

REPUBLIC OF SOUTH AFRICA

---

**MONEY BILLS AMENDMENT  
PROCEDURE AND RELATED  
MATTERS AMENDMENT BILL**

---

*(As introduced in the National Assembly (section 75); initiated by the Standing Committee  
on Finance; Bill and prior notice of its introduction published in  
Government Gazette No. 41024 of 4 August 2017)  
(The English text is the official text of the Bill)*

---

(STANDING COMMITTEE ON FINANCE)

**[B 28—2018]**

ISBN 978-1-4850-0507-0

No. of copies printed ..... 800



- (d) by the insertion after the definition of “day” of the following definition:  
 “**‘department’** means a national department or a national government component as defined in the Public Finance Management Act;”;
- (e) by the substitution for the definition of “Division of Revenue Bill” of the following definition: 5  
 “**‘Division of Revenue Bill’** means the Bill which must be **[enacted]** introduced in the National Assembly annually in terms of section 10 of the Intergovernmental Fiscal Relations Act, 1997 (Act No. 97 of 1997), pursuant to section 214(1) of the Constitution;”;
- (f) by the insertion after the definition of “Division of Revenue Bill” of the following definition: 10  
 “**‘Executive Authority’** means the Speaker of the National Assembly and the Chairperson of the National Council of Provinces, acting jointly;”;
- (g) by the insertion after the definition of “extra-budgetary revenue and expenditure” of the following definition: 15  
 “**‘Financial Management of Parliament and Provincial Legislatures Act’** means the Financial Management of Parliament and Provincial Legislatures Act, 2009 (Act No. 10 of 2009);”;
- (h) by the substitution for the definition of “fiscal framework” of the following definition: 20  
 “**‘fiscal framework’** means the framework **[for a specific financial year]** covering the period of the MTEF that gives effect to the national executive’s macro-economic policy and includes—  
 (a) estimates of all revenue proposals, budgetary and extra-budgetary specified separately, **[expected]** estimated to be raised during that **[financial year]** period; 25  
 (b) estimates of all expenditure, budgetary and extra-budgetary specified separately, for that **[financial year]** period;  
 (c) estimates of borrowing for that **[financial year]** period; 30  
 (d) estimates of interest and debt servicing charges; and  
 (e) an indication of the contingency reserve necessary for an appropriate response to emergencies or other temporary needs, and other factors based on similar objective criteria;”;
- (i) by the insertion after the definition of “joint rules” of the following definition: 35  
 “**‘main division within a vote’** has the same meaning as defined in the Public Finance Management Act;”;
- (j) by the insertion after the definition of “medium term budget policy statement” of the following definition: 40  
 “**‘MTEF’** means the Medium Term Expenditure Framework that—  
 (a) translates government policies and plans into a multi-year spending plan; and  
 (b) promotes transparency, accountability and effective public financial management for expenditure of the current and subsequent two financial years;” 45
- (k) by the substitution for the definition of “Parliament” of the following definition:  
 “**‘Parliament’** means the National Assembly and the National Council of Provinces **[as envisaged]** referred to in section 42 of the Constitution;” 50
- (l) by the substitution for the definition of “Public Finance Management Act” of the following definition:  
 “**‘Public Finance Management Act’** means the Public Finance Management Act, 1999 (Act No. 1 of 1999);
- (m) by the deletion of the definition of “Secretary”; and 55
- (n) by the insertion after the definition of “the Constitution” of the following definition:  
 “**‘this Act’** includes the regulations made under section 16A; and”.

### Substitution of section 3 of Act 9 of 2009

2. The following section is hereby substituted for section 3 of the principal Act:

#### “Application of this Act

3. This Act applies to all [**proposed amendments to**] money Bills, all division of revenue Bills, the medium term budget policy statement, the fiscal framework, amendments to any of the aforesaid and related instruments brought before Parliament.” 5

