

NATIONAL ASSEMBLY
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER: 1126 [NW1261E]
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1126. Mr D J Maynier (DA) to ask the Minister of Finance:

- (1) Whether, in light of his official statement on 1 April 2016, he is undertaking concrete actions to (a) map a path for higher economic growth and (b) preserve the country's investment grade rating; if not, why not in each case; if so, in respect of each concrete action relating to (i) economic growth and (ii) the country's investment rating, (aa) what is the objective, (bb) who is responsible for implementation, (cc) what is the deadline for implementation and (dd) when was it approved by Cabinet;
- (2) does a plan exist to monitor the implementation of the concrete actions relating to (a) economic growth and (b) the country's investment rating; if not, why not; if so, what are the relevant details?

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REPLY:

- (1) Yes, concrete actions are being undertaken.

South Africa needs to achieve higher levels of inclusive growth that raises employment, reduces inequality and eliminates poverty. Higher growth is also critical to help maintain South Africa's investment grade rating.

The National Development Plan is the framework followed by all government departments to address structural constraints in the economy and achieve higher growth. The 2016 Budget Review outlines actions taken to promote private investment, address infrastructure bottlenecks, labour relations, improving policy certainty and coordination and on improving the ease of doing business (pg 25 – 27).

To further support efforts and implementation to foster higher economic growth, the president tasked the Ministry of Finance and Mr Jabu Mabuza to lead coordination with business, government and labour. Work from various work streams has focused on:

- i) preserving South Africa's sovereign credit rating, which include joint roadshows to present a united front to rating agencies and international community, recommendations on reducing policy uncertainty and necessary fiscal and economic reforms.
- ii) finding opportunities for co-investment, such as the launch of the SME Fund announced on 9 May, and
- iii) resolving blockages in key sectors which can accelerate growth and investment, with ongoing task teams working within agriculture and tourism.

- (2) Monitoring progress is critical to ensure we are on the right path. Demonstrating concrete progress on our stated commitments to reform state owned companies, to catalyse growth and to maintain sound public finances is critical not only for ratings agencies, but for confidence in South Africa more broadly.

Government's progress in implementing the NDP is monitored through the medium-term strategic framework (MTSF), which provides detailed reporting on individual programmes, including targets, timelines, and indicators to measure performance and the Minister/s responsible for each outcome. The process is managed and monitored by the Department of Planning, Monitoring and Evaluation.