PARLIAMENTARY QUESTIONS NO. 1150 OF 2012

TO BE ASKED ON: Thursday 16th August 2012

BY: Mr. N. M. Modubule, MP. (Lobatse):

QUESTION

To ask the Minister of Finance and Development Planning:-

(i) How Matsiloje Cement Plant was funded by the Botswana Development Corporation (BDC); and,

(ii) whether the said company is servicing its debt?

Response:

1. Madam Speaker,

(i) BDC Board approved a total funding of P22.04 million for the Matsiloje cement project on the 17th September 2008. The project funding comprised of preference shares of P5.6 million and a loan facility of P16.44 million.

(ii) There was never any drawn down/disbursement on the loan facility advanced after the company decided to suspend its expansion plan, for which the loan was requested. However,
the funding for the preference shares was disbursed in full and
the shares are redeemable over a five year period commencing
March 2012 and ending February 2017.

2. I thank you Madam Speaker.