**PARLIAMENT OF THE REPUBLIC OF SOUTH AFRICA**

**NATIONAL ASSEMBLY**

**WRITTEN REPLY**

**QUESTION NO: 2332**

**DATE OF PUBLICATION:**

**DATE OF REPLY: 03 NOVEMBER 2016**

**Mr C MacKenzie (DA) to ask the Minister of Telecommunications and Postal Services:**

What (a) is the total amount of all (i) long-term loans and (ii) overdraft facilities secured by the SA Post Office as part of its three-year loan facility obtained from major financial institutions, (b) are the names of each of the specified major financial institutions and (c) is the (i) total amount, (ii) interest rate charged and (iii) term of each loan and/or overdraft facility?

**REPLY**

**I have been informed by the South African Post Office (SAPO) as follows:**

SAPO obtained a 3-year club loan from 5 local banks totalling R3.7 billion, which refinanced the previously existing loans totalling R1.0 billion. These loans are on common terms and conditions with interest rates of JIBAR plus between 2% and 2.5%. Details of exposures by bank, including specific terms and conditions such as pricing, are confidential. The loans are repayable on 14 July 2019.

The overdraft facility amounts to R270 million with no fixed termination date. This is not currently being utilised by SAPO.

1. (i) Long- term loans= R3.7 billion

(ii) Overdraft facilities= R270 million

1. Names of institutions are confidential
2. (i) The total amount is R3.7 billion

(ii) Interest rate charged = interest rates of JIBAR plus between 2% and 2.5%

(iii) The terms and conditions of each loan/ or overdraft facility is confidential. SAPO is bound by contractual obligations not to disclose more detailed information.