

FOLLOW THE MONEY

**A Research Report on
Party and Campaign Finance
in South Africa's 2019 Elections**



Edited by

**Clayton Hazvinei Vhumbunu
and Olufunto Akinduro**

14 Park Road Richmond
Johannesburg 2092, South Africa
P.O. Box 740 Auckland Park 2006
Johannesburg South Africa
Tel: +27 11 381 6000-7
Fax: +27 11 482 6163
Email: eisa@eisa.org.za
www.eisa.org.za



ISBN 978-1-920446-79-6



9 781920 446796 >

Order from: publications@eisa.org.za



This project was supported by the German Foreign Office

FOLLOW THE MONEY

**A Research Report on
Party and Campaign Finance
in South Africa's 2019 Elections**

FOLLOW THE MONEY

**A Research Report on
Party and Campaign Finance
in South Africa's 2019 Elections**

Edited by

Clayton Hazvinei Vhumbunu
and Olufunto Akinduro

Published by EISA
14 Park Road, Richmond
Johannesburg
South Africa

P.O Box 740
Auckland Park
2006
South Africa

Tel: +27 11 381 6000
Fax: +27 11 482 6163
Email: publications@eisa.org.za
www.eisa.org.za

© EISA 2020

ISBN: 978-1-920446-79-6

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without the prior permission of EISA.

EISA is a non-partisan organisation which seeks to promote democratic principles, free and fair elections, a strong civil society and good governance at all levels of African society.

EISA gratefully acknowledges the generous financial support for this project from the German Foreign Office.

Copy editor: Heather Acott
Layout: Sue Sandrock
Printing: Corpnet Design

CONTENTS

Acronyms	vi
Acknowledgements	vii
Contributors	viii
 Chapter 1: Introduction <i>Olufunto Akinduro</i>	 1
 Chapter 2: Context of the 2019 Elections <i>Olufunto Akinduro and Vusi Gumbi</i>	 10
 Chapter 3: Legislative Framework on Political Party Funding in South Africa <i>Clayton Hazvinei Vhumbunu</i>	 18
 Chapter 4: Western Cape <i>Joseph Olusegun Adebayo</i>	 41
 Chapter 5: Mpumalanga <i>Esteri Elsie Magaisa</i>	 65
 Chapter 6: KwaZulu-Natal (KZN) <i>Clayton Hazvinei Vhumbunu</i>	 88
 Chapter 7: Eastern Cape <i>Patience Shawarira</i>	 121
 Chapter 8: Limpopo <i>Letlhogonolo Mpho Letshele</i>	 145
 Chapter 9: Free State <i>Lehlohonolo Mofubelu</i>	 166
 Chapter 10: Key Findings, Recommendations and Conclusion <i>Clayton Hazvinei Vhumbunu</i>	 189

Acronyms

ACDP	African Christian Democratic Party
ANC	African National Congress
ATM	African Transformation Movement
BUSA	Business Unity South Africa
CSO	Civil Society Organisation
COPE	Congress of the People
CONTRALES	Congress of Traditional Leaders of South Africa
CSR	Corporate Social Responsibility
CTV	Cape Town Television
CP	Cape Party
CPUT	Cape Peninsula University of Technology
DA	Democratic Alliance
DSTV	Digital Satellite Television
ECSECC	Eastern Cape Socio Economic Consultative Council
EFF	Economic Freedom Fighters
IDASA	Institute for Democracy in South Africa
IEC	Independent Electoral Commission
IFP	Inkatha Freedom Party
MMA	Media Monitoring Africa
MPDF	Multi-Party Democracy Fund
My Vote Counts	MVC
PAC	Pan Africanist Congress of Azania
PAIA	Promotion of Access to Information Act
PPFA 2018	Political Party Funding Act 2018
PFRPPA	Public Funding of Represented Political Parties Act 103 of 1997
PRET	Practical and Radical Economic Transformation
RETF	Radical Economic Transformation Forum
RPPF	Represented Political Parties' Fund
SABC	South African Broadcasting Corporation
SACC	South African Council of Churches
SADTU	South African Democratic Teachers Union
SANCO	South African National Civic Organisation
SANCOTA	South African National Congress of Traditional Authorities
SRWP	Socialist Revolutionary Workers Party
UCT	University of Cape Town
UDM	United Democratic Movement

Acknowledgements

EISA gratefully acknowledges the generous financial support for this project from the German Foreign Office.

EISA also acknowledges the guidance and input of the following thematic experts who availed themselves for the methodology meeting that initiated this project: Carien du Plessis, Michael O'Donovan, Bertha Chiroro, and John Stremlau.

EISA thanks Clayton Hazvinei Vhumbunu who was the lead researcher on the project. His technical leadership provided the required guidance to the provincial researchers in the course of their work. Thanks to the following provincial researchers for their tireless efforts in seeing this project through: Patience Shawarira, Lehlohonolo Mofubelu, Letlhogonolo Mpho Letshele, Esteri Elsie Magaisa and Joseph Olusegun Adebayo.

EISA also extends its appreciation to the interlocutors that availed themselves for the research.

The implementation of the project was made possible by the Elections and Political Processes (EPP) team at the EISA head office. Specific thanks to Siphehile Ndamase who worked primarily on this project. Thanks to colleagues in the EPP team, Cecile Bassomo, Noxolo Gwala and Lenny Taabu, for their technical input. The support of EISA colleagues from the Governance Institutions and Political Processes department, who partnered with EPP in the implementation of the South Africa 2019 elections support project, is also recognised. They include: Grant Masterson, Melanie Meirotti and Sandile Khouboni.

Thanks to Sue Sandroock for layout and design and to Heather Acott for copy editing this work. Sincere appreciation to the publications team at EISA, Ilona Tip and Marie Reyneke, for their support of the final product.

Contributors

JOSEPH ADEBAYO

Joseph Olusegun Adebayo is a postdoctoral research fellow in the Journalism and Media Studies Department of the Cape Peninsula University of Technology, South Africa. He obtained his PhD from the Durban University of Technology, South Africa where he conducted research into peace journalism. He holds a BA degree in Media Studies from the University of Nigeria, and an MA in Peace and Development studies from the University of Ilorin, Nigeria. His research interests include good governance, elections and democracy in Africa, analysis of media (mis)representation of Africa, and media reportage of conflict-sensitive issues in Africa.

OLUFUNTO AKINDURO

Olufunto Akinduro is the Head of the Elections and Political Processes at the Electoral Institute for Sustainable Democracy in Africa (EISA). She oversees the implementation of the Institute's election-related programmes. This includes managing EISA's partnership with the AU and regional economic bodies, and further development of EISA's election assessment methodology. Prior to joining EISA she worked in the field of democracy and elections in Nigeria for five years. She holds an MA in Development Studies (specialising in democracy and governance) from the Institute of Social Studies, The Hague and an MA in Conflict Studies from the University of Ibadan, Nigeria.

VUSI GUMBI

Vusi Gumbi recently completed his BA (Hons) in Politics and International Relations at the University of Johannesburg, with a distinction for his research entitled 'South Africa's electoral system an impediment to the efficacy of democracy: an analysis of Parliament's role of oversight in the Nkandla Project'. He has observed two elections with EISA (Lesotho 2017; Mozambique 2019) and worked with The Carter Center on their South African 2019 Elections Research Project. He is currently a contestant in the SABC One Youth Leadership show, One Day Leader – Season 8.

LETLHOGONOLO MPHO LETSHELE

Letlhogonolo Mpho Letshele holds an MA in Politics and International Relations from the University of Johannesburg. Her main academic interests are in democracy, elections, peace and conflict, gender studies, and foreign policy. Her knowledge in these fields has been enhanced by teaching support

for undergraduate studies and research consulting in political science and international relations. In addition, she provides political commentary to a number of media outlets concerning South African politics. She has written several articles on issues of public concern, ranging from research reports, newspaper and academic articles.

ESTERI ELSLIE MAGAISA

Esteri Elslie Magaisa is a development professional with eight years of experience in the not-for-profit sector in Zimbabwe, South Africa and the United Kingdom, specifically in organisations concerned with socio-economic justice, human rights, governance, and citizen participation. She holds an MPhil in Social Sciences, a BSc (Hons) in Sociology from the University of Zimbabwe, and held a 2016 Commonwealth fellowship at the Institute for Conflict Research in Belfast, Northern Ireland. Her skills include research, policy analysis, advocacy, and project management. Her recent consultancy experience was with the Electoral Institute for Sustainable Democracy (EISA) conducting research on party campaign finance in Mpumalanga during the 2019 South Africa national elections. In addition, she participated in the USAID-Zimbabwe Conflict Management and Mitigation 2010-2018 project evaluation in October 2019 for Democracy International.

LEHLOHONOLO MOFUBELU

Lehlohonolo Mofubelu is a facilitator in community and service learning with the University of the Free State's Department of Political Studies and Governance. He holds a BA in Governance and Political Transformation, and a BA (Hons) in International Relations. His research interests include human rights and democracy, mineral conflicts and human rights violence, foreign policy and war economy. His 2018 research thesis focuses on the impact of mineral conflict on human rights in the Democratic Republic of Congo.

PATIENCE SHAWARIRA

Patience Shawarira holds a BA in Journalism and Media studies from the National University of Science and Technology in Zimbabwe, and BA (Hons) in Media Management from Rhodes University. She has recently completed her MEd in Environmental Education at Rhodes University. She has worked as a research assistant for *Amanzi for Food*, a Water Research Commission project lead by the Environmental Learning Research Centre at Rhodes University. She is currently working as a researcher at fraycollege, an African communications and writing training institution. Her work experience is strongly grounded in communications, project management and research.

CLAYTON HAZVINEI VHUMBUNU

Clayton Hazvinei Vhumbunu is a research fellow in international relations in the School of Social Sciences at the University of KwaZulu-Natal (UKZN), Durban, South Africa. He holds a PhD in International Relations from UKZN and an MA in International Relations from the University of Zimbabwe. His research covers international relations, regional integration, conflict management, China-Africa relations, and public governance and policy. Dr Vhumbunu served as a lecturer at UKZN from 2016 to 2017. He has also been an associate researcher on Regional Integration and China-Africa Relations with the Southern African Research and Documentation Centre (SARDC), a regional think tank based in Harare, Zimbabwe.

CHAPTER 1

Introduction

Olufunto Akinduro

BACKGROUND

Money plays a crucial role in politics, as political party operations and their campaigns would not be possible without adequate funding. The regulation of party and campaign funding is just as crucial to the integrity of an election as it is a key determinant of the level playing field required for a truly competitive and democratic election.

The challenge of unregulated campaign finance is succinctly captured in the report of the Global Commission on Elections, Democracy and Security (2012):

... the rise of uncontrolled political finance threatens to hollow out democracy everywhere in the world, and rob democracy of its unique strengths compared to other forms of governance – political equality, the empowerment of the disenfranchised and the ability to manage societal conflicts peacefully.

The Commission also noted that initiatives to address reforms of political finance regulatory frameworks are largely dependent on national contexts. The Commission identified global best practices such as a transparency regime that includes mandatory disclosure of funding sources and reports of campaign expenditure; establishment of independent oversight bodies; restrictions on private contributions; control of campaign expenditure; a balance of public and private campaign funding; and control of abuse of state resources.

South Africa presents an interesting context for research on campaign finance because since the transition to multiparty democracy in 1994, the country has been regarded as a progressive democracy with a strong constitutional and legal framework. South Africa's constitution is regarded as one of the most progressive in Africa. Its strong constitutional framework has entrenched the rule of law in the country.

The 2019 elections in South Africa were the tenth consecutive democratic elections since the end of the apartheid in 1994. Election observer groups have since 1999 commended the country for progressively improving the conduct of

elections that have been regarded as largely free and fair. However, one point of continued call for increased transparency has been in the area of private funding of political campaigns in the country.

Since the transition to multi-party democracy, political parties have been legally entitled to both public and private sources of funding. While public funding has been regulated since 1996 through the Public Funding of Represented Political Parties Act 103 of 1997 (PFRPPA), private funding of political parties has had a controversial history. Private funding of political campaigns over the years has been a public interest issue. Historical scandals such as 'Oilgate,' and more recently the case of Free State government funds being redirected towards the ANC's national elective conference, and the November 2018 decision of President Ramaphosa to repay funds received from Bosasa, highlight the ongoing risks posed by unregulated party finances in South Africa.

Since the early 2000s, civil society organisations (CSOs) have been vocal about the need to make private funding of campaigns in South Africa more transparent. In 2003 the Institute for Democracy in South Africa (IDASA), brought a case against the five major parties before the High Court in Cape Town that sought an order compelling the parties to make private party funding more transparent, by disclosing the identify of private donors contributing amounts above R50 000 (SAFLII, 2005). The case was filed within the framework of the Promotion of Access to Information Act, as there was no regulatory framework for private campaign finance at the time. The efforts of CSOs led to voluntary disclosure by some corporate funders about their donations to political parties ahead of the 2004 elections. Ahead of the 2019 elections, another CSO, My Votes Count (MVC) filed a case demanding access to information on sources of private funding of political parties, also on the basis of the Access to Information Act. Despite these initiatives by CSOs, political parties have remained reluctant to support reform initiative on the regulation of private funding of parties and campaigns.

After the 2004 elections, Parliament undertook to deal with the matter through legislation; but it was not until January 2019 that the discussions led to the enactment of the Political Party Funding Act 2018 (PPFA 2018) to regulate both public and private funding of political parties.

The enactment of PPFA 2018 highlighted the importance of campaign finance for a level playing field, and the fairness and transparency of the electoral process. The enactment of the law provided a basis for a definition and assessment of the role of finance in determining the playing field in South Africa.

