



**Statement of the ANC National Working Committee, 5 April 2017**

## **Meeting Held on the 4th April 2017**

The National Working Committee (NWC) of the African National Congress met in an Special NWC meeting on Tuesday, 4 April 2017. This meeting followed a closed session of the National Officials held on Monday and Tuesday, 3rd and 4th April respectively.

The NWC Meeting was attended by members of the National Working Committee and Chairperson and Secretaries of Provincial Structures of the ANC by invitation in line with Rule 13.7 of the ANC Constitution. The meeting was called to discuss recent developments in the ANC and the country including amongst them the call by Alliance Partners for the President of the Republic of South Africa, Comrade Jacob Zuma, to resign and the state of restlessness and discontent as portrayed by mobilization by certain sectors.

The events that unfolded following the announcement of the Cabinet Reshuffle by the President have created anxiety and undue confusion as a result of the discordant views, in particular of the National Officials of the ANC, on the reshuffle. The Officials have given to the NWC a candid report about their serious and difficult disagreement. They have further acknowledged that their public dissonance on the matter was a mistake that should not be committed again.

The ANC is gravely concerned about the serious breach of confidentiality between ourselves and our Alliance Partner, the South African Communist Party (SACP). This follows from a leak of our discussion held in confidence in a bilateral meeting between the two parties last week Monday. This leak was subsequently followed by a fully-fledged media briefing on the contents of a closed meeting. The African National Congress intends to raise these matters with the SACP in the next bilateral meeting.

On the Cabinet reshuffle, the NWC recognized and reaffirmed that 52nd National Conference resolution, whose effect is to say that consultation on matters of deployment is a principle of the organization and not a favor. The resolution reads:

55. Conference affirmed that the ANC remains the key strategic centre of power, which must exercise leadership in pursuit of the objectives of the NDR. This means that the

structures and collectives of the movement must make the decisions on the direction our country should take collectively

56. Conference thus instructs the incoming NEC to review the political management of the deployment process and ensure the implementation of the 1997 Resolution on Deployment, with a view of strengthening collective decision making and consultation on deployment of cadres to senior positions of authority. This includes strengthening the National Deployment Committee.

57. The Conference further decided on the following specific approaches with regards to deployment, as discussed at the National Policy Conference....

.... At national government level, Conference agrees that the ANC President shall be the candidate of the movement for the President of the Republic. The prerogative of the President, premiers and mayors to appoint and release members of the cabinet, executive councils and mayoral committees should be exercised after consultation with the leadership of the organization

It was against this background and following in-depth discussions that the National Officials acknowledged shortcomings in their collective management of the Cabinet reshuffle. Whilst the President is not obligated to make public the reasons for the removal of Ministers from Cabinet, the Officials reported to the NWC on the removal of Comrade Pravin Gordhan in particular as Minister of Finance.

The NWC has accepted the irretrievable breakdown of the relationship between the President and a member of his Cabinet as sufficient explanation for the decision taken by the President. The issue of the intelligence report complicated the matter, creating a lot of unhappiness. This was consequently presented as the only reason for his removal which was unfortunate and incorrect.

The National Working Committee congratulates all newly appointed Ministers and Deputy Ministers. The unfortunate events that transpired following their appointment should not and do not detract from the fact that they, individually and collectively, are very capable comrades who have invaluable skills and experience to offer to the work of government. We have no doubt they will work with integrity, dedication and humility to serve our people. The ANC wishes them well in their new roles and calls on South Africans to rally behind and support them in their quest to move our country forward.

The NWC further expressed its gratitude to those comrades who are no longer members of the National Executive following the reshuffle. They have served the ANC and South Africa with diligence. We are confident that they are not lost to our movement.

The NWC has reaffirmed the decision of the National Executive Committee (NEC) for the development of an accountability framework and the strengthening of monitoring and evaluation of the work of cadres deployed in government. This will allow for objective assessment of their work in fulfilment of the mandate given to them by the organization.

The National Working Committee reflected on the downgrade of South Africa's sovereign rating by credit rating agency, Standard and Poor (S&P). This decision must and does give impetus on the ANC led government to redouble its efforts to avoid similar decisions by the other ratings agencies. We have noted the concerns raised by S&P in particular around the

decisions to remove Cde Pravin Gordhan, anxieties about perceived political instability and worries on whether the direction and trajectory of economic policy will change.

The ANC and its government remains firmly committed to sound and prudent financial management. The ANC has full confidence in the newly appointed Minister of Finance, Comrade Malusi Gigaba and the Deputy Minister of Finance, Comrade Sifiso Buthelezi. We will offer them our unequivocal support in executing the budget that was tabled by Comrade Pravin Gordhan following approval by Cabinet after thoroughgoing consultations. Any other expenditure, including on building nuclear capacity, will only be done at a pace and scale South Africa can afford, following stringent and transparent processes in line with the Constitution and other relevant laws.

We remain committed to keeping the expenditure ceiling in the Medium Term Expenditure Framework (MTEF) intact, taking steps to reinforce governance at the State Owned Companies (SOC). The ANC led government will support SOCs to implement their investment programs and for their boards and management to, at all times, follow the law and exercise their fiduciary duties without fear or favour. Our financial institutions including the banks, National Treasury, Reserve Bank and the South African Revenue Services (SARS) are solid, stable and functioning well. Our energy supply has stabilized and the infrastructure development program is on track.

The ANC remains committed to radical economic transformation through the implementation of our unambiguous fiscal policies which are premised on the need for fiscal consolidation balanced with the imperatives for accelerated and inclusive growth. No effort should be spared to ensure that we mitigate against the negative impact of the credit downgrade particularly on the poor and the working class. Our economy must grow to allow us to accelerate and deepen economic transformation, create more opportunities for business and employment.

The NWC has emphasized the need for unity of the ANC and the Alliance in the interests of South Africa. Whilst disagreements emerge, as they always will in the execution of our revolution, an atmosphere for genuine debate, criticism and self-criticism must always be created. Different viewpoints should always be engaged, regardless of where they emerge.

The ANC has reflected on the calls by the SACP and COSATU amongst others for President Jacob Zuma to resign from his position as the President of the Republic of South Africa. The NWC resolved that the Officials and the members of the NEC must continue to engage with COSATU, SACP and organs of civil society on this matter.

**Issued by Gwede Mantashe, Secretary General, African National Congress**

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