS AND ANNUAL REPORT IN ACCORDANCE WITH SECTION 65(2)(a) OF THE PUBLIC FINANCIAL MANAGEMENT ACT, NO 1 OF 1999, AS AMENDED:

My letter dated 29 September 2022 and 15 December 2022 on the above matter has reference.

I write to update and appraise Parliament that in terms of section 65(1)(a) of the Public Finance Management Act (PFMA), 1999 (Act no 01 of 1999), I am unable to table and submit the above-mentioned Annual Reports and audited Financial Statements of the National Student Financial Aid Scheme (NSFAS) for tabling in Parliament.

Pursuant to the NSFAS Board request letter to the office of the Auditors General South Africa (AGSA) in July 2022 requesting for an extension for submission of the final NSFAS 2021/22 Audit Report. The extension was granted and NSFAS was afforded the opportunity to adjust the financial statements to include the Close Out Project results.

The audit report and audit plan were presented to the audit committee in July 2023 and further engagements were held between NSFAS and the AGSA. During the engagements issues such as the audit action plan, capacity and resources were considered both from NSFAS and AGSA end. NSFAS again met with AGSA on 23 August 2023 where it was agreed that the Annual Financial Statements for 2022/23 would be submitted to the AGSA for testing on the 15th of January 2024.

During the period before submission NSFAS would update the audit improvement plan, implement AGSA recommendations and source an external service provider to review the AFS. An updated audit plan will be submitted and engaged on with progress updates at agreed intervals. It was also indicated that during the remainder of this Year the AGSA resources would be fully committed to the MFMA cycle. Both parties agreed on submission date of 15 January 2024.

As the audit 2022/23 audit is still in progress, I request Parliament to note that NSFAS is still not able to submit the 2022/23 Audit Report, Audited Annual Financial Statements (AFS), Annual Report, Surplus retention letter or Assurance

certificate. NSFAS will be in the position to submit AFS and an Annual report once the audit opinion is obtained, the anticipated date is 31 March 2024.

Yours sincerely,

(Signed)

Dr BE NZIMANDE, MP
MINISTER OF HIGHER EDUCATION, SCIENCE AND INNOVATION
DATE: 29/09/2023

- (d) Letter dated 29 September 2023, from the Minister of Higher Education, Science and Innovation to the Speaker of the National Assembly, explaining the reasons for the delay in the tabling of the Annual Report of the Local Government Sector Education and Training Authority (LGSETA) for 2022-23.

Dear Honorable Speaker

DELAYS ON SUBMISSION OF THE LGSETA 2022/23 AUDIT REPORT, AUDITED ANNUAL FINANCIAL STATEMENTS AND ANNUAL REPORT IN ACCORDANCE WITH SECTION 65(2)(a) OF THE PUBLIC FINANCIAL MANAGEMENT ACT, NO 1 OF 1999, AS AMENDED:

The above matter has reference.

I write to update and appraise Parliament that in terms of section 65(1)(a) of the Public Finance Management Act (PFMA), 1999 (Act no 01 of 1999), I am unable to table and submit the Annual Report and audited Financial Statements of the Local Government Sector Education and Training Authority (LGSETA) for tabling in Parliament.

The non-submission emanated from the escalation by LGSETA of the matters relating to the audit process and an issue regarding General Ledger differences. The AGSA convened a meeting with the Entity board and resolved that both AGSA and LGSETA Management teams must convene and relook at the matters with all the supporting evidence having been availed.

The SETA awaits the outcome on the matters escalated, which will inform the final Audit Report, hence the Final Annual Performance Report and the Final Annual Financial Report for the 2022/23 could not be submitted.

The Entity will endeavour to make the submission as soon as the outcome of the audit is finalised from the Auditor General and the reports are presented to both joint Audit & Risk and Finance Committees including Board for approval.

Yours sincerely,

(Signed)

Dr BE NZIMANDE, MP

MINISTER OF HIGHER EDUCATION, SCIENCE AND INNOVATION
DATE: 29/09/2023

- (e) Letter dated 28 September 2023, from the Minister of Employment and Labour to the Speaker of the National Assembly, explaining the reasons for the delay in the tabling of the Annual Reports of the Unemployment Insurance Fund (UIF) for 2021-22 and 2022-23.

Dear Ms Mapisa-Nqakula

EXPLANATORY LETTER FOR THE DELAYED SUBMISSION OF THE UNEMPLOYMENT INSURANCE FUND 2021/2022 AND 2022/23 ANNUAL REPORTS

1. The purpose of this letter is to provide an update to the National Assembly about progress and status of the Unemployment Insurance Fund (UIF)'s delayed 2021-2022 Annual Financial Statements (AFS) and Annual Report following the request for an extension (to submit the AFS and Annual Report to the Auditor General of South Africa for auditing and to Parliament for tabling).
2. The letter also seeks to provide an explanation to the National Assembly about the Unemployment Insurance Fund (UIF)'s inability to submit its 2022-2023 Annual Financial Statements and Annual Report to the Auditor General of South Africa (AGSA) for audit by the legislated date of 31 May (2023).
3. The UIF was not able to submit its 2021-2022 Annual Financial Statements and Annual report to AGSA for auditing by the 31 May 2022 and the 2022-2023 Annual Financial Statements and Annual Report to AGSA for auditing by the 31 May 2023 as required by PFMA. Section 55 (1) (a) and (1) (b) of the PFMA stipulates that the accounting authority of a public entity must prepare financial statements using the applicable accounting standards and submit them to the Auditor General for auditing within two months following the end of a financial year concerned.

As such, since the financial year of public entities ends on 31 March of every year, the UIF was supposed to have submitted the financial statements to the AGSA for audit by 31st May for each respective financial year.

4. There is misalignment between the financial year-ends of the investee companies and the UIF's financial year-end. The Companies Act 71 of 2008, clause 30 (1), states that each year a company must prepare annual financial statements within six months after the end of its financial year, or such shorter period as may be appropriate to provide the required notice of an annual general meeting.
5. Furthermore, clause 27 (1) stipulates that a company must have a financial year, ending on a date set out in the company's Notice of Incorporation. This date can be any date of the calendar year.
6. Complying with the above clauses, the UIF and CF Investee companies have the following year-end dates:

- a) 31 March= 8 Investee Companies
 - b) 29 February= 4 Investee Companies
 - c) 31 December= 3 Investee Companies
 - d) 30 June= 2 Investee Companies
 - e) 30 September= 1 Investee Company
7. In contrast to the above, the Public Finance Management Act (PFMA) section 40 (b), state that the accounting officer for a department, trading entity or constitutional institution must prepare financial statements for each financial year in accordance with generally recognized accounting practice and must submit those financial statements within two months after the end of the financial year. There is a huge period gap of six months between the Companies Act and PFMA.
 8. Section 40 (3) further states that the annual report and audited financial statements must fairly present the state of affairs of the department, trading entity or constitutional institution, its business, its financial results, its performance against predetermined objectives and its financial position as at the end of the financial year concerned. The Fund will not be in a position to comply with the above section if the audited financial statements from the Investee companies are not received within two months from the end of the UIF financial year end.
 9. In the meantime, UIF and CF drafted a technical memo which proposes change in GRAP implementation of the joint ventures and associates (unlisted investment) and it was submitted to National Treasury and Accounting Standard Board (ASBO) for consideration and approval.
 10. Section 65 of the PFMA further stipulates that in the event the Minister is unable to table the Annual Report and the financial statements, the Minister must provide Parliament with written explanation stating reasons they could not be tabled.
 11. To comply with both Acts above, UIF hereby seeks to explain and request extension to submit its annual financial statements in order to consolidate all information from the investee companies for the financials to be credible and fairly present the affairs of the entity.
 12. In terms of the current status of the 2021/2022 Annual Report, the auditing of the 2021/2022 Annual Financial Statements and Performance Information has been completed. Following the completion of the auditing and performance information, the next step is for management to consolidate the audited financial statements and Performance information components together with other standard sections that accompany the Annual Financial Statements and Performance Information into one consolidated Annual Report.
 13. In this instance, management has submitted to the AGSA the consolidated version of the Annual Report following the end of the audit of the Financial Statements and Performance Information and this Annual Report is currently

being reviewed by the AGSA through an iterative process between the AGSA and management.

