

**NATIONAL COUNCIL OF PROVINCES**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NUMBER: 404 [CW503E]**

**DATE OF PUBLICATION: 16 SEPTEMBER 2011**

**Mr D B Feldman (COPE-Gauteng) to ask the Minister of Finance:**

Whether the National Treasury will encourage the use of technology in assisting banks that apply to become operationally viable in terms of the Cooperatives Bank Act, Act 40 of 2007; if not, why not; if so, what are the relevant details?

CW503E

**REPLY:**

Yes, the Co-operative Banks Development Agency (CBDA) informs me that it has already provided assistance to co-operative financial institutions operating with manual systems, to implement a basic Microsoft Excel cash flow system.

In addition, the CBDA, in consultation with the co-operative financial institutions sector, is in the process of putting in place appropriate information technology that will enable co-operative financial institutions, including registered co-operatives banks, to access a banking platform that would provide (i) banking products and services to members (ii) administrative and information management functions to co-operative financial institutions and (iii) connectivity to the national payment system. Once implemented, the banking platform will allow co-operatives to issue debit and, in time, credit cards, with full access to ATMs, points of sale at merchants such as retail stores and mobile banking services, just like any other commercial bank.

The National Treasury's role in such matters can only be in the removal of policy constraints, if indeed such constraints do exist and are brought to it's attention.