

**MINISTRY**

**HIGHER EDUCATION SCIENCE AND INNOVATION**

**REPUBLIC OF SOUTH AFRICA**

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| MEMORANDUM FROM THE PARLIAMENTARY OFFICE |

**NATIONAL ASSEMBLY**

**FOR WRITTEN REPLY**

**QUESTION 295**

**DATE OF PUBLICATION OF INTERNAL QUESTION PAPER: 17/02/2023**

**INTERNAL QUESTION PAPER NO 2 OF 2023**

**Mr S S Zondo (IFP) to ask the Minister of Higher Education, Science and Innovation:**

With reference to the continuously ballooning amount of historical debt in institutions of higher learning, (a) how far is the discussion with private banks about the possibility of a loan scheme which would be supported by the Government to guarantee student funding for their studies and (b) what are the relevant details and preempted nature of such agreements?

**NW308E**

**REPLY:**

1. The Department of Higher Education and Training has embarked on further consultations with the banking sector as well as the Banking Association of South Africa (BASA) to explore options for a credit guarantee model before an application for a credit guarantee can be submitted to National Treasury by the Minister of Higher Education, Science and Innovation.
2. The first engagement took place on 21 February 2023 with officials from BASA and Nedbank outlining the data requirements that will inform the models for credit risk; interest rate models; government liability; payment terms etc, as required and will be followed with further bi-lateral engagements with the remaining banks.

**COMPILER DETAILS**

NAME AND SURNAME:

CONTACT:

**RECOMMENDATION**

It is recommended that the Director-General sign Parliamentary Question 295.

**DR NKOSINATHI SISHI**

**DIRECTOR–GENERAL: HIGHER EDUCATION AND TRAINING**

**DATE:**

PARLIAMENTARY REPLY 295 IS APPROVED / NOT APPROVED / AMENDED.

COMMENT/S

**DR BE NZIMANDE, MP**

**MINISTER OF HIGHER EDUCATION, SCIENCE AND INNOVATION**

**DATE:**