14. The Fund intends to submit a final version of the 2021/2022 Annual Report to Parliament by 31 October 2023.
15. With regard to the 2022-2023 Annual Financial Statements and Annual Report, the Fund was not able to submit to the AGSA for auditing by the legislated date of 31 May (2023), and having done an assessment of all the tasks related to the preparation of Annual Financial statements, the UIF concluded that it was not going to be able to submit its Annual Financial Statements to the AGSA by the legislated date indicated above. As in the case of the 2021/2022 financial year, the misalignment of financial years of the UIF and that of the investee companies constrained the ability to submit the 2022-2023 Annual Financial Statements and Annual Report to the AGSA for auditing.
16. Consequently, the UIF will not be able to submit audited Annual Financial Statements and Annual Report to Parliament for tabling by the legislated timeframe of 30 September (2023).
17. The Department of Employment and Labour including the UIF fully appreciates the importance of complying with legislated timeframes and so desires to comply with the legislation in question. Notwithstanding the fact that delayed submission of the Annual Financial Statements and Annual Report will result in a non-compliance audit finding, should the UIF have nonetheless proceeded to submit its 2021-2022 and 2022-2023 Annual Financial Statements to the AGSA for audit on the legislated date of 31 May 2022 and 31 May 2023 respectively, the financial statements would have inevitably resulted in a misrepresentation of the UIF's true financial status and performance and thus resulting in; firstly, defeating the ultimate purpose of submitting financial statements that truly and correctly reflect how the entity would have conducted its affairs and managed its finances entrusted in its care by the public as contemplated in Section 40 of the PFMA.
18. Secondly, the UIF would have been unable to comply with Section 55 (1) (b) which requires that the financial statements should be prepared "in accordance with generally accepted accounting practice". This would have inevitably resulted in numerous audit findings and a poor audit outcome.
19. Other factors that needed to be resolved before the 2022-2023 AFS could be credible included the following:
 - a. COVID-19TERS payment verification. One of the biggest audit areas of concern raised by the 2020-2021 AGSA audit was the fact that the Fund could not fully prove that every cent that was paid out during the COVID-19 pandemic indeed went to the intended beneficiaries. The UIF committed to verifying that indeed the money went to the intended beneficiaries. Subsequently, the Fund appointed 6 audit firms who have started with the COVID-19TERS payment verification project from November 2022. Between now and November 2023, the verification

process would have covered a bigger share of the over R60 billion that was paid in COVID-19TERS.

- b. Recovered funds by the SIU: There are ongoing reconciliations on all refunds received by the SIU on behalf of UIF as per the signed proclamation;
 - c. There are also still outstanding issues with regard to the overpayment stemming from the prior years, COVID-19TERS Benefit expense, and the continuing ongoing claims. Therefore, to properly account for the affected transactions, a detailed investigation needs to be concluded or substantially concluded. The impact of the overstatement entries and the resultant balances have a bearing on key values such as actuarial provisions and may be limiting to the users of Annual Financial Statements.
20. All factors considered, the UIF plans to submit its 2022-2023 Annual Financial Statements and Annual Report to AGSA for auditing by 30 November 2023. It is on this date (of 30 November 2023) that the Fund can provide, based on the receipt of substantive, auditable information from its unlisted investments and with assurance and progress of the issues mentioned above, the annual financial statements that are complete, accurate and free from any misstatements.
21. Taking into account the fact that the Fund will only be submitting the 2022/2023 Annual Financial Statements and Performance Information to the AGSA for auditing on 30 November 2023, and further taking into account the December 2023 and January 2024 holidays will inevitably impact the standard timeframes for completing the audit, it is estimated that the AGSA audit of the 2022/2023 Annual Financial Statements and Performance Information will be completed by 31 March 2024 and that the final Annual Report will be tabled in Parliament by 30 June 2024.
22. Based on the background and reasons stated above, the Minister of Employment and Labour sincerely requests and pleads with the National Assembly to:
- a) Note the progress and update with regard to the submission of the 2021-2022 Annual Financial Statements and Annual Report to Parliament for tabling.
 - b) Receive with favour the explanation on the late submission of the 2022-2023 Annual Financial Statements and Annual Report for audit by the AGSA on 30 November 2023 and the planned tabling date (in Parliament) of 30 June 2024.

Yours Sincerely,

(Signed)

MR TW NXESI, MP
MINISTER OF EMPLOYMENT AND LABOUR
DATE: 28 SEPTEMBER 2023

- (f) Letter dated 28 September 2023, from the Minister of Employment and Labour to the Speaker of the National Assembly, explaining the reasons for the delay in the tabling of the Annual Reports of the Compensation Fund for 2021-22 and 2022-23.

Dear Ms Mapisa-Nqakula

EXPLANATORY LETTER FOR THE DELAYED SUBMISSION OF 2021-22 AND 2022-23 ANNUAL REPORT OF COMPENSATION FUND

There are various interventions in Compensation Fund that have been occasioned by systemic challenges that this entity has been engulfed with, for a number of years. These interventions are in various phases. These are the interventions that are ultimately aimed at getting each and every unit of this entity working.

Regrettably, the process is still longish but is aimed at addressing the root causes as opposed to symptoms that ultimately will provide permanent and sustainable solution to Compensation Fund.

Among these interventions there are about 20 financial professionals that have been seconded to Compensation Fund. They are making some strides to assist the Fund with its financial books. There is also a new energetic and dynamic Chief Financial Officer (CFO) who has just been appointed together with a passionate ICT Director. It is the nature of the challenges that they are dealing with, that have not landed Compensation Fund to a position where it could be ready on time for being audited by Auditor General South Africa (AG-SA) and Audit Opinion expressed.

The audit for the financial year ending 31 March 2023 has not yet resumed. The reason for this delay in the audit of the financial year ending 31 March 2023, is due to the Compensation Fund requiring the audited 2022 financial records to ensure accuracy and completeness of the 2023 financial statements.

Work is underway to correct prior period errors that had contributed to the negative audit outcomes of the Compensation Fund. The envisaged date to submit financials for 31 March 2023 to the AGSA for review is 13 October 2023. Given the work that still has to unfold, it is therefore estimated that the Compensation Fund will table the Annual Report for the financial year ended 31 March 2023 on 28 June 2024 when the audit report is finalised.

One of very important statutes in our country namely, namely Public Finance Management Act (PFMA) in Section 65 stipulates that in the event the Minister is unable to table the Annual Report and the financial statements, the Minister must provide Parliament with written explanation stating reasons they could not be tabled.

This is therefore objective of this letter, and this of course goes with sincere apology, because the Department together with all its entities always strives to meet all the deadline that are set times for the submission of documents.

Yours Sincerely,

(Signed)

MR TW NXESI, MP
MINISTER OF EMPLOYMENT AND LABOUR
DATE: 28 SEPTEMBER 2023

- (g) Letter dated 28 September 2023, from the Minister of Agriculture, Land Reform and Rural Development to the Speaker of the National Assembly, explaining the reasons for the delay in the tabling of the Annual Reports of Onderstepoort Biological Products (OBP) for 2022-23.

Dear Honourable Speaker

LATE TABLING OF THE 2022/2023 ANNUAL REPORT OF THE ONDERSTEPOORT BIOLOGICAL PRODUCTS (SOC) LTD (OBP):

The Public Finance Management Act, 1999 (Act No 1 of 1999) and National Treasury Regulations prescribe that all national departments and public entities must table their Annual Reports to the relevant legislature within five months after the end of financial year. The Onderstepoort Biological Products (OBP) will not be able to table its 2022/2023 Annual Report within the stipulated period due to impending engagements within the Auditor-General of South Africa (AGSA).

