

Cabinet Statement



Cabinet met on Friday, 13 December 2019 at the Union Buildings in Pretoria

1. ISSUES IN THE ENVIRONMENT

- **Eskom**
- Cabinet fully supports all efforts meant to ensure electricity supply certainty in our country. In this regard, Cabinet has mandated Public Enterprises Minister Pravin Gordhan to negotiate with the Eskom Chief Executive Officer, Mr Andre de Ruyter, to commence his duties earlier than the set date.
- Mr de Ruyter together with his management team will immediately deal with the concerning issues of governance, lack of financial management as well as stabilize the operations of Eskom. This includes dealing with the huge backlog of maintenance of the aging fleet of their power stations and the structural defects in Medupi and Kusile power stations.
- Resuscitation of the Energy War Room to deal with any challenges to our energy supply in the country;
- ✓ Deputy President David Mabuza (Convenor);
- ✓ Finance Minister Tito Mboweni;
- ✓ Minerals and Energy Minister Gwede Mantashe; and
- ✓ Minister Gordhan.

confident that this intervention will assist in repositioning the national airline into a stronger, competitive entity that with time will gain the confidence of all South Africans and attract equity partners.

- Cabinet has welcomed the appointment of the Business Rescue Practitioner, Mr Les Mafuson, from the Mafuson Associates. He will work with the Black Partners that will be announced in due course.
- The SAA will receive an additional R2 billion in financial assistance from government to contribute towards the radical restructuring of the airline. Also, the existing SAA lenders will provide an additional R2 billion.
- Cabinet is confident that this intervention will restore the reputation of the airline and prevent the collapse which would have had a negative impact on passengers, suppliers and other partners in the aviation sector and importantly, the workforce.
- Minister Gordhan will report progress regarding this Business Rescue intervention to Cabinet on a regular basis.

multidisciplinary intervention through the National Disaster Management Centre to respond to the devastation caused by these floods.

- Cabinet welcomes the support of various organisations in providing rapid relief efforts. The evacuation of people from buildings and relocation of people who were displaced in community halls and churches displayed a true spirit of Ubuntu (Humanity).

- Cabinet calls on the public to listen to alerts and tips on severe weather conditions.

- Fast-moving flood water is life threatening and drivers and pedestrians are urged to be extremely careful and to completely avoid using routes which have been flooded.
- Residents who live below the flood line of rivers and dams are warned to be cautious and move to safer areas at the earliest sign of flooding. Do not put your life at risk by swimming in dams and rivers during heavy rains.

- **Festive Season**
- Cabinet wishes all South Africans a safe and prosperous Festive Season. As South Africans we must continue showing Ubuntu to fellow South Africans and our visitors during this period of merriment.

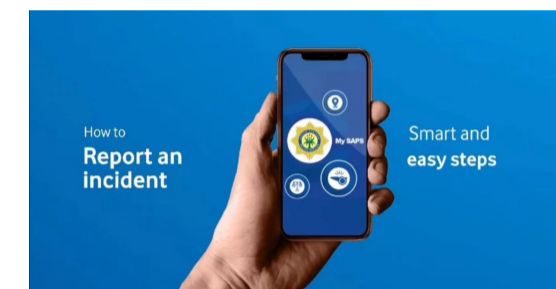
- Cabinet calls on all South Africans to observe the rules of the road as they make their way to their holiday destinations and throughout the Festive Season. The responsibility to reduce the carnage on the roads lies with every one of us. Responsible behaviour on the road includes no drinking and driving, driving within the speed limits and being considerate for other road users, including pedestrians. Let us work together to save lives #LiveBeyondDezema, #Arrive Alive.

- Government's "Safer Festive Season Operations" has already started with the South African Police Service (SAPS) out in force during this period. Citizens are encouraged to use the MySAPS mobile App, which is the first of its kind on the African continent.

- The new App allows citizens to interact with law-enforcement officials more effectively by providing tip-offs anonymously, finding nearest police stations and facilities, and allowing a victim of crime to send messages instantly during an emergency.

- Cabinet also appeals to parents and guardians to ensure that children are not left unattended during this time.
- Cabinet encourages South Africans to take a Sho't Left by visiting local

attractions and support domestic events. The use of registered tour operators or tourist guides will ensure safety and enhance travel experiences. Details of registered tourist guides can be found on the various Provincial Tourism Office websites.



2019 National Senior Certificate (NSC) Examination results

- Cabinet thanks teachers, learners and parents for working with government to ensure the successful conclusion of the 2019 NSC Examinations.
- **Date of results release:** Evening of 7 January 2020
- **Access to results:** Website of the Department of Basic Education (www.education.gov.za) or register via SMS by sending ID number and Exam number to 35658 to get results.



