

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NUMBER: 935**

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**Dr D T George (DA) to ask the Minister of Finance:**

- (1) Whether the National Treasury has assisted any state-owned entities (SOEs) or semi-state-owned entities by way of financial support and/or loans in the (a) 2005-06, (b) 2006-07, (c) 2007-08 and (d) 2008-09 financial year; if not, what is the position in this regard; if so, what did the financial support and/or loans amount to for each SOE or semi-SOE in each financial year in each case;
- (2) whether the National Treasury has agreed on performance criteria for the financial assistance or loans to SOEs or semi-SOEs in each of these financial years; if not, why not; if so, what criteria in each case?

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**Reply:**

- (1) Financial support by the State to Schedule 2 (Major Public Entities) and 3B (Government Business Enterprises) listed under the Public Finance Management Act (No 1 of 1999 as amended), comprises of guarantees, loans and transfer payments. A schedule of financial support by the State for the financial years 2005/06 to 2008/09 is provided in **Annexure A**.

Loans and transfer payments to Schedule 2 and 3B Public Entities are reflected in the relevant Appropriation Acts passed by Parliament for each of the respective years. The expenditure is reflected on the Budget Vote of the relevant Departments to whom the Public Entity is accountable.

Guarantees are issued in terms of Section 70 of the Public Finance Management Act by the Executive Authority (Responsible Minister) of the relevant Public Entity, in concurrence with the Minister of Finance.

Of the Public Entities listed in **Annexure A** that received financial support, the Minister of Finance and the National Treasury are accountable for the Land and Agricultural Development Bank of South Africa (transferred to the Minister of Finance from 1 July 2008), and the Development Bank of Southern Africa. Should further information be required regarding the other Public Entities, it is recommended that the Honourable Member approach the Executive Authority accountable for the relevant Public Entity.

- (2) Performance criteria for Public Entities are determined by the respective line departments to whom they are accountable. The performance criteria for Public Entities that are accountable to the National Treasury and which received financial assistance are listed in **Annexure B**.