

NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NUMBER: 266 [NW270E]

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266. Mr H B Holomisa (UDM) to ask the Minister of Finance:

- (1) (a) What is the structural nature of the relationship between the Public Investment Corporation (PIC) and a certain company (name furnished) and (b) was the relationship between the PIC and the specified company established before or after a certain person (name furnished) left the PIC and was publicly reported as the chief executive officer of the specified company;
- (2) what (a) was the original purpose of the relationship between the PIC and the specified company and (b) were the terms of the relationship;
- (3) whether the specified company is a public company; if so, (a)(i) what are the amounts invested in the company and (ii) what are the terms of the relationship between the specified company and the PIC and (b)(i) how are the board members of the specified company appointed and (ii) who are the current members of the board;
- (4) does the PIC hold any shares in the specified company; if so, what are the relevant details;
- (5) (a) what has been paid by the specified company as a return of investment or performance gains to the Government Employees Pension Fund (GEPF) through PIC and (b) are there any current and or future plans to further invest in the specified company; if so what are the relevant details?

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REPLY:

I am informed by the Public Investment Corporation (PIC) that:

- (1)(a) The certain company is an associate of the PIC and it is a company where the PIC has influence but it has no control over the financial and operating policies of the certain company (Page 115; Note 5 of the Financial Statements as published in the PIC's Integrated Annual Report 2015).
- (1)(b) The relationship was established prior to certain person leaving the PIC. The Pan African Infrastructure Development Fund (PAIDF) was initiated during the 2005/06 financial year when certain person was Head of Corporate Finance and Isibaya Fund at the PIC (Page 29 of the PIC's Annual Report 2006). Certain person was seconded by the PIC to head the PAIDF. During the 2007/08 financial year, the PIC established a management company; certain company Fund Managers, to oversee the PAIDF investments (Page 7 of the PIC's Annual Report 2008) and certain person later became the CEO of certain company Fund Managers.

- (2)(a) The PAIDF was established in the 2005/06 financial year to focus on infrastructure investments on the African continent (Page 4; 8 and 29 of PIC's Annual Report 2006).
- (2)(b) Certain company Fund Managers was established as a PIC associate in the 2007/08 financial year to oversee PAIDF investments (Page 7 of the PIC's Annual Report 2008).
- (3) The company is not a public company (Page 115; Paragraph 5 of the PIC's Integrated Annual Report 2015)
The rest of the question falls away.
- (4) The PIC has a 46% shareholding in certain company Fund Managers and a 30% shareholding in certain company General Partners (Page 96; Paragraph 6 of the PIC's Integrated Annual Report 2015).
- (5)(a) The PAIDF(l) is a 15 years Fund that matures in 2022. All investors, including GEPPF, will realize value at maturity in line with the Fund Terms.
- (5)(b) For purposes of confidentiality the PIC cannot disclose details on any future transactions.