

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NUMBER: 3541 [NW4246E]**

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**Dr D T George (DA) to ask the Minister of Finance:**

- (1) Whether the Government intends supporting the establishment of the proposed Solidarity Tobacco Contribution (STC) fund; if not, why not; if so, what are the relevant details;
- (2) whether the Government intends contributing to the fund; if not, why not; if so, what are the relevant details of the contribution?

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**REPLY:**

- (1) The Solidarity Tobacco Contribution (STC) Fund is a proposal arising from a proposal made by Mr Bill Gates on innovative finance measures and submitted to the G20 Ministers at their meeting of 3 to 4 November 2011. The G20 meeting welcomed the Bill Gates proposals in recognition of the “importance of the involvement of all actors, both public and private, and the mobilisation of domestic, external and innovative sources of finance”. The G20 agreed that, over time, “new sources of funding need to be found to address development needs”. While the G20 acknowledged the initiatives in some countries to explore or implement some of these options, no agreement has been reached on how to proceed with the proposals. As a member country, South Africa will assess the proposals put forward by Mr Gates, which in addition to the STC also proposes a Financial Transaction Tax (FTT), diaspora bonds, taxation of bunker fuels, etc.
- (2) Not applicable.