**FINANCE COMMITTEES MAKE RECOMMENDATIONS ON 2020 FISCAL FRAMEWORK AND REVENUE PROPOSALS**

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Having finalised public hearings on the 2020 Fiscal Framework and Revenue Proposals tabled by the Minister of Finance on 26 February 2020, both the Select and Standing Committees on Finance made recommendations. These recommendations included, among others, a call on the National Treasury to capacitate the Office of the Chief Procurement Officer to tackle issues of over-pricing when the state procures goods and services.

They recommended that the President considers establishing an inter-ministerial committee to tackle more effectively illicit financial flows, especially those involving multinational companies operating in South Africa.

Furthermore, the two committees reiterated that members of the executive and government officials should only buy cars manufactured or assembled in South Africa for official use and, that the allocation of R5 billion per year into contingency reserves be increased in the years ahead.

The committees welcomed measures announced for the establishment of a sovereign wealth fund and state-owned commercial bank. They believe that the measures will go some way to deal with market failures in the economy and economic inclusion.

Lastly, the committees believe that initiatives related to the purchase of additional electricity from independent power producers should be handled sensitively, responsibly and in a manner that does not compromise the fiscus.

The report as adopted by the two committees will be tabled for debate and adoption in the National Assembly and National Council of Provinces.

Justice Molafo

10 March 2020