

## ***Doubling donation cap to political parties 'concerning'***

**Molefe Seeletsa**

Analysts are not surprised by the decision to raise the donation disclosure threshold and annual limit in the Political Party Funding Act (PPFA).

This follows the National Assembly's adoption of a report from the portfolio committee on home affairs.

The report proposes doubling the current threshold for disclosing donations to political parties – from R100 000 to R200 000 – as well as raising the annual donation cap from R15 million to R30 million.

The proposed changes follow the signing of the Electoral Matters Amendment Act (EMAA) into law by President Cyril Ramaphosa in May 2024.

The EMAA revised the PPFA, removing the original disclosure threshold and donation limit altogether for declarations to the Independent Electoral Commission (IEC).

This loophole was challenged by the non-profit organisation My Vote Counts, leading to a Western Cape High Court ruling that ordered the reinstatement of the previous limits and required parliament to determine new figures.

The president is empowered to implement regulations related to these thresholds. However, this must be done through a resolution adopted by parliament.

Now that parliament has acted, concerns have emerged about the implications for political transparency and accountability, especially around private

funding in politics.

Political analyst Ntsikelelo Breakfast weighed in on the rationale behind doubling the threshold and donation limit, considering the parliamentary budget office previously concluded there was no basis for the initial figures of R100 000 and R15 million.

He noted that the PPFA was enacted in response to a court ruling compelling political parties to disclose their sources of funding.

"This is not their brainchild. They've been forced by circumstances to account on the principle of transparency.

"Many political parties argue that this legislation has really dealt them a blow in a big way because now they have to reveal their funders," he said.

Breakfast also highlighted the financial pressure the legislation may have placed on some political parties, particularly the ANC, which has previously faced difficulties in paying staff salaries.

"That justifies why the numbers have gone up and why none of them is opposed to that."

The parliamentary budget office had recommended inflation-adjusted thresholds of R122 000 for disclosure and R21 million for the annual donation cap.

North-West University professor André Duvenhage described the decision to double these amounts as "very arbitrary".

"There's a huge need for getting more and more money and that is the main reason for the

adjustments, but there can be no specific rationale for just doubling the R100 000 and R15 million.

"If they work with inflation, it will be quite a different figure. So I can read a lot of political motives into it.

"I can see the ANC specifically in trouble," Duvenhage said.

Duvenhage suggested that both the ANC and the EFF might be under financial pressure due to the PPFA, but smaller parties are even more disadvantaged.

The political analyst also noted that many parties were not fully transparent about their financial backing.

He further expressed concern that the increased thresholds might open the door to greater private – and even foreign – influence in South African politics.