

NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NUMBER 887

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Mr M H Steele (DA) to ask the Minister of Finance:

Whether, in light of concerns raised both by officials of the National Treasury and members of the provincial and national Standing Committees on Public Accounts (SCOPA) gathered at the recent workshop of the Association of Public Accounts Committees (APAC), he will institute a public consultation and review process of the Public Finance Management Act, Act 1 of 1999 (PFMA) and Municipal Finance Management Act, Act 56 of 2003 (MFMA) in their present forms; if not, why not; if so, when will such a process begin?

NW1038E

REPLY:

It would assist if the concerns that the honourable member is referring to was made clear in the question.

During 2008, the National Treasury published a draft Bill to improve the current PFMA. The Bill introduced provisions aimed at improving planning and budgetary processes, improving accountability, strengthening National Treasury's enforcement responsibilities, providing a supply chain management framework that is aligned with the Broad Based Black Economic Empowerment Act and effecting technical amendments to certain clauses to facilitate its easier interpretation and/or application. It is presumed that the aforementioned amendments would deal with the concerns referred to by the honourable member.

The National Treasury intends submitting an updated Public Finance Management Amendment Bill to Cabinet during 2010. After Cabinet's approval, the Bill will be submitted to the State Law Advisor for certification where after the Bill will be tabled in Parliament. The draft Bill will then be published for public comment in the Government Gazette. Comments received would be submitted to the National Treasury and to the Secretary to Parliament.

It is also the intention to consider possible amendments to the Municipal Finance Management Act (MFMA), 2003 (Act No. 56 of 2003) during 2011. If such amendments are to be effected, the public consultation process for the Municipal Finance Management Amendment Bill will resemble the process to be followed for the Public Finance Management Amendment Bill.