2. CABINET DECISIONS



Biofuels Regulatory Framework

- Cabinet approved the Biofuels Regulatory Framework, which will give effect to the implementation of the Biofuel Industrial Strategy. Biofuels are internationally recognised as immediate less carbon-intensive substitute. They blend fuel for conventional mineral fuels so as to reduce air pollutants from the use of transport fuel.
- The framework provides five areas to be regulated namely the:
 - ✓ feedstock protocol which mitigates the risk of the biofuels programme towards food security,
 - ✓ mandatory blending regulations so as to create certainty of biofuels demand,
 - ✓ cost recovery mechanism for blending of biofuels,
 - ✓ biofuels subsidy mechanism for biofuels farmer support and biofuel manufacturer's support,
 - ✓ the selection criteria for biofuel projects requiring a subsidy.
- The framework document can be accessed through the Department of Energy website: www.energy.gov.za.

National Security Council

- Cabinet approved the re-establishment of the National Security Council to streamline the coordination of all the security related work of the country. The council will be responsible for the approval of the National Security Strategy, the National Intelligence priorities of the country and National Intelligence Estimates.
- The council comprises:
 - ✓ President Cyril Ramaphosa (Commander-in-Chief of the Armed and Security Forces);
 - ✓ Deputy President Mabuza;
 - ✓ State Security Minister Ayanda Dlodlo;
 - ✓ Defence and Military Veterans Minister Nosiviwe Mapisa-Nqakula;
 - ✓ Home Affairs Minister Aaron Motsoaledi;
 - ✓ Police Minister Bheki Cele;
 - ✓ Finance Minister Mboweni; and
 - ✓ Cooperative Governance and Traditional Affairs Minister Nkosazana Dlamini Zuma.

White Paper on Home Affairs

- Cabinet approved the *White Paper on Home Affairs*, as well as the high-level strategy and road map for repositioning the Department of Home Affairs as a critical enabler for economic development and national security.
- The White Paper is based on a policy foundation for a modernised and digitised government that takes us closer to realizing the objectives of e-Government and e-Commerce.

Madrid Agreement on the International Registration of Marks (1989)

- Cabinet approved the submission of the Madrid Agreement to Parliament for ratification.

- The Madrid Protocol covers the protection of trade marks. Trademarks build brand recognition and competitive advantage in marketing goods and services both locally and internationally.
- Accession to the Madrid Protocol will enable the advancement of the country's Intellectual Property (IP) Policy. It will offer South African businesses particularly the small businesses an avenue to use the IP system to market their goods and services internationally.
- **Passenger Rail Agency of South Africa (PRASA)**
- Cabinet approved the **dissolution of the Interim Board of PRASA and placing of the entity under administration.**
- South Africa needs reliable, economical and smooth flowing rail corridors that act as the backbone of public transport in linking the various modes of transport. The Auditor-General's recent outcomes for 2018/19 reported serious governance failures at PRASA, lack of effective financial management process resulting in PRASA obtaining a Disclaimer Audit Outcome.
- To this effect, Cabinet approved the **appointment of an Administrator, Mr Bongisizwe Mpondo**, to administer the affairs of the entity for 12 months. This intervention will contribute in restoring the effective performance of PRASA.

Broadcasting Digital Migration

- Cabinet was briefed on the status of the Broadcasting Digital Migration programme regarding decoder storage, distribution and installation management.
- It noted the framework for installation of the decoder stock kept at South African Post Office warehouses. Cabinet approved that for the remaining decoder installations, installers will be appointed at local municipality level. This revised delivery model is meant to fast-track the process towards the migration from analogue to digital and the release of the High Demand Spectrum.
- Cabinet also approved the **appointment of Mr Newyear Niniva Ntuli as the Administrator and Accounting Authority** of the Universal Service and Access Agency of South Africa for 24 months.

Report on 25-Year Review of Women's Empowerment and Gender Equality in South Africa: 1994-2019

- Cabinet approved the report, which will serve as the Country's Report Back to the Beijing Declaration and Platform for Action (Beijing+25) of the United Nations (UN). The UN Commission on the Status of Women is scheduled to make the 25th anniversary of the Beijing Declaration and Platform for Action in March 2020. South Africa is the signatory to the Beijing Declaration.
- The report highlights progress in a number of areas in respect of women empowerment and attempts to narrow the gap of gender inequality. Whilst it affirms that South Africa has comprehensive gender-responsive legislative and policy interventions to

redress sexism, challenges of transforming historical gender imbalances and addressing the persisted patriarchal practices and stereotyping remain.

Gender-Based Violence (GBV) and Femicide National Strategic Plan (NSP) (2020-2030)

- Cabinet was briefed on the **NSP 2020-2030**, which provides a multi-sectoral, coherent strategic policy and programming framework to ensure a coordinated GBV national response by government and the country as a whole. Cabinet approved that all funded programmes of the plan must be implemented by the various affected departments.
- Cabinet, however, directed further work be done in refining the proposed institutional and coordination arrangement of this work. The following Ministers were directed to do further work in this regard: Social Development Minister Lindiwe Zulu; Justice and Correctional Services Minister Ronald Lamola; Police Minister Cele; and Women, Youth and Persons with Disabilities Minister Maite Nkoana-Mashabane. Minister Nkoana-Mashabane will convene this team.

