# volume 6 ISSUE 3 • DECEMBER 2022 Connection

## **The Cooperative Banking**

Sector "Indaba 2022"



CO-OPERATIVE BANKS DEVELOPMENT AGENCY

EDITORIAL TEAM Catherine Whitley, Tebogo Tshabalala, Khuthala Lengisi, Poppy Thubana,

# The connection

Latest news and bulletin updates

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**Editorial Team** 

#### **The Cooperative Banking Sector Indaba** 2022

21 to 25 November 2022

The 3rd Quarter 2022/2023 was kicked off with the Co-operative Banks Development Agency (CBDA) implementing plans of cohosting the "Cooperative Banking Sector, Indaba" in East London from 22 to 25th November 2022 with the Department Economic Development, Environmental Affairs and Tourism, Eastern- Cape with a focus on "The Role of the Cooperative Banking Sector in Transforming the Financial Services Sector, without limits in South Africa.

By hosting the Indaba, a platform was created where the cooperative sector could engage with each other as on the "Cooperative Sector Strategy" as well. The Indaba was well attended by the cooperative sector, stakeholders, regulators, etc.

From the experience and the excitement, we noted that this Indaba was long overdue.





Picture Caption: To make your document look professionally produced, Word provides header, footer, cover page, and text box designs that complement each other.

## **Changes within the CBDA**

Latest News within the CBDA

#### Appointments

We are happy to announce that the Mr. Paul Rossouw, the Acting Managing Director was re-appointed into this position for another (6) six months by the Minister of Finance.

Mr Solofelang Modise who was on contract with the CBDA for about 5 to 6 cooperative structures and boost socioyears was appointed permanently on 1 economic development in Southern December 2022.

#### Resignations

goodbye to Matimba Ndobe, the Financial various sectors, providing institutional Administrator within the Corporate unit and operational support, as well as who joined the Cooperative Banks improving the legal framework. Within Development Agency on 1 July 2021 and left the CBDA on 31 December 2022. We wish him well in his future endeavors.

Invitation to attend Mozambique, Saccos Conference on 01 December 2022 (cont)

Africa.

In Mozambique DGRV in partnership with several local organizations has been It is with sadness that we had to say committed to promoting cooperatives in



Invitation to attend Mozambique, Saccos Conference on 01 December 2022

Two employees from the Capacity Building unit were invited to attend a conference hosted by Mozambique, Saccos by the German Confederation and Raiffeisen Cooperatives (DGRV) which is a non-governmental organization representing the highest level of the cooperative sector in Germany. DGRV was implementing its regional program called SUCOSA, funded by the German Ministry of Development and Economic Cooperation (BMZ), to support.

the scope of its implementation, it is also focused on training and exchange experience different between Stakeholders (Government,

Cooperatives, Academy, etc.), with the aim of strengthening knowledge on creation and establishment of reference models for credit cooperatives, through assistance and enabling environment. It is in this context that this workshop is taking place with the theme "Challenges, opportunities, SACCOs role in financial inclusion" and CBDA has been given slot to present and be part of the panel.

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**Keynote Address delivered by the Honorable Minister Stella Ndabeni-Abrahams from the Department Small Business Development (DSBD) along with the Honorable Deputy Minister Sdumo Dlamini with a focus on;** 

Looking at how we can create a more enabling environment for growth start-ups, especially those that make us more competitive in the tech and green

- 1. Tying our SMME and co-operatives support more closely to broader industrialization strategy, and linked to this, leveraging the work that is already happening in the Enterprise Supplier Development space to make corporate and supply chain markets accessible to township and rural enterprises.
- 2. Finding ways to refuel our incubator and multiply the number of start-ups and scale-ups we collectively support.
- 3. Looking at how we can radically scaleup small enterprise funding, through derisking strategies like credit guarantees, through blended finance instruments, funds to increase flows of venture capital and equity finance to our SMMEs and

4. Looking at how we improve our support and impact with regards to social enterprises and costrengthen the eco-system coordination, better connect with networks of entrepreneurs, and find new ways to hold ourselves jointly accountable.

These partnerships that anchor the implementation of the NISED Plan must not exist only on paper. An effective M&E system will be a critical enabler in this regard.





#### **Experience of Indaba 2022**



Abbot Pfukwa- (Chairman: Lighthouse FSC)

I would like to thank the CBDA for allowing me an opportunity to be a beneficiary of the Strategic Planning Workshop and the Credit Analysis Workshop, facilitated by Dave Grace from the World Bank.

