

THE MSUNDUZI MUNICIPALITY

PUBLIC NOTICE PROPOSED LONG DEBT INFORMATION STATEMENT

Notice is hereby given in terms of Section 46(3) (a) of the Local Government: Municipal Finance Management Act, (No. 56 of 2003), read together with Section 21(A) of the Local Government Act, No. 32 of 2000: That it is the intention of the Municipal Council to enter into a debt agreement to raise an external loan of R200 000 000 in order to finance the approved capital projects in 2021/22- financial years. Comments on the external loan to be raised, if any, must be submitted in writing on or before Friday, 30 April 2021, to the Office of the City Manager, Private Bag X321, Pietermaritzburg, 3201. Individuals who cannot write have the option to call the City Finance Offices in light of the lockdown (8th Floor, Professor Nyembezi building 033 392 2242) where Mr W. Mtusva will assist such an individual. Please refer to the information statement in Annexure A encapsulating all the required borrowing particulars.

Annexure A

Information Statement: Raising of external loan			
In terms of Section 46(3) of the Local Government: Municipal Finance Management Act (Act 56 of 2003) read together with Section 21A of the Local Government Municipal Systems Act (Act 32 of 2000), the following information statement is made public.			
Amount	R200 000 000		
Purpose	The Msunduzi Municipality approved the budget for 2021/22 -2023/24 MTERF and made provision for incurring long term debt to the tune of R200 000 000 for the funding of capital projects .		
	Project name	IDP objective	External loan funding
	Hilton infrastructure upgrade	Well serviced City	R20 000 000
	Masons 132/11kv primary substation upgrade	Well serviced City	R59 269 310
	Upgrade of Pine street primary substation	Well serviced City	R55 040 690
	Upgrade of crossways substation	Well serviced City	R35 690 000
	New machinery and equipment	Well serviced City	R30 000 000
	Total		R200 000 000
Proposed borrowing details	Repayment period	10 years (anticipated)	
	Financial institution	To be determined by SCM process	
	Type of instrument	Long term loan	
	Amount of proposed debt	R200 000 000	
	Securities to be provided	None	
	Interest rate	To be determined by SCM process	
	Base rate	To be determined by SCM process	
	Credit margin	To be determined by SCM process	
Schedule of consultation	Written comments or representations are invited from the public and can be lodged with the City Manager at the City Hall, Corner Church and Chief Albert Luthuli Streets, Pietermaritzburg, 3201 on or before 30 April 2021. Enquiries in this regard can be directed to W. Mtusva at 033 392 2242 or wellington.mtusva@msunduzi.gov.za.		

MR M.P. Khathide
City Manager