

SAFE HANDS ENTRUSTED WITH THE ECONOMY

Ramaphosa unveils cabinet and cracks the whip on ministers

An emboldened President Cyril Ramaphosa stamped his new-found authority on the government late Wednesday evening, trimming the Cabinet by eight ministerial posts and flexing his muscles by leaving out in the cold some of the most controversial individuals.

Ramaphosa retained the reluctant but trusted Tito Mboweni as Minister of Finance, whilst placing Ebrahim Patel in charge of a combined 'super economic portfolio' which includes Trade and Industry as well as Economic Development. In spite of a blatant attempt by the Public Protector to rule Pravin Gordhan out of contention for Cabinet by hastily issuing a report which founded Gordhan guilty of violating the Executive Ethics Code, Ramaphosa evidently considered Advocate Busisiwe Mkhwebane's own credibility in proceeding to reappoint Gordhan to the critical Public Enterprises post.

44

If we are to make effective progress in building the South Africa that we all want, it is important that we deploy into positions of responsibility people who are committed, capable and hard-working, and who have integrity. The people who I am appointing today must realise that the expectations of the South African people have never been greater and that they will shoulder a great responsibility. Their performance – individually and collectively – will be closely monitored against specific outcomes. Where implementation is unsatisfactory, action will be taken.

President Cyril Ramaphosa

The extractive industry's darling, former mineworkers' union boss Gwede Mantashe, was charged with responsibility for Energy, now combined with his previous Mineral Resources portfolio.

In what has been widely welcomed as a deft reconfiguration of Government, Ramaphosa amalgamated several ministries and axed the likes of ANC Women's League President Bathabile Dlamini and Siyabonga Cwele, key supporters and enablers of former President Jacob Zuma's nine-year rein. Another of Zuma's lieutenants, Nomvula Mokonyane, declined a post as Chair of Chairpersons in Parliament.

NAVIGATING THE DAVID MABUZA LANDMINE

Following an unprecedented show of military force at his Inauguration Ceremony in Pretoria on Saturday 25 May (Africa Day) attended by numerous heads of state and foreign dignitaries, Ramaphosa appeared to blink by delaying for two days his Cabinet announcement to allow the ANC's Integrity Commission time to deal with serious allegations against David 'DD' Mabuza. The former Premier of Mpumalanga province played a crucial role in helping Ramaphosa romp to victory over Nkosazana Dlamini-Zuma by 179 votes out of 4701 cast for the position of President of the ANC at the party's Nasrec elective conference in 2017. By waiting for Mabuza to make representations to the Integrity Commission, Ramaphosa sent jitters through the markets but simultaneously side-stepped a potentially damaging political landmine which could have compromised his long-term hold on power within the party. Mabuza stunned the country by asking for a postponement of his swearing-in as a Member of Parliament last week, arguing that "public trust" in ANC MP's was paramount and insisting that he first wanted to address the Integrity Commission. After attending a hastily-arranged and long sitting of the Commission, Mabuza was eventually sworn in as an MP on Tuesday, paving the way for Ramaphosa to reappoint him as Deputy President and keeping his close ally on side for the foreseeable future.

SURPRISE, SURPRISE

The first of two significant and unexpected moves came in the form of Patricia de Lille being appointed as Minister of Public Works. The former Mayor of Cape Town fell out with the opposition Democratic Alliance and established a new party, Good, just months before the election. De Lille is one of only two MPs representing Good in Parliament.

Equally surprising was Ramaphosa's exclusion of Jeff Radebe, who has served every administration since Nelson Mandela first appointed him to Cabinet in 1994. Radebe stirred controversy recently by rushing to sign a R14.5-billion oil deal with Sudan, although there is no indication that anything irregular or unlawful was done in the process.

PROMISES AND PARTY POWER

Ramaphosa's cabinet announcement was the first evidence that he will follow through on his long-standing promises, oft-repeated during the recent election campaign but dating back to his 2017 bid to oust Jacob Zuma as leader of the ANC, that he will appoint competent and ethical leaders to his Cabinet. Significantly, 50 percent of ministers are women and there is a good mix of younger leaders such as Ronald Lamola (Justice and Constitutional Development) and Nkhensani Kubayi-Ngubane (Tourism).

