

NATIONAL COUNCIL OF PROVINCES
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER: 721 [CW818E]
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721. Mr D R Ryder (Gauteng: DA) to ask the Minister of Finance:

- (1) (a) How much has South Africa contributed to the Brics Bank, (b) when were the contributions made, (c) what further contributions are expected to be made and (d) what has been the benefits of such contributions to South Africa;
- (2) whether South Africa accessed any funding from the said bank; if so, (a) how much funding, (b) for what purpose, (c) when and (d) on what terms;
- (3) whether Russia accessed any funding from such a bank; if so, (a) how much funding, (b) for what purpose and (c) when? CW818E

REPLY:

Please note that most of the information outlined below is accessible on the National Treasury and New Development Bank websites (www.treasury.gov.za; <https://www.ndb.int/>)

- (1)(a) Paid in Capital by the Founding Members, is Two Billion dollars (US\$2,000,000,000), of which 20,000 (twenty thousand) shares correspond to paid in capital. http://www.treasury.gov.za/comm_media/press/monthly/2205/mpff.pdf
- (b) Payment of Initial Subscription was made in seven instalments of paid in Capital per Country. South Africa made payments from 2015 until 2021. Please see attached NDB Articles of Agreement, specifying payment structure and amounts.
- (c) South Africa has pledged to pay US\$ 2 million towards the New Development Bank Project Preparation Fund (PPF)¹ for the financial years of 2021/22 and 2022/23. End of March this year, South Africa made its first contribution of USD 1 Million to the fund.
- (d) The NDB opened its first Regional office, the Africa Regional Centre (ARC) on 17 August 2017, in Johannesburg, South Africa. https://www.ndb.int/press_release/ndb-launches-africa-regional-center-johannesburg-south-africa/
 - On 19 June 2020, the Board of Directors of the New Development Bank (NDB) approved USD 1 billion Emergency Assistance Program Loan to South Africa. <https://www.ndb.int/covid-19-emergency-program-sa/>
 - On 02 April 2022, the Board of the NDB approved another USD 1 Billion COVID-19 Emergency Program Loan for Supporting South Africa's Economic Recovery from COVID-19. <https://www.ndb.int/covid-19-emergency-program-loan-for-supporting-south-africas-economic-recovery-from-covid-19/>

¹ The objective of the PPF is to assist the NDB achieve its purpose of promoting infrastructure and sustainable development by supporting preparation of bankable projects to facilitate borrowing member countries to raise funds for such projects from NDB and others.

- During the month of April 2022, government received USD 100 million disbursement from the NDB, under the NDB National Non-Toll Road Management Programme Loan.
 - In support of South Africa's Just Transition, the NDB has pledged to provide USD 3 Billion to the initiative for the next 3 to 5 years.
 - The PPF will enhance the project preparation capacity of South Africa, facilitate feasibility studies where necessary, and support improved project implementation.
 - To maximise the benefits of membership by using the Funds to increase the number of bankable projects in its pipeline.
- (2) Please see above responses in (1).
- (3) As of this year, the bank has not disbursed any funding to Russia due to recent market developments. Considering unfolding uncertainties and restrictions, NDB has put new transactions in Russia on hold. https://www.ndb.int/press_release/a-statement-by-the-new-development-bank/