



National Student Financial Aid Scheme

MEDIA STATEMENT

FOR IMMEDIATE RELEASE

DATE: WEDNESDAY, 19 APRIL 2022

SIU FINDINGS ON UNDULY FUNDED BENEFICIARIES

The National Student Financial Aid Scheme (NSFAS) acknowledges and welcomes the Special Investigating Unit's (SIUs) report as presented in the Standing Committee on Public Accounts (SCOPA) sitting held on the 18th of April 2023. The SIU reported that approximately R 5 billion in NSFAS funds were wrongfully awarded to 40,000 students who did not qualify for the funding.

This is information that NSFAS shared with the SIU and covers earlier academic years up to 2019. This is based on cases where applicants falsified their application information to unduly benefit from the scheme. It was prevalent at the time when the scheme could not verify the information through third party source data, such as the Department of Home Affairs and the South African Revenue Services. These verifications have now been embedded in the NSFAS verification process since 2020.

This issue has been highlighted by the Minister of Higher Education, Science and Innovation Dr Blade Nzimande in various press briefings, where the Minister reaffirmed his support of NSFAS' efforts to hold those who defraud the scheme accountable. In his address to officially open the 2023 application cycle the minister welcomed the proclamation and added; *"I would like to send a stern warning for those who continue to defraud NSFAS and to indicate that together with our law enforcement agencies, we are following all the cases where there are suspected instances of fraud and corruption"*.

NSFAS welcomes the SIU's focus on cracking down on those who want to unduly benefit from the scheme. NSFAS is of the view that this will serve as a lesson and deterrent to those who want to unlawfully benefit to the detriment of poor and deserving students.

When the SIU commenced its work, NSFAS had already initiated a process to de-fund these students and pursue recovery. Furthermore, NSFAS continues to improve controls to limit instances of those who benefit undeservedly.

NSFAS continues to fully cooperate with the SIU investigating team as well as provide all the information and support that will ensure the exercise is fruitful.

4 Christiaan Barnard Street, Cape Town City Centre, Cape Town, 8000
T: 0800 067 327
E: info@nsfas.org.za
W: www.nsfas.org.za

Board Members: Mr. Ernest Khosa - **Chairperson** | Mr. Andile Nongogo - **Chief Executive Officer** | Mr. Bamanye Matiwane | Ms. Jullie Beya | Ms. Lindiwe Matlali | Mr. Nceba Maxwell Fuzani | Ms. Pretty Makukule | Prof. Pumela Msweli | Ms. Reshma Mathura | Ms Lisa Seftel | Mr Melosi Baloyi | Mr. Sanele Zondi | Mr. Sibonelo Cyril Madiba | Mr. Yonke Twani



National Student Financial Aid Scheme

END.

Issued by:

The National Student Financial Aid Scheme

FOR MEDIA ENQUIRIES

Email: media@nsfas.org.za

4 Christiaan Barnard Street, Cape Town City Centre,
Cape Town, 8000

T: 0800 067 327
E: info@nsfas.org.za
W: www.nsfas.org.za

Board Members: Mr. Ernest Khosa - **Chairperson** | Mr. Andile Nongogo - **Chief Executive Officer** | Mr. Bamanye Matiwane | Ms. Jullie Beya | Ms. Lindiwe Matlali | Mr. Nceba Maxwell Fuzani | Ms. Pretty Makukule | Prof. Pumela Msweli | Ms. Reshma Mathura | Ms Lisa Seftel | Mr Melosi Baloyi | Mr. Sanele Zondi | Mr. Sibonelo Cyril Madiba | Mr. Yonke Twani