

**NATIONAL ASSEMBLY
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER: 475 [NW542E]
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475. Adv A de W Alberts (FF Plus) to ask the Minister of Finance:†

(1) What are the (a) names of the persons he recently appointed as directors at the Public Investment Corporation (PIC) and (b) reasons for the choices he made with these appointments;

(2) why did the two newly appointed members request that a certain person's (name furnished) explanation and evidence regarding the allegations against the specified person should be verified further;

(3) whether these two members had submitted proposals to the board that the PIC should make more investments in state-owned enterprises; if not, what recommendations were made by the two directors regarding investments by the PIC; if so, (a) why and (b) what was the basis for the proposals?

NW542E]

REPLY:

(1)(a) Former Minister of Finance, Malusi Gigaba, appointed the following members to the Board of the PIC:

- Mr Sfiso Buthelezi – Former Chairman of the Board – 1 April 2017
- Dr Xolani Makhwanazi – Deputy Chairman – 1 August 2017
- Ms Mathukana Mokoka – Non-Executive Director – 1 August 2017

On 23 April 2018, Cabinet approved the appointment of the current Deputy Minister of Finance, Mr Mondli Gungubele, as Chairman of the PIC Board.

(1)(b) Messrs Buthelezi and Gungubele were appointed, *ex officio*, in their capacity as Deputy Minister of Finance. Dr Mkhwanazi and Ms Mokoka were appointed on the grounds of their qualifications and skills as business leaders and experienced board members. Dr Mkhwanazi studied Mathematics and Physics and holds a PhD degree. He serves on various boards and is a former Executive Chairman of BHP Billiton Southern Africa. Ms Mokoka is a qualified Chartered Accountant (CA) and she has sound public and private sector board experience.

(2) The request to verify certain information was a collective Board decision. The Board previously issued two media statements in this regard. On 15 September 2017, the Board stated in its statement that: *“The CEO provided detailed documentary evidence of the decisions made by the PIC and that the process*

followed was in accordance with all policies, procedures and delegation of authority of the PIC. Following the deliberation by the Board on the allegations and representations, the Board accepted the representations of the CEO. For completeness of the process and for its final assurance, the Board mandated the Internal Audit division of the PIC to independently review the representations made by the CEO.”

In a second statement, issued on 29 September 2017, the Board said it had “met to receive feedback from Internal Audit division with regards to the allegations against the CEO, Dr Daniel Matjila. The Board fully applied its mind to the report presented by Internal Audit and confirms its satisfaction with the report. The Board has concluded that the allegations were baseless and that Dr Matjila is cleared of any wrongdoing.”

- (3) None of the PIC Board Members had submitted proposals to the Board that the PIC should make more investments in state-owned enterprises. All the investments undertaken by the PIC are guided by the mandates from its clients to ensure that the clients' investment objectives are realised.