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Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

THE NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NO. 1002

Mr Z E Mthethwa (MK) to ask the Minister of Trade, Industry and Competition:

Whether, since he assumed office, he has taken any steps to change the paradigm of black persons not owning any banks in the Republic; if not, why not; if so, what has he found to be the biggest challenges?NW1124E

REPLY:

The ownership and acquisition of banks is regulated by the Prudential Authority and the Financial Sector Conduct Authority (FSCA) and falls within the preview and ambit of the Minister of Finance.

However, as the custodian of the B-BBEE Act, the Minister is receiving reports from the B-BBEE Commission and the Financial Sector Charter Council overseeing the implementation of the financial sector code and transformation in the financial services sector. The reports reflect the level of compliance to B-BBEE elements and set targets, using a scorecard. The Financial Sector Code target for black ownership by the banks is 23 points and according to the recently published Amalgamated 2023/24 State of Transformation Annual Report in the Financial Sector, the banking sector achieved 17 points, relatively 73% towards the target. It is a challenge that the black ownership target has not been met. Therefore, engagements with the Financial Sector Transformation Council will seek to understand these challenges and proposed solutions and interventions from all stakeholders in the financial services sector.

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