



# HAVE YOUR SAY! CITY OF CAPE TOWN INTENTION TO INCUR LONG-TERM DEBT INFORMATION STATEMENT

In accordance with Section 46(3) of the Local Government: Municipal Finance Management Act (No 56 of 2003), the City of Cape Town hereby makes public an information statement setting out particulars of a proposed long-term debt to be considered for approval by the Council of the City of Cape Town at its meeting on 25 October 2018. The City has been approached by a Development Finance Institution (DFI) to fund specific projects exclusively for the refurbishment and expansion of several waste water treatment plants in Cape Town.

The salient features of the debt are as follows:

Issuer of debt	KfW Development Bank
Amount of debt	Eighty million Euros to be denominated in ZAR, as prescribed by the MFMA.
Purpose of Debt	To finance the City of Cape Town's 2017/18 Medium Term Revenue and Expenditure Framework (MTREF) and subsequently new updated 2018/19 MTREF for the extension and rehabilitation of existing wastewater facilities
Date of issue of debt	In three separate tranches between December 2018 and December 2019
Term of debt	15 years
Final repayment date	15 November 2033
Effective interest rate	The interest rate is calculated on a EURIBOR basis plus a margin, which takes the grant element into account. This is then swapped into the rand equivalent (indicative rate at 15 August 2018 is 8,25 to 8,75%)
Repayment dates	Semi annually
Debt Security	The debt is unsecured

In terms of section 17 of the Local Government: Municipal Systems Act, Act 32 of 2000, the public and interested parties or groups are given the opportunity to submit comments, input or recommendations to the municipality before 28 September 2018.

The City invites written comments or representations from the public, National Treasury and Western Cape Provincial Treasury in respect of the proposed debt.

Comments should be directed to:

- Written submission: Director: Treasury City of Cape Town P O Box 655, CAPE TOWN, 8000
- E-mail: [janinemarion.abrahams@capetown.gov.za](mailto:janinemarion.abrahams@capetown.gov.za)

People who cannot read or write, people living with disabilities and people from disadvantaged groups who are unable to submit written comments may come during office hours to the 7th Floor, Civic Centre, 12 Hertzog Boulevard, Cape Town for assistance in transcribing that person's comments or representations will be given and submitted to the City.

The City's Public Participation Unit will assist people who cannot read or write, people living with disabilities and people from disadvantaged groups who are unable to submit written comments, to have their comments or input recorded and submitted to the City.

**Direct enquiries to Janine Abrahams on 021 400 5989.**

LUNGELO MBANDAZAYO  
CITY MANAGER  
12/9/2018



CITY OF CAPE TOWN  
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