The enactment of the PPFA less than six months before the 2019 elections provided a very slim window for the IEC to establish the structures mandated in the Act for the Multi-Party Democracy Fund and management of private

funding of represented political parties. The IEC initially announced a plan to roll out the operationalisation of the PPFA in two phases, with the first phase due on 1 April 2019 and the second phase from July 2019. The IEC however announced that it would not commence the implementation of the PPFA until after the 2019 elections to allow additional time for public consultations on the finalisation of regulations to guide the operationalisation of the PPFA.

Though the PPFA was not in force during the 2019 elections, EISA saw the enactment of the PPFA as an opportunity for research to highlight the issue of transparent party and campaign finance and its impact on the overall integrity of elections. This research is EISA's pilot for the development of a broader methodology for campaign finance monitoring and advocacy on campaign finance regulation in Africa.

CONCEPTUAL NOTE

Party and campaign finance are thematic issues that fall within the broader framework of political finance, which covers all forms of funding of political party operations and campaigns within and outside election period. Campaign finance is focused on all forms of transactions conducted by political parties and candidates during elections for the purpose of campaigning. Political party finance covers funding of parties for the purpose of their operations outside the period of elections (IFES, 2005; Magnus, 2014).

This research examines party and campaign finance in the lead-up to the 2019 elections in South Africa. Though the concept of party and campaign finance covers both public and private funding of parties and campaigns, this research pays particular attention to campaign finance, especially private funding of campaigns during the 2019 elections in South Africa. The decision to focus on private funding was informed by the newly enacted PPFA which introduces regulation of private funding of parties and campaigns. This research draws on IFES's definition of campaign finance as formal financial or in-kind donations and expenditures that are related to an electoral campaign (IFES, 2005).

Political party and campaign finance regulation are crucial elements of the electoral process that contribute to transparency, equity and the prevention of corruption. The regulation of the use of money in an electoral process helps to entrench public trust in the process (Magnus, 2014).

Party and campaign finance regulation is guided by democratic principles, which makes it a crucial aspect of the electoral process that impacts on its overall integrity. At the heart of party and campaign finance regulation is the principle of transparency and the prevention of corruption. Article 7 of the United Nations Convention Against Corruption (UNCAC), urges state parties to adopt appropriate domestic legislation in line with the objectives of the Convention to enhance transparency in the funding of candidates, and where

possible the funding of parties. The same principle is enshrined in Article 10 of the African Union Convention on Preventing and Combating Corruption. Another important principle is that of equal treatment of all parties in the electoral process. This important principle is enshrined in the African Charter on Democracy, Elections and Governance and is more focused on the enforcement of regulatory frameworks.

The OSCE's Office of Democratic Institutions and Human Rights, in its Handbook on Observing Campaign Finance (ODIHR, 2015), identified key features of a party and campaign finance system as follows:

- A regulatory framework that distinguishes between party finance and campaign finance
- A regulatory framework that differentiates and strikes a balance between public, private and third-party financing of campaigns
- A regulatory framework that also stipulates reasonable restrictions on donations and campaign expenditure
- Campaign finance reporting and mandatory disclosure
- Oversight and monitoring

These features are also stipulated as global best practice by the Global Commission on Elections, Democracy and Security in its 2012 report.

Regulation of party and campaign finance contributes to the overall integrity of electoral processes in the following ways:

- promoting transparency and accountability in the electoral process
- preventing abuse of state resources
- guarding against foreign interference and undue influence in the electoral process
- curbing the undue influence of private money in politics
- levelling the electoral playing field
- safeguarding the integrity of political parties as institutions.

Within the South African context, the release of the State Capture Report by the Public Prosecutor in 2016 further highlighted the challenges posed by illicit funding of politics by private interests, and the impact of political corruption on the country. A review of the existing regulatory framework for party and campaign finance once more took centre stage in the South African parliament.

RATIONALE

Regular elections have over the past two decades become the norm in most African countries. However, the integrity of the elections conducted on the

continent has come into question as research has shown that the credibility of these elections has become just as questionable as the regularity of the elections themselves (Global Commission on Elections, Democracy and Security, 2012; IDEA, 2019). One of the key factors identified as compromising the integrity of elections on the continent is the uncontrolled influence of money in politics.

In its work on election assessment in African countries over the past decade, EISA has identified a gap in the existing regional framework governing democratic elections in Africa. This concerns the thematic issue of party and campaign finance regulation, as responsibility is largely left at national levels. At this level, governments and the political elite have worked to prevent legal reforms that will curtail corruption in the electoral process and constrain the abuse of state resources during elections. EISA therefore set out to undertake a pilot research on this thematic issue as a first step in developing a methodology and advocating for a stronger regional approach.

The 2019 elections in South Africa presented a good opportunity for the pilot initiative as the ongoing commission of enquiry on state capture highlighted the extent of political corruption in the country. In addition, the enactment of PPFA 2018 introduced stronger regulation of private funding of party and campaign finance in South Africa.

Through this research project, EISA set out to:

- gather the perceptions of political parties towards the PPFA
- assess the impact of private funding sources in the 2019 elections
- identify the observable trends in campaign finance and expenditure during the 2019 elections
- evaluate the effectiveness of the current institutional framework for party and campaign finance regulation
- make recommendations on the operation of the PPFA 2018.

METHODOLOGY

Methodology meeting

A methodology meeting that brought together experts from academia, media and statistics was held on 1 April 2019 at EISA Head Office in Johannesburg. The experts provided input and advice that contributed to finalising the research methodology and recruitment of field researchers.

Field research

To achieve the objectives of the research, a team of field researchers was recruited. The initial intention was to recruit a lead researcher and ten provincial researchers (one researcher per province except Gauteng where two researchers

were recruited). Due to the short time frame for recruitment and the limited number of applications received, the North West and Northern Cape provinces were not included in the research. Provincial researchers were supported by a lead researcher who provided technical support and direction on the project.

To prepare researchers for field work, a training/briefing session was held from 17-18 April 2019 in Johannesburg. Researchers were deployed for a six-week period from 17 April to 31 May 2019. At the end of the research period, a debriefing session was held on 3 and 4 June 2019. Based on the gaps identified in the research, a further two-week period of field work was provided for researchers to gather further information on the role of corporate donors and religious organisations in their assigned provinces.

Researchers employed purposive and convenient sampling techniques that entailed the following:

- Direct observation at main campaign events in assigned provinces. Researchers were guided in their observation by a standardised checklist that provided a list of questions and key issues to observe. Direct observation covered:
 - campaign rallies
 - door-to-door campaigns
 - blitzes, road shows, and visits to political party displays at shopping malls
 - political party debates
 - third-party events such as the May Day rallies organised by COSATU which provided a campaign platform for the ruling party and religious events.
 - selected polling stations to identify trends in party expenditure on election day.
- Semi-structured key informant interviews to collect data on issues such as perceptions of the PPEA and to follow up on information gathered through direct observation. Key informants included:
 - political parties
 - experts and researchers on democracy and elections
 - media houses
 - CSOs and independent thinktanks
 - private sector actors
 - religious organisations

- Media monitoring and press review to further identify trends in campaign expenditure, especially on media access and paid advertisements.
- Cost verification of observed expenditure was conducted through independent solicitation of quotations from suppliers. Cost verification formed the bulk of post-election activities conducted by field researchers.

Table 1: Summary of data collection activities

Province	Interviews	Rallies	Door-to-Door Campaigns	Road Shows/ Blitz	Party Debates	Others	Polling stations on E-Day
Gauteng (Johannesburg)	35	6	7	-	1	1	13
Gauteng (Pretoria)	5	5	1	2	-	3	8
Eastern Cape	14	3	2	-	1	3	5
Free State	14	4	2	-	-	-	7
KZN	21	8	1	4	1	7	8
Limpopo	23	5	5	-	-	-	-
Mpumalanga	18	4	4	-	-	2	5
Western Cape	14	-	-	-	2	1	5
Total	144	35	22	6	5	17	51

KEY RESEARCH QUESTIONS

- What does the enactment of PPFA 2018 portend for the electoral landscape in South Africa?
- To what extent does the PPFA 2018 comply with international benchmarks and best practice on party and campaign finance?
- How effective is the current institutional framework for party and campaign finance regulation?
- What were the observable trends in campaign finance during the 2019 elections?
- To what extent did political parties comply with the PPFA 2018?
- What is the overall impact of party and campaign finance on the fight against corruption in South Africa?
- What practical recommendations should be considered for effective regulation of party and campaign finance in future elections?

LIMITATIONS

The study was impacted largely by time constraints, as researchers would have benefited from an earlier period of deployment for improved coverage of their assigned provinces.

The absence of researchers in two provinces also limited the scope of the study. However, the study provided a reasonable sample from which to draw conclusions. One further challenge was non-completion of the study by the researchers in Gauteng. To address this limitation, the findings on Gauteng were incorporated into the second chapter of the book which provides an overview of the context of the 2019 elections. However, some data from Gauteng has been included in Table 1 (above).

The study focused primarily on campaign finance as opposed to broader political party finance. The study was further limited by the fact that the PPFA was not yet in force, thus making it more difficult to receive direct information on private funding of parties. To address these limitations, the scope of the study was reoriented to look at stakeholder perceptions of the PPFA, rather than actual level of compliance or enforcement of the PPFA. With the PPFA not yet in force, most political party representatives consulted during the research were of the opinion that they were not obliged to disclose their private sources of funding. Furthermore, private sector representatives who were interviewed were also unwilling to disclose or comment on their donations to political parties during the 2019 elections. This limited the researchers' ability to fully respond to the question about the impact of private funding on the 2019 elections in South Africa.

Notwithstanding these limitations, the data collected provides a reasonable basis for a pilot study and input for ongoing discourse on review of the PPFA and finalisation of guidelines for its operationalisation.

OVERVIEW OF CONTENT

This report is presented in ten chapters, the first being this introductory chapter which presents an overview of the research methodology and approach. The second chapter provides an overview of the party and campaign finance regulatory framework in South Africa. The third chapter presents a contextual overview of the 2019 elections in South Africa. Chapters four to nine present the findings from the provinces in the following order: Western Cape, Mpumalanga, KwaZulu-Natal, Eastern Cape, Limpopo, and Free State. The provincial case studies provide an overview of the political context of the province, stakeholder perception of the PPFA, findings on campaign expenditure which highlight direct and indirect expenditure by different parties, the culture of handouts, and trends in campaign donations. The chapters also provide data on observed campaign expenditure trends that were collected and verified through comparative market surveys. The final, tenth chapter presents conclusions and recommendations drawn on the basis of the research findings.

References

- African Union. (2003) *Convention on preventing and combating corruption*. Available at: https://au.int/sites/default/files/treaties/36382-treaty-0028_african_union_convention_on_preventing_and_combating_corruption_e.pdf
- Bryan, S & Baer, D. (2005) *Money in Politics: A Study of Party Financing Practices in 22 Countries*, Washington DC: NDI.
- EISA (2016) *Election Observer Mission: South Africa, Local Government Elections*, Johannesburg: EISA.
- Global Commission on Elections, Democracy and Security (2012) *Deepening Democracy: A Strategy for Improving the Integrity of Elections Worldwide*, Stockholm and Geneva : IDEA and Kofi Anan Foundation.
- IDEA (2019) *The Global State of Democracy 2019: Addressing the Ills, Reviving the Promise*, Stockholm: IDEA.
- IFES (2005) *Enforcing Political Finance Laws, Training Handbook*, Washington D.C: IFES.
- Magnus, O. (2014) 'Introduction to Political Finance', In: E. Falguera, S. Jones, & M. Ohman (eds) *Money in Politics: A Study of Party Financing*, Stockholm: IDEA, pp. 1-9.
- ODIHR (2015) *Handbook for the Observation of Campaign Finance*, Warsaw: ODIHR.
- Southern African Legal Information Institute (2005) Western Cape High Court, Cape Town. Available at: www.saflii.org/za/cases/ZAWCHC/2005/30
- United Nations (2004) *United Nations Convention against Corruption*. Available at: https://www.unodc.org/documents/brussels/UN_Convention_Against_Corruption.pdf [Accessed 02 12 2019]

CHAPTER 2

Context of the 2019 Elections

Olufunto Akinduro and Vusi Gumbi

INTRODUCTION

South Africa's 2019 elections were the sixth multi-party national and provincial elections held since the transition to democracy in 1994. The debate on the regulation of private funding of political parties has been on the agenda since then, and the subject has been regularly pursued by civil society groups.

The 2019 elections were held within the context of declining support for the ruling African National Congress (ANC) which had been the dominant party since 1994. The ANC's share of votes in national and provincial elections began to decline after 2009 when it garnered 65.9% of the votes, compared to 57.5% in 2019 (IEC, 2019). This decline has been explained by different factors, most notably the factionalisation of the ANC and the emergence of alternatives such as COPE in 2009 and the EFF in 2014 (Rossouw & Webb, 2008; Bauer, 2012).

The 2019 elections also came at a time when the ANC was struggling to recover from the reputational damage caused by corruption scandals during the Jacob Zuma years. At the time of the 2019 elections, there were three commissions of inquiry looking into different issues of corruption and abuse of power – the SARS (Nugent) Commission into tax administration, the Mokgoro Commission into maladministration in the National Prosecuting Authority (NPA), and the Zondo Commission into allegations of state capture. Widespread corruption also led to dysfunctional state-owned enterprises, the most affected institution being the power company Eskom. The lead-up to the elections saw an increase in service delivery protests registering citizen's dissatisfaction (Gous, 2019).

The state of the economy was also a key issue in the 2019 elections. With a decline in economic growth that led to the World Bank's downgrade months before the elections, there were concerns about future economic performance (Cohen, 2019), and voters demanded more of parties' economic recovery plans.