With a new Cabinet in place and the certainty for business which comes with knowing who is responsible for which portfolio, Ramaphosa's biggest challenge now is to manage the intense battle for control of the ANC's Luthuli House headquarters where arch-enemy Ace Magashule still rules the roost. Magashule recently refused to give Ramaphosa any credit for the ANC's electoral performance. The gloves are expected to come off this weekend as the ANC's National Executive Committee assesses the party's election campaign and plans the government's priorities over the short- to medium-term.

Ramaphosa will deliver his State of the Nation Address on 20 June 2019.

STATEMENT BY PRESIDENT CYRIL RAMAPHOSA ON THE APPOINTMENT OF MEMBERS OF THE NATIONAL EXECUTIVE, 29 MAY 2019

Fellow South Africans,

In the election of the 8th of May, South Africans provided this administration with a clear mandate to accelerate inclusive economic growth, act with greater urgency to tackle poverty, improve government services, fight corruption and end state capture.

If we are to give effect to this mandate, we need a capable, efficient and ethical government.

Today, we are announcing some of the outcomes of the reconfiguration of national government.

As I indicated in the State of the Nation Address in February 2018:

"It is critical that the structure and size of the state is optimally suited to meet the needs of the people and ensure the most efficient allocation of public resources."

In undertaking this review, we have been guided by the need to build a modern developmental state that has the means to drive economic and social transformation, to embrace innovation and to direct effort and resources towards where they will have the greatest impact.

All South Africans are acutely aware of the great economic difficulties our country has been experiencing and the constraints this has placed on public finances.

It is therefore imperative that in all areas and spheres of government, we place priority on revitalising our economy while exercising the greatest care in the use of public funds.

To promote greater coherence, better coordination and improved efficiency, we have combined a number of portfolios, thereby reducing the number of Ministers from 36 to 28.

- Trade and Industry is combined with Economic Development
- Higher Education and Training is combined with Science and Technology
- Environmental Affairs is combined with Forestry and Fisheries
- Agriculture is combined with Land Reform and Rural Development
- Mineral Resources is combined with Energy
- Human Settlements is combined with Water and Sanitation
- Sports and Recreation is combined with Arts and Culture

We had already combined the portfolios of Communications and Telecommunications and Postal Services.

We have also decided to add responsibility for infrastructure

to the Public Works portfolio and to add responsibility for employment to the Labour portfolio.

If we are to make effective progress in building the South Africa that we all want, it is important that we deploy into positions of responsibility people who are committed, capable and hardworking, and who have integrity.

In appointing a new national executive, I have taken a number of considerations into account, including experience, continuity, competence, generational mix and demographic and regional diversity.

The people who I am appointing today must realise that the expectations of the South African people have never been greater and that they will shoulder a great responsibility.

Their performance – individually and collectively – will be closely monitored against specific outcomes. Where implementation is unsatisfactory, action will be taken.

I have decided to make the following appointments to the National Executive:

- The Deputy President is David Mabuza.
- The Minister of Agriculture, Land Reform and Rural Development is Thoko Didiza.
- The Deputy Ministers are Sdumo Dlamini and Mcebisi Skwatsha.
- The Minister of Basic Education is Angie Motshekga.
- The Deputy Minister is Dr Regina Mhaule.
- The Minister of Communications is Stella Ndabeni-Abrahams.
- The Deputy Minister is Pinky Kekana.
- The Minister of Cooperative Governance and Traditional Affairs is Dr Nkosazana Dlamini-Zuma.
- The Deputy Ministers are Parks Tau and Obed Bapela.
- The Minister of Defence and Military Veterans is Nosiviwe Mapisa-Nqakula.
- The Deputy Minister is Thabang Makwetla.
- The Minister of Environment, Forestry and Fisheriesis Barbara Creecy.
- The Deputy Minister is Maggie Sotyu.
- The Minister of Employment and Labour is Thulas Nxesi.
- The Deputy Minister is Boitumelo Moloi.
- The Minister of Finance is Tito Mboweni.
- The Deputy Minister is Dr David Masondo.
- The Minister of Health is Dr Zwelini Mkhize.
- The Deputy Minister is Dr Joe Phaahla.
- The Minister of Higher Education, Science and Technology is

RAMAPHOSA'S UNVEILS CABINET AND CRACKS THE WHIP ON MINISTERS?

