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**SOUTH AFRICAN
FOOTBALL ASSOCIATION**

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The Honourable Minister of Sport & Recreation
Mr Thulas Nxesi
The Director General of Sport & Recreation
Mr Alec Moemi
Corner of Vermeulen & Queen Street
PRETORIA

Dear Minister Nxesi and DG Moemi,

FOLLOW UP ON MATTERS REGARDING THE SAFA HOUSE LAND OWNERSHIP, FNB STADIUM AND THE 2010 DIASPORA LEGACY FUNDS

1. The FNB Stadium Matter

In 2002 SAFA took control of FNB Stadium from the National Soccer League (NSL) in an attempt to complete the construction of the stadium that was started in 1989 through a partnership between Grinaker-LTA and the NSL.

SAFA placed the stadium as the centrepiece of its campaign to secure the FIFA World Cup hosting rights for the country, but it needed to be upgraded to meet FIFA's standards for a World Cup.

As part of its great commitment to the success of the World Cup, Government made the funds available to complete the stadium with the intention of making it the National Stadium where the football Association would also be headquartered.

2. The SAFA House Land Matter

Consistent with the objective to partner with Government in the utilisation of the stadium, the Association agreed to build its headquarters on the stadium property as part of its long-term commitment to make the stadium viable through the hosting of big events.

However, we subsequently learned that Government could not give the funds to a non-governmental entity such as SAFA and had asked the City of Johannesburg to oversee the completion of the stadium and the deployment of the funds. However, the City of Johannesburg could only do so by taking total control of the stadium.

Therefore, SAFA was forced to give up its control of the stadium, along with its approximately R300 million (the estimated value of the stadium in 2006) equity held through the Stadia and Soccer Development Trust in order for the stadium to be completed.

The matter of SAFA's status on the property was never concluded following the highly successful staging of the 2010 FIFA World Cup. The Association finds itself in a dire predicament in that its

flagship property (SAFA House) is situated on land not owned by it. This came after SAFA also had to give up its stake in the same property due to the inability of the founders to complete the project and which led to Government reversing the sale of the property.

We therefore submit this humble appeal to you to assist the Association by reverting to the original objective of giving SAFA security of tenure through the transfer of the land on which its property is built and to reopen the discussion on the management and control of the National Stadium so that the Association may use it for the benefit of the development of the sport in the country.

Due to its historically disadvantaged status as the sport least supported by the apartheid authorities, football, unlike its other counterparts in rugby and cricket, has never been favoured with ownership of its own venues and has therefore not been able to exploit the opportunities commonly made available through property ownership.

The stadium may never be fully utilised without the football association's active engagement in an affordable manner and we request further engagement with Government with a view to partnering Government on this project.

3. *The \$10 Million Grant to the African Diaspora*

During the run-up to the 2010 FIFA World Cup, FIFA launched a program named *Win in Africa with Africa* to support the development of the game on the African continent, one of its 6 continental football confederations.

Following discussions between FIFA and the South African Government, FIFA wrote to the South African Government on 19 September 2007 [Annexure A] outlining its wish that the South African Bid and the 2010 FIFA World Cup Programme should leave a lasting legacy for football and society.

In this letter, FIFA informed the Department of Foreign Affairs of the establishment of the "*Win in Africa with Africa*" programme and that FIFA had allocated USD70 million for the programme. FIFA also confirmed in the same letter the South African Government's commitment of USD10 million for the African Diaspora legacy programme, specifically for the Caribbean countries. FIFA also agreed to administer the fund through the FIFA account.

In his recollection of the Diaspora Legacy Programme, former President Thabo Mbeki wrote in an article for Bloomberg a few years after the 2010 FIFA World Cup that:

"when we presented our bid to host the 2010 World Cup to the FIFA Executive on May 14, 2004, I said the millions of Africans on the continent and the African diaspora had embarked on an exciting human journey. This is a journey away from a history of conflict, repression and endemic poverty."

As part of its African Renaissance philosophy, the South African Government reached out to the African Diaspora to incorporate them in the programme to benefit from the first FIFA World Cup on African soil.

SAFA and the South African Government then agreed that Government, who could not give this money directly to FIFA, would make a grant to SAFA in lieu of it being taken from SAFA's profits from the ticketing revenue which it was entitled from the 2010 FIFA World Cup. [see Annexure B for a letter, dated 12 May 2009, from Mr Raymond Hack to the former DG of Sport & Recreation, Mr Peterson. Annexure C is a further letter from FIFA's Mr Markus Kattner, dated 12 January 2009,

confirming FIFA's intention to deduct the money from SAFA's portion of the ticketing revenue in lieu of this programme].

We also attach the Minutes of the 2010 FIFA World Cup Organising Committee Executive Committee meeting, held on 22 February 2008 [Annexure E], wherein the former Minister of Sport & Recreation, Rev Makhenkesi Stofile and former Deputy Minister of Finance, Mr Jabu Moleketi, confirmed that the matter of the payment of the money was for Government and that they would henceforth deal with the matter.

FIFA confirmed through Mr Jerome Valcke [see Mr Valcke's statement attached as Annexure D] that FIFA did indeed pay the money over to the Confederation of North, Central America and Caribbean Association Football (CONCACAF) for the programme to benefit the African Diaspora, which fit in with the South African Government's African renaissance programme and the African Union's recognition of the Caribbean as its 6th Member.

However, the SAFA leadership changed in September 2009 and the new leadership was never informed of this agreement between the Association and the Government and therefore did not follow up to ensure the collection of these funds. This matter only came to the attention of the Association during the recent FIFA investigation into allegations of bribery and corruption into Swiss and American football officials.

We therefore make this humble request for you to arrange for these funds to be released to the Association as has been previously agreed to enable the Association to strengthen its football development programmes and to complete its National Technical Center, the first such center in southern Africa.

We thank you kindly and pray for your urgent attention.

Sincerely,



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MR DENNIS A. MUMBLE
 CHIEF EXECUTIVE OFFICER