

Date: 26 June 2023

Attention: FFCSA

c/o Glen Tyler-
Davies
350Africa.org
Cape Town, South Africa

Dear Glen,

Your communiqué regarding the formation of a Civil Society Organisations Forum (CSOF) refers.

The idea of the formation of a CSOF is one that the DBSA has raised in various engagements with critical organizations and associations such as yours. The aim, in preliminary discussions, was to convene a community for frequent exchange of information and best practices to support South Africa and Africa's long-term climate justice and sustainability goals. This idea for the formation of a forum was borne of the objective to keep an open line of communication between the Bank and civil society, a group of stakeholders we believe to be a key cog in a functioning democracy. It follows that this interest we espouse goes beyond climate justice and sustainability goals, and truly speaks to the heart of a democratic society with robust engagement across different actors.



M Swilling (Board Chairman),
G Magomola (Deputy Board Chairman)

B Mosako* (Chief Executive), K Brown, M Janse van Rensburg,
D Lerutla, MP Matji, B Mudavanhu, B Nqwababa, P Nqeto,
E Rasool, A Sing

*Executive
Bathobile Sowazi (Company Secretary)

1258 Lever Rd,
Headway Hill,
Midrand,
1685

011 313 3911
011 313 3500

www.dbsa.org

Response to Proposal

As it stands, the DBSA is in discussions internally to determine the nature of this forum, to ensure that the engagement is in alignment with the requisite policies while being fit for purpose for all parties involved. Various considerations raised in your communiqué will be tabled in the determination of this forum's reach into DBSA's operations:

The key questions and concerns coming out of the review of the Fair Finance Coalition of South Africa (FFCSA) proposal are as follows:

1. Integration of forum into DBSA decision-making process

- 1.1.1 The proposal seems to suggest that forum should be embedded into DBSA processes. If this is the correct interpretation, for the DBSA to be equitable the same would have to be offered to other stakeholders which would be untenable.

2. Forum inputs into DBSA strategy and policies

- 2.1.1 The proposal also suggests forum involvement in DBSA strategy and policy development, and also discussion of DBSA projects.
- 2.1.2 The level of involvement envisaged here might straddle the lines between normal DBSA roles and external involvement which would be challenging from a governance point of view, however DBSA would be amenable to finding ways to enhance the robustness of its policy frameworks through engagements with CSOs.

3. Regulatory constraints regarding access to information:

- 3.1.1 Regulatory constraints with regard to releasing client information is beyond DBSA control. Discussion of client-related information within the forum could legally expose the DBSA.
- 3.1.2 Determining how the forum will be run needs serious consideration of the extent to which the DBSA's client information is shared. As you can appreciate, the Bank, like any other institution, operates within strict confidentiality guardrails pertaining to client data.



M Swilling (Board Chairman),
G Magomola (Deputy Board Chairman)

B Mosako* (Chief Executive), K Brown, M Janse van Rensburg,
D Lerutla, MP Matji, B Mudavanhu, B Nqwababa, P Nqeto,
E Rasool, A Sing

*Executive
Bathobile Sowazi (Company Secretary)

1258 Lever Rd,
Headway Hill,
Midrand,
1685

011 313 3911
011 313 3500

www.dbsa.org

4. Perceived exclusivity with regard to forum membership:

- 4.1.1 There could be perceived exclusivity concerns regarding the formation of the forum considering the potential expectation of similar treatment by the bank's multiple stakeholders.
- 4.1.2 We ought to look across the broader civil society stakeholder landscape, and to be inclusive of diverse voices from various constituencies across our coverage. This openness will ensure both a collaborative and inclusive process and resultant gathering - it is important that membership be not exclusive, or perceived exclusive.

As a way forward, the DBSA will continue to organize planned engagements with broader CSO representatives, including FFCSA, as previously envisaged. We could consider using this existing platform as a base to build a stronger forum with stronger working relationships of support and advocacy.

Thank you again for your continued interest in a development finance landscape that is fair and just. We believe these open lines of communication are necessary for the betterment of the beneficiaries of our work, the people of South Africa, and the rest of the African continent.

Yours faithfully,

On behalf of:

Development Bank of Southern Africa Limited.

Olympus Manthata: Head of the Climate and Environment Finance Unit (CEFU)



M Swilling (Board Chairman),
G Magomola (Deputy Board Chairman)

B Mosako* (Chief Executive), K Brown, M Janse van Rensburg,
D Lerutla, MP Matji, B Mudavanhu, B Nqwababa, P Nqeto,
E Rasool, A Sing

*Executive
Bathobile Sowazi (Company Secretary)

1258 Lever Rd,
Headway Hill,
Midrand,
1685

011 313 3911
011 313 3500

www.dbsa.org