**Necsa response to the Mail and Guardian’s questions – 5 March 2015**

1. We appeal to the Mail and Guardian to publish our response in full given the extensive allegations that seem to be made against Necsa. This would also be in contrast to last week where only a cursory coverage was given to our remarks against a double spread story full of unfounded statements against the company.
2. We deplore the unethical disclosure of Necsa private information apparently by some staff members and others who have access to it, mainly for the purposes of slander. The allegations insinuated in the questions have not been brought to the attention of management. Necsa has a well established grievance procedure as well as an independently maintained hotline. The Mail and Guardian’s sources are well aware of this but are obviously intent on a different agenda.
3. The Necsa Executive Committee started a process of aligning the organisational structure with the strategy approved by the Board. This has entailed the alignment of existing departmental structures, moving functions around as well as the creation of new positions including in support functions. This process will refocus Necsa activities to value adding areas and derive benefits of commercialisation and contract research amongst others. These reforms have the support of the majority of our employees. They have been funded from existing resources.
4. Reforms such as the ones we are effecting also support transformation at Necsa to ensure that at all levels the organisation reflects the demographics of South Africa. A number of senior management appointments during the past year had the positive effect of enhancing transformation with highly qualified candidates. Clearly there may be some who are opposed and uncomfortable with these changes. Necsa will never be apologetic about transformation which is a national imperative of the South African government.
5. Mrs Tyobeka applied for positions at Necsa long before the arrival of Mr Mabhongo. By the time Mr Mabhongo joined Necsa Mrs Tyobeka’s appointment was already at a very advanced stage with interviews and panel discussions concluded. We challenge the informants of the Mail and Guardian to disprove this with facts. We would be surprised if the paper goes on with this line without alternative facts. Mrs Tyobeka was found to be competent as the Mail and Guardian also attests. In democratic South Africa we are not aware of a ruling that family members of NNR personnel should not work in any of its regulated entities. Is this what the Mail and Guardian means with the question?

**(Back in 2010 the Department of International Relations and Cooperation issued a directive to all SA Embassies/High Commissions to fill vacant posts with South African nationals living abroad. During Ambassador Mabhongo’s tenure in Vienna 4 South Africans were employed including Mrs Tyobeka in vacant posts. After Ambassador Mabhongo’s departure 2 South Africans were employed by the Embassy one being a replacement for Mrs Tyobeka. This can easily be verified with Dirco. Moreover the Mail and Guardian is aware that the practice of Embassies employing their own nationals abroad is not unique to South Africa)**

1. Regarding the financial position of Necsa we invite the Mail and Guardian to review and compare the results at least since 2011. You will discover that when the current CEO joined Necsa it was R100 million in deficit and about to retrench a large numbers of employees. Within a year this had been converted into a R30 million surplus and no employees were retrenched. Somehow the Mail and Guardian is being asked apparently by some aggrieved persons to focus on a fiscal position before the financial year has even ended. The paper is being coerced to publish conclusions about where Necsa will be at year end based on speculative and simply incorrect figures. Even if those figures were correct they would simply mark a snapshot in time (September or October or December forecast of where the company will be at year end). The financial results of Necsa for the 2014/2015 financial year will not be known even by 31 March 2015 but only in July when all the financial reconciliations have been done. This would entail taking into account payments that will still be made to the company in March and April for orders and work done during the current financial year.
2. Furthermore if Necsa employed 10 people in senior positions that would cost about R9 million. Does the Mail and Guardian’s sources mean that Necsa has recently appointed in excess of 70 senior personnel?

1. Therefore it is an intellectual stretch and simply ludicrous to attribute a financial position of a complex business such as Necsa (with a manufacturing component) to the creation of new positions.