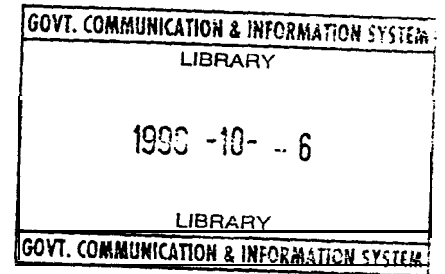


REPUBLIC OF SOUTH AFRICA

**PORTFOLIO COMMITTEE AMENDMENTS
TO
NATIONAL EMPOWERMENT
FUND BILL**

[B 121—98]



(As agreed to by the Portfolio Committee on Trade and Industry (National Assembly))

[B 121A—98]

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AMENDMENTS AGREED TO

NATIONAL EMPOWERMENT FUND BILL
[B 121-98]

PREAMBLE

1. In the third paragraph, in the second line, after “the” to insert “broader economic”.
2. In the third paragraph, in the second line, after “ownership”, to omit “of income generating assets”.

CLAUSE 1

1. On page 2, in line 6, to omit “wholly or partially owned by” and after “Owned”, to insert “Commercial”.
2. On page 2, in line 8, after “or” to insert “any other”.
3. On page 2, in line 9, to omit “donate or”.
4. On page 2, in line 12, to omit subparagraph (iv).
5. On page 2, in line 14, to omit “to” and to insert “of”.
6. On page 2, in line 15, after “other”, to insert “categories of”, and after “trustees,” to insert “, consultation with the Minister,”.
7. On page 3, in line 5, after “parent.”, to insert “siblings,” and after “child” to insert “, including adopted child,”.
8. On page 3, in line 16, after “Owned”, to insert “commercial”.
9. On page 3, in line 19, to omit paragraph (k).
10. On page 3, in line 21, after “Owned”, to insert “Commercial”.

CLAUSE 3

1. On page 3, in line 33, to omit “are to” and to insert:

is to facilitate the redressing of economic inequality which resulted from the past unfair discrimination against historically disadvantaged persons by—
2. On page 3, in line 34, to omit “provide” to insert “providing”.
3. On Page 3, in line 35, after “Owned”, to insert “Commercial”, and after “Enterprises” to insert “that are being restructured”.
4. On page 3, in line 36, to omit “(b)”, and to substitute “(d)”, and to omit “promote”, and to insert “promoting”.
5. On page 3, in line 38, to omit “(e)” and to substitute “(b)”, to omit “encourage” and to insert “encouraging”, and after “and” to omit “promote” and to insert “-promoting”.

(e) The President must thereafter make appointments from the candidates recommended by the Minister, and appoint one of the candidates as the chairperson of the Board.

(f) The administrative work necessary for compliance with section 2 must be performed by officers within the Department of the Minister.

(4) (a) The additional trustees must be appointed by the Minister on the recommendation of the trustees.

(b) The procedure for the appointment of additional trustees must be as follows:

(i) The trustees appointed in terms of subsection (1) must as soon as practicable after taking office recommend to the Minister, from the management team, for appointment as additional trustees such other persons as they may nominate having regard to the provisions of section 6.

(ii) The Minister must appoint the additional trustees from the names so submitted.

(iii) The trustees so appointed will be the executive members of the Trust.

(5) Where a vacancy in the office of the Trust occurs the procedure referred to in subsections (3) and (-1) must, with the 'necessary changes. apply.

CLAUSE 9

1. On page 5. from line 24. to omit subparagraphs (b) to (d) and to substitute:

(b) Four of the trustees appointed in terms of section 8(1). must vacate office every two years.

(c) The remaining trustees appointed in terms of section 8(1) must vacate office two years later.

(d) The term of office of additional trustees will run concurrently with their term of employment, which term of office will be prescribed by regulations.

2. On page 5, from line 38, to omit paragraphs (5) and (6) and to substitute:

(5) A trustee may at the expiry of his or her term of office be eligible for reappointment for not more than one additional term of office.

(6) The trustees appointed in terms of section 8(1) are engaged on a non-executive basis and the trustees appointed in terms of section 8(4) are engaged on an executive basis for the daily management of the office of the Trust.

CLAUSE 10

1. On page 5, in line 45, to omit "offices" and to substitute "service".
2. On page 5, in line 47, to omit "of the Minister with the concurrence"

CLAUSE 13

1. On page 6. in line 23, after "time," to insert "within reasonable notice".
2. On page 6, in line 36. to omit "must have a casting vote" and to insert:
must exercise a casting vote. but only in consultation with the Minister

CLAUSE 20

1. On page 8, from line 51, to omit paragraph *(b)* and to substitute:
 - (b)* annually, within six months from the end of each financial year, furnish the Minister with a consolidated report with regard to the functions, affairs, activities and financial position of the Trust during that financial year and provide a statement of the progress achieved towards realization of the purposes of this Act in that financial year.

CLAUSE 21

1. On page 9, in line 6, to omit “(1)”.
2. On page 9, in line 7, to omit “directions” and to insert “directives”.
3. On page 9, in line 8, to omit “and”.
4. On page 9, after line 10, to insert:
 - (c)* the objects of the Trust as defined in section 3,
5. On page 9, from line 15, to omit subsection (2).

CLAUSE 22

1. On page 9, in line 26, after “Owned” to insert “Commercial”.

CLAUSE 23

1. On page 9, from line 36, to omit paragraph *(a)* and to substitute:
 - (a)* The Trust may purchase or acquire shares in State Owned Commercial Enterprises, as such shares may be offered to the Trust by the State, on such terms and conditions as may be determined by the Minister in consultation with the Ministers in charge, having regard to the recommendations of the trustees,
 - (b)* The Minister *is* authorised to determine or agree to a price for the shares which price may be less than the market related price of the shares.
2. On page 9, from line 42, to omit paragraph *(b)*.
3. On page 9, in line 50, to omit “in any way deal”.
4. On page 9, in line 52, to omit “the shareholders” and to insert “any” and after “shares”, to insert “in question”.

CLAUSE 24

1. On page 10, in line 5, to omit “third party” and to insert “strategic equity partner”.
2. On page 10, in line 6, to omit “must” and to insert “will” and to omit “51” and to insert “70”.