The important point for this research is the fact that the 2019 elections were one of the most competitive in South African history. In comparison to previous elections, voters in 2019 seemed to require more from the ANC beyond its liberation struggle credentials. It became crucial for the ANC to address key issues like corruption and the land question ahead of the elections.

On the issue of addressing corruption, citizens were keen to see the outcome of the Judicial Commission of Inquiry into State Capture, chaired by Deputy Chief Justice Zondo. Revelations from the ongoing Zondo Commission indicate that private and corporate funding has played a key role in the funding of political parties. The revelations also point to the misuse of state resources for political gains.

Ahead of the 2019 elections, the ANC came under scrutiny on the issue of its finances and donors. Two prominent cases are worth mentioning – the Bosasa donation which is discussed in more detail in this chapter and the Iqbal Survé donation which is discussed in more detail in the Western Cape report. In both cases, the ANC admitted receipt of donations from questionable private sources and the donations were returned to the donors. Both cases further emphasise the need for an improved party and campaign regulatory framework to strengthen the integrity of the electoral process in South Africa.

THE POLITICAL AND ELECTORAL SYSTEM

The political system in South Africa is a semi-presidential system in which the legislature is elected by a party-list proportional representative system, and the president is elected by Parliament. Such an electoral system bestows power on the political parties rather than on individual candidates. In South Africa, however, this does not preclude party leaders and candidates from raising funds for their party's campaigns. Parties receive funds from the public funds made available within the Public Funding of Represented Political Parties Act (PFRPP), while party leaders and other individual members can also raise funds from private sources. It is important to note that parties are prohibited from using the public funds provided in the PFRPP to pay salaries and remuneration. Political party funding is therefore a crucial issue in South Africa, as parties require funds to sustain themselves. While the PFRPP contains provisions on disclosure and reporting in order to hold parties accountable for public funds received, there is no provision for reporting on private funding.

Internal party elections hold an important place in the South African electoral system, as these internal elections produce the party leaders who represent the people in Parliament. It is even more crucial for the ruling ANC, because its party leader emerges as the president of the country. President Ramaphosa's campaign for the December 2017 ANC elective conference cost over R400 million (Haffajee, 2019; Melanie Verwoerd, 2019). Campaign expenditure on internal party processes is interestingly, not covered in the party and campaign finance regulatory framework, yet it continues to raise controversies.

Within the context of this political system, which has entrenched the ANC as the dominant party since the transition in 1994, the role of private funding has become a critical issue, as private and corporate donors have an

incentive to support the dominant parties in expectation of rewards in form of public tenders. This was demonstrated in the so-called Oilgate scandal, which involved a donation of R11 million to the ANC from a corporate donor (Imvume Management), which had in turn received funds from a controversial oil deal with the state-owned oil company PetroSA, and subsequent repayment of the donation by the ANC. It was claimed that the funds were donated to cushion the ruling party's dwindling finances (Quintal & Ngalwa, 2007). After this scandal, questions about the transparency of party and campaign funding increased.

The ANC has been in a tripartite alliance with the South African Communist Party (SACP) and the Congress of South African Trade Unions (COSATU), since the 1990s during the struggle against apartheid. The ANC and COSATU have a symbiotic relationship, where the ANC fulfills the demands of COSATU with regards to labour legislation, and COSATU using its significant membership base of 2.2 million registered members to secure votes for the ANC (News24, 2018). These organisations share a common history and core ideological values that are articulated in the National Democratic Revolution (NDR). Whilst ANC members may not necessarily be members of the SACP or COSATU, members of the SACP or COSATU engage in political contests on the ANC platform, because the SACP and COSATU do not directly contest elections. As part of the agreement, only the ANC contests elections and as such leads the alliance. This has led to a number of challenges, specifically related to public administration (Kuye & Cedras, 2011). This tripartite alliance has created a platform for indirect campaign contribution and expenditure by COSATU and the SACP which will be highlighted in the chapters of this report, as observed during the May Day (1 May) and Freedom Day (27 April) celebrations ahead of the 2019 elections.

THE BOSASA CASE

In a question and answer session in Parliament on 6 November 2018, President Cyril Ramaphosa was questioned by DA leader Musi Maimane about a payment of R500 000 his son had received from the CEO of Africa Global Operations (formerly known as Bosasa) in October 2017 as a contribution to Ramaphosa's campaign for the ANC leadership (Public Protector, 2019).

The President denied any knowledge of the transaction before back-tracking on his answer to Parliament the following week, by disclosing that the donation was actually made to his CR17 election campaign (Cowan, 2019). Bosasa's multimillion rand tenders with different government departments and state-owned enterprises reportedly had a collective worth of just over R12 billion in little more than a decade (Smit & Jika, 2019). It is for this reason that the Bosasa payment has received overwhelming attention as it seemed to have a vested interest, such that a business enterprise injects financial support for a candidate or political party with the expectation of some form of return after the elections.

Against this backdrop, the leader of the official opposition, Mmusi Maimane, together with Floyd Shivambu, chief whip of the Economic Freedom Fighters (EFF, the third largest party), and others, lodged a complaint with the Office of the Public Protector requesting an investigation into allegations of an improper relationship between the president and Bosasa (Public Protector, 2019).

The Public Protector found that the president deliberately misled the National Assembly in his reply to Mr Maimane; acted in violation of the Executive Ethics Code as enshrined in the Constitution through inconsistencies between his official responsibilities and private interests; and found the relationship between the president and Bosasa to be improper (*ibid.*). Despite this finding, the absence of a framework for regulating the private funding of political parties and campaigns limited the basis for the president or the ANC to open up about other possible donations from similar sources.

The Bosasa case also raised questions about issues of access to information and privacy laws in South Africa. The president's team alleged that access to the CR17 campaign banking details and email exchanges violated privacy laws. The case is being prosecuted whilst the PPFA has yet to come into force, as at the time of writing the IEC is finalising the guidelines for its operationalisation.

PROMOTION OF ACCESS TO INFORMATION ACT AMENDED TO STRENGTHEN THE PPFA

Although the debate on the regulation of private funding of parties and campaigns was long-drawn-out, there was an urgent need to legislate for improved transparency of the electoral process in South Africa. The Bill was therefore passed by the National Assembly in 2018 and assented to by President Ramaphosa in January 2019; however, the law did not come into force during the 2019 elections as the IEC could not finalise the modalities for its implementation within the short timeframe.

As part of the debate, a civil society organisation, My Votes Count (MVC) approached the courts to challenge the constitutionality of the Promotion of Access to Information Act (PAIA) and demand access to records of private donations to political parties on the basis of the PAIA. In September 2017 the Western Cape High Court ruled in MVC's favour and its judgment was upheld by the Constitutional Court in June 2018 when it declared that the PAIA was inconsistent with the Constitution, as it does not address the maintenance of records and disclosure of private funding of political parties and campaigns (MVCb, 2019). The judgement was suspended for 18 months to give Parliament time to finalise reviews of the PAIA to bring it into line with the Constitution and the PPFA (*Business Day*, 2019).

The June 2018 Constitutional Court ruling elevated the national debate on party and campaign finance regulation beyond the political elite and their lack of political will to enact stronger laws to make party finance more transparent.

The PAIA Amendment Bill mandates the financial accounting officer of a political party (who could be an independent candidate) to create and maintain records of monies donated to the parties or independent candidates beyond the R100 000 ceiling (as provided in the PPFA), including both assets and sums that are lent to the party (Parliamentary Monitoring Group, 2019). These records must be made available on the concerned parties' website and be kept for at least five years after they have been created (Public Protector, 2019).

The PAIA Amendment Bill is a steppingstone toward a democratic discourse characterised by citizen participation, and will go a long way towards promoting transparency and curbing political corruption.

KEY DEVELOPMENTS SINCE THE ENACTMENT OF THE PPFA

With President Ramaphosa's assent of the PPFA in January 2019 – less than six months before the 2019 elections – the IEC announced its intention to operationalise the Act in a staggered process from 1 April. The Commission, however, had to postpone the start of the process after it received over 4 300 submissions on the draft regulations for the operationalisation of the Act (Independent Electoral Commission, 2019). The milestones that were highlighted by the Commission since the president's assent of the PPFA include, but are not limited to:

- Securing start-up funding for the next two years from National Treasury for the implementation of the legislation, including the establishment of a new party funding unit within the IEC;
- Recruiting and appointing a chief executive for party funding.

Against the backdrop of these submissions, the IEC extended a further invitation to key stakeholders to contribute to the electoral discourse on the Party Funding Act (IEC, 2019). 'A central theme which emerged during the hearings has been the overwhelming support for the legislation and regulations and a shared desire to see these implemented as a matter of urgency,' said Chairperson Glen Mashinini (IEC, 2019).

Civil society group MVC stated that the president's delay in signing the Bill meant that the electorate would go into the elections blindsided, and argued that this infringed on the right to make an informed vote.

In a bid to both ensure and promote the transparency of party funding, MVC released a report on private political party funding using publicly available sources of information over the past 25 years, though they could not confirm that they had all the information in this regard (MVC, 2019). Similarly, the EISA research for this report was not able to gather much information on the private funding of political parties during the 2019 elections as the parties were reluctant to disclose this information and the PPFA had not yet come into force.

The MVC report was centered on the ANC, DA, EFF, Inkatha Freedom Party (IFP) and United Democratic Movement (UDM) (MVC, 2019). One item that stood out in the report was that all parties indicated receipt of funds from questionable entities and individuals. The report noted that the major parties were involved in different forms of fundraising from private sources with the tacit understanding of return favours in their different strongholds after the elections. For instance, the EFF entered into municipal coalitions in Johannesburg, Pretoria and Nelson Mandela Bay (Port Elizabeth), giving them access to contracts in these provinces. An amaBhungane investigation revealed that Afrirent, a logistics and supply chain company, paid bribes to a company associated with the EFF to pay for a tractor donated by Malema's campaign before being awarded a tender to the value of R1.2 billion from the City of Johannesburg (amaBhungane, 2018). The investigation reveals that private political party funding in South Africa is largely driven by an expectation of what the donors hope to receive in return for endorsing a party – and this applies not only to the ANC (Reddy & Brummer, 2019) The DA is also alleged to have received funds from foreign sources and unconfirmed donations from businessman Nathan Kirsh (MVC, 2019).

Political parties have paid lip service to transparency as they were unwilling to voluntarily declare their funders. According to Polity.org, only one political party, the UDM, was prepared to disclose a donation (Polity.org, 2019). UDM leader Bantu Holomisa disclosed through a WhatsApp text that the party had received a donation of R250 000 from telecommunications giant MTN ahead of the elections. Of the other political parties approached, the ruling ANC declared that before it could account to the public on its finances, it needed to ensure that party finances were first discussed in its internal structures. The DA was of the view that the Act was not the answer to rooting out political corruption (ibid.).

Tracking the money

Within the context described above, EISA undertook its pilot research project on party and campaign finance. This research is pertinent in South Africa where the transparency of private donations to party and campaign finance has been debated since the 1990s. Although the PPFA was not yet in force, EISA considered it necessary to research and highlight key areas of direct and indirect private funding, including the role of religious institutions, traditional rulers and affiliate institutions like COSATU and SACP. The research also considered other unplanned events such as the floods in parts of KZN and Eastern Cape and how these provided indirect platforms for campaigning and donations.

EISA will continue to follow the review process and operationalisation of the Act by the IEC, and will strengthen its methodology for assessing and reporting on party and campaign finance.

References

- AmaBhungane (2018). 'Firm that won R1bn Jo'burg fleet contract paid Malema-EFF "slush fund"', November 29. Available at: [://www.dailymaverick.co.za/article/2018-11-29-firm-that-won-r1bn-joburg-fleet-contract-paid-malema-eff-slush-fund/](http://www.dailymaverick.co.za/article/2018-11-29-firm-that-won-r1bn-joburg-fleet-contract-paid-malema-eff-slush-fund/)
- Bauer, N. (2012) 'ANC expels Julius Malema', *Mail & Guardian*, 29 February. Available at: <https://mg.co.za/article/2012-02-29-julius-malema-expelled> (accessed 1 Apr 2019)
- Business Day. (2019). 'National Assembly adopts political party funding amendment bill', November 6. Available at: <https://www.businesslive.co.za/bd/national/2019-11-06-national-assembly-adopts-political-party-funding-amendment-bill/>
- Cohen, T. (2019). 'One month before 2019 election SA economy takes three hits in quick succession', *Daily Maverick*, 10 April. Available at: <https://www.dailymaverick.co.za/article/2019-04-10-one-month-before-2019-election-sa-economy-takes-three-hits-in-quick-succession/>
- Cowan, K. (2018) 'Ramaphosa corrects his National Assembly reply on his son's links with Bosasa' *news24*, 16 November. Available at: <https://www.news24.com/SouthAfrica/News/just-in-ramaphosa-corrects-his-national-assembly-reply-on-his-sons-dealings-with-bosasa-20181116>
- Gous, G. (2019) 'Service delivery protests are on the rise this year warn experts', *timeslive*, 11 June. Available at: <https://www.timeslive.co.za/news/south-africa/2019-06-11-service-delivery-protests-are-on-the-rise-this-year-warn-experts/>
- Haffajee F (2019) 'How Ramaphosa's campaign spent R400-million – and why it matters', *Daily Maverick*, 26 August 2019. Available at: <https://www.dailymaverick.co.za/article/2019-08-26-how-ramaphosas-campaign-spent-r400-million-and-why-it-matters/>
- Independent Electoral Commission. (2019) *National and Provincial Electoral Results*. Available at: <https://www.elections.org.za/IECOnline/Reports/National-and-Provincial-reports>
- Independent Electoral Commission. (2019) *Electoral Commission on conclusion of public hearings into Political Party Funding Act Regulations*, 2 August. Available at: <https://www.gov.za/speeches/political-party-funding-act-2-aug-2019-0000>
- Independent Electoral Commission. (2019) *Public Hearings on the Draft Regulations on Political Party Funding Act*. Available at: <https://www.elections.org.za/content/Parties/Public-Hearings-on-the-Draft-Regulations-on-Political-Party-Funding-Act/>
- My Vote Counts (2019a). *The Private Funding of Political Parties: What do we Know?* Available at: <http://www.myvotecounts.org.za/wp-content/uploads/2019/04/Historical-Political-Party-Funding-1.pdf>

