

**MINISTRY FOR COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS**

**REPUBLIC OF SOUTH AFRICA**

**NATIONAL ASSEMBLY**

**QUESTIONS FOR WRITTEN**

**QUESTION NUMBER 2018/48**

**DATE OF PUBLICATION: 15 FEBRUARY 2018**

**Mr M Waters (DA) to ask the Minister of Cooperative Governance and Traditional Affairs:**

(1) Whether the Ekurhuleni Metropolitan Council has taken out any loans and/or bonds since the 2009-10 financial year; if so, (a) what number of loans and/or bonds were taken out, (b) on what dates and (c) what (i) is the value of each loan and/or bond and (ii) are the conditions regarding the interest, repayment and time frame for each loan and/or bond;

(2) What is the current total debt of the Ekurhuleni Metropolitan Municipality;

(3) Whether the in duplum rule has been applied by the specified municipality; if not, (a) why not and (b) which loans does it affect;

(4) (a) When was the last time payment was made on the loans and (b) what was the amount that was paid in each case?

**Reply:**

1. Since 2009 to date, the City of Ekurhuleni has not taken any long-term loans. However, the city has funded its capex programme through the issuance of bonds (EMM02 to EMM07P).

The schedule of the total debt profile is shown in Table 1 below.

1. The balance outstanding for all the loans and bonds was R6.162bn as at 31 December 2017.

**Table 1**

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(3) The loan agreement is governed by and construed in accordance with the law of the Republic of South Africa. In the case of these loans, the in duplum rule applies under common law, which forms part of the law of the Republic of South Africa.

(4) (a) & (b) The last interest payment dates and amounts are shown in the table 3 above, and the loan references are 76,77,78 and 79.

Please take note that questions 3455 of 2010, 2018/47 and 2018/48 are inter-related in that all seek to probe the usage of borrowing instruments by the Ekurhuleni Metropolitan Municipality to raise additional revenue.