

NATIONAL ASSEMBLY
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER: 3002 [NW3541E]
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3002. Mr M G P Lekota (Cope) to ask the Minister of Finance:

Whether the Government has a clear strategy to identify policies, regulations and failures that were impacting negatively on (a) economic growth, (b) direct fixed investments, (c) implementation of the National Development Plan, (d) job preservation and (e) job creation enterprises, with a view to addressing these obstacles vigorously and thereby clearing the path to rapid and sustainable economic growth; if not, why not; if so, what (i) impediments has the Government identified for vigorous attention and (ii) time frames and goals did it establish to achieve a rapid turnaround?

NW3541E

REPLY:

Government has in place a clear performance monitoring system, which is headed by the Department of Planning, Monitoring and Evaluation. This system seeks to identify progress towards implementation of the NDP through the goals operationalized in the Medium Term Expenditure Framework, and the key obstacles to achieving these goals. Cabinet receives regular report backs from the Clusters in order to highlight performance against targets and where interventions are necessary.

Government also recognises the importance of consultation in order to identify policies and regulations which are negatively impacting on economic growth and job creation. The Presidential Business Working Group (PBWG), which consists of senior Government and Business representatives, to promote the identification of problems and finding solutions in areas such as: regulatory impact on investment; education and skills development; labour market; infrastructure; and inclusive growth.

The work of the PBWG has led to improved turnaround times at the Company and Intellectual Property Commissions; implementation of the Socio-Economic Impact Assessment (SEIAS), development of a set of regulatory principles, implementation of One Environmental System, alignment of water licensing regime with environmental impact assessment and mining licensing regime among other achievements.

The introduction of SEIAS, which came into effect as of 1 July 2015, will seek to proactively address problems. The SEIAS process seeks to improve the quality of legislation; reduce the unintended consequences of new laws and regulations; and better align regulations with Government's priorities such as inclusive growth, social cohesion and poverty alleviation.

A set of regulatory principles that will define and characterise all regulations in South Africa has been developed. These will be implemented once approved by Cabinet. This would include ensuring that the objectives and purposes of regulation are clear and unambiguous, maximise efficiency and effectiveness, reduce the cost of doing business, and that regulation is administered in a manner which minimises unnecessary cost, complexity and duplication. The regulatory principles will complement the SEIAS in improving the quality and implementation of legislation.

Engagement are ongoing and concerted efforts are being put in place to address some of the key challenges affecting investors such as immigration regulations, challenges with energy supply and policy uncertainty in the mining sector. Government remains committed to ensuring that South Africa remains attractive for investment and the regulations and policies do not negatively affect the country's developmental aspirations envisioned in the NDP.