

2. Debate on Vote 8: National Treasury (M46)

Dr Mark Burke MP

House chairperson

The vote we're considering today includes details on a myriad of entities run by the National Treasury. But my speech – will focus on only one dis-organisation– the PIC.

I may not be able to filibuster. But I am able to use 12 minutes to take you through the chaos of the PIC.

Specifically their unlisted division. This is where pension fund money goes to get stolen, jobs go to get lost and looters go to eat.

So imagine the DA's shock, when during the Standing Committee on Finance's deliberations, the ANC called for an increase in spending on unlisted "investments" by the PIC.

Thanks to a written question submitted by the DA, we know the following. It's a moving target, but as of last year PIC has invested around R 67 billion in around 130 entities since its inception. It claims that this money has grown by 4,25 percent a year – even if that return is true, once you factor in inflation – there has been no growth. Pensioners have lost money on this investment like the ANC loses vote share.

We know that at least 78 investments have lost money. One in five have somehow lost all their money – as if it was kept under a couch and then "stolen".

Because I have 12 minutes. Because the ANC wants to increase unlisted spending. Because pensioners deserve to know what's happening. I will now take you through each and every one of these failures from smallest to largest.

First up, the Pan African Private Equity Fund III. The initial investment was R95,3 million in 2018. Current value is R94 million. Like a house in ANC run JHB, it's not kept up with inflation.

Then we have Hotdog Café, a R1,7 million Rand investment from 2013 that is worth nothing today.

IDF Innovation Fund. A R4,1 million investment made last year, which is now valued at R101 thousand Rand. Very innovative. That's like going from a Minister Social Development salary to being unemployed.

Africa 50 - a recent investment of R737 million. Most recent valuation is R4 million less.

Hlayisani. Another recent 54 million investment that has already lost over R6 million

Alzu Enterprises. A 6 million loss.

Rifuwo / Mathaholo. A R310 million investment made in 2023. Already down R7.3 million.

SA SME Venture Capital Fund. Invested R112 million last year. Already valued at R18 million less.

Convergence Partners Communications Infrastructure Fund. R391 million invested. Lost R22.7 million.

Sanari 3S Growth Fund. R197 million invested in 2023. Lost R29 million already.

Sakhumnotho Properties. R543 million invested. Lost R29 million.

Sun Edison. R34.5 million invested. Now worth R5.3 million. An R29 million loss.

Bambilli. R30 million invested as recently as 2023. Listed as worth R3 million. The PIC told us, but then sort of denied telling us that they invested R30 million in this experimental company without having done a bank feasibility study. That's like buying a used car without taking it for a test drive. Who shot Bambilli? We don't know.

RTT. R65 million invested. Now worth R36 million.

Southern Farms. R149 million invested. Lost R30 million.

Mahlako. R377 million invested in 2023. Lost R34 million.

Enable Capital. R50 million invested in 2024. Now worth R8.4 million. It was a scam not an investment

BPCC. R444 million invested. Lost R42 million.

Magae Makhaya. R43 million invested. Now worth nothing.

Africa Food Security Fund. R198 million invested. Lost R50 million. I think the security part is supposed to be ironic.

Just Veggies. R81 million invested. Now worth R26 million.

Kilken-Imbani. R88 million invested. Lost R56 million.

LA Crushers. R59 million invested. Now worth nothing.

Tshwane Mall. R254 million invested. Lost R59 million. The biggest loss we've seen in Tshwane until the ANC's next election results.

ZAR X. R68 million invested. Now worth nothing.

YALU. R75 million invested. Now worth nothing.

Oceans Hotel - R90 million loss

Kathu Solar Park. R90 million evaporated.

Mazwe Financial Services. R104 million invested. Now worth R2.4 million.

Before I go on, it's worth noting that the PIC will push back against this list. They will say that a lot of these losses are state capture era losses. Except on this list we have around 15 investments where money was put in after 2022. That's not historic.

