



EFF STATEMENT FOLLOWING THE MEETING WITH MINISTER OF HIGHER EDUCATION AND NSFAS ON THE STATE OF READINESS AHEAD OF THE 2024 ACADEMIC YEAR

Tuesday, 23 January 2024

The Economic Freedom Fighters (EFF) held a meeting with the Minister of Higher Education, Science and Technology Blade Nzimande, and the National Student Financial Aid Scheme (NSFAS) Board on the 23 of January 2024 to assess the Department's state of readiness ahead of the 2024 academic year. The EFF delegation was led by Deputy President Floyd Shivambu and included the National Chairperson Veronica Mente, Members of Parliament Sinawo Thambo, Mandla Shikwambana, adv Busisiwe Mkhwebane, Mzwanele Manyi, Naledi Chirwa as well as the EFF Students Command President Sihle Lonzi, and Secretary General Khanya Bhungane.

The meeting, which was held following a request by the EFF for accountability on issues pertaining to student funding and an appraisal on the readiness to reopen institutions, revealed insight into critical issues confronting the sector that require coherent institutional and systemic planning, to avoid the perennial protests that characterize the sector and result in the disadvantaging of thousands of poor and needy students.

We as the EFF believe that of the 23rd of February 2024, the Department of Higher Education and NSFAS are not adequately prepared to receive thousands of students who are expected to commence the 2024 academic year in the next few weeks. The department has however committed to give the leadership of the EFF a comprehensive presentation on readiness before the end of January 2024 which is before the end of next week.

Of particular concern, was the issue of the capacity to disburse student allowances, and the continuing impasse that has come as a result of the irregular appointment of four service providers for direct payments as found by the forensic report compiled by Werksmans Attorneys. According to this report, contracts with the four service providers, namely eZaga Holdings, Noracco Corporation, Tenet Technology, and Coinvest ought to be cancelled, due to their irregular appointment.

It is of a major concern that to date, this specific recommendation has not been implemented, yet as things stand, NSFAS does not have a CEO or a board Chairperson, due to the purported nefarious links these companies have with these respective individuals. It is only today that there has been a confirmation that indeed a law firm has been appointed by NSFAS to implement the recommendations of the Werksmans report, which includes the cancellation of the contracts of the four service providers.

There seems to be no concrete contingency plan as to how student allowance disbursements will be made to students for the 2024 academic year, as NSFAS, according to the Minister is not bound by the recommendations of the report, and has to go to court to terminate the contracts of the irregularly appointed service providers. This essentially means that the four service providers still have their contracts intact despite the adverse findings against them, which have been adopted by NSFAS.

In this meeting, the Minister of Higher Education, Science and Technology Blade Nzimande, including the Acting NSFAS Board Chairperson Lourens Van Staden alluded to the possibility of institutions of higher learning being given the responsibility of disbursing student allowances, until such a point a coherent and legally sound direct payment system is established.

As the EFF, we categorically reject this proposition as irresponsible, considering the history of corruption and incapacity, that resulted in the centralization of NSFAS disbursements in the first place, and view it as a possible means to establish a mechanism of utilizing student funds for purposes of elections by the ruling party.

In a Report of the Ministerial Committee on the Review of the National Student Financial Aid Scheme formulated in 2012, the Committee found that, “The processing of NSFAS loan applications by financial aid officers employed by and therefore accountable to institutions has some advantages in that financial aid offices act as a one-stop shop to which students may apply for all types of financial aid and not just NSFAS loans. However, the disadvantage is that NSFAS does not have a direct relationship with the students to whom it lends money and students do not have direct contact with the entity from which they borrow tens, or even hundreds, of thousands of rands. NSFAS also has no control over financial aid officers as they are employed by HEIs (Higher Education Institutions) and not NSFAS.”

In addition to this, it must be of great concern that these university employed officials who presided over the financial aid of students when this report was compiled, misused their handling of student funding to practice corruption, sell funding allocations and failed to return funding allocations that were not claimed by students after over-allocation in comparison to final registration data.

To decentralise student funding haphazardly, when institutions do not have the necessary audit capacity and financial administration systems in place to handle millions of rands in disbursements to students, is a recipe for disaster.

In a higher education environment where people like the Premier of the Eastern Cape Oscar Mabuyane can purchase a degree, the surrendering of student funding to unaccountable university employees, is to sacrifice the money of students to the coffers of the corrupt ANC.

Additionally, the meeting engaged around the availability of academic places for those who have recently matriculated and posed questions around the availability of student accommodation for returning and prospective students, and the quality of accommodation that will be accredited and provided to students.

It was agreed that a comprehensive report back meeting will be held between the Department, NSFAS and the EFF, to report in detail around all the matters of concern which were raised before the end of January 2024. The highest priority of this meeting

must be a logical, comprehensive, and legally sound mechanism to pay outstanding student allowances and the allowances for students for the 2024 academic year.

The EFF is committed to ensuring that corruption is uprooted in the Higher Education sphere, and that all students have access to education, and that no student is denied access to tertiary education due to lack of affordability, or has their dignity denied due to a lack of accommodation.

ISSUED BY THE ECONOMIC FREEDOM FIGHTERS

Sinawo Thambo (National Spokesperson) 072 629 7422

Leigh-Ann Mathys (National Spokesperson) 082 304 7572

✉ communications@effonline.org

🌐 <http://www.effonline.org>

✂ @EFFSouthAfrica

📷 @EFFSouthAfrica

📘 Economic Freedom Fighters