The CBDA will contribute towards the transformation of the banking sector by creating diversity through co-operative banking, thereby promoting financial inclusion while ensuring

access to capital by SMMEs and stimulating the economy at

To facilitate financial inclusion and economic transfor while ensuring a sustainable co-operative banking sector that

THE CBDA'S CURRENT FOCUS

Develop

efficiency;

existing training materials

Registration and accreditation of Support Organisations 8 Representative Bodies, in line with the Cooperative Banks

nt of sector standard operating procedures

Development of tools that will enhance CBI operational

Development of sector specific curriculum and review of

Providing Support Organisations with the tools:

#### WHAT A CFI IS AND IS NOT.

A CFI is a financial co- operative wholly owned by ts members	A company owned by a few shareholders and/or founding members
A co-operative that provides inancial services to its nembers	ls not a getrich quick pyramid scheme
A democratically owned nstitution with each member enjoying equal rights to vote ione member one vote)	Speculating with members funds
An institution that encourages economic barticipation by all members owards building a safe and sound institution to ensure continued service to its	A profit driven institution, for the benefit of a few individuals



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**COOPERATIVE BANKING** SECTOR DEVELOPMENT STRATEGY VISION

> Economic and Financial Inclusion for Workers and **Vulnerable Communities** Through Quality **Cooperative Banking**



The sessions assisted us in getting well informed on the different opportunities for CFIs, within the global scheme of things. We got the high-level information on how we can improve on credit administration and loan disbursements. Also, the information provided on the best practice for accepting loan payment, collecting on past due loans, and rescheduling of loans has enabled our CFI to integrate these best practices into our operations.

also appreciated the strategic planning. We fundamentals and the high levels of engagements from the participants.

Thank you for giving us the opportunity to learn and be impacted by the world class sessions.

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Khuthala Lengisi

## "Voices from the Cooperative Sector"

Ms. Linda Manyathi; Mr. Themba Mgwaba & Dr. Rhubuluza Asikhulesonga Savings & Credit Co-operative

To attend CBI Indaba in East London was an eye-opener for us. We took a lot from the sessions we attended, like NCR registration and compliance requirements, more importantly, "Cooperatives Retail Bonds" offered by National Treasury, and networking & information sharing with members of long-established CBIs motivated us to the point that we can't wait to have our CFI registered.

Engagement with CBDA Capacity Building Team was a WOW!























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### **Engagements during the Indaba 2022**



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## "Awards Indaba"

The CBDA annually during the hosting of the Indaba request evaluations on well performing CBIs/CFIs from the Prudential Authority (PA) at the South African Reserve Bank (SARB) and through and after this process award the "top performing" CBI/CFI through a price that is added to their Retail Bonds.

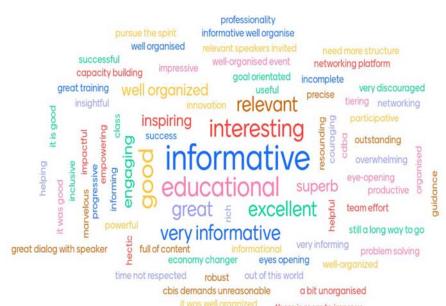
The top performing CBIs/CFIs and the criteria's they were judged against. In terms of monetary value, the top performer <u>South African</u> <u>Democratic Teachers Union (SADTU)</u> received a price of R20 000.00, 2<sup>nd</sup> runner up <u>South African Democratic Teachers Union</u> (SADTU) R15 000.00, 3<sup>nd</sup> runner up <u>OSK R</u>10 000.00 and the 4<sup>th</sup> runner up <u>Webbers Cooperative Bank</u> an amount of R5000.00.



# Survey

A survey was conducted after the Indaba 2022 and the results is depicted below.

# How would you describe this Indaba in 3 words?



Mentimeter

2022

there is room to improve

#### The Cooperative Sector Strategy

The journey with the adoption of the Sector strategy started in 2021 and we look forward to the implementation of some of the pillars.

"Food for thought"

Are we capitalizing on building better relationships between CBDA & the sector?

Are we addressing the needs of the sector and if not, what are the inhibitors?

What can we do better? Should we host the Indaba earlier in the year?

