



**GAUTENG PROVINCE**  
PROVINCIAL TREASURY  
REPUBLIC OF SOUTH AFRICA

**MEDIA STATEMENT  
FOR IMMEDIATE RELEASE  
TO ALL MEDIA HOUSES  
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**Gauteng on track to establish the state-owned bank and state-owned pharmaceutical company**

Finance MEC Jacob Mamabolo today announced that the due diligence report on the state bank has been finalised and handed over to the Gauteng Provincial Government.

“This is a major milestone that we have reached and gives the process of establishing the state bank a thumbs up. We are now in a better position to move to the next level to consult with the Premier and consult broadly with stakeholders including the Economic Development and labour,” he said.

“The due diligence report clears the legal hurdles and provides Gauteng with a strong legal framework towards establishing a state-owned bank. We are now in a better position to move forward knowing very well that the work that we are doing complies with the legislation,” MEC Mamabolo said.

It is envisaged that the state owned bank will address current market failures by, amongst other things:

- Integrating small, micro, and mid-sized businesses (SMME’s) and unserved individuals in the formal financial sector; and
- With a unique value proposition, it will drive a mission of financial inclusion and security while offering a differentiated value proposition to customers whose needs are not being met by current bank offerings;
- Provide tailored products including launching a streamlined, low-cost transaction product set with value-added features and expanding in future to include loan products

“We are convinced that by supporting township entrepreneurs including ensuring that they have access to tailor made financing products to expand their businesses, we will create new jobs, increase access to goods and services, and promote much-needed economic development in our communities. The state owned bank is one of the key mechanisms that can support us to grow the township economy and increase the overall contribution of Gauteng to the country’s Gross Domestic Product,” he said.

Turning to the state owned pharmaceutical company, the MEC said the legal due diligence for this entity has also been completed, and it supported the establishment of the pharmaceutical company.

The proposed solution will address, amongst others, institutional arrangements, supply chain management, medicine procurement, facilities, distribution of medicines to the Provincial Healthcare facilities, medicines inventory and dispensary to members of the public.

This process was followed by the appointment of the Advisory Panel comprising of experts in the pharmaceutical and healthcare policy from both the public and private sector. They are as follows:

Mr Amos Monyela – Chairperson  
Dr Harsha Somaroo  
Dr Neelaveni Padayachee  
Ms Lize King  
Prof Rudo Mathivha  
Prof Sithembiso Velaphi  
Mr Saul Dikgang  
Ms Swasthi Soomaroo  
Prof Sehlare Makgetlaneng  
Dr Sebayitseng Hlatshwayo  
Dr Zinhle Makatini  
Mr Khamusi Philip Mutoti

“The role of the panel is to provide strategic guidance and advice on developing a business case for the pharmaceutical company and participating in consultations with relevant stakeholders. The Panel will serve as an important mechanism for the proper regulation and oversight of the work to be conducted and will play a critical role in providing research and development support, disseminating proper information on medicines and addressing public health problems,” he said.

MEC Mamabolo said: “In fact, we are meeting with the MEC of Health and Wellness, Nomantu Nkomo-Ralehoko and clinicians tomorrow as part of our first stakeholder consultation on the pharmaceutical company. The meeting will also be attended by Mr Amos Monyela as the Chairperson of the Advisory Panel of the pharmaceutical company.”

“We take the work of establishing both the state pharmaceutical company and the state bank very serious. That is why we appointed Senior Counsel Adv. A. Bham SC, Senior Council Ngwako H. Maenetjie SC and Senior Counsel Adv. Michelle Leroux SC to conduct due diligence work on both the state pharmaceutical company and the state bank. The total amount that we have spent on the due diligence reports is R4.1 million,” he said.

## **Ends**

For more information please contact:

Joshua Ntimane  
Media Liaison Officer  
072 065 0984  
[Joshua.ntimane@gauteng.gov.za](mailto:Joshua.ntimane@gauteng.gov.za)

John Sukazi  
Head of Communication  
083 772 4885  
[John.sukazi@gauteng.gov.za](mailto:John.sukazi@gauteng.gov.za)

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