

**NATIONAL COUNCIL OF PROVINCES
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER: 308 [CW406E]
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308. Mr R A Lees (DA-KZN) to ask the Minister of Finance:

- (1) Whether, with regard to the proposed loan and/or guarantee for a loan, any money has been paid to the Swaziland government in this regard; if not, why not; if so, what are the relevant details;
- (2) whether the funds are still on offer to the Swaziland government; if not, why not; if so, what are the relevant details?

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REPLY:

(1+2) The following answer responds to both questions:

It is recalled that the Kingdom of Swaziland approached the Republic of South Africa for financial assistance which was required as a result of the impact of the global economic downturn on the Kingdom during the 2011/12 financial year. Consequently, a Memorandum of Understanding (MoU) was negotiated following a decision to grant a loan from the South African Reserve Bank to the Central Bank of Swaziland.

No funds have been transferred to date.

The loan was intended to come to Swaziland's aid and to assist the country with financial management. The MoU addressed fiscal policy, public financial management procedures and practices, legal frameworks and related rules that govern financial management. These measures were designed to help guide Swaziland to a position of financial health.

While officials from the respective Finance Ministries engaged on the various confidence building measures, negotiations around a financial conditions agreement which included the respective milestones and time-frames for the implementation of fiscal and regulatory reforms were never concluded.