

Development Bank of Southern Africa Limited  
Registration number: 1600157FN  
JSE alpha code: DIDBS

### **Statement regarding Daily Maverick article**

The Board and Executives of the Development Bank of Southern Africa (**DBSA**) have noted, with concern, the misguided and unsubstantiated allegations contained in an article published by the Daily Maverick on 11 August 2019 (**the Article**). While it is not the DBSA's practice to respond to conjecture, we find it necessary and prudent to refute the erroneous assertions contained in the Article which we expressly reject. The DBSA wishes to focus attention to the following matters which respond in part to the unfounded statements contained in the Article:

1. while DBSA has had engagements with PRASA, DBSA has not entered into any written agreement with PRASA where it has been appointed as PRASA's Implementing Agent; and
2. the DBSA is permitted under South African Law to act as an Implementing Agent to PRASA as it has for numerous other Organs of State in executing infrastructure projects. DBSA's authority to do so is rooted in, amongst others, the Public Finance Management Act (1999) (PFMA) read with the Standard for Infrastructure Procurement and Delivery Management as issued by National Treasury (effective 1 July 2016) under Section 76 (4) (c) of the PFMA and (in due course) the Framework for Infrastructure Delivery and Procurement Management, which will take effect from 1 October 2019.

The DBSA Act mandates the DBSA to operate across the whole infrastructure value chain. The DBSA's Infrastructure Delivery Division has established a formidable reputation as an Implementing Agent. It has, since inception, accelerated infrastructure and delivery support to projects in excess of ZAR15bn, yielding substantial benefit to its partners. It goes without saying that any and all future engagements with PRASA including any subsequent agreements, will take effect strictly in accordance with all legal prescripts, governance protocols and integrity, hallmarks synonymous with DBSA.

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