



NATIONAL ASSEMBLY
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER: 1151 [NW1291E]
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1151. Mr A M Figlan (DA) to ask the Minister of Finance

(a) What was the total amount borrowed by the six largest state-owned entities in the 2015- 16 financial year and (b) what was the total amount of debt service costs paid by the entities?

NW1291E

REPLY:

a) and b)

The total amount borrowed by the largest state-owned entities is split into two, which constitutes borrowings by capex entities and borrowings by state-owned development finance institutions (DFIs). The amount that was reflected in financial statements as outstanding / borrowing by capex SOCs, which include ACSA, Eskom, SAA, SANRAL, TCTA and Transnet amounted to R557.1 billion for the 2015-16 financial year as shown in the table below. The interest these entities incurred amounted to R43.9 billion for the 2015-16 financial year.

(Note: the interest incurred refers to the gross interest incurred by the entity before any adjustments such as capitalized interest costs, which would typically "understate" the interest incurred by the entity.)

Capex SOCs (ACSA, Eskom, SAA, SANRAL, TCTA and Transnet)		
R million	2014/15	2015/16
Borrowings (balance sheet debt)	503 698	557 128
Interest incurred	37 064	43 911

The amount of debt that was outstanding or classified as borrowings by state-owned DFIs (Land Bank, DBSA and IDC) for the 2015-16 financial year amounted to R112.8 billion. The interest that these DFIs incurred for the 2015-16 financial year amounted to R7.1 billion.

DFIs (DBSA, IDC and Land Bank)		
R million	2014/15	2015/16
Borrowings (balance sheet debt)	100 771	112 819
Interest incurred	6 402	7 086

In total, all the nine entities had a total of R669.9 billion shown as balance sheet debt for the 2015-16 financial year with a total interest of R51 billion worth of interest incurred for the same year.

In terms of the funding, the 6 capex SOCs raised gross borrowings (before any repayments) of R117.7 billion for the 2015-16 financial year relative to a budgeted amount of R101.4 billion.

R billion	2015/16		2016/17	2017/18	2018/19	2019/20
	Budget	Outcome	Revised	Medium-term estimates		
Domestic loans (gross)	59.3	88.7	42.7	26.4	25.8	26.5
Short-term	12.5	26.9	21.2	7.1	8.5	9.6
Long-term	46.8	61.8	21.5	19.3	17.3	16.9
Foreign loans (gross)	42.1	28.9	49.5	62.7	55.7	56.4
Long-term	42.1	28.9	49.5	62.7	55.7	56.4
Total	101.4	117.7	92.3	89.1	81.5	82.9
Percentage of total:						
Domestic loans	58.5%	75.4%	46.3%	29.6%	31.6%	32.0%
Foreign loans	41.5%	24.6%	53.7%	70.4%	68.4%	68.0%

In terms of the funding, the 3 DFIs raised gross borrowings (before any repayments) of R58.8 billion for the 2015-16 financial year relative to a budgeted amount of R76.2 billion.

R billion	2015/16		2016/17	2017/18	2018/19	2019/20
	Budget	Outcome	Revised	Medium-term estimates		
Domestic loans (gross)	65.1	48.8	58.8	69.9	74.2	74.3
Short-term	50.5	39.3	53.2	54.3	59.5	57.1
Long-term	14.6	9.5	5.6	15.5	14.7	17.2
Foreign loans (gross)	11.1	10.1	6.5	8.0	9.1	6.7
Long-term	11.1	10.1	6.5	8.0	9.1	6.7
Total	76.2	58.8	65.3	77.9	83.3	81.1
Percentage of total:						
Domestic loans	85.4%	82.9%	90.0%	89.7%	89.1%	91.7%
Foreign loans	14.6%	17.1%	10.0%	10.3%	10.9%	8.3%