- My Vote Counts (2019b). September 19, 2019. *Amendments to PAIA are underway*: <https://www.myvotecounts.org.za/2019/09/amendments-to-paia-are-underway/> and <http://www.saflii.org/za/cases/ZACC/2018/17.html>
- Parliamentary Monitoring Group. (2019) *Promotion of Access to Information Amendment Draft Bill*, 2019, Available at: <https://pmg.org.za/call-for-comment/848/>
- Polity.org. (2019). 'One political party reveals a donation but others are unwilling to go public', 23 April. Available at: <https://www.polity.org.za/print-version/one-political-party-reveals-a-donation-but-others-are-unwilling-to-go-public-2019-04-23>
- Public Protector. (2019). *Report on an investigation into allegations of the violation of the Executive Ethics Code through an improper relationship between the President and African Global Operations (AGO), formerly known as Bosasa. Report No.37 of 2019/2010*. Available at: <https://www.polity.org.za/article/public-protector-report-on-president-cyril-ramaphosabosasa-2019-07-19>
- Quintal, A & Ngilwa, S. (2007). 'ANC reveals it did pay back oilgate cash', *IOL*, 18 December. Available at: <https://www.iol.co.za/news/politics/anc-reveals-it-did-pay-back-oilgate-cash-383127>
- Reddy, M. & Brummer, S. (2019). 'Tender Comrades, Part One: Trailing the Juju tractor', *Daily Maverick*, September 19. Available at: <https://www.dailymaverick.co.za/article/2019-09-19-tender-comrades-part-1-trailing-the-juju-tractor/>
- Rossouw, M. & Webb, B. (2008). 'Lekota serves "divorce papers" on ANC', *Mail & Guardian*, 8 October. Available at: <https://mg.co.za/article/2008-10-08-lekota-serves-divorce-papers-on-anc> (accessed 1 Apr 2019)
- Smit, S, Jika, T & Skiti, S. (2019). (2019) 'The Bosasa tally: R12-billion', *Mail & Guardian*, 1 February. Available at: <https://mg.co.za/article/2019-02-01-00-the-bosasa-tally-r12-billion>. (accessed September 4, 2019)
- Verwoerd M. (2019). 'Want to be President? Got R440m? Why election campaigns are absurdly expensive' Radio interview on 702, Available at <http://www.702.co.za/articles/355690/want-to-be-president-got-r440m-why-election-campaigns-are-absurdly-expensive>

CHAPTER 3

Legislative Framework on Political Party Funding in South Africa

Clayton Hazvinei Vhumbunu

EXECUTIVE SUMMARY

This chapter examines the legal framework of political party funding in South Africa. Specifically, it presents an overview of the purpose, objectives and key provisions of the Political Party Funding Act of 2018 (PPFA) and also scrutinises the merits, demerits and implications of the Act. As the legislative framework on political party funding being introduced in South Africa has pertinent similarities and dissimilarities with developments elsewhere in the region and beyond, a global perspective is presented in order to benchmark the PPFA against international standards for the conduct of democratic elections. This allows for comparative analysis and facilitates experience-sharing as South Africa gears up towards implementing the PPFA. What is essential here is the interplay of political, administrative, ethical and technical factors, and circumstances, that may affect the effective implementation of the PPFA based on experiences in other countries. A comprehensive analysis of the legal framework of political party funding in South Africa assists to better understand PPFA and its key provisions and appreciate its positioning vis-à-vis international standards for the conduct of democratic elections. The chapter identifies the possible value the law will add to South African electoral democracy, whilst taking note of possible implementation challenges and complications that may arise from inherent gaps and loopholes in the legislation. Finally, recommendations are made on what political players and stakeholders need to do to achieve the objectives of the PPFA and enhance electoral democracy, transparency and accountability in political party funding.

INTRODUCTION

Any discussion of the legislative framework that guides and governs the funding of political parties should be grounded in Chapter 14 of the 1996 Constitution of the Republic of South Africa. Under the *General Provisions*, specifically *Section 236*, this provides for the funding of political parties participating in national

and provincial legislatures on ‘an equitable and proportional basis’.¹ The aim of this provision, as stated in the Constitution, is to ‘enhance multi-party democracy’ in the country. It is on this basis that the Political Party Funding Act of 2018 (PPFA) was signed into law on 21 January 2019 and gazetted on 23 January 2019 to regulate the public and private funding of political parties in South Africa. It must be noted from the outset that the PPFA is not yet in force owing to two factors. First, that the Independent Electoral Commission (IEC) required additional time to further consult with all stakeholders and interested parties, through the submission of comments and public hearings, with regard to the proposed Political Party Funding Regulations as provided under Section 24 of the Act. Second, the IEC needed more time to develop the requisite capacity and finalise all the necessary preparations to implement the Act in three phases, as envisaged.²

This chapter presents an overview and analysis of the PPFA, specifically focusing on the rationale and key objectives of the Act, and the major changes brought by the legislation on the South African electoral landscape. The chapter further presents a comparative analysis and juxtaposition of the PPFA with regional and international best practice in political party funding regulation. It is also the intention of the chapter to benchmark the PPFA against the existing international standards and benchmarks for the conduct of democratic elections in order to situate the PPFA within the global context. The merits, limitations and possible implications of the PPFA are also examined within the South African political context.

Purpose and objectives of the Political Party Funding Act (PPFA): a brief overview

The PPFA seeks to provide a regulatory framework for the public and private funding of political parties in South Africa. Operationally, it replaces the Public Funding of Represented Political Parties Act 103 of 1997. Whereas the Public Funding of Represented Political Parties Act 103 of 1997 only regulated the public funding of political parties participating in the National Assembly and provincial legislatures, the PPFA will now broaden the scope of regulation to apply to both public funding and private funding of represented political parties.

1 See Section 236 of the Constitution of the Republic of South Africa, 1996 – Chapter 14: General Provisions

2 The IEC intends to implement the PPFA in three phases as follows: Phase 1 will implement Chapters 1 to 4 which deal with the establishment of the Represented Political Party Fund (RPPF) and the Multi-Party Democracy Fund (MDF) as well as provisions relating to the direct funding of political parties, disclosure of such funding and duties of political parties. Phase 2 entails the implementation of General Provisions envisaged under Chapter 6 of the Act. Phase 3 entails the implementation of enforcement mechanisms provided for under Chapter 5 of the Act.

The overall purpose of the Act is to enhance transparency in the funding of political parties as well as assist the electorate to make informed decisions during elections, which ultimately strengthens electoral democracy in South Africa. Accountability and openness constitute part of the founding values outlined in the South African Constitution.³

The objectives of the PPFA, as outlined in the Act, are as follows:

- To provide for, and regulate, the public and private funding of political parties, in particular the establishment and management of funds in order to fund represented political parties sufficiently
- To prohibit certain donations made directly to political parties
- To regulate the disclosure of donations accepted
- To determine the duties of political parties in respect of funding
- To provide for the powers and duties of the Commission
- To provide for administrative fines and to create offences and penalties
- To repeal the Public Funding of Represented Political Parties Act of 1997, and
- To provide for transitional matters and related matters.

The Act's intention is thus to regulate the private funding of political parties. This is especially through provisions that prohibit certain donations being made directly to political parties, and provisions that regulate the disclosure of donations accepted by political parties that assist to level the electoral playing field. These are motivated by the desire to ensure sanity, dignity and integrity in South African elections and politics; and to act as a check against donations to political parties exerting undue influence on political party and government decisions.

Key provisions of the PPFA

The principal provisions of the PPFA relate to the establishment of two main funds for represented political parties; the establishment of structures for the management and administration of the funds; the formulae used for the allocation and payment of money to political parties from the created funds; the stipulated purposes for the use of public funds allocated to political parties; prohibitions, thresholds and restrictions of donations made to political parties; duties of political parties with regard to receiving, recording and reporting of donations and expenditure of allocated funds; PPFA enforcement, monitoring

³ See Section 1 of the Constitution of the Republic of South Africa, 1996 – Chapter 1: Founding Provisions

and compliance mechanisms; and general provisions relating to the IEC's administrative role, reporting procedures, gazetting of PPFA Regulations, and repeal and transitional provisions of the Act.

With regard to the establishment of funds for represented political parties, Section 2(1) and Section 3(1) of the PPFA provide for the establishment of the Represented Political Party Fund (RPPF) and the Multi-Party Democracy Fund (MPDF) respectively. Both are administered by the IEC.

The RPPF provides funding for political parties with representation in the National Assembly and provincial legislatures. RPPF funds are sourced mainly from public finances allocated by an Act of Parliament. However, the PPFA also states that money recovered from political parties following irregular acceptance and expenditure, as well as proceeds from money invested with the Public Investment Corporation (PIC) awaiting allocation in terms of the Public Investment Corporation Act 23 of 2004, are also channelled towards the RPPF.⁴ The prescribed allocation formula of RPPF funds is based on a mix of proportional and equitable formulae. Two thirds of the total amount of RPPF funds is disbursed to represented political parties through proportional allocation in accordance with the number of seats awarded to each party in the National Assembly and provincial legislatures. The remaining one-third of the RPPF funds is allocated equitably by dividing the funds equally among the represented political parties in the National Assembly and provincial legislatures.⁵ This marks a notable climb-down from the previous allocation formulae prescribed by the Public Funding of Represented Political Parties Act 103 of 1997, wherein 90 percent of the RPPF was allocated on proportionality, with the remaining 10 percent allocated equitably.⁶ Whilst the new prescribed allocated formula still favours incumbents at the expense of newly-formed or less-represented political parties, there is a notable shift towards equity. The possible implications of such allocation criteria, as discussed in later sections of the chapter, remain fiercely contested and debated amongst politicians, activists and experts.

Funds from the RPPF fund are allocated to political parties by the IEC in four equal instalments per each financial year⁷ and can only be used for the purposes of developing the political will of the people, bringing the political party's influence to bear on the shaping of public opinion, furthering political education, promoting citizen participation in politics, exercising influence on political trends, ensuring links between the people and organs of the state, and

4 See Section 4 (1) and Section 17 of the Political Party Funding Act of 2018

5 See Section 3 and Section 4 under Schedule 2 Regulations of the Political Party Funding Act of 2018

6 See Section 2 (a) and (b) of the Regulations for the Public Funding of Represented Political Parties Act of 1997

7 See Section 5 (1) under Schedule 2 Regulations of the Political Party Funding Act of 2018

complying with the provisions of the PPFA.⁸ The Act prohibits political parties from using these funds to pay remuneration or reward for persons representing the party in any legislature at national or provincial level or in the municipal council or those appointed by or in the service of the state.⁹ In addition, political parties may not use RPPF funds for any undertaking that contravenes any code of ethics binding members of Parliament, or to establish any business or to defray legal costs relating to intra-party disputes.¹⁰ An analysis of previous RPPF expenditure reports reveals that personnel expenditure and administrative expenditure consume the lion's share of the funds allocated to all the political parties.

The Multi-Party Democracy Fund (MPDF), provided for by the PPFA, will be a new fund established to fund political parties from private sources,¹¹ specifically receiving funds from people or corporates who may not be willing to make their donations directly to political parties. Whilst the Act allows the IEC to receive donations for the MPDF from local and foreign sources, the Commission is prohibited by the same Act from receiving money from state organs, state owned enterprises (SOEs), foreign governments, and foreign government agencies. In terms of allocation criteria, only those political parties represented in the National Assembly and provincial legislatures are eligible to benefit from the MPDF funds through the same allocation formulae that is used for RPPF.¹² It is worth noting that donors are empowered by the Act to request the IEC not to disclose their identity.¹³ There was some concern that this provision may be counter-productive considering the transparency objective of the Act.¹⁴

The IEC administers both the management and administration of the RPPF and the MPDF through the Commission's Chief Executive Officer (CEO) as the Accounting Officer, as set out in Section 5 of the PPFA. Thus, both the RPPF and MPDF will be managed as two separate accounts whilst the political parties are also obligated to open similar accounts into which the respective disbursements and allocations are made for accountability purposes.

Possibly the most controversial provisions of the PPFA are those relating to the ceilings, restrictions and prohibitions for certain donations to political parties, as well as disclosure thresholds prescribed for donations. This is understandable, and justifiably so, because the aspect of disclosure constitutes

⁸ See Section 7 (1) of the Political Party Funding Act of 2018

⁹ See Section 7 (2) of the Political Party Funding Act of 2018

¹⁰ *Ibid.*

¹¹ See Section 3 of the Political Party Funding Act of 2018

¹² See Section 6 of the Political Party Funding Act of 2018

¹³ See Section 3 (5) of the Political Party Funding Act of 2018

¹⁴ See for instance, My Vote Counts (2018). Political Party Funding Bill. Policy Brief, April 2018. Available at: <http://www.myvotecounts.org.za/wp-content/uploads/2018/04/FINAL-Policy-Brief-Party-Funding-Bill.pdf> [Accessed on 10 June 2019]

the nucleus of the Act. Political parties usually receive donations from local or foreign-based individuals, corporates, non-governmental organisations (NGOs), trusts, et cetera; and donations can be in the form of funds or in-kind contributions to include loans, payment of expenses on behalf of the parties, provision of assets, services or facilities and sponsorships. Whilst the legislation expressly excludes ‘services rendered personally by a volunteer’ under the in-kind donations category, such exclusion by the legislation may not help to create a level electoral playing field. This is especially considering the increasing role being played by consultancies in handling election campaign research, election campaign communications, election campaign strategising and even negative campaigning. At commercial rates, such services require substantial costs for hire¹⁵, and if any individual decides to ‘voluntarily’ offer them to any political party and these are then excluded from the prescribed donation ceilings this may be unfair to other political parties.

