



ALF LEES MP

DA MEMBER OF THE STANDING COMMITTEE ON PUBLIC ACCOUNTS

Mr M C Ramaphosa
President of the Republic of South Africa
Union Buildings
Pretoria
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Email: malebo@presidency.gov.za

Dear President Ramaphosa

51% SAA SHAREHOLDING AWARD TO TAKATSO

I write this open letter to you not only in my capacity as a Member of Parliament who is charged with holding the Executive accountable, but also as a concerned citizen and taxpayer.

On the 11th of June 2021, Hon Pravin Gordhan, the Minister of Public Enterprises, publicly announced that the Takatso Consortium (Takatso) consisting of the Harith Group Partners (Harith) and Global Airways (Global) will be awarded a 51% shareholding in South African Airways (SAA). This announcement has raised many unanswered questions.

Whilst the Democratic Alliance welcomes the fact that on the surface the State is finally apparently giving up control over SAA, we have grave reservations given the lack of transparency regarding the details of the process followed to identify a beneficiary for the 51% shareholding as well the details of the MOU or agreement negotiated but apparently not yet entered into with Takatso. The absence of any signed MOU or agreement was announced by Minister Gordhan on the 11th of June 2021.

Given the history of the malfeasance of State Capture and, specifically, the long history of malfeasance at SAA and the bad way that various government ministers have handled the ownership and operations of the entity, I believe that there is an extensive breakdown in trust with South Africans with regard to the Government's handling of SAA. It is my view that any deal involving SAA will, by default, not be seen to be in the best interests of all South Africans and that such deal will be seen to yet again enrich a few well-connected individuals.

In order to ensure that there is the best possible opportunity for all South Africans to consider the wisdom of the agreed disposal of the 51% shareholding to Takatso, I believe that it is essential that the deal be made completely transparent. I have therefore written to Minister Gordhan – a copy of that letter is attached hereto – in an effort to obtain the details and substance of the processes followed, as well as of the substance of the proposed agreement for the disposal of the 51% shareholding in SAA.

My reason for writing to you is that I fear that my requests for information from Ministers Gordhan and Mboweni will not be responded to expeditiously, if at all. This is particularly true of Minister Gordhan who,

after some twelve weeks, has still not provided SCOPA with information that was requested during a SCOPA meeting on the 25th of March 2021 and in writing on the same day immediately after the SCOPA meeting.

I urge you that in the interests of the Constitutional injunction of transparent and inclusive governance that you ensure that your Ministers provide, without delay, the information that I have requested from them.

I sincerely hope that you will take my request very seriously and that you will act accordingly.

Yours faithfully,



R A Lees MP

CC:	Ms T R Modise, MP	Speaker of the National Assembly
	Mr D D Mabuza, MP	Leader of Government Business
	Mr P J Gordhan, MP	Minister of Public Enterprises
	Mr T T Mboweni, MP	Minister of Finance
	Mr J H Steenhuisen, MP	Leader of the Opposition
	Ms N W A Mazzone, MP	Chief Whip of the Opposition
	Mr G K Y Cachalia, MP	Member of Parliament for the Democratic Alliance serving on the Portfolio Committee on Public Enterprises
	Mr G G Hill-Lewis, MP	Member of Parliament for the Democratic Alliance serving on the Standing Committee on Finance