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**NATIONAL ASSEMBLY QUESTION FOR WRITTEN REPLY**

**QUESTION NUMBER: 220**

**DATE OF PUBLICATION IN INTERNAL QUESTION PAPER: 10 FEBRUARY 2022**

**INTERNAL QUESTION PAPER NUMBER: 1 - 2021**

**220. Ms L H Arries (EFF) to ask the Minister of Social Development:**

What are the reasons that the cash send option for the Social Relief of Distress Grant payments is not yet in place? NW224E

**REPLY:**

With the first iteration of the Special COVID-19 Social Relief of Distress (SRD) grant, SASSA entered into contracts with banks to provide the cash send / mobile money transfer channel for approved applicants who chose this payment option. The reinstatement of the grant was only published in the Government Gazette on 3 August 2021, a month after the expiration of the contracts with the banks. As a result, SASSA had to follow a new procurement process.

SASSA got approval from the National Treasury to follow a closed tender process, directed at banks registered in South Africa only. This process was concluded in December 2021, with only 4 banks of the more than 20 banks in South Africa passing the tender processes. Work is currently underway to conclude the detailed contracts with the banks to be able to provide the cash send payment option.

Since the banks are also contracted to provide a means test for reconsideration of declined applications, SASSA approached the National Treasury for approval to negotiate with the remaining banks, as the service required is not based on competitive bids, but rather the intention is to include as many banks as possible. This will ensure that the most accurate decisions possible are made for applications for the grant. This process is underway.

Despite the mobile money transfer option not being operational at this stage, all applicants for the SRD grant who chose the money transfer method of payment were contacted in order to either provide bank account details, or opt to be paid through the post office, so as not to delay the payments of the approved applicants.