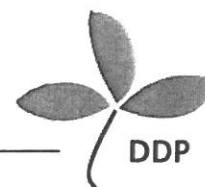


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TO: ADHOC COMMITTEE ON THE FUNDING OF POLITICAL PARTIES

RE: CIVIL SOCIETY POSITION ON POLITICAL PARTY FUNDING

About Democracy Development Programme (DDP)

The **Democracy Development Programme (DDP)** was founded in 1993 in order to promote and consolidate democratic values and principles in South Africa. It is a non-partisan, non-profit organization which supports capacity building on governance and civil society levels to ensure meaningful participation in South Africa's social transition to a stable and participatory democracy (www.ddp.org.za). The organization is based in Durban, KwaZulu Natal and works in other provinces of the country through its partner organizations.

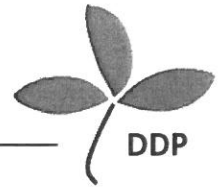
DDP advocates for an active citizenry that can hold those in power to account and a society in which our constitutionally enshrined Bill of Rights yield tangible benefits for all, especially those living on the margins. It achieves its mission by educating citizens on human rights and good governance, activating citizenship and mobilizing citizens to hold those in power to account.

Moreover, the DDP serves a secretariat for the KwaZulu Natal Civil Society Organizations Coalition (KZNCSOC), a coalition of civil society organizations with a member of 160 organizations. It is mandated to submit this submission on behalf of the Coalition.

DDP'S POSITION ON POLITICAL PARTY FUNDING

In an effort to contribute to the formation of the policy on political party funding, DDP recognizes the need to ensure that there is a balance on the need for transparency, and the ability of private individuals to make legitimate political choices within a constitutional democracy.

The thinking is that, whilst political expression is important, that political expression must not interfere or place undue influence on political parties to execute decisions linked to patronage and corrupt activities in positions of public office.



These are our propositions:

Donor Cap:

- Limit on amount per donor;
- Limit amounts from external companies and governments;
- Only companies with subsidiaries can/should be allowed to donate and that amount should be limited;
- Donations above a particular threshold should be disclosed in real-time (through a chapter 9 institution);
- Thresholds and limits to be informed by quantifiable analysis of past political campaigns (the threshold at which a particular donor can be thought to exercise an extraordinary amount of influence over the way in which an organization conducts its work);

Spending(expenditure) limits:

- Limit on national and local election campaign expenditure informed by average campaign expenditure in past campaigns;
- Continue to allow the proportional funding model of public funding;
- Audit to be conducted by Auditor General;

Political party accounts:

There needs to be a shift of political party bank accounts from private to public. This is important because:

- This encourages political party's public disclosure of financial statements;
- Annual financial reports to be accessible on central database;
- Disclosure of private funders as per limits/thresholds imposed on private donations;

Conclusion

The civil society in KwaZulu Natal is of the view that the propositions highlighted above we enhance greater transparency among political parties in disclosing their funding and their sources. Also, the organization would like the adhoc committee to consider giving it an opportunity to make verbal submission. We look forward to a favourable response and an official invitation to make verbal submission.

Yours Sincerely,

Paul Kariuki

DDP Programmes Manager/ Vice-Chair, KZNCSOC