



## DA proposed amendments to the Special Appropriation Bill [B10-2019]

The Money Bills Amendment Procedure and Related Matters Act (No. 9 of 2009) makes provision for the amendment of Appropriation Bills by Parliament.

The DA, therefore, propose amendments to the Special Appropriations Bill [B10-2019], to provide for additional conditions attached to the proposed appropriation to Eskom Holding SOC Limited.

### **Proposed conditions**

We are proposing the following amendments to set out additional conditions to the Special Appropriations Bill [B10-2019]:

- Conditions imposed by the Minister must be reported to parliament within 3 months of the promulgation of this act.
- The following conditions are imposed onto all main divisions, current payments, transfers and subsidies, payment of capital assets and payments for financial assets that are allocated to Eskom Holdings SOC Limited—
  - All procurement contracts entered into by Eskom must be reviewed and all contracts which are considered to be wasteful, irregular or poor value for money must be reported to the Minister;
  - Eskom must, within 12 months of the promulgation of this Act, formalize a plan to separate its distribution and transmission operations, and its generating capacity operations, into separate business units;
  - That a white paper on the future of Eskom must be produced by the Executive within three months of the promulgation of this act;
  - no bonuses may be paid to executives at Eskom;

REPUBLIC OF SOUTH AFRICA

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**SPECIAL APPROPRIATION BILL**  
**(Proposed Amendment by the**  
**Democratic Alliance)**

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*(As introduced in the National Assembly (proposed section 77)) (The English text is the official text of the Bill)*

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**(Proposed Amendments by Hon. Mazzone (DA))**

[B10 —2019]

## BILL

To appropriate an additional amount of money for the requirements of the Department of Public Enterprises to assist Eskom Holdings SOC Limited with its financial obligations and to provide for matters connected therewith.

**B**E IT ENACTED by the Parliament of the Republic of South Africa, as follows:—

### APPROPRIATION OF ADDITIONAL AMOUNT OF MONEY FOR REQUIREMENTS OF PUBLIC ENTERPRISES

1. (1)(a) An amount of R59 billion is hereby appropriated out of the National Revenue Fund for the requirements of the Department of Public Enterprises, of which—
  - (i) R26 billion is for the 2019/2020 financial year; and
  - (ii) R33 billion is for the 2020/2021 financial year.

(b) The money contemplated in paragraph (a) must be transferred to Eskom in each financial year to assist Eskom with its financial obligations.
- (2)(a) Subject to the Public Finance Management Act, 1999 (Act No. 1 of 1999), the accounting officer of the Department of Public Enterprises must transfer to Eskom the amount, referred to in subsection (1), in the portions and on such dates as the Minister of Finance determines, taking into account the financial position of Eskom as verified by the National Treasury.

(b) For the purpose of promoting transparency and the effective management of the amount referred to in subsection (1), the Minister of Finance—

  - (i) may impose conditions to be met by Eskom before any part of the amount is transferred in writing;
  - (ii) must impose conditions to be met by Eskom after the transfer of any part of the amount in writing; and
  - (iii) must stop the use of any part of the amount in respect of which conditions have been imposed in terms of subparagraph (ii), until such conditions are met in writing.
  - (iv) must table all conditions that have been imposed in terms of subparagraph (i) and (ii) in Parliament within three months of the promulgation of this Act.

(c) The National Treasury must disclose the stoppage of an allocation in terms of

paragraph (b)(iii) in its next quarterly report to the Standing Committee on Finance of the National Assembly and the Select Committee on Finance of the National Council of Provinces.

(d) Any part of the amount referred to in subsection (1) not transferred to Eskom by the end of the relevant financial year reverts to the National Revenue Fund.

(e) Notwithstanding the Minister's right to impose conditions for appropriations, the following conditions are imposed onto all main divisions, current payments, transfers and subsidies, payment of capital assets and payments for financial assets that are allocated to Eskom Holdings SOC Limited—

(i) All procurement contracts entered into by Eskom must be reviewed and all contracts which are considered to be wasteful, irregular or poor value for money must be reported to the Minister;

(ii) Eskom must, within 12 months of the promulgation of this Act, formalize a plan to separate its distribution and transmission operations, and its generating capacity operations, into separate business units;

(iii) That a White Paper on the future of Eskom must be produced by the Executive within three months of the promulgation of this Act; and

(iv) no bonuses may be paid to executives at Eskom.

#### Short title

This Act is called the Special Appropriation Act, 2019