

**Memorandum on Legislative Proposal for Party Funding Regulations**

Private Member's Bill

Submitted in terms of section 73(2) of the Constitution

1 June 2010

Mr L. Greyling, MP

Independent Democrats

1 June 2010

The Speaker

P O Box 15

CAPE TOWN 8000

Dear Mr Speaker

In order to obtain the permission of the Assembly to introduce a private member's bill, I hereby submit in terms of Rule 234(1) a memorandum for your consideration which sets out the following:

- a) The particulars of the proposed legislation;
- b) the objects of the proposed legislation; and
- c) whether the proposed legislation will have financial implications for the state and, if so, whether those implications may be a determining factor when the proposed legislation is considered.

I would like to request that this legislative proposal be dealt with in terms of Rule 235 of the National Assembly Rules.

Yours faithfully

**Mr L. Greyling, MP**

1 June 2010

## **MEMORANDUM ON LEGISLATIVE PROPOSAL**

### **A. Particulars of the proposed legislation**

It is proposed that legislation be drafted that comprehensively regulates the private funding of political parties.

### **B. Objects of the proposed legislation**

Private funding of political parties is an issue that has starkly come into focus over the last few months and there have been calls from both the public and from senior members of the ruling party for legislation to be formulated that can regulate this area of political activity. It is my considered belief that the absolute lack of regulations governing the private funding of political parties is a major gap in our democratic framework and it is one that now needs to be urgently rectified. All mature democracies around the world have instituted some form of regulation governing the private funding of political parties and South Africa urgently needs to enact similar legislation.

It is proposed that the legislation regulates the following broad issues:

- 1) Disclosure of Private Donations to Political Parties
- 2) Disclosure of Election Expenditure and the possibility of Spending Caps
- 3) Political Parties holding business interests
- 4) Donations from foreign entities

### **C. Financial implications**

No financial implications stemming from this proposed constitutional amendment are foreseen.

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