Please accept my request for extension for the tabling of the above-mentioned report. The OBP will be able to table its 2022/2023 Annual Report on 31 October 2023.

Kind regards

(Signed)

MRS A. T. DIDIZA, MP
MINISTER FOR AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT
DATE: 28-09-2023

National Council of Provinces

1. The Chairperson

- (a) Letter dated 29 September 2023, from the Minister of Public Enterprises to the Chairperson of the National Council of Provinces, explaining the reasons for the delay in the tabling of the Annual Reports of the South African Airways, Denel and Alexkor for 2022-23.

Dear Honourable Chairperson

LATE TABLING OF ESKOM, SOUTH AFRICAN AIRWAYS, DENEL AND ALEXKOR ANNUAL REPORTS AND AUDITED ANNUAL FINANCIAL STATEMENTS (AFS) FOR THE 2022/23 FINANCIAL YEAR

In terms of Section 65(1)(a) and (2) of the Public Finance Management Act No.1 of 1999 (PFMA), as amended, I am required to table the annual reports, annual

financial statements, and audit report of those public entities, for which I am responsible, in Parliament within six months after the end of the financial year to which those statements relate.

To ensure that, as the Executive Authority, I am able to comply with this obligation, section 65(1)(d), read with section 55(3) of the PFMA, requires the accounting authority (Board) to submit to me, the company's annual report, audited financial statements and audit report, five months after the end of the financial year.

Eskom, SAA, Denel and Alexkor have not been able to finalise and submit their respective annual reports to me within the prescribed timelines. Eskom's external auditors have identified matters that still need further investigations and/or attention. Eskom anticipates that the AFS will be finalised during October 2023.

SAA has indicated that the audit had begun later than expected and may only be finalised after the outstanding audits for the previous financial years are completed. Denel has indicated that the audit will only be finalised in November 2023.

Alexkor will be holding its 2022 AGM to table its annual report and financial statements on Friday, 29 September 2023. It has indicated that its 2023 external audit will be finalized at the end of October and will endeavor to hold its AGM as soon as possible thereafter.

The audited reports for Eskom, SAA, Denel and Alexkor will be promptly tabled, as each entity finalises and submits their respective reports.

Regards,

(Signed)
PJ GORDHAN, MP
MINISTER
DATE: 29/09/2023

- (b) Letter dated 29 September 2023, from the Minister of Higher Education, Science and Innovation to the Chairperson of the National Council of Provinces, explaining the reasons for the delay in the tabling of the Annual Reports of the National Student Financial Aid Scheme (NSFAS) for 2021-22 and 2022-23.

Dear Honorable Chairperson

DELAYS ON SUBMISSION OF THE NSFAS 2021/22 AND 2022/23A UDIT REPORT, AUDITED ANNUAL FINANCIAL STATEMENTS AND ANNUAL REPORT IN ACCORDANCE WITH SECTION 65(2)(a) OF THE PUBLIC FINANCIAL MANAGEMENT ACT, NO 1 OF 1999, AS AMENDED:

My letter dated 29 September 2022 and 15 December 2022 on the above matter has reference.

I write to update and appraise Parliament that in terms of section 65(1)(a) of the

Public Finance Management Act (PFMA), 1999 (Act no 01 of 1999), I am unable to table and submit the above-mentioned Annual Reports and audited Financial Statements of the National Student Financial Aid Scheme (NSFAS) for tabling in Parliament.

Pursuant to the NSFAS Board request letter to the office of the Auditors General South Africa (AGSA) in July 2022 requesting for an extension for submission of the final NSFAS 2021/22 Audit Report. The extension was granted and NSFAS was afforded the opportunity to adjust the financial statements to include the Close Out Project results.

The audit report and audit plan were presented to the audit committee in July 2023 and further engagements were held between NSFAS and the AGSA. During the engagements issues such as the audit action plan, capacity and resources were considered both from NSFAS and AGSA end. NSFAS again met with AGSA on 23 August 2023 where it was agreed that the Annual Financial Statements for 2022/23 would be submitted to the AGSA for testing on the 15th of January 2024.

During the period before submission NSFAS would update the audit improvement plan, implement AGSA recommendations and source an external service provider to review the AFS. An updated audit plan will be submitted and engaged on with progress updates at agreed intervals. It was also indicated that during the remainder of this Year the AGSA resources would be fully committed to the MFMA cycle. Both parties agreed on submission date of 15 January 2024.

As the audit 2022/23 audit is still in progress, I request Parliament to note that NSFAS is still not able to submit the 2022/23 Audit Report, Audited Annual Financial Statements (AFS), Annual Report, Surplus retention letter or Assurance certificate. NSFAS will be in the position to submit AFS and an Annual report once the audit opinion is obtained, the anticipated date is 31 March 2024.

Yours sincerely,

(Signed)

Dr BE NZIMANDE, MP
MINISTER OF HIGHER EDUCATION, SCIENCE AND INNOVATION
DATE: 29/09/2023

- (c) Letter dated 29 September 2023, from the Minister of Higher Education, Science and Innovation to the Chairperson of the National Council of Provinces, explaining the reasons for the delay in the tabling of the Annual Report of the Local Government Sector Education and Training Authority (LGSETA) for 2022-23.

Dear Honorable Chairperson

**DELAYS ON SUBMISSION OF THE LGSETA 2022/23 AUDIT REPORT,
 AUDITED ANNUAL FINANCIAL STATEMENTS AND ANNUAL**

REPORT IN ACCORDANCE WITH SECTION 65(2)(a) OF THE PUBLIC FINANCIAL MANAGEMENT ACT, NO 1 OF 1999, AS AMENDED:

The above matter has reference.

I write to update and appraise Parliament that in terms of section 65(1)(a) of the Public Finance Management Act (PFMA), 1999 (Act no 01 of 1999), I am unable to table and submit the Annual Report and audited Financial Statements of the Local Government Sector Education and Training Authority (LGSETA) for tabling in Parliament.

The non-submission emanated from the escalation by LGSETA of the matters relating to the audit process and an issue regarding General Ledger differences. The AGSA convened a meeting with the Entity board and resolved that both AGSA and LGSETA Management teams must convene and relook at the matters with all the supporting evidence having been availed.

The SETA awaits the outcome on the matters escalated, which will inform the final Audit Report, hence the Final Annual Performance Report and the Final Annual Financial Report for the 2022/23 could not be submitted.

The Entity will endeavor to make the submission as soon as the outcome of the audit is finalised from the Auditor General and the reports are presented to both joint Audit & Risk and Finance Committees including Board for approval.

Yours sincerely,

(Signed)

Dr BE NZIMANDE, MP
MINISTER OF HIGHER EDUCATION, SCIENCE AND INNOVATION
DATE: 29/09/2023

- (d) Letter dated 28 September 2023, from the Minister of Employment and Labour to the Chairperson of the National Council of Provinces, explaining the reasons for the delay in the tabling of the Annual Reports of the Unemployment Insurance Fund (UIF) for 2021-22 and 2022-23.

Dear Mr Masondo

EXPLANATORY LETTER FOR THE DELAYED SUBMISSION OF THE UNEMPLOYMENT INSURANCE FUND 2021/2022 AND 2022/23 ANNUAL REPORTS

1. The purpose of this letter is to provide an update to the National Assembly about progress and status of the Unemployment Insurance Fund (UIF)'s delayed 2021-2022 Annual Financial Statements (AFS) and Annual Report following the request for an extension (to submit the AFS and Annual Report to the Auditor General of South Africa for auditing and to Parliament for tabling).

