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Zondo commission: Nhlanhla Nene breaks the silence on his 2015 dismissal

Finance minister Nhlanhla Nene made his first public revelation on Wednesday on how he was removed by former president Jacob Zuma in 2015, while occupying the position for the first time, because he blocked certain projects, including the controversial nuclear procurement deal with Russia. Nene was dismissed in December, and was not told by Zuma who would replace him.

“It was a short meeting, about two or three minutes,” said Nene, who had been notified at the end of a cabinet meeting of Zuma’s wish to see him. He was axed on 9 December and replaced briefly by Des van Rooyen, who was swiftly removed to make way for Pravin Gordhan, following a massive public outcry.

Nene had been appointed in May 2014, following national elections. Towards the end of that year, however, and over the course of 2015, he sensed the sidelining and disregard of National Treasury in a number of important projects that would impact the fiscus.

In the weeks leading up to the cabinet meeting just before his dismissal, Nene said there were contentious relations between Treasury and the leadership of struggling South African Airways (SAA). When he contested a proposed strategy by the SAA board, led by Dudu Myeni, which included the purchase of Airbus A320 aircraft through a lease-to-buy deal, his department’s input was disregarded. His relationship with Myeni had become unpleasant, to the point where Zuma had to intervene, instructing them to “find each other.”

Increasingly hostile treatment

Even prior to that, the same signs showed in relation to the proposed nuclear build programme that government was considering. According to Nene, a cabinet meeting in July had resolved that the departments of finance and energy would conduct investigations into the feasibility of the programme, which he had been uncomfortable with from the very start. As much as R200-million was set aside for this exercise.

In the end, however, the report that was eventually presented to Cabinet by energy department officials, excluded Treasury’s concerns about the project. Nene and his team were generally wary of the magnitude of the project and thus its impact on the fiscus. In fact, he told the commission, there would have to be a lot of borrowing in order to fund the programme sufficiently.

Nene instead found himself at loggerheads with energy department counterpart Tina Joemat-Pettersson, whom he said pressured him during a BRICS summit trip to Russia in July, shortly after the cabinet meeting, to produce information that she could pass on to Zuma, who was also on the trip. This information – and the understanding that the completed feasibility study was still in progress – would serve as a progress

report delivered by Zuma to Russian president Vladimir Putin, with whom the former was to have a one-on-one meeting during the course of the summit.

Nene gave no details to Joemat-Pettersson, and the result was a dressing down from Zuma, who called Nene out for not having done his job as requested. In the months that followed, in the lead-up to his dismissal, he sensed a hostile attitude from cabinet colleagues, notably the former international relations and state security ministers, Maite Nkoana-Mashabane and David Mahlobo, respectively.

Writing on the wall

It was only in late October that Nene learnt of his possible removal. Corroborating the August testimony of his former deputy Mcebisi Jonas, Nene recalled that he learned of an alleged meeting between Jonas and Ajay Gupta at the businessman's family home in Johannesburg. At this meeting, Jonas claimed, he had been offered Nene's position by Gupta, as well as a R600-million bribe. "We met in Mr Jonas's office, because it had a nice balcony." This, he told the commission, was because the climate at Treasury – which was perceived to be under systematic attack by its leadership – was such that they needed to take precautions to ensure privacy.

Earlier in the day Nene had explained past instances in which there appeared to be a conspiracy manufactured to destabilise Treasury. He had actually been confronted by Zuma over a rumour that there were "apartheid spies" within his department, and that Treasury was captured. Weeks later a document known only as the "Spiderweb project" surfaced, which made allegations against the integrity of Nene's ministry and claimed that intelligence operatives working from within Treasury were pursuing the agenda of white monopoly capital, which had insatiably taken over the department.

One allegation that stood out was that Nene's handler was Absa Group CEO Maria Ramos, the spouse of former finance minister Trevor Manuel. Treasury issued a statement in August that aimed to dispel the allegations contained in the Spiderweb document, and Nene instructed then director-general Lungile Fuzile to investigate the origin of the allegations and the document itself. As far as Nene knows, Fuzile engaged the state security department to investigate. "To date, I have never received any communication from the state security department on that investigation."

Gone in three minutes

The meeting at which Zuma notified Nene of his dismissal, he said, took between two and three minutes. It was a relief, he said, following a marathon all-day cabinet meeting earlier in the day. Zuma indicated that he was being deployed at BRICS, following consultation with the ANC top six, the most senior leadership of the party. Nene's BRICS posting has never materialised.

"I thanked the president for having given me the opportunity to serve South Africa," said Nene.

His successor was the unknown Des van Rooyen, an appointment that caused a huge public backlash, leading to Pravin Gordhan replacing Van Rooyen after mere days.

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