**NATIONAL ASSEMBLY QUESTION FOR WRITTEN REPLY QUESTION NUMBER: 4357**

**DATE OF PUBLICATION IN INTERNAL QUESTION PAPER: 18 NOVEMBER 2022**

**INTERNAL QUESTION PAPER NUMBER: 49 - 2022**

**4357. Ms B S Masango (DA) to ask the Minister of Social Development:**

What plans has her department put in place to continue payments of SASSA grants following the developments that Telkom might ditch its communication services contract with the SA Post Office?

NW5481E

**REPLY:**

SASSA has engaged Postbank as its service provider, to ascertain the risk related to the media article on the possibilities of Telkom ditching its communication services with the South Africa Post Office (SAPO). SAPO has assured Post Bank that there is no official development or notice served by Telkom indicating their intention to withdraw from the communication’s services contract.

To further reduce this risk, Postbank is currently implementing an IT modernisation project which will enable the migration of Postbank’s banking platforms and other key applications from SAPO’s data center to a new Postbank compliant data center.

The financial position of SAPO continues to be a risk to grant payments both for Postbank and SASSA. However, it is important to note that all grants are paid directly into individuals’ bank accounts which are integrated to the National Payment System (NPS), therefore, if any channel is compromised, clients have the ability to withdrawn or transact at any Point Of Sale (POS) service at merchants and ATM’s using their cards.

We continually encourage SAPO/SASSA card holders and grant recipients using this card to use these other options, and would be grateful if members of Parliament can also educate and actively encourage their different constituents to do so. The use of cash is not only risky but also very expensive to beneficiaries.