2. The letter also seeks to provide an explanation to the National Assembly about the Unemployment Insurance Fund (UIF)'s inability to submit its 2022-2023 Annual Financial Statements and Annual Report to the Auditor General of South Africa (AGSA) for audit by the legislated date of 31 May (2023).
3. The UIF was not able to submit its 2021-2022 Annual Financial Statements and Annual report to AGSA for auditing by the 31 May 2022 and the 2022-2023 Annual Financial Statements and Annual Report to AGSA for auditing by the 31 May 2023 as required by PFMA. Section 55 (1) (a) and (1) (b) of the PFMA stipulates that the accounting authority of a public entity must prepare financial statements using the applicable accounting standards and submit them to the Auditor General for auditing within two months following the end of a financial year concerned.

As such, since the financial year of public entities ends on 31 March of every year, the UIF was supposed to have submitted the financial statements to the AGSA for audit by 31st May for each respective financial year.

4. There is misalignment between the financial year-ends of the investee companies and the UIF's financial year-end. The Companies Act 71 of 2008, clause 30 (1), states that each year a company must prepare annual financial statements within six months after the end of its financial year, or such shorter period as may be appropriate to provide the required notice of an annual general meeting.
5. Furthermore, clause 27 (1) stipulates that a company must have a financial year, ending on a date set out in the company's Notice of Incorporation. This date can be any date of the calendar year.
6. Complying with the above clauses, the UIF and CF Investee companies have the following year-end dates:
 - a) 31 March= 8 Investee Companies
 - b) 29 February= 4 Investee Companies
 - c) 31 December= 3 Investee Companies
 - d) 30 June= 2 Investee Companies
 - e) 30 September= 1 Investee Company
7. In contrast to the above, the Public Finance Management Act (PFMA) section 40 (b), state that the accounting officer for a department, trading entity or constitutional institution must prepare financial statements for each financial year in accordance with generally recognized accounting practice and must submit those financial statements within two months after the end of the financial year. There is a huge period gap of six months between the Companies Act and PFMA.
8. Section 40 (3) further states that the annual report and audited financial statements must fairly present the state of affairs of the department, trading entity or constitutional institution, its business, its financial results, its performance against predetermined objectives and its financial position as at

the end of the financial year concerned. The Fund will not be in a position to comply with the above section if the audited financial statements from the Investee companies are not received within two months from the end of the UIF financial year end.

9. In the meantime, UIF and CF drafted a technical memo which proposes change in GRAP implementation of the joint ventures and associates (unlisted investment) and it was submitted to National Treasury and Accounting Standard Board (ASBO) for consideration and approval.
10. Section 65 of the PFMA further stipulates that in the event the Minister is unable to table the Annual Report and the financial statements, the Minister must provide Parliament with written explanation stating reasons they could not be tabled.
11. To comply with both Acts above, UIF hereby seeks to explain and request extension to submit its annual financial statements in order to consolidate all information from the investee companies for the financials to be credible and fairly present the affairs of the entity.
12. In terms of the current status of the 2021/2022 Annual Report, the auditing of the 2021/2022 Annual Financial Statements and Performance Information has been completed. Following the completion of the auditing and performance information, the next step is for management to consolidate the audited financial statements and Performance information components together with other standard sections that accompany the Annual Financial Statements and Performance Information into one consolidated Annual Report.
13. In this instance, management has submitted to the AGSA the consolidated version of the Annual Report following the end of the audit of the Financial Statements and Performance Information and this Annual Report is currently being reviewed by the AGSA through an iterative process between the AGSA and management.
14. The Fund intends to submit a final version of the 2021/2022 Annual Report to Parliament by 31 October 2023.
15. With regard to the 2022-2023 Annual Financial Statements and Annual Report, the Fund was not able to submit to the AGSA for auditing by the legislated date of 31 May (2023), and having done an assessment of all the tasks related to the preparation of Annual Financial statements, the UIF concluded that it was not going to be able to submit its Annual Financial Statements to the AGSA by the legislated date indicated above. As in the case of the 2021/2022 financial year, the misalignment of financial years of the UIF and that of the investee companies constrained the ability to submit the 2022-2023 Annual Financial Statements and Annual Report to the AGSA for auditing.

16. Consequently, the UIF will not be able to submit audited Annual Financial Statements and Annual Report to Parliament for tabling by the legislated timeframe of 30 September (2023).
17. The Department of Employment and Labour including the UIF fully appreciates the importance of complying with legislated timeframes and so desires to comply with the legislation in question. Notwithstanding the fact that delayed submission of the Annual Financial Statements and Annual Report will result in a non-compliance audit finding, should the UIF have nonetheless proceeded to submit its 2021-2022 and 2022-2023 Annual Financial Statements to the AGSA for audit on the legislated date of 31 May 2022 and 31 May 2023 respectively, the financial statements would have inevitably resulted in a misrepresentation of the UIF's true financial status and performance and thus resulting in; firstly, defeating the ultimate purpose of submitting financial statements that truly and correctly reflect how the entity would have conducted its affairs and managed its finances entrusted in its care by the public as contemplated in Section 40 of the PFMA.
18. Secondly, the UIF would have been unable to comply with Section 55 (1) (b) which requires that the financial statements should be prepared "in accordance with generally accepted accounting practice". This would have inevitably resulted in numerous audit findings and a poor audit outcome.
19. Other factors that needed to be resolved before the 2022-2023 AFS could be credible included the following:
 - a. COVID-19TERS payment verification. One of the biggest audit areas of concern raised by the 2020-2021 AGSA audit was the fact that the Fund could not fully prove that every cent that was paid out during the COVID-19 pandemic indeed went to the intended beneficiaries. The UIF committed to verifying that indeed the money went to the intended beneficiaries. Subsequently, the Fund appointed 6 audit firms who have started with the COVID-19TERS payment verification project from November 2022. Between now and November 2023, the verification process would have covered a bigger share of the over R60 billion that was paid in COVID-19TERS.
 - b. Recovered funds by the SIU: There are ongoing reconciliations on all refunds received by the SIU on behalf of UIF as per the signed proclamation;
 - c. There are also still outstanding issues with regard to the overpayment stemming from the prior years, COVID-19TERS Benefit expense, and the continuing ongoing claims. Therefore, to properly account for the affected transactions, a detailed investigation needs to be concluded or substantially concluded. The impact of the overstatement entries and the resultant balances have a bearing on key values such as actuarial provisions and may be limiting to the users of Annual Financial Statements.

20. All factors considered, the UIF plans to submit its 2022-2023 Annual Financial Statements and Annual Report to AGSA for auditing by 30 November 2023. It is on this date (of 30 November 2023) that the Fund can provide, based on the receipt of substantive, auditable information from its unlisted investments and with assurance and progress of the issues mentioned above, the annual financial statements that are complete, accurate and free from any misstatements.
21. Taking into account the fact that the Fund will only be submitting the 2022/2023 Annual Financial Statements and Performance Information to the AGSA for auditing on 30 November 2023, and further taking into account the December 2023 and January 2024 holidays will inevitably impact the standard timeframes for completing the audit, it is estimated that the AGSA audit of the 2022/2023 Annual Financial Statements and Performance Information will be completed by 31 March 2024 and that the final Annual Report will be tabled in Parliament by 30 June 2024.
22. Based on the background and reasons stated above, the Minister of Employment and Labour sincerely requests and pleads with the National Assembly to:
- a) Note the progress and update with regard to the submission of the 2021-2022 Annual Financial Statements and Annual Report to Parliament for tabling.
 - b) Receive with favour the explanation on the late submission of the 2022-2023 Annual Financial Statements and Annual Report for audit by the AGSA on 30 November 2023 and the planned tabling date (in Parliament) of 30 June 2024.

Yours Sincerely,

(Signed)

MR TW NXESI, MP
MINISTER OF EMPLOYMENT AND LABOUR
DATE: 28 SEPTEMBER 2023

- (e) Letter dated 28 September 2023, from the Minister of Employment and Labour to the Chairperson of the National Council of Provinces, explaining the reasons for the delay in the tabling of the Annual Reports of the Compensation Fund for 2021-22 and 2022-23.

Dear Mr Masondo

EXPLANATORY LETTER FOR THE DELAYED SUBMISSION OF 2021-22 AND 2022-23 ANNUAL REPORT OF COMPENSATION FUND

There are various interventions in Compensation Fund that have been occasioned by systemic challenges that this entity has been engulfed with, for a number of years. These interventions are in various phases. These are the interventions that are ultimately aimed at getting each and every unit of this entity working.

Regrettably, the process is still longish but is aimed at addressing the root causes as opposed to symptoms that ultimately will provide permanent and sustainable solution to Compensation Fund.

Among these interventions there are about 20 financial professionals that have been seconded to Compensation Fund. They are making some strides to assist the Fund with its financial books. There is also a new energetic and dynamic Chief Financial Officer (CFO) who has just been appointed together with a passionate ICT Director. It is the nature of the challenges that they are dealing with, that have not landed Compensation Fund to a position where it could be ready on time for being audited by Auditor General South Africa (AG-SA) and Audit Opinion expressed.

The audit for the financial year ending 31 March 2023 has not yet resumed. The reason for this delay in the audit of the financial year ending 31 March 2023, is due to the Compensation Fund requiring the audited 2022 financial records to ensure accuracy and completeness of the 2023 financial statements.

Work is underway to correct prior period errors that had contributed to the negative audit outcomes of the Compensation Fund. The envisaged date to submit financials for 31 March 2023 to the AGSA for review is 13 October 2023. Given the work that still has to unfold, it is therefore estimated that the Compensation Fund will table the Annual Report for the financial year ended 31 March 2023 on 28 June 2024 when the audit report is finalised.

One of very important statutes in our country namely, namely Public Finance Management Act (PFMA) in Section 65 stipulates that in the event the Minister is unable to table the Annual Report and the financial statements, the Minister must provide Parliament with written explanation stating reasons they could not be tabled.

This is therefore objective of this letter, and this of course goes with sincere apology, because the Department together with all its entities always strives to meet all the deadline that are set times for the submission of documents.

Yours Sincerely,

(Signed)

MR TW NXESI, MP
MINISTER OF EMPLOYMENT AND LABOUR
DATE: 28 SEPTEMBER 2023

- (f) Letter dated 28 September 2023, from the Minister of Agriculture, Land Reform and Rural Development to the Chairperson of the National Council of Provinces, explaining the reasons for the delay in the tabling of the Annual Reports of Onderstepoort Biological Products (OBP) for 2022-23.

Dear Honourable Chairperson

LATE TABLING OF THE 2022/2023 ANNUAL REPORT OF THE ONDERSTEPSOORT BIOLOGICAL PRODUCTS (SOC) LTD (OBP):

The Public Finance Management Act, 1999 (Act No 1 of 1999) and National Treasury Regulations prescribe that all national departments and public entities must table their Annual Reports to the relevant legislature within five months after the end of financial year. The Onderstepoort Biological Products (OBP) will not be able to table its 2022/2023 Annual Report within the stipulated period due to impending engagements within the Auditor-General of South Africa (AGSA).

Please accept my request for extension for the tabling of the above-mentioned report. The OBP will be able to table its 2022/2023 Annual Report on 31 October 2023.

Kind regards

(Signed)

MRS A. T. DIDIZA, MP

**MINISTER FOR AGRICULTURE, LAND REFORM AND RURAL
DEVELOPMENT**

DATE: 28-09-2023

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 THULAS NXESI, MP – MINISTER OF EMPLOYMENT AND LABOUR

The Joint Committee on Ethics and Members' Interests having considered the complaint against Honourable Thulas Nxesi, MP, reports as follows.

INTRODUCTION

On 26 May 2022 the Speaker of the National Assembly, Honourable Mapisa-Nqakula, MP referred Part 4, Volume 2, "The Free State Asbestos Project Debacle / The Free State R1 Billion Housing Project Debacle" of the Judicial Commission of Inquiry into State Capture Report ("the Report") concerning Honourable Thulas Nxesi, MP, Minister of Employment and Labour ("the Member") to the Joint Committee on Ethics and Members' Interests ("the Committee").

On 6 June 2022 the Committee resolved to process the referral by the Speaker of the NA in terms of item 10. 2.2.3 of the Code of Ethical Conduct and Disclosure of Members' Interests ("the Code"). Item 10.2.2.3 provides as follows: "*The Committee acting on its own may consider any breach or alleged breach of the Code.*". The Member was duly notified and was requested to provide written representations on the content on the Report.

SUMMARY OF THE COMPLAINT AS CONTAINED IN THE REPORT

AD PAGES 429 to 430 and pages 435 to 436 OF THE REPORT

BACKGROUND

During the Asbestos audit, secret beneficiaries who were perceivably politically connected people were identified as people to whom payments were made. These people on the face of it appear not to have provided any goods and services to Blackhead Diamond Hill Joint Venture, so as to justify the payments made to them. Different payments were made by Mr Sodi or Mr Mpambani through Blackhead or 605 consulting.

The Commission was unable to verify bank accounts. Mr Sodi was asked to explain the payments.

PAYMENT TO THULAS NEXESI, MP

- 1.1 Mr Sodi explained the payments that were made to the Member and indicated that two payments totalling R45 000 was paid to the Member.
- 1.2 However, the one payment was made to a school and the other one was for accommodation of underprivileged children.

The Member provided an affidavit to the Commission that confirmed the explanation by Mr Sodi but clarified that his name appeared as a reference for the payment and that the payment was not made to him.

SUMMARY OF RESPONSE BY THE MEMBER – STATEMENT IN TERMS OF RULE

3.3

The Member was requested to provide a reply to the compliant. He provided his statement that he provided the Commission in terms of its Rule 3.3.

The Member indicated that during 2017 he tried to raise money to assist two families that were in financial need. The first was the widow of Mr Muzi Buthlezi, who could not pay her child's school fees. The second was the widow of Comrade Mbuyisela Ngwenda, who was bedridden and could not pay school fees and provide accommodation for her children.

Fifteen thousand rand (R15 000) was paid by Mr Sodi for the school fees of the child of Mrs Buthelezi. This was paid directly to Sunward Park High School. Thirty thousand rand (R30 000) was paid by Mr. Sodi for the accommodation of the two children of the late Comrade Ngwenda and it was paid directly to Ms GT Ramphaka.

CONSIDERATION BY COMMITTEE

The Committee considered the proof of the payments and found that it confirms the version of events as explained by the Member. The committee found that the Member did not breach the Code.

REPORTED FOR INFORMATION

THE CO-CHAIRPERSONS OF THE JOINT COMMITTEE ON ETHICS AND MEMBERS' INTERESTS: BEKIZWE NKOSI AND LYDIA MOSHODI



2. 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 CEDRIC THOMAS FROLICK, MP

The Joint Committee on Ethics and Members' Interests having considered the complaint against Honourable Cedric Thomas, MP. Reports as follows.

INTRODUCTION

On 4 May 2022 the Speaker of the National Assembly, Honourable Mapisa-Nqakula, MP referred Part 3 "Bosasa" of the Judicial Commission of Inquiry into State Capture Report ("the Report") concerning Honourable Cedric Frolick, MP ("the Member") to the Joint Committee on Ethics and Members' Interests ("the Committee").

On 9 May 2022 the Committee resolved to process the referral by the Speaker of the NA in terms of item 10. 2.2.3 of the Code of Ethical Conduct and Disclosure of Members' Interests ("the Code"). Item 10.2.2.3 provides as follows: "The Committee acting on its own may consider any breach or alleged breach of the Code.". The Member was duly notified and requested to provide written representations on the content on the Report.

SUMMARY OF THE COMPLAINT AS CONTAINED IN THE REPORT

AD PAGES 514 to 529 OF THE REPORT:

Mr Aggrizzi, Mr Cedric Frolick, Mr Daniel Watson, Mr Butana Khomphela, Mr Vincent Smith

BACKGROUND

Mr Frolick became acquainted with Mr Daniel Watson when he became involved in the Eastern Province Rugby Union as an advisor and later as a member of the Board. He met the other "Watson" brothers through his acquaintance with Mr Daniel Watson. Mr Aggrizzi alleged that -

1. "WINNING OVER MR SMITH"

- 1.1 Mr Daniel Watson introduced him to the Member when the Member and Mr Butana Khomphela visited the Bosasa premises. Mr Khomphela was the Chairperson of the Portfolio Committee on Sports and Recreation.
- 1.2 The reason why the Member and Mr Khomphela visited Bosasa was so that Bosasa could show case its business.
- 1.3 This meeting took place when Bosasa was facing severe attacks in the media in 2009.
- 1.4 Mr Watson told him that the Member would be instrumental in winning over Mr Vincent Smith, the Chairperson of the Portfolio Committee on Correctional Service and Justice.
- 1.5 During the meeting in the boardroom at Bosasa, they discussed how to deal with Mr Smith.
- 1.6 Mr Watson told the Member to do whatever was possible to win over Mr Smith or alternatively to move Mr Smith from the position of Chairperson of the Portfolio Committee.
- 1.7 Mr Watson paid the Member cash, which was in a security bag, when he was at the meeting at the Bosasa premises. He stated that he was certain the security bag contained money.
- 1.8 During 2010 when Bosasa was facing challenges in the light of the Report of the Special Investigating Unit (SIU) on irregularities and corruption at Bosasa, Bosasa wanted to bring a court application to stop the SIU Report from being presented to the Portfolio Committee. However, the SIU was able to present their report to the Portfolio Committee and it highlighted irregularities at Bosasa.
- 1.9 Mr Watson instructed him to arrange R40 000 (forty thousand rand) per month for the Member. The money would be taken by Mr Watson or Mr Valence Watson to Port Elizabeth to be given to the Member.
- 1.10 He saw Mr Valence Watson give the bag of money to the Member during a meeting at Mr Valence Watson's home where they discussed how to deal with Mr Smith. The Member received a monthly benefit of R40 000 (forty thousand).
- 1.11 Ms Winnie Ngwenya and Mr Magashula were the people that eventually won Mr Smith over during a meeting that was held in Rivonia Road in 2011.

2. ACCOMMODATION

- 2.1 That the Member received accommodation at the City Lodge O.R Tambo Airport on 21 August and 22 August 2010 which was paid for by Bosasa in the amount of R2 744.28 (two thousand seven hundred forty-four rand and twenty eight cents).

3. FACILITATING A MEETING WITH MR SMITH

3.1 The Member arranged a meeting inside Parliament between Bosasa and Mr Smith. The meeting was unproductive as Mr Smith felt ambushed by the team from Bosasa, Mr Agrizzi and Mr Njenje. The Bosasa team then had lunch with the Member.

4. INTERVENING IN BOSASA LITIGATION ON A TENDER

4.1 Bosasa decided to legally challenge the awarding of a catering contract to another two companies. The Member intervened and persuaded Mr Watson to withdraw the litigation against the Department of Correctional Services.

4.2 During a telephone call, the Member instructed that the litigation must be withdrawn.

SUMMARY OF RESPONSE BY THE MEMBER AS CONTAINED IN THE REPORT

The Member was requested to provide a reply to the compliant. The Member responded as follows: *“My evidence as submitted to and testified at the Commission thus stand (sic) as my response to the letter from the Registrar. Please be assured of my co-operation in this matter.”* The Member submitted his Rule 3.3 affidavit as well as the affidavit of the late Mr. Butana Khomphela to the Committee.

“WINNING OVER MR SMITH” / ACCOMMODATION / FACILITATING A MEETING WITH MR SMITH / INTERVENING IN BOSASA LITIGATION

The Member states that-

1.1 He was not the person who suggested that a meeting be convened between Bosasa and Mr. Smith. It was the suggestion of Mr Khomphela. Mr Khomphela provided a confirmatory affidavit to the Commission.

1.2 He did not receive any cash in a security bag and states that he was in the company of Mr Komphela the entire time.

1.3 The Member denies receiving R40 000 per month.

1.4 The accommodation which was received during 2010 was in respect of his affiliation to the Eastern Cape Rugby Union.

1.5 As per the testimony of Mr Vincent Smith the Member was not part of the meeting between Mr Smith, Mr Agrizzi and Mr Njenje at Parliament which took place in 2009.

1.5.1 The Member denies having telephoned Mr Watson to cancel the litigation against the Department of Correctional Services. He explained that he advised Mr Watson as a friend that the litigation would have a negative impact on the relationship between Bosasa and government.

FINDING IN THE REPORT

Pages 784 and 808 to 817 of Part 3 volume 4 of the Report on Bosasa

On page 784, at paragraph 1891, with reference to TOR1.4 it states: “The evidence establishes that there is a reasonable prospect that further investigation will uncover a *prima facie* case of money laundering, corruption and/or fraud against the following persons and the matter is accordingly referred for further investigation.

On page 817, at paragraph 1972, it states: “With reference to TOR 7, the matter is referred to the relevant investigative authorities on the basis that there is a reasonable prospect further investigation will uncover a *prima facie* case of corruption in term of section 3 and 7 of PRECCA.” –Prevention and Combatting of Corruption Act.

On page 808 at paragraph 1964 it states: “It is clear from the above that Mr Frolick sought to assist Bosasa resolve its impasse with Mr. Smith and thereby improve its relations with a Parliamentary oversight body that was concerning itself with allegations of irregularities in the award of contracts to Bosasa. ... “

On page 812 at paragraph 1965, it states: “... on Mr Frolick’s own version, there was conduct facilitating the unlawful award of tenders in breach of, at least, the oath sworn by Members’ of Parliament in schedule 2 item 4 of the Constitution, not only to uphold the Constitution, but also to perform their work to the best of their ability, and clauses 4.1.1, 4.1.3, 4.1.4, and 4.1.5 of the code of conduct governing members of the National Assembly. That facilitation stood to benefit Bosasa, its associates and the Watson family. That is sufficient to establish conduct contemplated by TOR 1.4.”

LEGAL STATUS OF THE 2014 CODE

The Code of Ethical Conduct and Disclosure of Members’ Interests was adopted by the Houses on 29 July 2014 (NA) and 31 July 2014 (NCOP) and came into operation on 1 November 2014. The Code does not have retrospective effect.

The matters that are covered in the Report predates the coming into operation of the Code as it relates to matters that allegedly transpired during 2009, 2010 and 2011. The Code cannot be applied to alleged conduct that took place before the Code came into operation.

THE SCHEDULE OF TO THE JOINT RULES- THE PREVIOUS CODE

Part 2 of the Code provides as follows: “Ethical Conduct”

“12. Declaration of private interests to parliamentary committees or forums

A member must-

- (a) declare any personal or private financial or business interests that the member or any spouse, permanent companion or business partner of that member may have in a matter before a joint committee, committee or other parliamentary forum of which that member is a member; and
- (b) withdraw from the proceedings of that committee or forum when that matter is considered, unless that committee or forum decides that the member’s interest is trivial or not relevant.”

13. If a member makes representations as a member to a Cabinet member or any other organ of state with regard to a matter in which that member or spouse, permanent companion or business partner of that member has a personal or private financial or business interest, that member must declare that interest to that Cabinet member or organ of state.”

Part 3, Breaches of the Code provides as follows:

“16. What constitutes a breach

A member breaches the Code if the member-

- (a) contravenes or fails to comply with a provision of this Code;
- (b) when disclosing registrable interests, wilfully provides the Registrar with incorrect or misleading information.”

