



the dtic

Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

THE NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NO. 3027

Mr R W T Chance (DA) to ask the Minister of Trade, Industry and Competition:

With regard to the review of fees for Payment Distribution Agents and particularly for the sake of consumers who rely on a stable and effective debt review infrastructure, what are the details of the formal timeline regarding the implementation of the 2018 fee study recommendations? NW3489E

REPLY:

I have been advised by the National Credit Regulator (NCR) as follows.

Section 16(1)(g) of the National Credit Act (NCA) enjoins the National Credit Regulator (NCR) to, over time, review legislation and regulations, and report to the Minister concerning matters relating to consumer credit.

Section 13(d) of the NCA further requires the NCR to conduct research and propose policies to the Minister in relation to any matter affecting the consumer credit industry, including but not limited to proposals for legislative, regulatory or policy initiatives that would improve access to credit for historically disadvantaged persons, low income persons and communities and remote, isolated or low-density populations and communities.

Section 171 of the NCA empowers the Minister of Trade, Industry and Competition to make regulations after publishing for public comment, and subsequently provide notice thereof in the Gazette.

The National Credit Regulator (NCR) received an instruction from **the dtic** on 27 July 2018 requesting the NCR to initiate an independent research process and make recommendations for a review of the entire fee structure of the Payment Distribution Agents (PDAs). To this end, the NCR submitted on 19 October 2018, a report on the findings and recommendations from this research study. The proposals were not published for public comment or subsequently Gazetted. Therefore, the implementation thereof has not been possible and no formal timeline for implementation has been communicated to the NCR.

The Department was in the process to finalise the regulations and some consultations took place with stakeholders on the proposed regulations between 2019 and 2020. However, with the pandemic and priorities in government shifting due to the constrained economic environment, the study was not implemented. The Department is going to resuscitate the process and ensure that the fees of the PDAs are Gazetted.

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