Recommendations of the Presidential Advisory Panel on Land Reform and Agriculture

- On 24 July 2019, Cabinet received the Report of the Presidential Advisory Panel on Land Reform and Agriculture chaired by Dr Vuyokazi Mahlati, which made 73 recommendations. Through the Inter-Ministerial Committee on Land Reform led by Deputy President Mabuza, all the affected departments were asked to study the recommendations relating to their respective portfolios and respond accordingly.
- Cabinet has since endorsed and supported 60 of the recommendations. Only nine were not approved and three were noted. The various departments will provide a fuller briefing on the areas that were noted and not approved.

Beneficiary Selection and Land Allocation Policy

- Cabinet approved the publication of the policy for public comment. The policy provides for a credible and transparent process for land allocation and beneficiary selection.
- Notably, it addresses the gender inequality in land access and allocation, and a lack of mechanisms to enable poor communal residents and villagers to access land in case of natural disasters and other emergency situations.

Gauteng Freeway Improvement Project (GFIP)

- Cabinet noted the report on the GFIP (e-Tolls) of the Task Team led by Transport Minister Fikile Mbalula. A final decision on the recommendations of the Task Team as contained in the report will be made in the New Year.

3. BILLS

Victim Support Services Bill of 2019

- Cabinet approved the publication of the Bill for public comment. The Bill provides for integrated and multidisciplinary intervention approach towards the needs of victims of crime and violence. Through this Bill the activities and services by various departments in the Justice, Crime Prevention and Security Cluster and the Social Cluster will be better coordinated as part of a singular value chain.

The Bill seeks to create an environment that will promote investment into the upstream petroleum sector. It provides guidance on the exploration and production activities that will contribute to economic growth and transformation. The Bill also separately provides for the regulation of petroleum resources. It establishes the Petroleum Agency of South Africa, which will make recommendations to the Minister of Mineral Resources and Energy.

Social Services Practitioners Bill of 2019

- Cabinet also approved the Bill to be gazetted for public comment. The Bill was developed to expand the regulation of social service practitioners by recognising that there are both professional and auxiliary levels within the social service occupations. This Bill once it is legislated, will repeal the current Social Service Professional Act, 1978 (Act 110 of 1978). The Department of Social Development will at a later stage unpack the two proposed bills.

Municipal Fiscal Powers and Functions Amendment Bill

- Cabinet approved the publication of the Bill for public comment. The Bill amends the Municipal Fiscal Powers and Functions Act, 2007 (Act 12 of 2007). It regulates the powers of municipalities to levy development charges in respect of land development applications submitted to the municipality.
- Development charges are one of the instruments that municipalities can use to finance the development of municipal infrastructure. This enables municipalities to execute their role of providing well-maintained and functioning infrastructure services to unlock economic growth.

Expropriation Bill of 2019

- Cabinet approved the submission of the Bill for public comment. The Bill has been enhanced by inputs from the extensive consultation with the public and from different formations. Once passed into law, the Bill will provide uniform procedures to be followed when effecting the expropriation. It provides a legal framework for government departments and other organs of state in the three spheres of government to apply uniform land and other infrastructure expropriation procedures.

Auditing Profession Amendment Bill

- Cabinet approved the submission of the Bill to Parliament. The Bill amends the Auditing Profession Act, 2005 (Act 26 of 2005). The Bill proposes that the Independent Regulatory Board for Auditors be empowered to subpoena any person with any information required to complete an investigation on improper conduct by auditors.
- The amendments also empower the Minister of Finance to determine the maximum amount which can be imposed on an auditor with a guilty finding following a disciplinary hearing.

Upstream Petroleum Resources Development Bill

- Cabinet approved the publication of the draft Bill for public comment.

4. UPCOMING EVENT

- **Call for entries for Southern African Development Community (SADC) Media Awards**
- The South African media are invited to submit their entries for the 2020 SADC Media Awards competition.

- **Deadline:** Not later than 28 February 2020.
- Journalists who wish to enter the competition can access more information from www.sadc.int and www.gcis.gov.za.

5. MESSAGES



Congratulations Cabinet extends its congratulations to:

- **Miss South Africa Zozibini Tunzi** for being crowned Miss Universe 2019 in Atlanta, USA
- **Restaurant Mosaic** for being named the highest-ranking South African restaurant at the annual La Liste World Restaurant Awards in Paris, France.
- The **4 971 new police officers** who graduated

last week Friday from the police colleges. The newly graduated police officers will be joining the ranks of the SAPS to improve the safety of citizens.

- **United Kingdom (UK) Prime Minister Boris Johnson** and his Conservative Party for winning the 2019 UK General Elections and looks forward to further strengthening of relations between the two countries

- **Amajita** (South African Under-20 national soccer team) for their valiant game against Zambia and achieving runners-up at the U20 COSAFA Cup.

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Let's Grow South Africa Together

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