COMMITTEE CONSIDERATION OF THE REPORT

The Committee noted that-

1. the testimony of Mr Agrizzi was accepted by the Commission over Mr Frolick’s as the view was held that Mr Frolick should not have engaged Mr Watson on the issue of Bosasa when he realised that he and Mr Khompela were attending a meeting at Bosasa under a false agenda.
2. the Commission found that through Mr Frolick’s own testimony he facilitated a meeting between Ms Smith and Bosasa officials at Parliament. After the meeting he had lunch with the officials from Bosasa. Mr Frolick could not offer an explanation why Mr Agrizzi would want to implicate him. That it was convenient for Mr Frolick to deny having received money as he was trying to avoid scrutiny. Mr Agrizzi however was already facing fraud and corruption charges.
3. the Commission’s findings that Mr Frolick’s long standing relationship with the “Watson” brothers meant that he had an interest to shield them. That the people who

provided affidavits to support Mr Frolick's version, such as Mr Khomphela and Mr Daniel Watson, only submitted confirmatory affidavits in relation to them and did not elaborate on the content of the meetings to verify Mr Frolick's version.

4. Mr Daniel Watson confirmed that the accommodation and travel arrangements were paid for by the Eastern Cape Rugby Union.

The Committee noted that the Report makes reference to item 4 of the 2014 Code and that the Commission may have erred in this regard as the Code was not in operation before 1 November 2014.

The Committee noted that the Schedule to the Joint Rules (the previous Code) does not have provisions that deal with conduct that covers some of the matters that relate to the alleged conduct dealt with in the Report, such as-

1. Trying to influence / or influencing a Chairperson of a Portfolio Committee to be bias toward a private entity that is contracted to provide goods and services to a government department;
2. Facilitating and arranging a meeting between the private entity and the Chairperson of the Portfolio Committee;
3. Intervening in litigation between a private entity and a government department.

In applying the provisions of the previous Code, the Committee found that the Member did not breach item 16 of the Schedule (Code of Conduct for Assembly and Permanent Council Members) to the 6th edition of the Joint Rules. Also that his directorship with the Eastern Province Rugby Union was disclosed. The accommodation for 21 and 22 August 2010 at O.R. International Airport that was paid for by Eastern Province Rugby was also disclosed. The Member therefore did not breach the Code.

REPORTED FOR INFORMATION

THE CO-CHAIRPERSONS OF THE JOINT COMMITTEE ON ETHICS AND MEMBERS' INTERESTS: BEKIZWE NKOSI AND LYDIA MOSHODI



3. 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 MOSEBENZIE ZWANE, MP

The Joint Committee on Ethics and Members' Interests having considered the complaint against Honourable Mosebenzie Zwane, MP, reports as follows.

INTRODUCTION

Mr Abdurrazack Achmat on behalf of, himself, Zukiswa Fokazi and #Unite Behind non-profit organisation, ("the Complainants") submitted a complaint to the Joint Committee on Ethics and Members' Interests ("JCEMI") concerning Honourable Mosebenzie Zwane, MP ("the Member"). The Office of the Registrar of Members' Interests received the complaint on 12 September 2022 for an alleged breach of the Code on Ethical Conduct and Members' Interests ("the Code").

SUMMARY OF THE COMPLAINT

The Complainant states as follows:

The Member held the position of Chairperson of the Portfolio Committee on Transport (PCOT). He also previously served in the Free State Legislature and as MEC for Agriculture.

The Member's unlawful conduct in the Gupta Family Vrede and Estina matter should disqualify him from Parliamentary membership. His stint as Minister of Minerals and Energy Affairs further exposed criminal conduct of the Gupta family. In his position as Chairperson of the PCOT he failed in the oversight of PRASA and the Minister of Transport.

The Member was not implicated in the State Capture Report section on PRASA. However, as he is the current Chairperson of the PCOT, his ethical conduct and capacity to arrest rot at PRASA is a crucial point for the Complainant. The Member has been implicated in corruptions and maladministration at ESKOM, while he was the Minister of Mineral Resources.

The Member should be investigated by the Committee and be removed from his position and disciplined accordingly.

The Complainant argues that the Member breached items has not abided by Items 4.1.1, 4.1.2, 4.1.3, 4.1.4 and 4.1.5 of the Code of Ethical Conduct and Disclosure of Members' Interests.

Item 4.1 of the Code provides as follows:

- “4.1 Members must:
- 4.1.1 abide 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; and”

SUMMARY OF RESPONSE BY THE MEMBER

The Member was given an opportunity to respond and responded as follows:

The Member indicated that the Complaint is not worth responding to. The Member indicated that the reference to the PRASA matters predates his tenure as Chairperson of the Portfolio Committee. The Member states that in 2015 he was the Minister of Minerals and Energy and he had nothing to do with PRASA. He became Chairperson of the PCOT in 2019. That the PCOT works on decision by majority in their oversight function and not in an individual capacity. Decisions by the PCOT cannot be attributed to one member of the PCOT.

The Member indicates that during his tenure as Chairperson of the PCOT, the PCOT conducted oversight visits on PRASA and other entities that fall under the Department of Transport such as the Park Station train station, Pretoria train station and Mamelodi train station. These train stations were identified as the problematic train stations because of their busy schedules and the incidents that are reported in these stations. The PCOT also engaged with commuters on trains. The oversight Report of the PCOT was given to the Director-General and the Minister of Transport. The PCOT requested a timeline from PRASA for the implementation of when the matters will be attended to.

COMMITTEE DELIBERATIONS

The Committee noted that the complaint focusses on three areas, namely-

1. the involvement by the Member in the Vrede and Estina dairy farm scandal in his capacity as the MEC in the Free State Province;
2. the Members' role as the Minister of Minerals and Energy and the recommendations in the Judicial Commission of Inquiry into State Capture Report (the Report); and
3. the Members' failure in his position as Chairperson of the PCOT to conduct oversight over PRASA and the Minister of Transport.

In respect of point 1 above, the Committee noted that the matter does not fall within the jurisdiction of the Committee as the Member was the MEC of the Free State province at the time and not a Member of Parliament.

In respect of point 2 above, the Committee noted that the Report makes different findings against the Member in his role as Minister of Minerals and Energy. The complaints by the Organisation Against Tax Abuse (OUTA), Hon Lorrimer, MP and the referral by the Speaker of the National Assembly addressed the issues raised in Part 4 Volume 3 (Eskom) of the Judicial Commission Inquiry into State Capture. The investigation by the Committee in respect of these complaints also extended into Part 4 Volume 4 (Eskom). The Committee noted that at the time when it considered the complaint, the complaints by OUTA, Hon Lorrimer, MP and the Speaker of the NA had already resulted in a finding of breach and the Committee Report was published on the Announcements, Tablings and Committee Reports (ATC). This aspect of the complaint was already dealt with by the Committee in other matters.

In respect of point 3 above, the Committee noted that the Member denied that he failed in his oversight role over PRASA as he attributed oversight to a committee function and not an individual function. Further, that the Member set out the oversight conducted by the PCOT in respect of certain train stations. The Committee accepted the explanation by the Member.

The Committee found that the complaint is unfounded in respect of the part of the complaint that refers to the oversight function of the Member.

REPORTED FOR INFORMATION

THE CO-CHAIRPERSONS OF THE JOINT COMMITTEE ON ETHICS AND MEMBERS' INTERESTS: BEKIZWE NKOSI AND LYDIA MOSHODI



4. REPORT OF THE JOINT COMMITTEE ON ETHICS AND MEMEBRS' INTERESTS ON THE ALLEGED CONTRAVENTION OF THE CODE OF ETHICAL CONDUCT AND DISCLOSURE OF MEMBERS' INTERESTS: HONOURABLE WINNIE NGWENYA, MP

The Joint Committee on Ethics and Members' Interests having considered the complaint against Honourable Winnie Ngwenya, MP, reports as follows.