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Attendance by Regulators/Stakeholders Trainers/ Government departments and other Entities



Ms Lebogang Tshabalala

Divisional Head - Banking Supervision Banking and Insurance Supervision Department Prudential Authority (PA) at the South African Reserve Bank



Mr Alfred Matsimbi National Credit Regulator (NCR

No Photo

Mr Veit H. Gesenhues & Ms Jacky Huma

**DGRV** – the German Cooperative and Raiffeisen Confederation

The CBDA would like to thank all the Regulators, Consultants, Trainers, DeD's from Northwest, KwaZulu Natal, Limpopo, Free State, Gauteng Eastern Cape, To the DED's we would like to say a special thanks for the willingness and support provided in terms of transportation, accommodation for the cooperative sector to travel to the Indaba 2022.





dedect Department: Economic Development, Environment, Conservation and Tourisr North West Provincial Government REPUBLIC OF SOUTH AFRICA



KWAZULU-NATAL PROVINCE ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS REPUBLIC OF SOUTH AFRICA





DEPARTMENT OF ECONOMIC DEVELOPMENT, ENVIRONMENT & TOURISM

The Cooperative Banking Sector was well represented by the following CBIs/CFIs to name a few both on site and virtual. MOTSWEDI



#### Mirjam Nilsson





Mr Dave Grace Consultant, World Bank





Asikhutulisane is a *Savings* and Credit Cooperative Society







## **Thank You**

The Co-operative Banks Development Agency would like to thank the following, entities for showcasing the products and services offered.

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South African Revenue Service

AIL JGS SA JDS BC

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# Support from stakeholders





## **CBDA Training Calendar 2022/2023**

	A CONTRACTOR OF	and the second s	and the second second			and the second		and the second second		and the second se	
3	TRAINING			NUMBER OF DELEGATES							
	PROGRAMME	LOCATION	TARGET AUDIENCE	PER SESSION	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY
	Financial Management Certificate of competency issued after successful completion of this training	1 Onsite	Governance committee members Manager Investment committee Supervisor/Audit committee	Onsite - min 20						Onsite - TBC	
	Credit Committee training	1 Virtual; 1 Onsite	Credit committee members Manager Loan officer	Virtual - min 25 Onsite - min 20		Onsite KZN					
	Supervisory/Audit Committee training	1 Virtual; 1 Onsite	Supervisory/Audit committee Board of Directors Manager	Virtual - min 25 Onsite - min 20		Onsite GP		Onsite NW			
A CONTRACTOR	Treasury Management	1 Virtual	Board of Directors Manager & staff	Virtual - min 25				Onsite Eastern Cape during Indaba			
	Product Development	1 Virtual	Board of Directors Credit committee Investment committee Manager	Virtual - min 25					Virtual		
NAME OF	Performance Management		Board of directors Manager								
	Certificate of competency issued after successful completion of this			Onsite - min 20							Onsite - TBC
	training	1 Onsite									

\*\*\*Governance training will be provided on request by CBIs

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Training of the Cooperative Sector 2022/2023

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## PA registered Co-operative Banks as at October 2020



#### **Register of Co-operative Banks**

Part 8 of the Regulations issued in terms of Section 86 of the Co-operative Banks Act, 2007 (Government Gazette No. 32357 dated 1 July 2009)

Name	Туре	Registration Number as a Co- operative Bank	Registration Number as a Co-operative	Number of members*	Value of deposits*(Rand) *	Registered with the PA
Ditsobotla Primary Savings and Credit Co- operative Bank	Primary Savings and Credit	PA COB 03	2001/000005/24	1,319	7 500 000	PA
OSK Koöperatiewe Bank Beperk	Primary Savings and Loans	PA COB 01	2002/00019/24	1,523	160 000 000	PA
Ziphakamise Savings and Credit Co-operative Bank	Primary Savings and Credit	PA COB 02	2008/001512/24	841	4 900 000	PA
Webbers Employees Savings and Credit Co- operative Bank	Primary Savings and Loans	PA COB 04	2004/000013/24	791	1 900 000	PA
KSK Koöperatiewe Bank Beperk	Primary Savings and Loans	PA COB 05	2004/000032/24	604	51 000 000	PA

\*As at the end of 2019/2020

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Register of Co-operative Financial Institutions (CFIs) with the Prudential Authority Chapter VIIA 40C (2), Co-operative Banks Act, 2007: Notice of registration

