

Media Release - 27 October 1999

South African National Parks' Response to Allegations Made by the democratic Party

The Democratic Party has made serious allegations regarding the financial situation of South African National Parks. We respond as follows:

South African National Parks is definitely not bankrupt. It is normal for the organisation to experience cash flow problems during the low tourist season, the last such problem occurred at the beginning of the year but the situation has since reverted to normal. Our annual financial statements, audited by Price Waterhouse Coopers, are readily available.

The Board of the Industrial Development Corporation has recently approved a loan to SANP for R137 million. This loan is for new tourism developments, park expansion and improvement of park infrastructure. Obviously the IDC had sufficient confidence in the ability of the SANP to repay the loan.

RAFOS, our reservation system, was initiated 2 years ago. While RAFOS experienced some teething problems when it came online in September 1998, the problems did not engender the losses alleged by the Democratic Party. RAFOS is now fully functional.

SANP Management is aware of some disgruntled employees who are unhappy with changes that have recently been proposed to improve operational efficiencies by, among other things, reducing administrative overheads. This will result in the consolidation of support structures currently operating from the Pretoria Head Office and the Cape Town Regional Office. Arrangements have been made for the transfer of staff from the Cape Town Office to several parks. These arrangements were not acceptable to some of the staff members in the Cape Town Office who have referred the matter to a lawyer.

There have been no irregularities in the granting of the contract to provide security in Kruger National Park.

The RAFOS booking system has not been outsourced.

Consistent with good corporate governance policy, we requested Price Waterhouse Coopers, at the beginning of this year, to carry out a forensic audit to determine staff levels in the organisation, including Kruger National Park. The results of the audit were of no material consequence and can be obtained from our Finance Department.

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