

NATIONAL COUNCIL OF PROVINCES

QUESTION FOR WRITTEN REPLY

QUESTION NUMBER PQ 535 [CW639]

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Mr. M.W. Makhubela (COPE-Limpopo) to ask the Minister of Finance:

- (1) Whether the Government had fully developed policy with regard to providing loans to SADC countries and more importantly ensuring that Parliament was kept fully informed about the borrowing country's compliance with (a) terms and conditions, (b) monitoring and reporting, and (c) servicing and redemption of the loan; if not, why not; and if so, what are the relevant details? **CW639E**

REPLY:

Each request for financial assistance is considered on an individual basis. A variety of instruments are currently being utilised depending on the type, urgency and amount of assistance required. As such, there is no single policy covering loans but rather a framework of differing requirements dependent on the vehicle through which the assistance is channelled and the purposed of its application. Instruments available to Government include the African Renaissance Fund, the Export Credit Insurance Corporation of South Africa (ECIC), the Development Bank of Southern Africa (DBSA), the Industrial Development Corporation (IDC) and bilateral financial assistance.

It is expected that with the establishment of the South African Development Partnership Agency (SADPA) (an Agency to be housed within the Department of International Relations and Cooperation (DIRCO)), the government will be in a position to develop a policy framework that will inform how loans and grants are provided to other countries.

Parliament will be fully informed of any loans to SADC countries and the relevant terms and condition, when such loans are approved by Government.