

NATIONAL ASSEMBLY
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER: 1968 [NW2320E]
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1968. Mr T Botha (Cope) to ask the Minister of Finance:

Whether the National Treasury intends to (a) increase and (b) ring-fence funds for infrastructure spending to (i) achieve the National Development Plan (NDP) targets and (ii) combat corruption; if not, why not; if so, what are the relevant details?

NW2320E

REPLY:

- a) One of the Government's key priorities is to channel funds towards infrastructure investment. This is in accordance with the National Development Plan (NDP) which points out that for the economy to grow faster and in a more inclusive manner, the country needs a higher level of spending. The medium-term strategic and expenditure plans of government will be aligned over time to realise the objectives of the NDP.

A total of R827 billion is currently budgeted for identifiable infrastructure projects and programmes over the next three years. The 2014 medium-term expenditure framework budgeting process currently underway includes the intention to increase funding towards infrastructure projects. This process is subject to institutions demonstrating their ability to successfully implement additional capital projects, the ability of the fiscal framework to make funds available for infrastructure projects, and the extent to which funds can be reprioritised from consumption to capital.

- b) As for all funding appropriated for government votes, investment funding is subject to many requirements. Through Appropriation Acts, funding is subject to the provisions of the Acts themselves, which state amongst others that funds need to be spent in accordance with the purposes specified and are subject to any conditions determined by the Minister of Finance. Division of Revenue Acts set out conditions for the spending of conditional grants allocated to provinces and municipalities. Spending is always subject to the Public Finance Management Act, 1999 (Act 1 No 1 of 1999), through which the accounting officer of a department, trading entity or constitutional institution is charged with the responsibility to ensure the effective, efficient, economical and transparent use of resources at all times. The fight against corruption, and those involved in these practices, will be unrelenting and everything will be done to minimise opportunities for corruption.