

Finance minister speaks out on SAA

PRETORIA: Finance Minister Nhlanhla Nene is concerned about senior management movements at South African Airways (SAA), said the Ministry of Finance. This as the airline last week appointed Musa Zwane to the post of CEO. It was reported that he was appointed on an acting or permanent basis. Earlier this month, the national carrier also announced that it had suspended its Chief Commercial Officer, Sylvain Bosc.



Nhlanhla Nene - Image courtesy of [Who's Who](#)

Leadership stability crucial

The Ministry of Finance on Tuesday said leadership stability was crucial to implementing the long-term turnaround strategy so that the airline can return to financial sustainability.

Bosc was suspended as a result of serious claims relating to an alleged misrepresentation made by him to the board in respect of the Abu Dhabi route and an investigation by ENS Forensics into such allegations.

Nene has requested the SAA board to brief him on these developments and their impact on the operations of the airline. "The Minister wishes to state that the board of SAA is in quorum and the process of appointing a full board is underway," said the Finance Ministry.

Media reports on Airbus "premature"

Minister Nene has also noted recent media reports about other developments at the national carrier. The ministry said media reports about the position of National Treasury and the Minister on the Airbus swap transaction are "premature".

The national carrier had renegotiated an order for 10 A320 aircraft earlier this year in favour of leasing five A330 models, which would result in savings. It was reported that the airline now has proposed a plan whereby Airbus sells the planes to a South African leasing company.

"SAA last week submitted a section 54 application to the Minister to restructure the Airbus deal. The National Treasury's Fiscal Liabilities Committee is currently studying the application and will make recommendations to the Minister in due course. A decision is yet to be made on the application," said the ministry. It said the Minister will be looking for a deal that benefits the airline financially or one that does not leave SAA in a worse position.

Media ordered to stop publications

Meanwhile in a statement on Tuesday, SAA said it had procured an urgent court interdict against BDFM, Moneyweb and Media 24 to stop their illegal and inaccurate publication of a privileged internal document of a confidential nature.

"South African law is trite on the nature and scope of legal privilege in South Africa, and the court agreed with SAA's arguments in this regard. SAA has been advised by its legal advisors to refrain from making any further public statements in relation to the privileged document and it intends to abide by this legal advice. Media is requested to respect SAA's decision."

The airline also confirmed that its corporate and/or financial status as presented to the Parliament's Standing Committee on Finance and Public Enterprises on 18 November 2015 has not changed. "SAA will not comment any further on the Airbus swap transaction pending the response of National Treasury to SAA's application. Any queries in this regard should be addressed to National Treasury."

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