

PUBLIC FINANCE CHAMBER

2006/7 WORK PROGRAMME AND PROGRAMME PERFORMANCE

KEY FOCUS AREA	KEY RESULT AREA	PROGRAMME OBJECTIVES	STATUS
Development Finance Institutions	Examine the mandate and scope of the work of the Development Finance Institutions (DFIs)	To ensure that the DFIs mandates and scope are aligned to the broader developmental imperatives in order to strengthen synergies	Task Completed
Cooperatives Banks Bill	Engage and reach agreement on the National legislative framework to facilitate the banking aspects of Cooperatives	To develop an enabling legislation for the promotion of Cooperatives	Task Completed
Social Health Insurance	Engage and reach agreement on the National Social Health Insurance legislative Framework	To enhance the social security system that takes into account access to Health services	Nedlac Policy consideration Completed The Bill awaits vetting by the National Treasury and Cabinet.
Social Security and Retirement Funds Reforms	Engage and reach agreement on the National Social Security and retirement funds legislative framework..	To ensure that the working people that could not afford the ordinary private sector retirement funds arrangements can also have access to affordable retirement provisions.	The policy framework on Social Security and Retirement Fund Reform was tabled by the Minister of Finance 23 February 2007. The matter is being dealt with in the task team.
5% Investible Income	Engage and reach agreement on the instruments to set aside 5% of investible income for socially desirable assets	To direct investments to socially desirable assets in South Africa	The first round of engagements completed.
Retirement Funds Reforms	Engage with a view to reach agreement on the Retirement Regulatory framework	Transform the retirement funds regulatory framework to take into account the national transformation imperatives	The first draft policy discussion paper was tabled at the Ministerial Roundtable meeting held in 2005. Nedlac made comments to the draft policy paper and Government undertook to table a second draft for further engagements. The tabling of the second draft remains outstanding
Financial Sector Charter	Monitor the implementation of the the Finance Sector Charter agreements	Build reporting and monitoring mechanisms between the Charter Council and Nedlac.	Nedlac receives regular reports from the Charter Council.
National Budget	Engage and reach broad areas of agreement on key policy matters on the National Budget and allocations Hold at least one focus session on the Budgetary process with the Minister or Deputy Minister of Finance.	To ensure that Nedlac gets a chance to make inputs on the National Budget before it is finalised and tabled in parliament by government.	The National Budget Policy Session took place on 24 November 2006 at Nedlac; Constituency inputs were tabled for incorporation into the final Budget.

SUMMARY OF THE KEY ACHIEVEMENTS FOR THE PERIOD UNDER REVIEW

- The Chamber convened 9 chamber meetings in the period under review.
- The Financial Sector Transformation task team convened eight (8) meetings in the period under review.
- Overall the Nedlac Fiscal and Monetary Policy Work stream had a 13% improvement on its work rate compared to the previous reporting period.
- Cooperatives Bank Bill was signed off at Nedlac by the Chamber and noted by Manco at a meeting held on 08 March 2007.
- The Minister of Finance tabled a discussion paper on Social Security and Retirement Fund Reform at Nedlac on 23 February 2007.
- Financial Sector Charter Council – The Council derived from the Financial Sector Summit Agreement held in August 2002. The Council's Annual Report was tabled at the PFMP Chamber Meeting of 15 March 2007. The Annual Report indicated how the Sectors performed in terms of the Charter using 2004 and 2005 performers.
- The Deputy Minister of Finance engage Nedlac social partners on the Mid-Term Budget Policy Session was held on the 24 November 2006 at Nedlac.
- The Minister of Finance tabled the Draft Policy framework on social security and retirement funds reforms in February 2007.

KEY CHALLENGES FOR THE CHAMBER INCLUDE:

- Synchronising the Government policy timetable with the Nedlac processes.
- Aligning the government mandating processes with the Nedlac processes.
- By-passing Nedlac on certain policy matters still persists especially from the government departments that are outside of the core Nedlac departments.
- Requests for issues to be tabled in Nedlac do not always get positive response from certain government departments.
- Difficulty in obtaining discussion documents from the government departments.

STIMULATING SIGNIFICANT GROWTH

NATIONAL ECONOMIC DEVELOPMENT AND LABOUR COUNCIL

