



Wes-Kaapse Provinsiale Parlement Western Cape Provincial Parliament IPalamente yePhondo leNtshona Koloni

MINUTES OF PROCEEDINGS

STANDING COMMITTEE ON FINANCE, ECONOMIC OPPORTUNITIES AND TOURISM

Friday, 18 October 2019 (13h00)
Chamber, 6th floor, 7 Wale Street, Cape Town

ATTENDANCE

Members:

Democratic Alliance

Baartman, D (Chairperson)
Mitchell, D
Van der Westhuizen, A

African National Congress

Nkondlo, N

Apology

Makamba-Botya, N (EFF)

The following persons were in attendance:

Ministry of Finance and Economic Opportunities

Mr D Maynier, Minister: Finance and Economic Opportunities

Provincial Treasury

Ms J Gantana, Acting Head of Department
Dr N Nleya, Director: Fiscal Policy
Ms A Pick, Acting Deputy Director-General
Mr F Daniels, Deputy Director
Ms S Daniels, Deputy Director

Department of Economic Development and Tourism

Mr S Fourie, Head of Department
Mr N Joseph, Director: Economic Research and Development
Mr R Le Breton, Deputy Director

Mr A Trikam, Director: Energy

Department of Local Government

Mr G Pause, Head of Department

Members of the Public

Dr T Vivian, Head of Tourism: City of Cape Town

Ms N Mohan, PMG Monitor

Western Cape Provincial Parliament

Ms Z Adams, Procedural Officer

Adv R Maasdorp, Legal Adviser

1. Welcome and attendance

The Chairperson opened the meeting and allowed brief introductions by all present. The Chairperson informed the Committee that the meeting was called to discuss the possible impact of the Special Appropriation Bill [B 10 - 2019] (the Bill) on the Western Cape's economy. The Bill will provide additional financial support to Eskom for the current and upcoming financial year as follows:

- Additional R26 billion in the 2019/20 financial year; and
- R33 billion in the 2020/21 financial year.

2. Briefing by the Provincial Treasury on the possible impact of the Special Appropriation Bill on the Western Cape's economy

Dr Nleya briefed the Committee on the background of the Bill, the impact of load shedding on the Province's economy and the implications of the Bill.

The Chairperson opened the floor for input from the attendees.

The Department of Economic Development and Tourism proposed the following conditions to be included in the Bill:

- That National Treasury, in conjunction with NERSA, assess the asset book of Eskom to give a true reflection of what its asset base, as the asset base will influence the price of electricity going forward;
- That there should be a re-evaluation of the current electricity model, which speaks to Independent Power Producers and increasing the amount of electricity that they are allowed to generate, as well as private sector (the amount they can generate and sell to the public); and
- That national government should support municipalities in absorbing some of the distribution function for electricity, which could benefit both the sustainability of municipalities in terms of their funding models, as well as Eskom being able to focus on the transmission responsibility envisioned in the Electricity Regulation Act, 2006 (Act 4 of 2006).

The Chairperson thanked the Departments for their input.

3. Resolutions/Actions

The Committee RESOLVED that a report would be drafted and circulated to Members via email and that Members should submit their resolutions via email as well, in a “round robin” manner. Once the resolutions and the report are adopted via email, the report would be forwarded to the National Assembly and National Council of Provinces.

Having concluded its business for the day, the meeting adjourned at 14h00.



.....
ADV D BAARTMAN, MPP

**CHAIRPERSON: STANDING COMMITTEE ON FINANCE, ECONOMIC OPPORTUNITIES
AND TOURISM**

DATE: 12 November 2019

