



# Ratings Afrika

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7 June 2010

## **OPEN LETTER**

To Mr Herbert Mkhize  
NEDLAC  
**ROSEBANK**

Via e-mail

Mr Mkhize

## **SUBMISSIONS TO THE STANDING COMMITTEE ON FINANCE: SARB**

I refer to the submissions made to the parliamentary committee mentioned above, on the amendment bill to the South African Reserve Bank Act of 1989. The oral submissions took place on 2 June 2010 and 3 June 2010, and you appeared as the NEDLAC representative on 3 June 2010.

This open letter to you is written as a result of severe concerns about what took place during that session. It is written solely from the perspective of this firm's views on what constitutes sound governance. As I mentioned in my own submission, we are not apologists for or speaking on behalf of any other participant to the debate, or indeed any other debate about the role or positioning of the SA Reserve Bank ("SARB").

We support robust debate about all important issues; and we support the right of others to disagree with our views.

The chairman of the committee, Mr Mufamadi, did not see his way open to allow further comments after questioning was completed, and I thus did not have an opportunity to air the views that follow. The chairman was fully within his rights, and I do not suggest that he acted inappropriately.

In the interests of serving our democracy to the best of our abilities, I wished on 3 June 2010 to comment on matters that caused my concern at the hearings, and I do so today in the format of questions to you.

1. Why were you not immediately forthcoming when questioned by a member of the committee as to whether the Bill was tabled at NEDLAC? Why did it take a repetition of the question after the first session, for you to acknowledge that it indeed had not been tabled?
2. Why did you not inform the committee that NEDLAC had been involved in elements of the Bill before it was completed, and that as a consequence your views were possibly conflicted? Do you think the NEDLAC participation in the committee meeting was full, fair and frank?

3. Why do you link the slogan "The People Shall Govern!" with the fact that NEDLAC would in terms of the Bill be proposing persons to be directors? You presented this to the committee with vigour and tremendous assurance, as though the fact will inevitably lead to the slogan.
4. Given that your submission was the only oral submission uncritical of the Bill, what do you believe is the significance of the chairman's statement that your attendance at the meeting was because he had requested it?
5. To be an effective director is a daunting task. How do you believe will NEDLAC be able to determine the fitness of someone for this function, especially with regard to the SARB?

This firm is committed to its work in gauging the soundness of governance, whether it be at personal, group, regional, corporate, municipal, provincial or central government level. It is in that endeavour that we have these concerns and pose these questions.

We look forward to your response. We have placed this in the public domain because the parliamentary process is in the public domain, and we sincerely believe that it would be enhanced by the interchange.

Sincerely



**CHARL KOCKS**  
Principal