**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NUMBER: 32 [NW37E]**

**DATE OF PUBLICATION: 7 FEBRUARY 2019**

**32. Mrs H O Mkhaliphi (EFF) to ask the Minister of Finance:**

Has any (a) municipality, (b) state-owned entity and (c) department opened an account or deposited money in any other mutual bank other than the VBS Mutual Bank during the period 1 January 2009 up to the latest specified date for which information is available; if so, (i) who opened such accounts or deposited money in a mutual bank, (ii) what amount was deposited in each case and (iii) in which mutual bank was the money deposited? NW37E

**REPLY**

1. According to information at our disposal there are only two other mutual banks operating in South Africa which are:
2. GBS Mutual Bank; and
3. Finbond Mutual Bank.

There are no records of any municipal investments for 01 January 2009 to 30 June 2014. Based on municipal reports submitted to the National Treasury from 01 July 2014 to December 2018, there were no municipal investments in either GBS Mutual Bank or Finbond Mutual Bank.

1. In terms of section 7(2) of the PFMA the above-mentioned banks are not approved in writing by the National Treasury.
* Therefore, approval was not granted to national or provincial departments or national or provincial public entities to invest funds with these institutions.

In terms of section 7(3) of the PFMA Schedule 2 entities (SOE’s) may open bank accounts without the approval of the National treasury.

In terms of Treasury Regulation 31.2.1 The South African Library for the Blind reported that they held an account with GBS Mutual Bank.