

NATIONAL ASSEMBLY
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER: 1573 [NW1919E]
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1573. Mr T D Harris (DA) to ask the Minister of Finance:

- (1) (a) What amount in rand value has been received by South Africa in United Kingdom (UK) aid in the past five years respectively and (b) by what amount has it recently been reduced;
- (2) which (a) institutions and (b) public departments have benefited from the UK aid in the past five years respectively;
- (3) did he at any stage discuss the cut in UK aid with the British government before it was announced;
- (4) what steps will the National Treasury take to counter the impact of the UK aid cuts?

NW1919E

REPLY:

(1)

- (a) Total amount received through the RDP Fund (government's mechanism for channeling ODA to implementing agencies) is R155 million for the past five years. Amounts received per year are set out in the table below:

Fiscal Year	R million
2007/08	-
2008/09	11
2009/10	39
2010/11	-
2011/12	95
2012/13	10
Total	155

However, the current British aid envelope for South Africa is £76 million and equivalent to an average of £19 million per annum for the period 2011-2015.

- (b) National Treasury was informed by the UK-DFID regarding the possible reduction in future aid envelope for SA beyond 2015. Therefore, the size of the next envelope is unknown since the decision remains the prerogative of the British government.

(c) R155 million was fully allocated to the following institutions and national departments:

R million	
Department of Trade and Industry	131.0
Department of Social Development	10.9
The Presidency: Monitoring and Evaluation	6.9
StatsSA	3.4
SARS	2.6
155	

(d) The Minister of Finance responded to the announcement of the cut in British aid to South Africa as follows: *"I noted but did not agree with Britain's new aid strategy. I indicated that we needed to debate South Africa's development challenges"*.

(e) It should be noted that, both aid recipient countries and donors are confronted by new opportunities and challenges ushered in by shifting global patterns of wealth, poverty, trade and geopolitical power. Although the global development landscape has always been characterized by change, the current agenda focuses on the role of Middle Income Countries (MICs) in development cooperation. Amid these developments many donors have changed their aid strategies, whilst other donors are still redefining and shaping their work and relationships with MICs. Britain and South Africa are not immune to these developments.

Through different high level meetings/forums/global platforms etc, the Government of South Africa continues engaging major development partners advocating the need for further aid support despite being classified as an Upper Middle Income Country. South Africa is not dependent on development aid. However, the transfer of skills, technology and knowledge is very important for South Africa's development.