**Memorandum from the Parliamentary Office**

**NATIONAL ASSEMBLY**

**FOR WRITTEN REPLY**

**QUESTION 3850**

**DATE OF PUBLICATION OF INTERNAL QUESTION PAPER: 30/10/2015**

**(INTERNAL QUESTION PAPER 45 OF 2015)**

**Mr Y Cassim (DA) to ask the Minister of Higher Education and Training:**

Is there a contract between the National Student Financial Aid Scheme and Celbux SA (Pty) Ltd in relation to the sBux scheme; if not, (a) who are the parties to the contract relating to the sBux scheme and (b) what is the nature of that contract; if so, what is the nature of the specified contract between NSFAS and Celbux SA (Pty) Ltd?

**NO4659E**

**REPLY:**

Yes, there is a service level agreement in place between the National Student Financial Aid Scheme (NSFAS) and Celbux SA (Pty) Ltd.

1. The parties to the sBux Scheme consist of NSFAS, Celbux SA (Pty) Ltd, students who receive allowances in the form of cell phone vouchers via the sBux Scheme and designated merchants who contract with both NSFAS and Celbux SA (Pty) Ltd.

There are several agreements in place which regulate the relationship between various parties participating in the sBux Scheme. The type of agreements and the parties to those agreements are provided below:

* a service level agreement between NSFAS and Celbux SA (Pty) Ltd;
* loan and/or bursary agreements are concluded between NSFAS and students in terms of which allowances are allocated to students; and
* merchant registration agreements are concluded between NSFAS, Celbux and merchants.

1. NSFAS and Celbux have contracted in the form of a service level agreement in terms of which NSFAS has procured access to the technology, licences, authorisations and facilities to offer a mobile payment solution which ensures that the sBux service is available to the students at all times. The sBux service is a free service which is available to NSFAS students who are eligible for allowances. Presently however, only students registered at the eleven institutions participating in the new student centred model are able to receive their allowances in the form of cell phone vouchers.

NSFAS enters into contracts with students for the provision of non-cash allowances in the form of unique cell phone vouchers across four spending categories. These categories include books, meals, private accommodation and transport. However, as the transport category is not yet enabled, students receive cash vouchers in lieu of transport. In the latter case, the students are able to withdraw cash up to predetermined daily limits from registered cash withdrawal agents such as Shoprite (Pty) Ltd and Boxer (Pty) Ltd.

The agreement with Celbux makes provision for an audit trail for all transactions made on the system and additionally makes provision for fraud monitoring services.

Compiler/contact persons:

Ext:

DIRECTOR – GENERAL

STATUS:

DATE:

REPLY TO QUESTION 3850 APPROVED/NOT APPROVED/AMENDED

Dr BE NZIMANDE, MP

MINISTER OF HIGHER EDUCATION AND TRAINING

STATUS:

DATE: