

NATIONAL ASSEMBLY
QUESTION FOR ORAL REPLY
QUESTION NUMBER: 149 [NO2358E]
DATE OF PUBLICATION: 1 JUNE 2015

★149. Mr D C Ross (DA) to ask the Minister of Finance:

Whether the National Treasury has identified which non-strategic state assets will be disposed of to firm up the balance sheets of flailing state-owned enterprises, as announced in the Medium-Term Budget Policy Statement on 22 October 2014; if not, (a) why has the process not been concluded and (b) when is it expected to (i) be concluded and (ii) be publicised; if so, (aa) which non-strategic assets will be disposed of, (bb) what process was followed to identify them and (cc) what amount is expected to be raised in the sale of such assets?

NO2358E

REPLY:

During October 2014, the National Treasury held a market sounding where financial institutions, primarily banks, were invited to present their ideas around strategies for funding the allocation to Eskom through the sale of non-strategic government assets. A wide range of assets were identified which included the sale of listed shareholdings held directly by government, the sale of listed stakes held indirectly by government mainly through Development Finance Institutions (DFIs), the sale of government's unlisted shareholdings in state owned companies (SOCs) or their subsidiaries, the ring-fencing and sale of assets held by SOCs and the sale of other assets, such as property owned by the state. National Treasury reviewed all the proposals to determine the most viable option for disposing of R23 billion of non-strategic assets to fund the allocation to Eskom. Once a sale has been concluded the details of non-strategic assets sold, the process followed to identify them and the amount raised through the sale will be publicized.