



MINISTRY
PUBLIC ENTERPRISES
REPUBLIC OF SOUTH AFRICA

MINISTER GORDHAN REITERATES HIS RESPONSIBILITY TO APPLY THE LAW IN DECIDING ON THE FUTURE OF MANGO AIRLINES

PRETORIA, 12 September 2023 - The Minister of Public Enterprises, Mr Pravin Gordhan has reiterated his avowed responsibility to duly apply the law and the requisite policies that govern the way he dispenses his oversight on state-owned companies (SOCs) as the government shareholder representative.

Minister Gordhan said he will not be cowed to submit to pressure that certain elements, with zero regard for public interest, sought to exert on him and the department regarding the business rescue process of Mango Airlines, a subsidiary of South African Airways (SAA).

On Wednesday, 6 September 2023, the Pretoria High Court delivered a judgment in which Minister Gordhan was ordered to decide on the sale of Mango as proposed by the business rescue practitioner within 30 days. In his response, Minister Gordhan said he is studying the judgment and he would proceed on the basis of the legal advice he receives on the matter.

“My duty as the executive authority is to safeguard the interests of South Africans. At no point will I abandon my fiduciary responsibility to ensure that any decision that is taken regarding the future of Mango is consistent with the prescripts of the law and is in the best interest of the public,” said Minister Gordhan.

“The issues around this case evolve around my request for further information from the business rescue practitioner. This is what the Public Finance Management Act (PFMA) requires in order to make a judiciously sound decision. I will not be bullied to act in a manner that will compromise the work of government in this regard,” Minister Gordhan added.

The Minister requested the following information from the business rescue practitioner to enable him to make the decision on the PFMA Section 54 (2) application:

1. Detailed business plan to assess the consortium's viability.
2. Comprehensive due diligence.
3. Foreign ownership details to comply with South African laws.

Despite several requests, the Minister was not furnished with the requested information. The Minister cannot make a decision based on insufficient information.

“While we respect the decision of the Court, the department will ensure that we follow all the prescripts of the law in terms of how we execute on our responsibility to put all our SOCs on a stable footing,” said Minister Gordhan.

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