The PPFA, under Section 8(1)(a), bans donations from foreign governments and foreign government agencies. Clearly, this provision is a function of the value of promoting national interest and protecting the sovereignty of the state as espoused in the Preamble of the Act. Whilst donations from foreign persons or entities, organs of the state, SOEs and donations from the proceeds of crime are also prohibited under the same section of the law, parties are permitted to secure funds from foreign persons or entities as long as political parties reserve such funds for training and skills development as well as policy development.¹⁶ Also prohibited, under Section 10 of the Act, are donations made to any members of political parties other than for political party purposes.

The Act also sets donation ceilings, with each party prohibited from accepting a donation exceeding R15 million (from a person or entity) and R5 million (from foreign entities) within a financial year.¹⁷ As far as disclosure is concerned, the PPFA compels all political parties, together with the donating persons/entities, to disclose to the IEC all received donations that exceed the prescribed disclosure threshold of R100 000 within a financial year, and the law further obligates the IEC to disclose such donations on a quarterly basis.¹⁸ The *raison d’être* here relates to one of the underlying motivations behind the legislation, that is, to manage the use (and/or abuse) of donations as an instrument of control and elite capture.

15 A typical case is that of the ANC hire of Ogilvy & Mather to undertake the party’s public relations and communications ahead of the 2016 local government elections. See Daily Maverick (2017). Ogilvy & Mather: ANC election campaign work was above board. *The Daily Maverick*, 25 January 2017. Available at: <https://www.dailymaverick.co.za/article/2017-01-25-ogilvy-mather-anc-election-campaign-work-was-above-board/> [Accessed on 12 June 2019]

16 See Section 8 (4) of the Political Party Funding Act of 2018

17 See Section 7 and Section 8 under Schedule 2 Regulations of the Political Party Funding Act of 2018

18 See Sections 9 (1), 9 (2) and 9 (3) of the Political Party Funding Act of 2018

Thus, parties have a duty to furnish the IEC with information, records and documentation that help account for their income, and expenditure of allocated funds from the RPPF and MPDF as well as donated funds from foreign entities. All these have to be recorded in separate books and account records, and the Auditor-General is empowered to audit these at any 'reasonable' given time.¹⁹ All these audited reports, and annual RPPF and MPDF reports, as stipulated in Section 22 of the Act, should be reported to Parliament each and every financial year by the IEC. The IEC is central to the Act's enforcement and compliance mechanisms. The electoral body is conferred compliance monitoring, oversight, inspection and investigative powers by the Act.²⁰ In furtherance of this, the IEC is empowered to secure an order from the Electoral Court in the event that parties refuse or fail to comply with requests made as part of the compliance enforcement process.²¹

The PPFA's sanctionary regime includes the suspension of payments allocated to parties, recovery of money irregularly accepted or spent, and the imposition of administrative fines by the Electoral Court. Fines are imposed for any contraventions of the Act as these are considered a criminal offence, and the severity of the fines is determined by the nature of infringements as outlined in Schedule 1 of the Act. For instance, violations relating to non-disclosure or concealment of donations exceeding legally prescribed threshold limits, or acceptance of prohibited donations, may attract up to five years imprisonment; whilst failure to account for political party income and expenditure may attract a two-year prison sentence.²² Parties or persons are provided with the right to appeal any IEC decision against them, and this can be done at the Electoral Court, which has the 'exclusive jurisdiction to hear and determine any review or appeal' against IEC decisions.²³

Changes implied by the PPFA

From the overview and encapsulation of the PPFA above, it can be noted that the Act has brought some fundamental changes to the regulation of political party funding in South Africa. A summary of the key changes is presented in Table 1 (below).

19 See Section 12 (5) of the Political Party Funding Act of 2018

20 See Section 14 of the Political Party Funding Act of 2018

21 See Section 14 (3) of the Political Party Funding Act of 2018

22 See Section 19 of the Political Party Funding Act of 2018

23 See Section 20 (2) of the Political Party Funding Act of 2018

Table 1:
Summary of nine major changes brought by the PPFA Act of 2018

Scope	Public Funding of Represented Political Parties Act, 1997	Political Party Funding Act, 2018
Loci and foci of regulation	Principally regulated public funding of political parties	Principally regulate both private and public funding of political parties
Donation ceilings	Legislation did not regulate donations	Sets donation ceilings – each party prohibited from accepting a donation exceeding R15 million (from a person or entity) and R5 million (from foreign entities) within a financial year)
Disclosure of identity of donations	Legislation did not regulate disclosure of donations	Political parties, together with the donating persons/entities, to disclose to the IEC all received donations that exceed the prescribed disclosure threshold of R100 000 within a financial year although private donors may request to remain anonymous
Main funds administered by the Independent Electoral Commission (IEC)	Represented Political Parties' Fund (RPPF)	<ul style="list-style-type: none"> • Represented Political Party Fund (RPPF) • Multi-Party Democracy Fund (MPDF)
Allocation criteria for Represented Political Party Fund (RPPF)	90% of RPPF funds used to be allocated in proportion to the number of seats held in the National Assembly and provincial legislatures; and the remaining 10% allocated equitably	$\frac{2}{3}$ of RPPF funds allocated to represented political parties in proportion to the number of seats held in the National Assembly and provincial legislatures. The remaining $\frac{1}{3}$ allocated equitably by dividing the funds equally among the represented political parties
Allocation criteria for Multi-Party Democracy Fund (MPDF)	Legislation did not provide for MPDF	$\frac{2}{3}$ of MPDF funds is allocated to represented political parties in proportion to the number of seats held in the National Assembly and provincial legislatures. The remaining $\frac{1}{3}$ allocated equitably by dividing the funds equally among the represented political parties

Prohibited donations	Legislation did not prohibit any form of donation	<p>Legislation prohibits donations from</p> <ul style="list-style-type: none"> • foreign governments or foreign government agencies • organs of state • state owned enterprises <p>Donations from foreign persons or entities can only accepted for training or skills development, and policy development by parties</p>
Sanctionary regime	Severest penalty for legal breaches was a maximum of two years imprisonment	Severest penalty for legal breaches now a maximum of five years imprisonment
Appeals against IEC decisions	Legislation did not provide for appeals	Parties or persons given right to appeal any IEC decision against them at the Electoral Court

Source: Author's construction based on key legislative provisions in the Public Funding of Represented Political Parties Act of 1997 and the Political Party Funding Act of 2018

Benchmarking the PPFA against international standards for the conduct of democratic elections

Whilst competitive, regular, inclusive, free and fair multi-party elections remain one of the cardinal tenets of democracy, it is the presence of a robust multi-party system that gives more credibility and integrity to any electoral process as well as the adherence to global standards that govern the conduct of democratic elections. Political parties are dynamic organisations constantly competing for attention in the electoral market place, and their funding is critically important, given that finance is the oil that lubricates their campaign machinery. The legislation that regulates political party funding therefore becomes vital considering its far-reaching implications of either altering or levelling the electoral playing field, whilst at the same time propping up the other democratic tenets of accountability, transparency, integrity and justice.

Assessing the PPFA against international standards for the conduct of democratic elections reveals both its strengths and limitations. In *International Electoral Standards: Guidelines for Reviewing the Legal Framework of Elections*, the International Institute for Democracy and Electoral Assistance (2002, pp. 65-66) avers that campaign finance and expenditure laws should adhere to the internationally-recognised standards that include provisions for transparent disclosure mechanisms, access to public funding by political parties on the basis of non-discrimination and equity, the creation of a level playing field for all political parties and candidates, as well as provisions relating to fair

expenditure controls. In addition, transparent periodic reporting requirements set at reasonable intervals, and transparent disclosure requirements together with effective mechanisms for compliance monitoring and enforcement are all essential features of campaign finance and expenditure laws that are consistent with international standards for the conduct of democratic elections (see IDEA, 2002, pp. 67-68).

The existence of political party funding laws is an international best practice. In Article 7 of the United Nations Convention Against Corruption of 2004, member states are implored to consider taking appropriate administrative measures and implement laws to enhance transparency in the funding of candidatures for elected public office and political parties as part of broader preventive anti-corruption measures. Related to this, the AU Convention on Preventing and Combating Corruption (adopted by the Assembly of the continental body in Maputo, Mozambique in July 2003) obligates member states, under Article 10, to adopt laws and measures that 'proscribe the use of funds acquired through illegal and corrupt practices to finance political parties', and more importantly to 'incorporate the principle of transparency into funding of political parties'. In addition, the importance of laws that facilitate fair access to funds in any electoral system is affirmed by the UN General Assembly Resolution of 28 February 2001.²⁴

In the 2002 AU Declaration on the Principles Governing Democratic Elections in Africa, AU member states accepted the responsibility to 'ensure adequate provision of funding for all registered political parties to enable them organise their work, including participation in electoral process' (African Union 2002, p 3). This was agreed as necessary in pursuit of the principles governing democratic elections on the continent. The African Charter on Democracy, Elections and Governance (ACDEG), adopted by member states of the African Union (AU) in January 2007, reiterates the prominence and pre-eminence of the values of transparency, accountability and access to information as fundamental in democratic governance.

The laws on political party funding are among the key questions for assessing the existence of a level playing field whenever election observer missions are deployed across the world. In particular, the *Guidelines for African Union Electoral Observation and Monitoring Missions* mentions that one of the critical questions that should be pursued by all election assessment teams and observers (in the context of assessing the electoral playing field) is whether there are 'clearly articulated rules for political party funding to be respected by all

24 See Section 1(d)(iv) of the United Nations General Assembly Resolution 55/96 on *Promoting and Consolidating Democracy*. Fifty-fifth Session Agenda Item 114 (b) pp4. Available at: http://www.eods.eu/library/UNGA_Resolution%20Promoting%20Democracy_2001_en.pdf [Accessed on 13 June 2019]

parties and candidates' (African Union 2002, pp. 8-9). Similarly, at a regional level, SADC Principles and Guidelines Governing Democratic Elections of 2015 also includes, among the key aspects of SADC Election Observation Missions focus, the need for transparency in both the funding of political parties as well as their spending. The principles of fairness in accessing funding as well as transparency in the funding and expenditure by political parties should therefore be reflected in any political party funding regime.

If all the above are juxtaposed against the PPFA, the conclusion is that the main provisions of the PPFA are largely consistent with international standards for the conduct of democratic elections. By enacting the PPFA, South Africa is therefore fulfilling the obligations and expectations arising from its commitments to regional, continental and international agreements and conventions in line with the international law principle of *pacta sunt servanda*.

The PPFA vis-à-vis regional and international best practice on political party funding regulation

Several countries the world over have already adopted laws that regulate political party funding. At times it is not necessarily the adoption of the legislation that matters. Rather, what matters more is the extent to which the legislation is in tandem with international best practice. A comparative analysis of such can be facilitated through an assessment of the extent to which the PPFA main provisions relate to practices elsewhere. The key provisions relate mainly to legal scope and application, mandatory disclosure of funding sources, mandatory disclosure of contributions, ceilings on expenditure, ceilings on contributions, allocation criteria, prohibition of certain sources of contribution, compliance enforcement mechanisms and the sanctionary framework of the legislation.

IDEA's *Funding of Political Parties and Election Campaigns: A Handbook on Political Finance* (2014) presents a comprehensive overview of regional and international practices on the funding of political parties against which the PPFA can also be benchmarked. The organisation's *Political Finance Database* of 180 countries also assists with a bird's eye view of the state of political funding laws and regulations across the globe, providing state, regional and global level data.

Regulations relating to disclosure are common across the globe. Out of 180 countries, 101 have laws that prohibit anonymous donations whereas only 55 countries permit this. On the other hand, 20 countries do not ban anonymous donations but they have laws with provisions that prescribe specific limits on anonymous donations. In percentage terms, Europe has the highest number of countries that ban anonymous donations to political parties (see Table 2 below). This may be due to the continued emphasis on stricter rules for political party funding and regulation for more transparency made by European Union and the Group of States against Corruption (GRECO) – a 48-member anti-corruption monitoring body consisting of European countries and the USA.

