



MINISTRY
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MEDIA STATEMENT

MINISTER GORDHAN ENGAGES LEADING LOCAL AND INTERNATIONAL ASSET MANAGERS ON THE DRAFT NATIONAL STATE ENTERPRISES BILL

PRETORIA, 3 October 2023 – The Minister of Public Enterprises, Mr Pravin Gordhan, has addressed an investment conference with more than 200 representatives of local and international fund managers and investors on the draft National State Enterprises Bill which envisages the establishment of a State Asset Management SOC Ltd (SAMSOC) to house and leverage strategic SOEs.

The draft bill was approved two weeks ago by cabinet and released for public comment until 15 October 2023, and it is based on recommendations made by the Presidential State-owned Enterprises Council.

Minister Gordhan told the conference that the draft bill represented a “paradigm shift” in the way government will manage state-owned enterprises (SOEs) going forward. Its provisions will also ensure SOEs drive meaningful economic returns for the country and enable the country’s developmental objectives.

“That paradigm shift is not about what we want to achieve in the next three or six months. This is about laying the foundation for a multi-generational process which will benefit generations to come,” Minister Gordhan told the investment conference, which was co-hosted virtually by the DPE and Investec, a global financial services group.

“Another element of the paradigm shift is to be able to combine in an effective way commercial outputs and requirements of each of the SOEs with the developmental obligations that we have,” Minister Gordhan added.

He said the bill also sought to address what the President has articulated on several occasions: separating policymaking from the actual operations of an entity and the regulatory processes that certain agencies are responsible for. Minister Gordhan said this separation will help set the right balance between policy operations and regulation, and thus insulate the SOEs from political interference.

Minister Gordhan encouraged the investment community to support the transformation of SOEs, saying they were a critical catalyst for growing the economy to eradicate poverty, inequality, and unemployment.

Minister Gordhan also gave an undertaking to engage with the investment community on an ongoing basis, and to provide progress reports on the interventions that were currently underway, including the restructuring of power utility Eskom and the overhaul of Transnet, the state-owned freight and logistics company.

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