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**NATIONAL ASSEMBLY**

**WRITTEN REPLY**

**PARLIAMENTARY QUESTION: 2558**

**DATE OF PUBLICATION: 25 August 2017**

**Mr MGP Lekota (Cope) to ask the Minister of Economic Development:**

(1) What are the circumstances that resulted in the decision of the Industrial Development Corporation (IDC) to lay criminal charges laid against a certain person (name furnished);

(2) whether he has found that the manner in which the IDC monitored matters related to the loan, including conditions attached thereto, was according to applicable regulations;

(3) whether he has found that the manner in which the loan application to the IDC by the said businessperson was processed and approved by the IDC was in accordance with applicable regulations; if not, what is the position in this regard; if so, what are the relevant details? NW2816E

**REPLY**

I have been furnished with a reply by the CEO of the IDC, Mr Geoffrey Qhena, to the question, which follows below.

1. “The circumstances resulting in the IDC laying criminal charges against the client are as a result of an audit finding which found that there was a material misrepresentation made by the company in its request for funding to the IDC, which amounted to fraud. Details of the case cannot however be disclosed, as the matter is still under investigation by the South African Police Services.
2. According to our records, IDC monitored matters related to the loan, including conditions attached thereto, according to applicable internal processes.
3. The loan to the business/company of the said businessperson, was processed and approved by the IDC in accordance with applicable IDC internal processes.”

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