Table 2:
Global distribution of countries that ban anonymous donations to political parties

Continent	Yes	No, but specific limit	No	No data	Countries researched
Africa	25 (49.0%)	0 (0.0%)	23 (45.1%)	3 (5.9%)	51
Americas	17 (50.0%)	4 (11.8%)	13 (38.2%)	0 (0.0%)	34
Asia	25 (67.6%)	7 (18.9%)	5 (13.5%)	0 (0.0%)	37
Europe	32 (72.7%)	7 (15.9%)	5 (11.4%)	0 (0.0%)	44
Oceania	2 (14.3%)	2 (14.3%)	9 (64.3%)	1 (7.1%)	14
Total	101	20	55	4	180

Source: Information compiled from IDEA's Political Finance Database

With regard to donations from foreign entities or persons, the IDEA database reveals that out of the 180 countries researched, a total of 121 countries ban donations from foreign interests to political parties, whilst 56 countries place no such bans. In Africa, 32 countries ban donations from foreign interests to political parties whilst 17 have no such bans. Those that ban include Algeria, Angola, Cape Verde, Egypt, Ethiopia, Ghana, Nigeria, Senegal and Zimbabwe. In percentage terms, Asia and Africa have the highest number of countries that place such bans (*see* Table 3 below). This may be explained by the extent to which they perceive how vulnerable their sovereignty is to foreign influence and control. A number of developed countries, however, also bar foreign donations to parties. For instance, Canada's Elections Act of 2000 prohibits donations from non-citizens and non-permanent residents of the country.²⁵

²⁵ See Section 363 (1) of Canada's Elections Act of 2000. Available at: <https://laws.justice.gc.ca/eng/acts/e-2.01/page-52.html#h-206929> [Accessed on 17 June 2019]

Table 3:
Global distribution of countries that ban donations from foreign interests to political parties

Continent	Yes	No	No data	Countries researched
Africa	32 (62.7%)	17 (33.3%)	2 (3.9%)	51
Americas	20 (58.8%)	14 (41.2%)	0 (0.0%)	34
Asia	34 (91.9%)	3 (8.1%)	0 (0.0%)	37
Europe	31 (70.5%)	13 (29.5%)	0 (0.0%)	44
Oceania	4 (28.6%)	9 (64.3%)	1 (7.1%)	14
Total	121	56	3	180

Source: Information compiled from IDEA's Political Finance Database

With regard to bans on donations to political parties from corporates that are partially owned by government, 85 countries in the world have such bans whilst 72 countries permit corporates that are partially owned by government to donate to political parties. In Africa, out of 51 countries surveyed, 13 countries outlaw donations to political parties from corporates that are partially owned by government whilst 24 countries permit them. Those that ban such donations include Angola, Burundi, Egypt, Ethiopia, Morocco and Tunisia, whilst countries such as Botswana, Cameroon, Cote d'Ivoire, Lesotho, Madagascar, Malawi, Uganda, Zambia and Zimbabwe do not ban donations to political parties from corporates that are partially owned by government. As shown in Table 4 below, Africa and Oceania are the only two continents with more countries that permit donations to political parties from corporates that are partially owned by government than countries that prohibit such practice. It appears that the ban on donations to political parties from corporates that are partially owned by government is international best practice.

Table 4:
Global distribution of countries that ban donations from corporations with partial government ownership to political parties

Continent	Yes	No	No data	Countries researched
Africa	13 (25.5%)	24 (47.1%)	14 (27.5%)	51
Americas	16 (47.1%)	15 (44.1%)	3 (8.8%)	34
Asia	20 (54.1%)	13 (35.1%)	4 (10.8%)	37
Europe	34 (77.3%)	9 (20.5%)	1 (2.3%)	44
Oceania	2 (14.3%)	11 (78.6%)	1 (7.1%)	14
Total	85	72	23	180

Source: Information compiled from IDEA's Political Finance Database

When it comes to the provisions relating to the use of state resources by political parties and candidates, 110 countries across the globe have laws that ban such a practice whilst only 37 countries have no such bans. In Africa, 33 out of 49 countries ban the use of state resources by political parties, whereas six countries have no bans at all. Most countries place such bans in their electoral laws (for example Uganda, Sudan and Rwanda) and elections code of conduct (for example Zambia and Seychelles). The ban on state resources being used by political parties is an international best practice. It is a truism that incumbents, by virtue of being in office and entrusted with huge power, influence, control and discretion, normally feast on government assets, facilities and resources to advance the agenda of their respective political parties and gain unfair advantage ahead of their competitors. Unfortunately, the PPFA is silent on such practices.

Table 5:
Global distribution of countries that place bans on state resources being used in favour or against a political party

Continent	Yes	No	No data	Countries researched
Africa	33 (67.3%)	6 (12.2%)	10 (20.4%)	49
Americas	17 (50.0%)	10 (29.4%)	7 (20.6%)	34
Asia	33 (89.2%)	3 (8.1%)	1 (2.7%)	37
Europe	17 (38.6%)	15 (34.1%)	12 (27.3%)	44
Oceania	10 (71.4%)	3 (21.4%)	1 (7.1%)	14
Total	110	37	31	178

Source: Information compiled from IDEA's Political Finance Database

Regarding donation limits or ceilings, 92 out of 178 countries the world over have no donation ceilings. Only 50 countries have donation limits for both natural and legal persons. In Africa, only two countries have such limits in their laws. Limits are always necessary to reduce the influence business elites have in unduly influencing political parties and government officials. The donation ceilings per individual differ from one country to the other. In Algeria, for instance, annual donations per person per year should not exceed 100 times the guaranteed minimum national wage²⁶, whilst in Mali, corporates cannot make donations that exceed 50% of their own revenues.²⁷ In the UK, the Political Parties, Elections and Referendums Act (PPERA) of 2000 specifies that donations over £5 000 to the main political party offices, or over £1 000 to constituency or local party offices, are required to be reported to the UK Electoral Commission via quarterly reports and weekly reports during a general election campaign.

26 See Article 30 of the Political Parties Law of Algeria, 1997. Available at: <https://aceproject.org/en/regions/africa/DZ/algeria-political-parties-law-1997/view> [Accessed on 19 June 2019]

27 See Article 24 of the Charter of Political Parties of Mali, 2005. Available at: <https://www.eisa.org.za/pdf/mali2005chartepartis.pdf> [Accessed on 19 June 2019]

In France, the funding cap for individual donations is €7 500 per annum.²⁸ Most political party funding laws also regulate in-kind donations. Whilst 96 out of 176 countries covered by IDEA do not have limits for in-kind donations, 54 countries do have prescribed ceilings for in-kind donations. Across the board on all continents, the majority of countries have no caps on in-kind donations to political parties. The donation ceilings of R15 million (from a person or entity) and R5 million (from foreign entities) per financial year provided for by the PPFA include in-kind donations as per Article 1 (a) of the Act, which makes the PPFA progressive in this regard.

Most countries do not have laws that restrict political parties from taking loans for election campaigning; only 23 countries have such laws. The PPFA does not consider loans as donations.²⁹ It is possible that in-kind donations may be made to parties by certain entities in the form of loans but classified outside the regulatory category of 'in-kind donations' since parties can claim these to be moneys lent to them 'on commercial terms'.³⁰ A 2016 OECD report entitled *Financing Democracy: Funding of Political Parties and Election Campaigns and the Risk of Policy Capture* noted that membership fees, loans and third-party funding can be abused to conceal donations.

Provisions for direct public funding exist in political finance laws in most countries. Out of 173 countries covered by IDEA, political parties in 118 countries are provided with public funding whilst 50 are not. Whilst the allocation criteria of public funds differ from one country to the other, most countries allocated public funds in accordance with equity and proportionality to votes and seats received (see Table 6 below). The PPFA provisions relating to the allocation criteria for public funds, which blends equity considerations and proportionality, appear to strike a balance in terms of achieving fairness. However, the criteria for allocation remains a contested issue amongst all stakeholders.

The PPFA does not have election campaign expenditure ceilings. Whilst most countries do not have such, a number of countries in Europe, America and Asia have limits on political party election campaign spending (see Table 7 below). In total 57 countries across the world have laws that prescribe political party spending limits. In pursuit of the objective of levelling the electoral playing field, election campaign spending limits attempt to be a check mechanism against political parties that may have more access to donations.

28 See Article 11.4, Law No. 88-227 on The Financial Transparency of Political Life, 1988 (as modified by Article 25, Law No. 2017-1339 of 15 September 2017). Available at: <http://europam.eu/?module=legislation&country=France> [Accessed on 19 June 2019]

29 See Article 1 of the PPFA of 2018

30 See Article 1 (a) (1) of the PPFA of 2018

Table 6:
Criteria for allocation of public funding to political parties

Continent	Equal	Proportional to votes received	Flat rate by votes received	Proportional to seats received	Proportional to candidates fielded	Share of expenses reimbursed	Number of members	No data	N/A	Other	Countries re-searched
Africa	8 (15.7%)	12 (23.5%)	1 (2.0%)	11 (21.6%)	3 (5.9%)	0 (0.0%)	1 (2.0%)	8 (15.7%)	16 (31.4%)	2 (3.9%)	51
Americas	13 (38.2%)	9 (26.5%)	2 (5.9%)	2 (5.9%)	0 (0.0%)	1 (2.9%)	0 (0.0%)	6 (17.6%)	9 (26.5%)	1 (2.9%)	34
Asia	7 (18.9%)	9 (24.3%)	3 (8.1%)	5 (13.5%)	0 (0.0%)	0 (0.0%)	2 (5.4%)	2 (5.4%)	14 (37.8%)	2 (5.4%)	37
Europe	14 (31.8%)	27 (61.4%)	3 (6.8%)	18 (40.9%)	1 (2.3%)	1 (2.3%)	0 (0.0%)	1 (2.3%)	5 (11.4%)	0 (0.0%)	44
Oceania	0 (0.0%)	0 (0.0%)	1 (7.1%)	1 (7.1%)	0 (0.0%)	0 (0.0%)	1 (7.1%)	1 (7.1%)	10 (71.4%)	0 (0.0%)	14
Total	42	57	10	37	4	2	4	18	54	5	180

Source: Information compiled from IDEA's Political Finance Database

Regarding expenditure caps, only a few countries extend spending limits to third parties, as these only apply to political parties. Globally, only 15 countries (including Canada, Czech Republic, Israel, Kenya, Argentina and New Zealand) have laws that limit election campaign spending by third parties. Surprisingly, only a few of these countries (Czech Republic, Israel, Guatemala, New Zealand and Slovakia) have laws that compel third parties to submit their financial reports on election campaigning. This brings to the fore the challenge of regulation and compliance enforcement. In 13 countries, election campaign expenditure by third parties is included (and considered) as expenditure incurred by the relevant political party, and therefore subjected to legally prescribed ceilings. In 24 countries (including countries such as Portugal, Poland, Mauritius, Mexico, Azerbaijan, Fiji and Croatia), third parties are banned from election campaign spending.

Table 7:
Criteria for allocation of public funding to election campaign political parties

Continent	Yes	No	No data	Countries researched
Africa	10 (19.6%)	36 (70.6%)	5 (9.8%)	51
Americas	14 (41.2%)	20 (58.8%)	0 (0.0%)	34
Asia	13 (35.1%)	22 (59.5%)	2 (5.4%)	37
Europe	19 (43.2%)	24 (54.5%)	1 (2.3%)	44
Oceania	1 (7.1%)	12 (85.7%)	1 (7.1%)	14
Total	57	114	9	180

Source: Information compiled from IDEA's Political Finance Database

In terms of reporting, oversight and sanctions, countries have different mechanisms for compliance enforcement. The IDEA database indicates that the majority of countries globally (138 out of 180) have laws that obligate political parties to report on their finances. In 107 of these countries, the reports are made

public whilst only 30 countries do not publish the reports. In Europe, 93.2% of the countries have laws that require political parties to report regularly on their finances, together with laws that allow for publishing these reports. Globally, 91 countries have laws that provide for the disclosure of the identity of donors when the financial reports of political parties are published (*see* Table 8 below). This underscores the value of the principle of transparency and accountability in electoral democracies. Only 35 countries (including Switzerland, Philippines, Mauritius, Malawi, Zimbabwe and Zambia) are identified as having no such laws. In this regard the PPFA aligns with international best practice.

Table 8:
Global distribution of countries that reveal the identity of donors in political party financial reports

Continent	Yes	Sometimes	No	No data	Not applicable	Countries researched
Africa	24 (49.0%)	2 (4.1%)	15 (30.6%)	6 (12.2%)	2 (4.1%)	49
Americas	18 (52.9%)	5 (14.7%)	5 (14.7%)	1 (2.9%)	5 (14.7%)	34
Asia	19 (51.4%)	9 (24.3%)	6 (16.2%)	1 (2.7%)	2 (5.4%)	37
Europe	27 (61.4%)	14 (31.8%)	2 (4.5%)	0 (0.0%)	1 (2.3%)	44
Oceania	3 (21.4%)	3 (21.4%)	2 (14.3%)	1 (7.1%)	5 (35.7%)	14
Total	91	33	30	9	15	178

Source: Information compiled from IDEA's Political Finance Database

In terms of institutional framework, most countries allow election management bodies to receive and examine financial reports from political parties as well as oversee compliance with political party funding laws (*see* Table 9 below). These have different powers vested in them.

Most European countries have laws that empower auditing agencies and other specialised institutions to carry out these functions. In Africa, America and Asia, election management bodies undertake this function, with a substantial number of African countries entrusting the function to the courts (*see* Table 9 below). The sanctions for breaching political party funding laws also differ,

Table 9:
Global distribution of institutions responsible for examining financial reports from, and/or investigating violations by, political parties

Continent	Yes, EMB	Yes, ministry	Yes, court	Yes, auditing agency	Yes, other	Yes, institution for this purpose	No	No data	Parliamentary unit	Countries researched
Africa	15 (29.4%)	4 (7.8%)	13 (25.5%)	8 (15.7%)	2 (3.9%)	5 (9.8%)	7 (13.7%)	7 (13.7%)	0 (0.0%)	51
Americas	17 (51.5%)	2 (6.1%)	3 (9.1%)	1 (3.0%)	2 (6.1%)	4 (12.1%)	5 (15.2%)	3 (9.1%)	0 (0.0%)	33
Asia	20 (55.6%)	2 (5.6%)	4 (11.1%)	8 (22.2%)	9 (25.0%)	5 (13.9%)	1 (2.8%)	1 (2.8%)	1 (2.8%)	36
Europe	11 (25.6%)	2 (4.7%)	3 (7.0%)	14 (32.6%)	10 (23.3%)	9 (20.9%)	3 (7.0%)	0 (0.0%)	1 (2.3%)	43
Oceania	5 (35.7%)	0 (0.0%)	1 (7.1%)	0 (0.0%)	4 (28.6%)	1 (7.1%)	4 (28.6%)	1 (7.1%)	0 (0.0%)	14
Total	68	10	24	31	27	24	20	12	2	177

Source: Information compiled from IDEA's Political Finance Database

depending on the level of offences ranging from inaccurate financial reports, accepting donations from prohibited sources, misrepresentation of information and exceeding expenditure limits. Almost all countries impose fines and prison sentences for such violations. A number of countries also discontinue public funding, forfeit funds, deregister political parties and effect suspensions.

