ASSISTANT MINISTER OF FINANCE AND DEVELOPMENT PLANNING (DR SOMOLEKA): Madam Speaker, I have the honour to present the Botswana Savings Bank (Transition) Bill, 2012 (No. 15 of 2012). The Bill seeks to repeal the Botswana Savings Banks Act CAP 56:3. The intention is to enable Botswana Savings Bank established under the Botswana Savings Bank Act to transit from being a Statutory Corporation Body to a Public Company and continue to exist as if it has always been incorporated under the Company’s Act.

Madam Speaker the drafting of the National Development Bank (Transition) Bill brought to light some inconsistency in the Botswana Savings Bank Bill that was tabled before Parliament on the 12th of December 2011.

The inconsistency came to light when Attorney General’s Chambers reconciled the two precedence that they actually have, that is, the Air Botswana (Transition) Bill and the Botswana Telecommunications (Transition) Act. The inconsistency has been corrected by insertion of Clause 9 so that any reference to wholly owned government corporations, that is, Statutory Corporation or any other similar reference in the Bank of Botswana Act, Finance and Audit Act, and the Pensions and Provident Fund Act shall not be deemed to be a reference to the company.

This means that the Botswana Savings Banks (Transition) Bill should be amended on the floor to address the corrected inconsistency.

Madam Speaker, some of the key features of the Transition Bill are:
i) Clause 4 - which provides for the conversion of the financial interest of government in the Botswana Savings Bank, to be converted into shares or loans against the company.

ii) Clause 5 - exempt from tax any transactions done in order to give effect to the conversion of Botswana Savings Bank from a Statutory Corporation to a Private Company Limited by shares.

iii) Clause 7 and 8 - contain miscellaneous provisions and repeals the Botswana Savings Bank Act. Under these Clauses provision is made for assets and liabilities of the Botswana Savings Bank to be assets and liabilities of the company.

Further, legal proceedings to which Botswana Savings Bank was party to shall continue to be performed by the company. All employees of Botswana Savings Bank shall become corresponding employees of the company, while the board of management of Botswana Savings Bank until otherwise determined by the Minister shall continue to serve as directors of the company.

I therefore move that the Botswana Savings Bank (Transition) Bill be read for the second time. I thank you, Madam Speaker.