



## **Press Statement**

### **22 February 2023**

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#### **Caution around the State of Disaster warranted**

Defend our Democracy notes the efforts of the government to address the country's energy crisis, but at the same time, expresses caution around the implementation of the State of Disaster.

While we are not challenging the legality of the declaration of the State of Disaster, we reflect similar concern to the Organisation Undoing Tax Abuse, around the loopholes it creates for corruption and state capture.

As experienced during the Covid-19 crisis, these loopholes allowed for widescale plunder of state resources. The state was unable to proactively stop the looting. In the tracking of the COVID Relief Fund worth R500 billion, the Auditor General's report found that nearly 30 000 relief grants required "further investigation". The report found the price of personal protective equipment (PPE) was in some instances inflated by 1000%, and there was a diversion of funds and a rigging of tenders. Therefore public skepticism around what the State of Disaster may entail is warranted.

Defend our Democracy is also concerned that the State of Disaster will be used to push through a long-term Kapowerships deal that would not be in the interests of the public.

While we acknowledge that President has indicated in his State of the Nation Address (SONA) this year that the Auditor General will have oversight of procurement in relation to the energy crisis, we believe that this is not enough given our past experiences. We insist on stronger accountability mechanisms.

We must take lessons from the last State of Disaster and ensure that the guidelines make way for transparent and efficient processes for which there will be accountability. The State of Disaster must not be used as a convenient platform for state capture.

An overriding theme in the SONA was: "We need to work together and leave no one behind." We therefore, invite the President to consider novel oversight mechanisms, that involve others in society. This could include the establishment of an oversight panel, that sits within the national command council that will deal with the energy crisis. This panel could exercise additional procurement oversight. The panel should include ethical individuals with experience in budget



oversight, as well as representatives from credible civil society organisations, who have over the years been effective in tackling corruption and capture.

Defend our Democracy notes the announcement of an electricity minister to be placed in the office of the Presidency. We await to see what the scope and performance agreement will be for this Minister. However, between the offices of now three ministers dealing with issues of energy, we call on the President to ensure that Eskom is buffered from the political dynamic that this situation creates.

### **Country in a state of crisis**

On the 8th February 2023, Defend our Democracy facilitated a public rally at St. Georges Cathedral, Cape Town titled, “A Country in Crisis: The Real State of the Nation” hosting hundreds of civil society members, activists, community networks and ordinary citizens to reflect, speak and develop a shared understanding of the kind of crisis faced by the country and the common solidarity that needs to be forged across sectors to deal with it.

A memorandum to the President, signed by nearly 100 organisations, highlighted the need for effective and ethical leadership at all levels to steer the country out of crisis. Chief among these issues was that of energy, as well as youth unemployment, corruption, and state capture and preventing municipal collapse.

While we await the Finance Minister’s Budget Speech on Wednesday to review the allocation of money for job creation, we are pitifully aware that despite the government’s varied projects to upskill and employ young people, the interventions thus far, have not been able to meet the scale of the problem.

The same applies to issues of crime and corruption, where mafia and criminal networks are proliferating; where the ‘big fish’ implicated in state capture remain in powerful political positions; and where the ability of law enforcement agencies to be protected from interference is still uncertain. It is telling that despite commitments to implement the Zondo Commission report, including for instance, better protection of whistleblowers, whistleblowers in our country are still being treated as pariahs. Just recently, SA Tourism was on the brink of instituting a witch-hunt against the individual who blew the whistle on the controversial Tottenham Hotspurs deal!

By the President’s own admission, 163 out of 257 municipalities across the country are dysfunctional or in distress. This calls for an overhaul of the entire municipal governance system,



as well as an evaluation of coalitions at how they operate at a local level. This is something that requires more than just the intervention of national government in failed municipalities, but a national discussion and reworking on how municipalities are run and what should be the direct consequences for those in governance at this level, who fail to deliver.

### **Anti-democratic behavior must be condemned**

Defend our Democracy welcomes the healthy Parliamentary debate following the SONA. Protest action by organisations such as #UniteBehind on the day of the SONA in Cape Town and the variety of opinion pieces and views on the issues at hand should all be welcomed forms of democratic practice, disagreement, and engagement.

However, we condemn the actions of the African Transformation Movement (ATM) and Economic Freedom Fighters (EFF) in disrupting the SONA. Specifically, the storming of the podium by EFF members must be called out as anti-democratic behavior. Regardless of our politics, this behavior should not have any place in a democracy, and must not become the precedent for political engagement in our country or the benchmark for how political disagreement is expressed in Parliament.

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*Issued by Defend our Democracy*