	Name	Date Registered with the PA	Location	Common bond	Contact details	Members*
	Motswedi Financial Services Co- operative Ltd.	08/04/2019	Stand 1645 Sebalagane Sec, Motswedi village, Northwest Province	All people living, working and worshiping in Motswedi, Borakalalo, Gopane and Lobatla villages in the North West Province	Ms Mmapula Moletsane <u>motswedi.fsc@</u> gmail.com	2261
and the second s	Boikago Savings and Credit Co-operative Limited	08/05/2020	25 North Street,Mahikeng,2 745, North West Province	All the people living, working and worshiping in Mmbatho/Mafikeng and surrounding rural areas in the Mafikeng Local Municipality of the North West Province	018 3651 701 Mrs Elizabeth Marumo <u>boikagosacco@</u> gmail.com	1265
	SADTU Savings and Credit Co-operative	27/05/2019	Corner Dann Road and Loam Street, Kempton Park,	SADTU members, SADTU staff, SADTU and its related institutions and their employees	Mr. Sihle Ngubane Sihle Ngubane <u>Sngubane@SA</u>	956

Contraction of the second	Ltd		Gauteng		DTU.org.za		
					011 9712 000		
1961					Mr Leslie Gama		
a the second	Umnotho Financial Institute Primary Co- operative Ltd.	28/05/2019	Plot 79 Nooitgeddag, Rietfontein, Muldersdrift, 1739 Muldersdrift,	All members of Umnotho for Empowerment NPO and their immediate families	info@umn otho.org.za	390	6 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
No.			Gauteng		notho.org.za/ 010 5959 727		
Contact of the	Kingdom Financial Institution Primary Cooperative Limited	19/03/2020	Corner Guido and Evelyn Street, Idutywa, Eastern Cape, 5000	Anyone who reside and/or working in Mbashe local municipality	Ms Miranda Mvuniyswa Info@kingdomCf i.co.za	463	No. Contra
1					078 0447 436		

#### **CO - OPERATIVE BANKS DEVELOPMENT AGENCY**

27 <sup>th</sup> Floor, 240 Madiba Street • Private Bag X115 Pretoria 0001 Tel: 012 315 5367 • Fax: 012 315 5905 • E-mail: cbda@treasury.gov.za



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#### Register of Co-operative Financial Institutions (CFIs) with the Prudential Authority

#### Chapter VIIA 40C (2), Co-operative Banks Act, 2007: Notice of registration

Name	Date Registered with the PA	Location	Common bond	Contact details	Members*
Tshwane Community Financial Services Cooperative Limited	24/03/2020	8 First Street, Menlo Park, Pretoria 0181	People who reside or work in Region 1 of Tshwane Metropolitan	Mr Rudy Myburgh Rudy@transafrica.co.za 079 821 6937 087 3302 434	348
Oranjekas Savings and Credit Co-operative (SACCO)	07/04/2020	1241Collinslaan Moregloed Pretoria 0186	All members of Volksekonomie Klub	Mr Joseph Kidson Joseph.kidson@ oranjekas.co.za https://www.oran jekas.co.za/inde x.php/kontakbes onderhede 012 7545 5454	1081
Nagrik Financial Services Co-operative	07/04/2020	Corner Choprop House, 146 Willen Botha Street, Centurion Pretoria	Persons in business in the area of Centurion	Mr Ramjee <u>Admin</u> admin@nagriksa.co.za <u>www.nagriksa.co</u> <u>.za</u> 074 5223 323	290
Ndzhakeni South Avenue Co-operative Financial Services	07/04/2020	57 Lindhout Street Noordheuwel X4 Krugersdorp Johannesburg 1739	Stokvel members of Ndzakeni Investments Stokvel and New Avenue	Mrs Portia Mudau <u>pkkeemetswe@ gmail.com</u> 083 4432 648	2454
GIG Financial Services Primary Co-operative Limited	14/04/2020	373 Leslie Avenue, Fourways, 2055 Gauteng	Members with common membership in the GIG Institute	Ms Karen Black <u>manager@gigtru st.co.za</u> <u>https://www.gig.</u> <u>coop</u> 084 990 1726	716

#### CO - OPERATIVE BANKS DEVELOPMENT AGENCY

27 <sup>th</sup> Floor, 240 Madiba Street • Private Bag X115 Pretoria 0001 Tel: 012 315 5367 • Fax: 012 315 5905 • E-mail: cbda@treasury.gov.za

