

**PARLIAMENT OF THE REPUBLIC OF SOUTH AFRICA
NOTICE 318 OF 2020**

MR GHALEB CACHALIA, MP

NOTICE OF INTENTION TO INTRODUCE A PRIVATE MEMBER'S BILL AND INVITATION FOR COMMENT ON THE DRAFT, NAMELY THE PUBLIC FINANCE MANAGEMENT AMENDMENT BILL, 2020

Mr Ghaleb Cachalia, MP, acting in accordance with section 73(2) of the Constitution of the Republic of South Africa, 1996, intends to introduce the Public Finance Management Amendment Bill, 2020 ("draft Bill"), in Parliament. An explanatory summary of the Bill is hereby published in accordance with Rule 276(1)(c) of the Rules of the National Assembly (9th Edition).

The Public Finance Management Act, 1999 (Act No. 1 of 1999) ("the Act") regulates financial management in the national government and provincial government and ensures that all revenue, expenditure, assets and liabilities of those governments are managed efficiently and effectively. Furthermore, the Act provides for the responsibilities of persons entrusted with financial management in those governments.

Section 65 of the Act provides that the executive authority responsible for a department or public entity must table annual reports, financial statements, and the audit report on those statements in the National Assembly, or in a provincial legislature as the case may be. The annual reports, financial statements and the audit reports on such statements, must be tabled within one month after the accounting officer for the department or the accounting authority for the public entity has received the audit report.

Section 65 of the Act further provides that if the executive authority fails to table these reports and statements in the relevant legislature within six months after the end of the financial year to which those statements relate, the executive authority must table a written explanation in the legislature setting out the reasons why they were not tabled. However, the Act does not provide for additional measures in instances where such reports and statements are not tabled, and the department or public entity is not required to table such reports and statements within a specified time-period after a written explanation has been tabled.

The draft Bill therefore seeks to provide for additional measures in instances where the executive authority fails to table an annual report and financial statements of a department or a public entity, and the audit report on those statements, in the National Assembly or the relevant legislature. The

Bill proposes that the annual report, financial statements, and the audit report on such statements referred in section 65 be tabled within 60 days after a written explanation has been tabled.

Interested parties and institutions are invited to submit written representations on the proposed content of the draft Bill to the Speaker of the National Assembly within 30 days of the publication of this notice. Representations can be delivered to the Speaker, New Assembly Building, Parliament Street, Cape Town; mailed to Speaker, P O Box 15 Cape Town 8000, or emailed to speaker@parliament.gov.za and copied to lurwinj@da.org.za

Copies of the Bill may, after introduction, be obtained from:

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