



MINISTRY OF ENERGY
REPUBLIC OF SOUTH AFRICA

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Memorandum from the Parliamentary Office

National Assembly : 2670

Mr G Mackay (DA) to ask the Minister of Energy:

- (1) With reference to her reply to question 1821 on 9 June 2015, what (a) were the relevant details of the undertaking between the Central Energy Fund (CEF) and Lesedi Biogas and (b) amount of funding was given to Lesedi Biogas;
- (2) was the funding to the Lesedi Biogas project stopped due to actual or suspected fraud; if so, (a) when did the CEF become aware of the suspected or actual fraud and (b) when did the funding to this project cease;
- (3) what (a) steps did the CEF take to recover the funds given to Lesedi Biogas and (b) amount was (i) recovered and (ii) lost;
- (4) why was the Lesedi Biogas matter only reported to the National Prosecuting Authority in March 2012? NW3101E

Reply:

- (1) (a) the undertaking was to further development the project,
(b) the amount spent was R2.2million.
- (2) (a) No, funding was stopped because the project did not achieve certain required conditions.
(b) funding ceased during May 2009.

- (3) The matter was reported to the Commercial Crimes Unit for Investigation.
- (4) The CEF internal investigation commenced towards end of 2010 and was finalized in 2011. The matter was immediately reported to the National Prosecuting Authority after being considered internally.