

MINISTRY OF TOURISM REPUBLIC OF SOUTH AFRICA

MEDIA STATEMENT

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Kubayi Ngubane welcomes CONCOURT dismissal of Afriforum - Solidarity case on COVID-19 Tourism Relief Criteria

Tourism Minister, Mmamoloko Kubayi-Ngubane today welcomed the Constitutional Court's dismissal of the joint Afriforum and Solidarity's application to appeal and set aside the use of broad-based black economic empowerment as consideration for financial relief to small businesses in the sector affected by Coronavirus (COVID-19).

The Constitutional Court considered the application for leave to appeal and concluded that the application should be dismissed as "it is not in the interest of justice to hear it at this stage, as there are insufficient grounds raised for a direct appeal to this Court on an urgent basis." There are no costs attached to the order.

Last week, the Department claimed victory over AfriForum and Solidarity in the North Gauteng High Court, which reaffirmed the uneven playing field between white and black-owned companies, created by the country's historical imbalances and confirmed the criteria as being well within the law. The North Gauteng High Court also agreed with the Department that the economic impact of the COVID-19 pandemic will result in the closure of black business and "would undermine and set back transformation". It found "nothing racial or shameful" in our inclusion of BBBEE in the criteria as the applicants sought to suggest.

"The decision by the Constitutional Court is most welcome and consistent with a view we have always maintained that the case lacked legal merit and moral standing. We have also always maintained that the design of our programmes are guided by the principles of fairness, equity and justice. It is therefore inconceivable for this particular programme to be discriminatory on the basis on race," said Minister Kubayi-Ngubane.

"We call upon both Afriforum and Solidarity to allow the department to focus on the work at hand, primarily the provision of the much-needed relief to distressed beneficiaries and the imperative to lead the recovery of sector. Applications received thus far exceed 13000. The Department has already started processing payments to beneficiaries and it is important to note that this includes both black and white business owners."

<u>Court Order- CCT 77-20 Solidarity OBO Members V Minister of Small Business</u> <u>Development and Others</u>

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