



MEDIA STATEMENT: JOINT MINISTERIAL MEDIA BRIEFING ON SASSA SOCIAL GRANT PAYMENT BY POSTBANK

Thursday, 21 September 2023

Introduction:

Ladies and Gentlemen, esteemed members of the media and all members of the public who are following this briefing from the various platforms, thank you for joining us today.

Before we start with the business of the day, Minister Zulu said I must take the opportunity to inform you about the importance of today as we join the world in commemorating World Alzheimer's day.

This is a day where we remind South Africans about this disease which affects a significant amount of people in our country, more so the elderly. The significance of this day is to demystify the stigma surrounding Alzheimer and dementia. It further seeks to educate the public to better understand the disease to enable them to support older persons who are suffering from this disease.

On this Alzheimer's Day we call upon all communities to familiarise themselves with this disease, and to support families who may be affected by it and not to stigmatise anyone with this disease.

Compatriots,

The Departments of Social Development, and Communication and Digital Technologies, along with their respective agencies, the South African Social Security Agency (SASSA), and the Postbank have collectively convened this media briefing to provide the public with an update regarding the recent challenges that some social grant beneficiaries had with their Postbank accounts.

This briefing will provide a further update to last week's joint media briefing by myself, as Minister of Communications & Digital Technologies; and the Minister of Social Development, Ms Lindiwe Zulu, together with the CEOs of SASSA and Postbank. Minister Zulu is currently in transit, and we have agreed that I would continue with the briefing with the support of her department.

At last week's briefing we reported that Postbank had resolved the intermittent system challenges that resulted in some of our social grants recipients not receiving their grants on time. Furthermore, we assured social grants beneficiaries and the nation at large that all outstanding reversals on the social grants accounts that were affected, would be corrected as soon as possible.

Both teams from the Departments of Social Development and Communications and Digital Technologies together with their agencies have been meeting regularly to find a lasting solution to the technical challenges that ensued.

Progress on payments:

Today, we are delighted to report that Postbank has provided us with the assurance that, according to their records, ALL SASSA Grant beneficiaries whose accounts were adversely affected by these system challenges on the 5th and 6th of September have now been corrected. These funds are readily available in the accounts of these beneficiaries, and if not withdrawn, can be accessed through bank ATMs, retailers, and Post Office branches.

We also would also like to make beneficiaries aware that once their money is paid into their Postbank bank account, they can access the money at any time convenient to them. This is a normal bank account and clients do not need to withdraw their money all at once. Clients can also use the SASSA gold card to purchase goods at merchants.

Noting that we will start with the October payment cycle in less than two weeks, we have started preparing to ensure that we do not encounter challenges that were experienced by our clients in this month. Our officials will continue engaging to ensure that we are ready to pay on time in the next month.

The two Departments and their Agencies, understand the regrettable strain that the grants payments challenges that we have experienced this month has caused the most vulnerable of our society. In this regard, we wish to reiterate our sincerest apologies to all social grants beneficiaries who have encountered difficulties accessing their social grants this month.

Hijacking of this challenge for personal gain:

I must address the numerous accounts and statements circulating on various platforms, seemingly motivated by attempts to misrepresent the root cause of the Postbank system challenges that affected social grant recipients' Postbank accounts this month.

We want to place it on record that these stories are false and generally fabricated. The root cause of Postbank's system challenges that affected the September social grants

payments to some beneficiaries, which have now been resolved as of the 6th of September, relate to Postbank's migration to a new system.

Postbank's systems upgrade program, of which the recent migration forms a component thereof, has been unfolding for a while in line with its 2022/23 as well as 2022/23 Corporate Plans and it is also a South African Reserve Bank requirement as part of Postbank's banking license application process.

Social grants beneficiaries are also urged to ignore the false information that the September payments challenges are as a result of the expired SASSA card. The Reserve Bank has granted extension for the SASSA cards to continue to work until December 2023, so beneficiaries can continue to use the same cards.

The departments and their entities will regularly update SASSA beneficiaries on the details of the card replacement program.

Postbank Board:

We wish to assure social grants beneficiaries and the nation that the changes in the Postbank Board shall not have an impact on any of our banking operations or the capacity of the Postbank.

The Postbank Board is an oversight body appointed by the Minister as non-executive directors, so they are not involved with the executive level of decisions or day to day operations of the bank.

The Ministry has already commenced with the process of filling the vacant Postbank Board vacancies, and an advertisement for nominations has been issued.

In the interim, and to ensure that decisions that reside within the delegation of authority of the board are enabled, the Ministry has appointed Mr Khayaletu Ngema as the Postbank Administrator until a new Board is appointed.

Communication drive:

Both Minister Zulu and I have seen the need for Postbank and SASSA to embark on more joint communications activities on the ground targeting outlying areas, including via community radio stations. Both entities, together with the DSD and the DCDT, will be engaging on several outreach programs to ensure that the people we serve are better equipped with credible information.

SASSA and Postbank wish to reiterate that, as agencies of government they remain available to attend to any enquiries by grant beneficiaries that relates to their social grant applications and payments.

For administration queries related to social grants, clients can contact SASSA on: **0800 60 10 11, or via email: grantenquiries@sassa.gov.za**

For bank account queries related to the SASSA gold card users, clients can contact Postbank on:

Tel: 0800 53 54 55

WhatsApp: 073 806 1631

Email: PBbalancingSaswitch@postbank.co.za.

Conclusion:

We are actively taking measures to prevent future challenges in our banking ecosystem, and in particular for our social grant account holders. Our commitment to the welfare and well-being of our social grants beneficiaries remains unwavering. We are investing in robust technology infrastructure, enhancing communication and collaboration among relevant agencies, and strengthening oversight mechanisms to ensure the uninterrupted flow of grant payments to those who depend on them most.

In closing, we recognise the invaluable role that social grants play in the lives of many South Africans, providing essential support and a lifeline to countless families. Our commitment is resolute, and we will continue to work diligently to overcome challenges and enhance the reliability and efficiency of our banking system.

Finally, on behalf of both departments and their state agencies, we wish to extend our sincere gratitude to stakeholders in the payment value-chain for their support during the September payments challenges period.

We further call upon members of society not to use this challenge for cheap political or criminal gain.

End.