

NATIONAL ASSEMBLY
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER: 1698 [NW1944E]
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1698. Mr D J Maynier (DA) to ask the Minister of Finance:

- (1) Whether the SA Reserve Bank (SARB) endorsed the appointment of a certain person (name and details furnished); if not, why not; if so, (a) what was the name of the person(s) who (i) evaluated and (ii) approved the endorsement of the specified person for the specified position and (b) on what date was the endorsement approved;
- (2) whether the specified person's endorsement was recorded in any document; if not, why not; if so, what was the (a) nature of and (b) date on each such document;
- (3) whether the SARB took any disciplinary action against any person(s) involved in the endorsement of the specified person; if not, why not; if so, what are the relevant details;
- (4) whether the SARB's decision to endorse the specified person contributed to the collapse of African Bank; if not, why not; if so, what are the relevant details?

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REPLY:

The following information was submitted by the South African Reserve Bank:

- (1) The South African Reserve Bank is the entity responsible for the prudential regulation of all banks in South Africa. This regulation includes ensuring that only those that meet the 'fit and proper' requirement act in key management and board positions. As such the South African Reserve Bank has provided the following response to this parliamentary question:

The Banks Act, Act No 94 of 1990 (the Banks Act), read with the Regulations relating to Banks (Regulations), requires that all directors and executive officers of a bank should be fit and proper and affords the Registrar of Banks (Registrar) the power to make an assessment in this regard. The application of a certain person was received by the Registrar who duly considered the prescribed information submitted with the application and notified the relevant bank in writing that that there was no objection to the proposed appointment.

- (2) The Registrar's decision in terms of section 60 of the Banks Act was conveyed in a letter dated 6 August 2002 for the appointment of the specified person as Chief Operating Officer and Executive Director of African Bank Limited. A subsequent application was received for the appointment of the specified person as Executive Director of African Bank Investments Limited (the holding company) and approved in a letter dated 22 April 2003. The specified person was later appointed as Chief Risk Officer of African Bank Limited.

- (3) No disciplinary action was taken by the South African Reserve Bank (SARB) against any of its staff members in this matter as there was no evidence or allegations of any misconduct on the part of any staff member in this regard.
- (4) The causes of the failure of the previous African Bank Limited are documented in the Myburgh report which the SARB is unable to add to.