



FW de Klerk
FOUNDATION

PUBLIC INVESTMENT CORPORATION COMMISSION OF INQUIRY WELCOMED

The FW de Klerk Foundation welcomes, with cautious optimism, President Cyril Ramaphosa's appointment of a Commission of Inquiry into alleged impropriety at the Public Investment Corporation (PIC). The appointment of the Commission is an important affirmation of the President's powers, as granted by the Constitution. The wide-ranging terms of reference include the investigation into various allegations of improprieties linked to PIC investments. It also extends to the conduct of past and present office-bearers and staff, including the functioning of its Board. Of concern though, is the limited temporal scope of the work of the Commission - from 1 January 2015 to 31 August 2018, which excludes from scrutiny, any questionable deals conducted in that period.

There is arguably a national sense of "Commission of Inquiry fatigue" and not without good reason - skepticism - given the apparent Seriti Commission whitewash. Nonetheless, the PIC Commission of Inquiry will provide the nation with important information regarding the inner workings of the PIC. As with the State Capture Commission of Inquiry, which claimed the political career of former Minister Nhlanelahle Nene, it is hoped that the PIC Commission will also ensure such heightened levels of accountability.

From media reports, it is apparent that constitutional principles meant to govern the public service were flouted with seeming impunity, such as the imperative to maintain a high standard of professional ethics. The PIC manages an estimated R2 trillion in assets, including government employees' pensions. As such, it is vital that this public enterprise be above scruples. Its failure or any losses due to mismanagement and bad governance will be felt by the nation as a whole, with consequences for the health of South Africa's constitutional democracy.

The PIC Commission, chaired by well-respected retired Judge Lex Mpati, with the assistance of former Reserve Bank Governor Gill Marcus, and businessman Emmanuel Lediga, is a welcome development. However, this is only the beginning of a set of reforms ushered in by President Cyril Ramaphosa. Much more still needs to be done with regard to fixing other institutions of State.

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