The legislative and regulatory frameworks in different countries across the globe are always informed by their respective peculiar political and economic contexts. This presents opportunities for the future review and strengthening of the PPFA in South Africa in line with contemporary developments elsewhere. This relates especially to identified gaps in spending limits, public funding allocation criteria, compliance monitoring and oversight mechanisms, sanctionary frameworks, and the regulation of third parties in political party funding.

Possible implications of PPFA on electoral democracy in South Africa: merits and demerits

The PPFA was enacted after extensive debates in which various political parties, civil society organisations, researchers and think tanks presented different arguments for, and counterarguments against, the adoption of the Act.³¹ To this end, political parties are fully aware of the possibilities and probabilities that they might, in some way, benefit or suffer losses from the Act.

The underlying objectives of the PPFA are indispensable. There is no doubt that the Act will induce some semblance of integrity, transparency and accountability in political party funding. The dual disclosure mechanism and publication of political party donations will allow greater scrutiny of public decisions by citizens, civil society and other watchdog groups. This in turn strengthens South African democracy and may assist the fight against corruption. It may facilitate public trust of political parties, which usually enhances citizen participation in decision-making processes, including elections. The influence of wealthy donors on policy direction, and the possible monetisation of politics is a reality in South Africa. It is always easier for citizens and civil society to connect the dots when it comes to state-corporate relations if the information on who gets what, when and from whom is available in the public domain.³²

31 See Parliamentary Monitoring Group (2017). Review of Public Funding of Represented Political Parties Act: Public Hearings Day 1. *Ad Hoc Committee on the Funding of Political Parties*, 15 August 2017. Available at: <https://pmg.org.za/committee-meeting/24813/> [Accessed on 22 June 2019]; see also Parliamentary Monitoring Group (2017). Review of Public Funding of Represented Political Parties Act: Public Hearings Day 1. *Ad Hoc Committee on the Funding of Political Parties*, 16 August 2017. Available at: <https://pmg.org.za/committee-meeting/24829/> [Accessed on 24 June 2019]

32 Revelations in the report on *The Private Funding of Political Parties: What Do We Know?* by My Vote Counts have assisted in scrutinising government actions and possibilities of state capture. Report available at: <http://www.myvotecounts.org.za/wp-content/uploads/2019/04/Historical-Political->

There is endless debate on whether the RPPF and MPDF allocation formula boosts the competitiveness of the country's multi-party democracy or retards the growth of smaller and newly created political parties. These parties continue to criticise the Act's allocation matrix as it disadvantages them in relation to those parties with more representation. Indeed, parties cannot have equal access to opportunities for funding. Donors may now be reluctant to fund parties that are a challenge to the ruling party for fear of both retribution from government and unfair treatment by ruling-party aligned 'cadres' in the public service when they decide to transact with government. This is a justifiable and understandable consideration in the current political culture.

CONCLUSION

The PPFA framework will be crucial in adding weight to the existing regulatory framework for the conduct of democratic elections in South Africa. For any electoral democracy to function optimally, the maintenance of an environment that nurtures transparency and accountability becomes a *conditio sine qua non*. It is likely that transparency and accountability will deepen and broaden party funding. Whilst most of the PPFA provisions are largely consistent with international standards and best practice in party financing, there are still gaps and loopholes in the legislation. These include the absence of spending limits; non-equitable public funding allocation criteria; possibilities of partiality tendencies emanating from the exercise of election management powers and compliance monitoring and oversight responsibilities; not-so-prohibitive sanctionary framework; and the absence of provisions prohibiting the (ab)use of state resources for political party activities.

References

- African Union (2002). *African Union Declaration on the Principles Governing Democratic Elections in Africa*, AHG/Decl.1 (XXXVIII), 2002. Available at: <https://www.eisa.org.za/pdf/au2002declaration.pdf> [Accessed 24 June 2019]
- African Union (2003). *African Union Convention on Preventing and Combating Corruption*. Adopted by the 2nd Ordinary Session of the Assembly of the Union Maputo, 11 July 2003. Available at: <https://au.int/en/treaties/african-union-convention-preventing-and-combating-corruption> [Accessed 24 June 2019]
- African Union (2007). *African Charter on Democracy, Elections and Governance (ACDEG)*. Adopted by the Eighth Ordinary Session of The Assembly, held in Addis Ababa, Ethiopia, 30 January 2007. Available at: <https://au.int/en/treaties/african-charter-democracy-elections-and-governance> [Accessed 22 June 2019]

- International Institute for Democracy and Electoral Assistance (2002). *International Electoral Standards: Guidelines for Reviewing the Legal Framework of Elections*. International IDEA. Bulls Tryckeri, Halmstad, Sweden.
- SADC (2015). *SADC Principles and Guidelines Governing Democratic Elections* [Revised 2015]. Available at: <https://www.eisa.org.za/pdf/sadc2015principles.pdf> [Accessed 22 June 2019]
- United Nations (2004). *United Nations Convention Against Corruption*. Available at: http://www.eods.eu/library/UN_UNCAC_2003_EN.PDF [Accessed 18 June 2019]

CHAPTER 4

Western Cape

Joseph Olusegun Adebayo

EXECUTIVE SUMMARY

This chapter presents an assessment of party and campaign finance during the 2019 elections in the Western Cape. To this end, the researcher conducted field visits to seven political party events and to the provincial office of the Independent Electoral Commission of South Africa (IEC) in the Western Cape. Given that most of these political party campaign rallies had been concluded before the start of the study, the researcher conducted a content analysis of YouTube videos of selected rallies, in order to decipher the dynamics of campaign financing during these elections. The researcher also conducted interviews with a total of 14 key stakeholders, comprising seven political party officials from the African National Congress (ANC), the Democratic Alliance (DA), the Economic Freedom Fighters (EFF) and the African Christian Democratic Party (ACDP); three experts (academics), three media practitioners and one religious leader.

All respondents were unanimous that PPFA 2018 was a welcome development that would go a long way in sanitising the political space, especially campaign spending, to provide a level playing field for all political parties. Most respondents were particularly interested in Section 3(1) of the PPFA which provided for the establishment of a Multi-Party Democracy Fund aimed at creating a 'single purse' from private sources. They argued that it would ensure that all political parties, irrespective of their size, would get sizeable amounts from the account to conduct campaigns and/or political events. The ACDP in particular recommended swift implementation, contending that 'small parties get smaller because of the paucity of funds, while big parties get bigger; the playing field is not equal'. All political party officials interviewed mentioned that their parties already had internal systems of checks that ensured probity and accountability in their campaign finance spending. The stakeholders also expressed the general position that the period between the election and when the Act was signed was too close for effective operationalisation. Some members of opposition parties accused the ANC of deliberately delaying assent to their comparative advantage, especially regarding campaign financing.

A major finding from the study was the fact that whilst all the interviewed political party representatives knew about the PPFA, they were not fully abreast of its relevant sections. The researcher observed that party officials were unable to discuss the Act and its implication for the electoral process in general, and their parties in particular.

INTRODUCTION

The Western Cape was of particular interest to political observers, and for this research, because it is a stronghold of the country's largest opposition party, the DA, and also because of the emergence of a splinter party from the DA, the GOOD Party, which gathered a following in the run-up to the election. There were also other notable small political parties such as the Cape Party (CP) and the African Christian Democratic Party (ACDP) which were beginning to gain ground across the province.

There was mild political tension in the Western Cape as many wondered whether the DA would maintain its political grip on the province. Some experts were interested in the impact GOOD Party's breakaway would have on the overall performance of the DA. There were also concerns in the DA camp about the rising influence of the EFF as there were talks of a possible coalition between the ANC and EFF in the province, putting additional pressures on the DA (Ramorei, 2019). Prior to the 2019 election, the DA had a majority in the Western Cape Provincial Legislature with 26 of the 42 available provincial seats in the 2014 elections (IEC, 2014). Results of the 2019 election show that the party is still dominant, although it lost two seats to rival political parties. The party now controls 24 seats in the 42-seat legislature. Table 1 below summarises results for the Western Cape.

Equally intriguing in the build-up to the election, was the problem of financial misappropriation and allegations of corruption amongst and within the various political parties. The worst hit, it seemed, was the ANC. The party had been embroiled in endless corruption sagas, the most prominent of which was Guptagate – a term coined to describe the Gupta family that had reportedly built a formidable business empire in South Africa with significant help from former President Jacob Zuma.

Thus, by the time the 2019 election came around, it became necessary to assess party campaign finances before, during and after the elections. This was even more pertinent considering previous financial scandals that had grave consequences for the nation's sovereignty and international reputation. Scandals such as Oilgate and Bosasa, and more recently, the donation made to the Western Cape ANC by controversial businessman Iqbal Survé, just a few days before the elections, made calls by civil organisations for transparency in party funding even more relevant.

The controversial donation by Iqbal Survé was the most relevant for the Western Cape in the lead-up to the elections. This led to the suspension of the ANC treasurer in the province and the decision of the ANC to return the donation, and will be further highlighted in this chapter.

Table 1:
Summarised result for the provincial election held on 8 May 2019

Party	Votes	Votes %	Seats
Democratic Alliance	1 140 653	55.45	24
African National Congress	589 056	28.64	12
Economic Freedom Fighters	83 074	4.04	2
Good	61 877	3.01	1
African Christian Democratic Party	54 761	2.66	1
Freedom Front Plus	32 120	1.56	1
Al Jama-ah	17 605	0.86	1
Other Parties	77 951	3.8	0
Total	2 057 097	100	42

Source: Electoral Commission of South Africa (IEC), 2019

RESEARCH METHODOLOGY

The study adopted a mixed research method for the Western Cape. This method is considered suitable because it simplifies the collection of both quantitative and qualitative data, thereby providing an in-depth understanding of research problems that single approaches (either qualitative or quantitative) may not offer (Creswell, 2003). The choice of a mixed research method was to make replicable valid inferences from the interpreted, coded textual materials (YouTube videos).

The researcher did not have the opportunity to attend campaigns in the Western Cape as most of the political parties had concluded their campaigns prior to the start of the research. However, the researcher conducted content analysis of observed social media videos of the campaigns, and in addition attended two election debates and one pre-election training programme of party agents organised by the EFF for its polling unit agents.

The researcher interviewed a total of 14 key stakeholders, comprising seven political party officials, three experts, three media practitioners and one religious leader. The interviewed stakeholders were purposively selected because of their expertise in the field of study, and because of their stakes in the overall outcome of the election (in the case of political parties). The IEC officials were interviewed because of their role as enforcers of the PPFA provisions. Media practitioners were questioned about their opinions on the Act, and their role as watchdogs in fostering compliance.

The researcher analysed the content of YouTube videos for political party campaigns in the Western Cape, identifying items, quantities, and their estimated costs. The researcher thereafter compared the estimated cost with the real cost by conducting market surveys, and interviewing service provider(s). This process formed the basis of the cost verification presented in the research.

KEY FINDINGS IN THE WESTERN CAPE

Stakeholder perception of PPFA

Political parties

The interviewed stakeholders unanimously agreed that the PPFA will go a long way towards curbing the corruption and excesses of political parties in South Africa, especially during the electoral period. Their partial disagreement on the criteria for fund allocation through the multi-party fund seems to reinforce the opinion that the larger the party, the more the funding it receives. Some party officials argued that a blanket amount should be put in place as large parties potentially increase by virtue of their size and resources, while small parties inevitably shrink because of their size and resources. Although the main argument for this position came from an ACDP MP, the researcher found it intriguing that the so-called big political parties – the ANC, DA, and EFF – all agreed.

During the course of the project, the researcher attended a debate for political parties in the Western Cape conducted by *Cape Talk Radio* on 4 May 2019. The researcher conducted interviews with representatives of the DA and the ANC regarding their perception of the PPFA, and their preparedness to comply with the requirements of the Act.

Both these interviewees affirmed that they believed the PPFA was a step in the right direction, and that it would ultimately sanitise the electoral landscape and help stem corruption in the polity. In addition, they both reaffirmed their belief that the Act would take full effect only in the next election. The researcher further questioned the implication the PPFA would have on political party spending, with both parties claiming they had always practised self-regulation. Councillor Xanthea Limberg, DA mayoral committee member for informal

settlements, water and waste services, recalled that the party had promptly refunded monies it received from the Gupta family once they became aware of the shady deals by this family, and that the refund and the party's official statement were in the public domain. However, a check on the party's website for an archived story found that although there was an official statement from the party regarding the donation, it was no longer online. In a 2017 interview with *Business Day Online*, DA leader Mmusi Maimane claimed the party had promptly returned the donation it received from a Gupta-affiliated company when it became aware of the link between the donor and the Gupta family (Phakathi, 2017).

At the peak of public discourse regarding the infamous donation, there were many media claims and counterclaims by the DA, the Western Cape Premier Helen Zille, and opposition political parties. The DA openly admitted that it had collected this money, but it was vehement that the money did not come directly from the Guptas. Speaking about the said donation in 2009, Premier Zille had this to say:

I and my colleague Ian Davidson duly went to the Guptas' home, ate some of the most delicious food I have ever eaten, and received the cheque for R200 000 from the individual ... It was a personal cheque, from his personal bank account. It did not come from a Gupta company, nor from the Guptas, but it was handed over at their home. Because we had been guests at the Gupta's home, our fundraising department included our standard letter of thanks to the Guptas, even though the donation had not come from them.

