



MINISTRY OF FINANCE
REPUBLIC OF SOUTH AFRICA

MEDIA STATEMENT

DEPUTY MINISTER SFISO BUTHELEZI WAS NEVER CONFLICTED IN PRASA TENDERS

Deputy Minister Sfiso Buthelezi has noted with utter dismay and deep disappointment a news report published by News24.com that insinuates that he improperly benefited from PRASA tenders. The office of the Deputy Minister cooperated fully with the reporter, Mr Pieter-Louis Myburgh, and provided him with all the necessary clarifications to show that a conflict of interest situation never arose during his tenure as Chairperson of the PRASA Board.

Given the comprehensive responses provided by the Deputy Minister, it is with complete shock that he notes the tenor and slant of the article that was published by News24 on 05 June 2017. The Deputy Minister would like to once again reiterate and place it on the record that he has never used his position as chairperson of the PRASA board to influence procurement decisions in favour of any company associated with him or his family.

All organisations that the Deputy Minister has served have sound Conflict of Interest policies that are meant to prevent the decision makers from influencing the outcome of transactions in a manner that leads to undue benefit for themselves or their connected persons.

In line with the Conflict of Interest Policies of the boards and organizations that the Deputy Minister has served, he has always annually or biannually, in line with the policies, declared all companies where he was a director or shareholder. Secondly,





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all meetings have a standing agenda which calls for declaration of interest on the matters appearing on the agenda that day. If anything comes up, where a participant in the meeting sees something that may conflict him/her, there he/she must declare it. The meeting decides whether you continue in the meeting or not. Whenever the conflict is seen as material, the conflicted party would be recused from such decisions.

In his response to the specific enquiries by Mr Pieter-Louis Myburgh on perceived conflict of interest while he served on PRASA's board, the Deputy Minister clarified as follows:

1. I was never the COO or Executive director of Sebenza
2. I was a non-executive director at some stage at Sebenza and an executive at Makana (you may contact those entities for records of dates).
3. I am one of 15 beneficiaries of Mboneni Trust, which is a 14.5% shareholder of Autshumatu
4. I am also one of 9 shareholders of Sihayo Investments, which is a 22.5% shareholder in Autshumatu
5. Autshumatu owns 18.5% of Makana investments Corporation
6. Makana owns 55% of Sebenza
7. I was never in a meeting that decided to award any work to Sebenza by PRASA
8. I never influenced any decision to award work to Sebenza
9. I received no personal gratification from any of the entities you have mentioned in your questions (Sebenza, Swifambo, Inala) in relation to any contracts they have had with PRASA directly or indirectly
10. I played no role in the business relationships or transactions between PRASA, Swifambo, Sebenza or Inala





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Deputy Minister Buthelezi has always performed his duties, within both the public and private sector, with the utmost integrity. He continues to uphold the same propriety and integrity in his current capacity as Deputy Minister of Finance.

“As someone who has served as executive and non-executive director in different media institutions such as Kaya FM, Igagasi FM and Heart 104 FM, I am a firm believer in media freedom. I believe that the media should be given the necessary space and cooperation to do its work without fear or favour. On the other hand, the media has the responsibility to ensure that their reports are presented in a truthful manner. Facts should not be deliberately twisted to create sensation,” said Deputy Minister Buthelezi.

For media enquiries, please contact Mayihlome Tshwete on 072 869 2477.

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