INTRODUCTION

On 18 May 2022 the Chairperson of the NCOP, Honourable Masondo, MP referred Part 3 "Bosasa" of the Judicial Commission of Inquiry into State Capture Report ("the Report") concerning Honourable Winnie Ngwenya, MP, House Chairperson: Members Support and International Relations ("the Member") to the Joint Committee on Ethics and Members' Interests ("the Committee").

On 6 June 2022 the Committee resolved to process the referral by the Chairperson of the NCOP in terms of item 10. 2.2.3 of the Code of Ethical Conduct and Disclosure of Members' Interests ("the Code"). Item 10.2.2.3 provides as follows: "*The Committee acting on its own may consider any breach or alleged breach of the Code.*". The Member was duly notified and requested to provide written representations on the content on the Report.

SUMMARY OF THE COMPLAINT AS CONTAINED IN THE REPORT

BACKGROUND

The relevant part of the Report that relates to the Member is found in the context of Bosasa and its interaction with the Department of Corrections and the Portfolio Committee on Correctional Services. Certain parts of the testimony of Mr Agrizzi, Mr Dennis Bloem and Mr Vincent Smith refer to the Member.

Mr Dennis Bloem- Catering Contract

Mr Bloem testified that during his tenure as the Chairperson of the Portfolio Committee on Correctional Services for the period 2004 to 2009 he was concerned with the catering contract that was awarded to Boasa. He could not see the logic in the catering contract as the inmates cooked the food and the Department of Corrections had its own farms. Mr Bloem was very vocal about his dissatisfaction of the catering contract between the Department and Bosasa. Mr Agrizzi however stated that the catering contract resulted in

about 60 000 offenders being trained in the food industry with national accredited courses. Mr Agrizzi also believed that the catering contracts saved the Department money as they charged R10.55 per person per day as compared to another prison where the cost was R29.00 per person per day.

Mr Bloem stated that he tried to intervene through the Office of the Speaker of the NA at time, Mr Max Sisulu, to try and prevent the awarding of further contracts or extension of contracts to Bosasa. He also stated that his office at Parliament was burgled twice during 2004 and 2009 and documents were removed.

He said that Ms Winnie Ngwenya who was one of the committee members on the Portfolio Committee on Correctional Service visited him and told him that she was sent to him by the owners of Bosasa who wanted to meet with him. She then told him that there was "*inyuku*" (slang for money). He told her that he was not interested. He later realised that Ms Ngwenya was bias toward Bosasa and that she had no real concern for the Department of Correctional Services.

Mr Agrizzi- Meeting at hotel in Rivonia Road

Mr Agrizzi testified that around 2010/ 2011 he met with Mr Vincent Smith in Parliament. Thereafter, in 2011 he and Mr Gavin Watson met with Mr Smith, Seopela, Mr Magagula and Ms Ngwenya at a hotel in Rivonia Road. He indicated that it was this meeting that caused the turning point in Mr Smith's attitude towards Bosasa. It became clear to him during the course of the meeting that the other people in the meeting were members of the Portfolio Committee.

According to Mr Agrizzi it was agreed at this meeting that monthly Mr Smith would get R45 000 (forty-five thousand rand), Mr Magagula would get R30 000 (thirty thousand rand) and Ms Ngwenya would get R20 000 (twenty thousand rand).

Mr Agrizzi also testified that the Ms Ngwenya lived close to the Bosasa office and would frequently collect her payment there. The payments to Ms Ngwenya and Mr Magagula stopped when they stopped being members of the Portfolio Committee.

Mr Vincent Smith- Meeting at Sandton

Mr Smith denied ever meeting Ms Ngwenya outside of Parliament and stated that he never had a discussion with Mr Watson regarding the working relationship between Bosasa and the Department of Correctional Services.

In Summary the Member is alleged to have, tried to influence Mr Bloem, the Chairperson of the Portfolio Committee on Correctional Services to accept “bribe” money from Bosasa. To have acted in a favourable way toward Bosasa and in return accepting R20 000 a month as gratification for her favourable conduct toward Bosasa. Failed to act in good faith as a Member of Parliament on the Portfolio Committee on Correctional Services.

SUMMARY OF RESPONSE BY THE MEMBER

The Member was requested to provide a reply to the compliant. The Member responded 17 June 2022 as follows:

1. The Member denied that she told Mr Bloem that there is “money”. She also denied that she showed bias toward Bosasa.
2. The Member denied that she was paid cash on a monthly basis by Bosasa. She also denied that she collected money at the premises of Bosasa.
3. The Member denied that she was served with a Rule 3.3 notice by the Commission and that because she was not served with a Rule 3.3 notice, she did not file a rule 3.4 request to cross-examine Mr Bloem and Mr Agrizzi.
4. The Member states that the Commission violated the rules of natural justice when it failed to issue her with a notice.

FINDING IN THE REPORT

On pages 820 to 821 at paragraphs 1986 to 1989 the following finding is made:

1. The evidence implicating Ms Ngwenya in corrupt activities and in failing to discharge her duties as a Portfolio Committee member in good faith is unchallenged.
2. Ms Ngwenya did not make an application in terms of Rule 3.4 to cross-examine witnesses even though she was issued with a Rule 3.3 notice on 28 February 2019.
3. Her conduct constitutes the facilitation of the award of tenders in return for corrupt payments in breach of the Constitution (section 217 and 195), the provisions of the Code of Conduct for Members of the National Assembly and legislation (the PFMA- Public Finance Management Act 1 of 199 and PRECCA- Prevention and Combatting of Corrupt Activities Act, 12 of 2004).
4. As a Member of Parliament and a holder of public office her conduct falls squarely within ToR 1.4.
5. There is a prima facie case of a contravention of sections 3 and 7 of PRECCA and the matter is referred to the relevant authorities for investigation and prosecution accordingly.

THE CODE

The Code of Ethical Conduct and Disclosure of Members' Interests was adopted by the Houses on 29 July 2014 (NA) and 31 July 2014 (NCOP) and came into operation on 1 November 2014. The Code does not have retrospective effect.

The matters that are covered in the Report as it relates to the Member predates the coming into operation of the Code. The matters allegedly transpired during 2004 to 2009 (Mr Bloem and Mr Agrizzi) and 2010/2011 (Mr Smith).

This matter therefore falls to the Code as set out in the Schedule to the 6th edition of the Joint Rules, for determination. This code was applicable before the current 2014 Code.

THE SCHEDULE TO THE JOINT RULES – THE CODE

Part 3, item 16 of the Schedule to the Joint Rules provides as follows:

“A member breaches the Code if the Member

- (a) contravenes or fails to comply with the provisions of this Code;
- (b) when disclosing registrable interests, wilfully provides the Registrar with incorrect or misleading details.

Part 2, items 12 and 13 refer to declarations of private interests before a Committee and declarations of private interests when speaking to a Member of Cabinet. These provisions do not relate to the conduct as allegedly committed by the Member in terms of the Report.

In terms of item 17, the Committee may determine its own procedure when investigating and alleged breach but must at least hear the complainant and the member against whom the complaint is lodged.

PROCESS

The Committee extended an invitation to the Member so that they Member could be heard on the complaint. The Member addressed the Committee in person on 7 November 2022. After the address by the Member the matter stood over to a future meeting to afford the Committee members an opportunity to pose questions to the Members. The answer and question session took place on 12 June 2023.

The Member categorically denied the allegations against her. She indicated that she does not know why Mr Bloem implicated her in the Bosasa matter. She indicated that she never met Ms Smith at a hotel in Rivonia Road. She also indicated that she does not reside close to the Bosasa offices.

The Committee accepted the explanation by the Member and found that the Member did not breach the Code.

REPORTED FOR INFORMATION

THE CO-CHAIRPERSONS OF THE JOINT COMMITTEE ON ETHICS AND MEMBERS' INTERESTS: BEKIZWE NKOSI AND LYDIA MOSHODI