



National Student Financial Aid Scheme



MEDIA STATEMENT

TO ALL EDITORS/EDUCATION REPORTS

DATE: DATE: 12 JUNE 2026

JOINT MEDIA STATEMENT BY THE NATIONAL STUDENT FINANCIAL AID SCHEME (NSFAS) AND THE SPECIAL INVESTIGATING UNIT (SIU) ON THE OUTCOME OF THE HIGH COURT JUDGMENT: EZAGA HOLDINGS (PTY) LTD V NSFAS & OTHERS (CASE NO: 9526/2024)

The National Student Financial Aid Scheme (NSFAS) and the Special Investigating Unit (SIU) welcome the decisive judgment delivered by the Western Cape High Court in the matter of eZaga Holdings (Pty) Ltd v NSFAS & Others. We fully respect the Court's findings and reaffirm our commitment to implementing the judgment in its entirety.

This judgment marks a significant milestone in our unwavering commitment to uphold good governance, transparency, and accountability in the administration of public funds.

The judgment not only vindicates our efforts in identifying and addressing significant governance failures but also reinforces our resolve to root out maladministration and safeguard the integrity of public procurement processes, ensuring that resources entrusted to NSFAS are used in the best interests of South Africa's students.

The Court confirmed that NSFAS's procurement process and the resultant Service Level Agreements (SLAs) concluded between NSFAS and eZaga Holdings (Pty) Ltd, Coinvest Africa (Pty) Ltd, Noracco Corporation (Pty) Ltd, and Tenet Technology (Pty) Ltd were unconstitutional, unlawful, and invalid. The Court also found that the procurement process was marred by a range of irregularities, including improper tender cancellations, irregular drafting and approval of bid documents, non-compliance with mandatory requirements, and the absence of critical internal controls.

Importantly, the Court upheld NSFAS's contentions regarding the procurement irregularities and recognised NSFAS's constitutional duty to address these irregularities.

The Court further determined that, while the procurement process was flawed, the appointed service providers were not complicit in any maladministration, impropriety, or corruption. As such, the Court awarded just and equitable compensation to the affected service providers, allowing them to claim reasonable expenses and profits demonstrably incurred under the now-invalidated SLAs. The process for determining these claims will be subject to strict scrutiny and independent verification, ensuring fairness and accountability for all parties.

NSFAS will engage constructively with the affected service providers to give effect to the compensation process as ordered by the Court.

We wish to reassure all stakeholders, including students, parents, and the public, that NSFAS remain steadfast in their dedication to upholding integrity and restoring confidence in the administration of student financial aid.

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OFFICE OF THE ADMINISTRATOR

The appointment of Professor Hlengani Mathebula as the Administrator to the National Student Financial Aid Scheme is in terms of Section 17A to 17D of the NSFAS Act (Act 56 of 1999 as amended), effective from 4 May 2026 as published in the Government Gazette No. 54607 by the Minister of Higher Education and Training, Mr Kgwaridi Buti Manamela



National Student Financial Aid Scheme



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End of Statement

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