



EFF CONDEMNS THE FAILURE OF STATE-OWNED ENTERPRISES AND INSTITUTIONS TO SUBMIT ANNUAL FINANCIAL STATEMENTS

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The Economic Freedom Fighters (EFF) condemns in the strongest terms the repeated failure of several state-owned enterprises (SOE's) to submit their annual financial statements as required by law. It is a clear demonstration of incompetence, mismanagement, and a lack of accountability within these entities at the behest of Pravin Gordhan as the Minister of Public Enterprises, which ultimately results in a lack of transparency and undermines public trust.

The following SOE's, namely, ESKOM, South African Airways (SAA), Denel, and Alexkor along with the UIF, the Compensation Fund, and the National Student Financial Aid Scheme (NSFAS) have missed the deadline to file their annual financial statements in Parliament. This failure is in direct violation of the Public Finance Management Act (PFMA), which clearly stipulates the deadline for these submissions.

It is deeply concerning that ESKOM, a critical state-owned entity responsible for the country's power supply, has failed to finalise its accounts on time. The admission that there are questions raised by the Auditor-General and that the PFMA audit has not been completed is a clear indication of mismanagement within the organisation. The fact that ESKOM has not submitted its financial statements, while there are still lingering allegations of criminal cartels controlling procurement within ESKOM, is a cause for concern.

The people of South Africa would do well to remember that on the 23rd of March 2023, the ruling ANC used its majority in Parliament to vote against the establishment of an inquiry into corruption at ESKOM. Shortly after this, Treasury attempted to grant ESKOM an inexplicable and palpably corrupt exemption from disclosing financial

information that related to irregular, fruitless and wasteful expenditure in its financial statements.

The current failure to disclose financial statements by ESKOM under the instructions of Pravin Gordhan, is therefore a pattern that is guided and controlled by the ruling party, ostensibly to hide large-scale corruption at the entity, which has contributed to our nation's energy crisis.

Additionally, SAA's failure to submit annual financial statements for five years is unacceptable, and the excuse that the accounts may only be finalised after audits for the previous five years are completed is simply outrageous. We should note here, how SAA was sold at a massive under-valuation of its assets to one Takatso Consortium, a financial transaction that is clouded by corruption and an irregular selection of the so-called "strategic" equity partner.

Further, Denel's three-year delay in publishing its accounts and Alexkor's one-year delay also highlights the consistent mismanagement of SOE's by Minister of Public Enterprises, Pravin Gordhan.

The National Student Financial Aid Scheme (NSFAS), which plays a vital role in providing financial aid to students, has also been plagued by incredible mismanagement and bad leadership under the Minister of Higher Education, Science, and Innovation Blade Nzimande who has shown on many occasions, his pure disdain for students.

The delay in submitting financial statements until the end of March 2024 is unacceptable and puts the future of countless students in jeopardy. This delay comes amidst chronic delays in the disbursement of student funding, and the temporary placing on leave of the CEO of NSFAS, under the guise of an investigation into the emerging direct payments system into students accounts.

For far too long Blade Nzimande has presided over a corrupt and factionalised Higher Education Department, within which he has amassed a patronage network that thrives

of administrative instability, and task-teams and commissions that never complete their mandate.

As things stand, Nzimande is sitting on the Yunus Ballim Report, which was set up in 2020 to probe the business processes, systems and capacity of NSFAS. The failure to submit financial statements points to the importance of a report of this nature, that a corrupt and incompetent Minister simply refuses to release.

It is also important to highlight that the UIF and the Compensation Fund, responsible for safeguarding the rights and interests of workers, are also more than a year behind in submitting their annual accounts. This not only raises concerns about their financial stability but also undermines the welfare of employees who rely on these funds.

South Africa cannot afford to have critical state entities and funds operating without transparency and accountability. This failure to meet basic financial reporting requirements undermines the principles of good governance and erodes public confidence in these institutions, a clear intention of the ANC's collective leadership.

South Africa's citizens deserve better, and it is time to empower a political party that demonstrates responsible and decisive leadership while upholding accountability to the people. In the 2024 National and Provincial Elections the people of South Africa must vote for the EFF for transparent, corrupt free, and stable governance!

ISSUED BY THE ECONOMIC FREEDOM FIGHTERS

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