The Johannesburg Housing Company. R151 million invested, R103 million lost.

Ekuzeni. R118 million invested. Now worth nothing.

Bokpoort. R243 million invested. Lost R126 million.

Lanseria Airport. R778 million invested. Lost R129 million. Interestingly, the PIC's current CEO was a board member in Lanseria before he became the PIC CEO.

Madibeng. R348 million invested. Lost R130 million.

The South African Workforce Housing Fund. R142 million invested. Current value: R422 thousand.

Kelvin Power. R143 million invested. Now worth nothing.

Zamalwandle Transport Logistics. R152 million invested. Now worth nothing.

TRAC N4. R441 million invested. Lost R161 million. I know a lot of these names sound like something a celebrity may give to his or her children, but I promise you they're real scams, I mean investments.

Philiafrica. R175 million invested. Now worth nothing.

TUHF. R318 million invested. Lost R178 million. Tuff luck

Touwsriver. R346 million invested. Lost R185 million.

AMALOOLOO. R188 million invested. Now worth nothing. Money down the AmaToilet.

West Africa Emerging Markets Growth Fund. R251 million invested. Lost R189 million.

Futuregrowth Agri-Fund. R200 million invested. Now worth nothing.

Vantage Mezzanine. R228 million invested. Lost R205 million.

Grobank. R304 million invested. Lost R208 million.

MEDU III. R256 million invested. Now worth R38.5 million.

Project Dodo. R575 million invested and then R245 million went extinct.

The SA Toll Road Company. R376 million invested. Toll-toll loss of R247 million.

Concor. R378 million invested. Lost R271 million.

Before I continue. The ANC's argument about why we need more unlisted investments is because it creates more jobs. My question to this house is how many jobs have been lost by the PIC investing in these scams?

Kleoss. Lost R277 million.

The Schools and Education Impact Fund. R685 million invested. Lost R284 million.

Kansai Plascon. R316 million invested. Now worth nothing.

S&S Refinery. R357 million – down the drain

Educor Property Holdings. R400 million invested and then lost.

The Housing Impact Fund. R879 million invested. Lost R406 million. Not the impact they were hoping for.

Musa Capital. R450 million invested. R450 lost

S&S Oil Refinery. R456 million. Now worth nothing.

Ethos Private Equity. R741 million invested in 2013. Lost R543 million.

Venda Building Society a combined: R592 million invested currently worth nothing. Although I think some of that money may have not gone very far from these buildings. Something we can discuss in a coffee shop perhaps.

Neoma Africa Fund III. R721 million invested. Now worth R66 million. The PIC lost R655 million. You might say they're Finding Neoma.

Export Trading Group — R772 million gone

Allied Holdings. R773 million invested. Now worth nothing.

Daybreak Farms. R846 million thrown away.

Independent News and Media. R949 million invested. Now worth nothing.

Finally, we move to the elephants. The billion Rand losses.

Smile Communications. R1.2 billion invested. Now worth nothing. That's one way of turning a smile into a frown

African Bank. R2.5 billion invested. Now worth R1.3 billion. A R1.2 billion loss.

The SA Mortgage Fund. R9.8 billion invested. Lost R4.3 billion.

Bayport Total invested across three rounds: R5.65 billion. Current value: R814 million. Loss: R4.84 billion.

Belelani. R5.65 billion invested. Now worth nothing. And the largest single loss of all. Sub-Saharan Industrial Holdings — SSIH. R10 billion invested. Most of that lost in an investment into AfriSam, the cement manufacturer. Current value: zero.

To put that into perspective a Sudanese businessman could have bought over 25 000 substandard buffalo for that price but never had them delivered.

This problem is not going away. The turn around and value add unit at the PIC. The unit that is meant to deal with these broken investments is undercapacitated.

Each year the PIC seems to bring another questionable investment, another compromised official and another year where government pensioners receive tiny pension increases.

We will not stop using this vote and this house to hold the PIC to account.