**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NUMBER:** **3340 [NW4145E]**

**DATE OF PUBLICATION: 23 SEPTEMBER 2022**

**3340. Dr D T George (DA) to ask the Minister of Finance:**

(1) Whether, with regard to the World Bank loan announced on 13 June 2022, the funds received will be utilised for any expenditure other than the procurement of vaccines; if not, what is the position in this regard; if so, what are the relevant details;

(2) whether terms of repayment were agreed upon; if not, why not; if so, what are the relevant details? NW4145E

**REPLY**

1. The World Bank loan was disbursed under the South Africa Covid-19 emergency response project. As such the proceeds will only be used to fund South Africa’s vaccine rollout strategy which includes retroactively funding the delivery and distribution plan as of January 2021
2. The terms of the loan were agreed upon before disbursement. The funding rates are concessional based on a 6-month Euribor reference rate plus a 0,47% spread as well as a grace period of 3 years after which the loan will be repaid for 13 years. This is cheaper than any funding the sovereign could achieve in debt capital markets for equivalent tenor loans.