

Press Release

For immediate release

12 February 2020



South African Institute of Race Relations
The power of ideas

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ABSA engages in discussion on EWC with IRR

The Institute of Race Relations (IRR) today met ABSA officials for an in-depth discussion on the matter of expropriation of property without compensation (EWC) and its consequences for South Africans and South Africa's financial system.

The meeting followed the IRR's handing to the bank a hard copy of an open letter sent to ABSA on 23 January – relating to the bank's position on EWC – to which the IRR received no reply. The letter asked ABSA to clarify whether it would expect clients to pay off a bond on a property expropriated without compensation.

Following today's meeting, IRR Campaigns Manager Hermann Pretorius said: "ABSA's willingness to engage with the IRR on this issue should be the standard others adhere to. We look forward to receiving a written reply to our enquiries, and further engagement with ABSA."

In light of ABSA's failure to reply to the open letter sent on 23 January, the IRR gave the bank the fail grade of "SELL-OUT" on the IRR's recently launched #EWCScorecard. The criteria of the #EWCScorecard is simple:

1. Does the corporate entity oppose EWC?
2. Does the corporate entity support anti-EWC lobbies?
3. Has the corporate entity in question submitted a written submission to Parliament opposing EWC?
4. Is the corporate entity currently in discussion with the IRR about the crucial issue of EWC?

Other corporate entities in South Africa are currently being assessed by the IRR on these criteria. Only clear and unambiguous opposition to the dismantling of the property rights

framework in South Africa can truly protect South Africans who deserve the right to be secure in their ownership of the property they have earned through hard and honest work.

“Fudged, unclear, opportunistic positioning by corporate South Africa will just not be good enough,” said Pretorius. “Corporations constantly tell South Africans that they should be trusted with our money, our savings, our pensions, our hopes of financial stability. The least these corporate entities can now do is to stand up for our rights and interests, putting our money where their mouths are.”

He added: “We are grateful to ABSA for meeting with us and discussing this matter in depth. Through honest engagement, organisations like the IRR can work with the banking sector to make sure property rights in South Africa are protected.”

Pretorius said: “I urge all South African corporations with a stake in the property rights framework of this country to become a friend of South Africans fighting against EWC and a government ideologically bent on repeating the mistakes of the past. Don’t be appeasers or sell-outs. The South African people will not forgive you if you let them down now.”

Ends