Dr Blade Nzimande.

- The Deputy Minister is Buti Manamela.
- The Minister of Home Affairs is Dr Aaron Motsoaledi.
- The Deputy Minister is Njabulo Nzuza.
- The Minister of Human Settlements, Water and Sanitation is Lindiwe Sisulu.
- The Deputy Ministers are Pam Tshwete and David Mahlobo.
- The Minister of International Relations and Cooperation is Dr Naledi Pandor.
- The Deputy Ministers are Alvin Botes and Candith Mashego-Dlamini.
- The Minister of Justice and Correctional Services is Ronald Lamola.
- The Deputy Ministers are John Jeffery and Inkosi Phathekile Holomisa.
- The Minister of Mineral Resources and Energy is Gwede
 Mantashe
- The Deputy Minister is Bavelile Hlongwa.
- The Minister of Police is General Bheki Cele.
- The Deputy Minister is Cassel Mathale.
- The Minister in the Presidency is Jackson Mthembu.
- The Deputy Minister in the Presidency is Thembi Siweya.
- The Minister in the Presidency for Women, Youth and Persons with Disabilities is Maite Nkoana-Mashabane.
- The Deputy Minister is Prof Hlengiwe Mkhize.
- The Minister of Public Enterprises is Pravin Gordhan.
- The Deputy Minister is Phumulo Masualle.
- The Minister of Public Service and Administration is Senzo
 Mchunu
- The Deputy Minister is Sindy Chikunga.
- The Minister of Public Works and Infrastructure is Patricia De Lille.
- The Deputy Minister is Noxolo Kiviet.
- The Minister of Small Business Development is Khumbudzo Ntshavheni.
- The Deputy Minister is Rosemary Capa.
- The Minister of Social Development is Lindiwe Zulu.

- The Deputy Minister is Henrietta Bogopane-Zulu.
- The Minister of Sports, Arts and Culture is Nathi Mthethwa.
- The Deputy Minister is Nocawe Mafu.
- The Minister of State Security is Ayanda Dlodlo.
- The Deputy Minister is Zizi Kodwa.
- The Minister of Tourism is Nkhensani Kubayi-Ngubane.
- The Deputy Minister is Fish Mahlalela.
- The Minister of Trade and Industry is Ebrahim Patel.
- The Deputy Ministers are Fikile Majola and Nomalungelo Gina.
- The Minister of Transport is Fikile Mbalula.
- The Deputy Minister is Dikeledi Magadzi.

These men and women we have appointed to the executive are drawn from all corners of our country.

For the first time in the history of our country, half of all Ministers are women.

We have also included a significant number of young people.

This is in fulfillment of our commitment to giving young people roles of responsibility in all sectors of society.

This is part of a generational transition in which we are creating a pipeline of leaders to take our country further into the future.

In conclusion, I wish to express my appreciation to all those outgoing members of the Executive who served the country so ably in the Fifth Administration.

We continue to value their experience, skills and contribution, and will give them suitable responsibilities where they will be able to serve the nation.

Allow me to express my gratitude to all the Members of the incoming Executive for making themselves available to serve the nation, and I wish them all the best in the execution of their responsibilities.

We have all been called upon to serve the people of this country, and we will do so to the utmost of our ability.

I thank you.

ISSUED BY THE PRESIDENCY OF THE REPUBLIC OF SOUTH AFRICA



EXPERTS WITH IMPACT

About FTI Consulting

FTI Consulting is an independent global business advisory firm dedicated to helping organisations manage change, mitigate risk and resolve disputes: financial, legal, operational, political & regulatory, reputational and transactional. FTI Consulting professionals, located in all major business centres throughout the world, work closely with clients to anticipate, illuminate and overcome complex business challenges and opportunities.

The views expressed in this article are those of the author(s) and not necessarily the views of FTI Consulting, its management, its subsidiaries, its affiliates, or its other professionals.