### Amendment of section 4 of Act 9 of 2009

3. Section 4 of the principal Act is hereby amended—

- (a) by the substitution for subsection (2) of the following subsection: 10
- “(2) A committee on finance has the powers and functions conferred [**to**] on it by the Constitution, legislation, the standing rules or a resolution of a House, including considering and reporting on—
- (a) the national macro-economic and fiscal policy;
- (b) [**amendments to**] the fiscal framework, revised fiscal framework [**and revenue proposals and**], Bills and amendments thereto; 15
- (c) actual revenue published by the National Treasury; and
- (d) any other related matter set out in this Act.”; and
- (b) by the substitution for subsection (4) of the following subsection: 20
- “(4) A committee on appropriations has the powers and functions conferred [**to**] on it by the Constitution, legislation, the standing rules or a resolution of a House, including considering and reporting on—
- (a) spending issues;
- (b) [**amendments to**] the Division of Revenue Bill, the Appropriation Bill, Supplementary [**Appropriations**] Appropriation Bills [and], the [**Adjustment Appropriations**] Adjustments Appropriation Bill, and amendments thereto; 25
- (c) recommendations of the Financial and Fiscal Commission, including those referred to in the Intergovernmental Fiscal Relations Act, 1997 (Act No. 97 of 1997); 30
- (d) reports or statements on actual expenditure published by the National Treasury; and
- (e) any other related matter set out in this Act.”.

### Amendment of section 5 of Act 9 of 2009

4. Section 5 of the principal Act is hereby amended— 35

- (a) by the substitution for the heading of the following heading: 35
- “**Procedure prior to introduction of [the] national budget**”;
- (b) by the substitution for subsection (1) of the following subsection:
- “(1) The National Assembly, through its committees, must annually assess the performance of each national department, with reference to the following: 40
- (a) The medium term estimates of expenditure of each national department, its strategic [**priorities**] goals and measurable objectives, as tabled in the National Assembly with the national budget;
- (b) prevailing strategic plans; 45
- (c) the expenditure [**report**] reports or statements relating to a vote appropriating funds for such department published by the National Treasury in terms of section 32 of the Public Finance Management Act;
- (d) the financial statements and annual report of such department; 50
- (e) the reports of the Standing Committee on Public Accounts relating to a department; and
- (f) any other information requested by or presented to a House or Parliament.”;

- (c) by the substitution for paragraph (b) in subsection (3) of the following paragraph:  
 “(b) must provide an assessment on the effectiveness and efficiency of the **[departments]** department’s use and forward allocation of available resources; and”;
- (d) by the substitution for subsection (4) of the following subsection:  
 “(4) A committee reporting to the National Assembly in terms of this section must submit its budgetary review and recommendation report after the adoption of the Appropriation Bill and prior to the adoption of the reports on the **[Medium Term Budget Policy Statement]** medium term budget policy statement.”; and
- (e) by the substitution for subsection (6) of the following subsection:  
 “(6) Additional budgetary review and recommendation reports may be submitted at the discretion of a committee of the National Assembly.”.

#### Amendment of section 6 of Act 9 of 2009

##### 5. Section 6 of the principal Act is hereby amended—

- (a) by the substitution for subsections (2) and (3) of the following subsections respectively:
- “(2) The medium term budget policy statement must include—
- (a) a revised fiscal framework for the **[present]** financial year in which the statement is tabled and the proposed fiscal **[framework]** frameworks for the next three financial years;
- (b) an explanation of the macro-economic and fiscal policy position, the macro-economic projections and the assumptions underpinning the fiscal framework;
- (c) the spending priorities of national government for the next three financial years;
- (d) the proposed division of revenue between the spheres of government **[and between arms of government within a sphere]** for the next three financial years;
- (e) the proposed substantial adjustments to conditional grant allocations to provinces and **[local governments]** municipalities, if any; and
- (f) a review of actual spending by each national department and each provincial government between 1 April and 30 September of the **[current fiscal]** financial year in which the statement is tabled.
- (3) A House must refer matters referred to in **[subsections]** subsection (2)(a) and (b) to its committee on finance.”;
- (b) by the substitution for subsections (5) to (8) of the following subsections respectively:
- “(5) Each committee on finance must, within [30] 15 days after the tabling of the **[Medium Term Budget Policy Statement]** medium term budget policy statement or as soon as reasonably possible thereafter, report to the National Assembly or the National Council of Provinces, as the case **[may be]** requires, on the proposed fiscal framework for the next three financial years, which report may be consolidated with the report referred to in section 12(7).
- (6) The report may include recommendations to amend the proposed fiscal framework **[should it remain materially unchanged when submitted with the national budget]**.
- (7) A report referred to in subsection (5) must be submitted to the Minister within [7] seven days after its adoption by a House or as soon as reasonably possible thereafter.
- (8) A House must refer matters concerning **[subsections]** subsection (2)(c), (d), [and] (e) and (f) to its committee on appropriations and may, in addition, refer matters concerning subsection (2)(f) to any other committee.”; and