



MINISTRY OF FINANCE  
REPUBLIC OF SOUTH AFRICA

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## MEDIA STATEMENT

### MINISTER OF FINANCE CONVENES A BUDGET COUNCIL LEKGOTLA

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The Minister of Finance, Malusi Gigaba, convened a Budget Council Lekgotla on Monday, 27 November 2017. The main objective of the meeting is for government counterparts to learn from one another on best practices and processes that need to be in place to ensure a coordinated approach towards the inclusive economic growth agenda.

The meeting is being held on the understanding that the proper functioning of an efficient intergovernmental system, that promotes cooperation and coordination, remains the single most effective way to maximise service delivery within available financial resources.

“This cooperation and coordination is particularly important in a constrained fiscal environment where there is slower growth in allocations. In spite of the existence of many intergovernmental forums, coordination of policy, planning and implementation remains a government-wide challenge,” Minister Gigaba said.

Some of the issues that will be discussed at the meeting include the economic context of the 2018 Medium Term Expenditure Framework (MTEF); an update on the changes to the economic context, impact of sovereign credit rating downgrades so far, the status of ratings (downgrades); and implications thereof for spending, as well as revenue collection in the immediate future; among other discussion points.

“Despite the slowing growth in allocations, the responsibility of ‘radical’ and inclusive growth remains the responsibility of all. Provinces play an important role in delivering on the agenda of economic development. Everything we do impacts, directly or indirectly, on economic development. Many sectors involved in the delivery of services can, in an environment of slowing allocations, make better use of existing resources to obtain better functioning with similar results through improved coordination, collaboration, and oversight.” Minister Gigaba said.



With regards to a media statement issued by President Jacob Zuma, Minister Gigaba notes and welcomes the statement and commits to working together with the Presidential Fiscal Committee and social partners to fulfil the duties outlined by the President in order to take South Africa forward.

**Issued on behalf of the Ministry of Finance**

**Date: 27 November 2017**

