



MINISTER GORDHAN STATEMENT ON THE SUSPENSION OF SA EXPRESS CERTIFICATES

The Minister of Public Enterprises, Mr Pravin Gordhan has noted the Civil Aviation Authority's (CAA) decision to suspend South African Express Airways (SAExpress Pty SOC) Air Operators Certificate and the Certificates of Airworthiness (CoA) of nine of the twenty one (21) aircraft being operated by the airline.

The Minister has always said that the cost of the State Capture will be a challenge to reverse. Today's suspension of the airline is a classic example of the impact of corruption and malfeasance on the country's national assets.

The grounding of the airline comes as a result of consistent deterioration of the airline's performance over the years (this includes a number of incidents in the last weeks or so) that compromised the safety operation of the airline. This impact is informed by actions of the previous executive management that resulted in looting of resources without being held accountable during their tenure in the airline.

SA Express Airways remains a critical player in the economy in connecting smaller towns to the major economic hubs. An urgent recovery of the airlines is therefore critical to minimise the impact.

The Minister has taken various steps over the past few weeks to radically change the way SA Express operates:

- a) He has identified an intervention team to support the executive management until a permanent team can be appointed by the Board. In addition, a team of technical aviation experts has been identified that will address the challenges that have continued to undermine the operations of the airline;
- b) The Intervention team is tasked with the following responsibilities in the interim to ensure the immediate stabilisation of the airline:
 - Technical, safety and maintenance;
 - Stop the bleeding and achieve financial stability;
 - Short term liquidity injection and put it on a path for re-capitalisation; and
 - Leadership, governance and safety culture.
- c) The Minister also asked Cabinet to appoint the New Board of the airline as announced this morning that will also be led by Ms Tryphosa Ramano who has experience in aviation

d) The Minister takes this opportunity to commit to all South Africans that all those that are involved in the malfeasance and weakening of the airline will face the necessary consequences.

In conclusion, the Minister apologises to the committed customers of SA Express and the general public for the disruptive impact as a result of the grounding of the airline.

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