(Bauer, 2009)

When the researcher raised the issue separately during interviews with representatives of the ANC and the DA, there was subtle finger-pointing between the two interviewees. The ANC's representative said the PPFA was a welcome development as it would checkmate what he termed 'hypocritical political parties'. He recalled that the DA was at the forefront, condemning the ANC at the peak of Guptagate until it became public knowledge that the DA had also received money from the Guptas (or their associates). The ANC representative further added that the PPFA would expose 'hypocrisy', evidence of the excitement the political parties showed in the possibility of the PPFA sanitising the polity.

The researcher also sought the views of a representative of the ACDP on the PPFA and its implications for the political party in particular and the electoral process in general. This representative welcomed the Act and wondered why it had taken so long for the president to sign it into law. He emphasised that although the party prides itself as being open and forthright in its affairs, it

would not declare its source(s) of funding until all parties are obliged to do so. The party welcomed the setting up of the Multi-Party Democracy Fund, stating that this would provide more funds for 'smaller parties', thereby levelling the political playing field.

Media practitioners

The researcher conducted interviews with journalists from *Cape Talk Radio*, *The Cape Times*, and *Cape Argus*. The general perception from these journalists was that the PPFA was a welcome development. Some said they had not read through the Act exhaustively as, at the time of interview, it had only just been signed. They nonetheless believed the Act would sanitise political campaigns in the country, and that it would be a major first step towards eliminating corruption in the polity as most donors wittingly or unwittingly pressurise governments they donate to. Almost all the interviewed journalists quoted Guptagate and believed the Act would prevent a repetition.

There was also a general consensus amongst the journalists that the full implementation of the Act would take effect only in future elections. One journalist was curious about the Multiparty Democracy Fund and the allocation formula. Although the Act stipulates how monies donated to the fund would be shared, the journalist queried whether this would not open avenues for secret donations, as individuals and organisations would want to distract the IEC and public attention by donating to the fund, and then finding a way, covertly or indirectly, to fund the party of their choice.

Overall, the interviewed journalists were optimistic about the Act's potential to sanitise the political space and called for greater involvement of the media by the IEC in ensuring compliance.

Academics

The researcher interviewed three members of academia: one from the University of Cape Town's Centre for African Studies, and two from the Roeland Street campus of the Cape Peninsula University of Technology (CPUT). Like the journalists, the academics unanimously agreed that such an act was long overdue in the South African political space. One of the academics echoed the suspicions raised by the ACDP that the delay in signing the Act was a deliberate ploy by the ruling party to protect its donors until a few weeks before the election. He wondered why it took the president so long to sign the Bill into law, considering its importance. The interviewed academics could not comment further on the details of PPFA's disclosure mechanisms, as they had yet to familiarise themselves with the details of the Act and all its relevant sections, given that it is still relatively new.

One academic was pessimistic about the ability of the Act to curb corruption. He remarked: 'We do not have a problem with laws and policies, our problem is with implementation. I hope we do not get too excited and only wait till the next election before we start ensuring compliance'. Generally, the interviewed academics were cautiously optimistic.

Religious leaders

The researcher interviewed an associate pastor of one of the city's leading churches who did not say much about the PPFA, because he was not fully aware of the provisions. He nonetheless averred that his church does not financially support any political party, neither do they campaign for political parties directly or indirectly. According to the pastor, the church respects its members' right to political affiliations, and would not impinge on that right in any way. He further stated that the church supported any move that would curb corruption and promote a level playing-field for all political parties to thrive.

Private companies

The researcher requested an interview with Sekunjalo Investment Holdings which was involved in the R1 million donation to the Western Cape ANC. Donor Iqbal Survé is the company's executive director. At the time of writing the researcher had not received feedback from the company, and follow-up efforts for further clarification failed to yield a positive result. The researcher also enquired, unsuccessfully, about the opinions of journalists in the Independent Media of which Survé is the chairman.

Civil society organisations

Right to Know Campaign

The respondent noted that CSOs in the province welcome the Act, stating that it would not only bring integrity to party financing, but would also go a long way in curbing corruption in the country. A representative from the Right to Know campaign raised concerns about the Act's limitations, especially concerning party internal funding mechanisms. He argued that there is huge spending going on internally within political parties, which the public needs to know about. He recalled that President Cyril Ramaphosa spent close to R440 million to clinch the ANC presidential ticket and that the PPFA, in its current state, did not require him to disclose the source(s) of money spent on his internal campaigns. He further argued that because the PPFA does not require individual candidates within political parties to disclose their donations, the tendency is that there would be a lack of proper financial reporting when there is internal political party politicking.

My Vote Counts

In a monitored interview with the *Mail & Guardian*, Zahira Grimwood of *My Vote Counts* called for additional laws to manage campaign finances involving politicians contesting for political party tickets (Kiewit, 2019).

A second respondent interviewed from *My Vote Counts* was also cautiously enthusiastic about the PPFA's potential to radically sanitise South Africa's political space. He stated that the organisation had consistently pressurised the president to sign the Act into law before the 2019 general elections. He affirmed that the IEC did not have enough time and capacity to enforce compliance. He further wondered why funds meant for the IEC were cut by over R300 million when more resources were needed, and he called for the IEC's complete independence, so as to improve public perception of the institution.

The respondent further called on the IEC to publish their timelines for operationalising the PPFA, noting that their plan to do so in stages is problematic as the 2021 municipal elections are not far off.

Stakeholder preparedness to comply with PPFA

The political parties that were interviewed – the DA, ANC, EFF and ACDP – all averred that they were prepared to comply with the PPFA. The political parties' officials did not provide details of the structures they either have implemented or hope to put in place for full compliance with the PPFA. However, they asserted that the Act was a welcome development and that before the next elections they would have established modalities to ensure full compliance. The ANC representative mentioned the party already had an internal check system that ensures probity in campaign financing, recalling the infamous Bosasa scandal and how the party resolved it internally. This representative also stated that the R1 million the party returned to a donor in the Western Cape was part of an internal self-regulating system the party already had in place. Going forward, all the political parties said they would consciously sensitise their members to understand the requirements of the PPFA, to ensure complete compliance when the Act comes into force.

The journalists gave the assurance that they would report prominently on the PPFA. Political parties would thus be aware that the fourth estate was keeping a watching brief of their activities, so the public could soon notice any violations of the Act by political parties. The journalists argued that an informed public is the best way to ensure compliance.

The interviewed CSO stakeholders were optimistic that the Act would significantly improve the transparency of party financing and the electoral process in general. They averred that they would continue to pressurise political parties and the IEC to ensure full compliance. At the same time, they would

raise public awareness through conferences and/or workshops on the Act's requirements, and the roles and responsibilities of all stakeholders, to ensure compliance.

The IEC mentioned the challenge of understaffing and of time constraints to achieve the full operationalisation of the Act. At the time of writing, the IEC was in the process of setting up a special unit to monitor and enforce compliance with the PPFA.

Campaign expenditure trends in the Western Cape

Direct Expenditure

The researcher was invited to the *Cape Talk* Weekend Breakfast Elections Panel discussions which took place on Saturday 4 May 2019, at 7 Highfield Road, Somerset Square Building, Green Point, Cape Town. Present at the debate were the ANC, ACDP, the GOOD Party and the DA who were questioned about their spending, especially on handouts and/or party paraphernalia. The researcher found that there was no party spending at the event in terms of catering, handouts of party paraphernalia or transportation for party supporters.

As stated earlier, the researcher observed secondary data (YouTube videos) of campaigns in the Western Cape because the major political parties had rounded off their campaigns in the province before the start of the project. Most of the observed campaigns in the Western Cape took place in public facilities such as municipal halls, stadiums or open fields. For example, the ANC's campaign rally in Citrusdal took place at the Municipal Hall, while the GOOD Party, the DA, and the ATM also made use of rented halls for their rallies. The estimated cost of renting these halls ranged from R28 350 to R43 674. The DA used the Apostolic Faith Mission (AFM) hall in Hornlee; it was not clear whether the church was paid for the use of its facilities. The researcher phoned some members of the church's pastorate, but they declined to comment on the issue.

The EFF used the Philippi Stadium for its mega rally on 30 March 2019. The researcher did not observe any professional entertainer, as most of the entertainment was provided by party officials who sang whenever they mounted the podium. The researcher observed 'a sea of red' as the majority of the party's supporters were clad in branded T-shirts and caps. The researcher estimates the cost of the T-shirts and caps to be about R650 000. According to Cruywagen (2019), about 11 000 people were estimated to have attended the rally.

Door-to-door campaigns

The researcher analysed only one YouTube video of a door-to-door campaign, by the ANC. The campaign, which took place at Delft on 22 March 2019, doubled as

a roadshow. Party officials could be seen visiting nearby homes, while President Cyril Ramaphosa addressed thousands of community members. The party used two mobile public address systems that were mounted on party-branded cars. There were also flags, a huge banner, and branded T-shirts and caps. The researcher estimates that about 20 volunteers, who distributed party flyers, were present at the event. A breakdown of the estimated costs is available in Annex 1.

Media

The researcher observed that the leading political parties in the province received substantial coverage in the media. For example, the South African Broadcasting Corporation (SABC) provided summarised bulletins of all the parties' campaign events, including the campaigns and roadshows of the so-called small parties. The SABC aired campaign events of the GOOD Party, ACDP, ATM, and the Socialists Revolutionary Workers Party (SRWP), alongside those of the DA, EFF, and the ANC.

Most radio stations in the province provided opportunities for all political parties to publicise their manifestos. *Radio 786*, an Islamic talk-radio station is one of the Western Cape's most vibrant community radio stations which claims to have close to 150 000 listeners in the province. On 1 May 2019 this station invited representatives of political parties in the province to discuss issues challenging South Africans in light of the national and provincial elections on 8 May. The issues debated include: state-owned enterprises – from the selling of shares, to the unbundling of Eskom; access to higher education; the criminal justice system; good governance; and combating corruption.

Political parties such as the EFF, the Pan Africanist Congress (PAC), National Freedom Party (NFP), African Independent Congress (AIC), Al Jama-ah, and the SRWP were invited for the debate. It was a call-in programme, and provided political party representatives a response time of 30 seconds to a minute and a half. The parties involved did not have to pay for airwave time, as this was part of the station's corporate social responsibility (CSR) drive.

It was however observed that the campaign rallies of the DA received substantial coverage on *Cape Town Television* (DSTV channel 263), including several re-airings of the party's activities. This may be connected to the fact that the party controls the Western Cape, and CTV prides itself as the television station for the Cape. Given that the station has attracted over 3 million viewers monthly, it is not surprising that the DA utilised its viewership.

The researcher conducted an interview with a manager at Cape TV on their criteria for covering a political event and its cost implications. The respondent remarked that although they are a community-centred television station, they nonetheless charge advertising and event fees. He provided the following summarised breakdown of their costs:

- Outdoors half-day shoot in either Philippi or Khayelitsha includes: Rally: Stage and crowd, with presenter; 2 Cameras; 1 CTV Presenter; NO Live Broadcast / NO streaming; post-production at CTV.
- Outside broadcast for half-day costs R35 000, includes: 2 x cameras with operators to shoot stage and crowd; 1 x sound boom with operator; 2 lapel mics for presenter and interviews; 1 x CTV presenter; 2 x CTV assistants; catering for crew; transport for crew; source footage dump to hard drive; editing segment for broadcast.

Given the estimated number of times the researcher observed DA campaign events on Cape TV, the estimated cost breakdown would be:

- Outside broadcast (half day) x 4 (at R35 000 each day) = R140 000
- 26 minutes broadcast time x 4 (at R6 000 each broadcast) = R24 000
- Total estimated media cost for CTV = **R164 000**

Findings on abuse of state resources

The researcher did not observe any abuse of state resources in the campaigns that were analysed. Metro Police officials were sighted at all the campaigns in all the videos that were analysed, suggesting that they were deployed across the board to all political party events.

Election day expenditure

The conduct of the election was generally peaceful, and there was no manifest display of financial indecorum. The political parties adhered to the rules and there was no overt display of financial muscle.

The researcher observed that there were no rented tables and chairs at the polling stations as these were provided by the IEC. In addition, there was no Wi-Fi access provided by any of the political parties at the visited polling units. Political party agents at the venues were provided with coffee and light snacks. Election day expenditure by political parties was minimal. The estimated cost of the light refreshment is presented in Table 2 below:

Table 2:
Grand total of observed expenditure for provincial elections across the five polling stations visited

Political Party	Total Number of Agents	Est. Cost of Refreshments per agent (coffee and muffins/sandwiches) in Rands	Total Cost (R)
ACDP	4	56 x 4	224
ANC	8	56 x 8	448
DA	9	56 x 9	504
EFF	4	56 x 4	224
GOOD	3	56 x 3	168
Total	28	-	R1 568

Indirect expenditure trends

The researcher did not observe substantial indirect expenditure in the province. The primary form of indirect contribution and expenditure was observed during the May Day and Freedom Day celebrations in the province. These events were not outright party campaign events, but they provided campaign platforms for the political parties. ANC events were organised by its partner, COSATU, but used as a party platform.

The researcher observed the May Day celebrations of the two leading political parties in the province. The ANC's Workers' Day rally took place in Claremont, in Cape Town's southern suburbs, while the DA's rally took place at the Hillsong Church's auditorium in Century City, Cape Town.

At the May Day celebrations organised by COSATU in Claremont it was noted that the ANC used the platform for political campaigns with overt displays of party memorabilia (*See* details in the cost verification Annex 1). A similar scenario played out in the May Day event of the DA which took place at Hillsong Church's auditorium at Century City, Cape Town, the only observed campaign that took place in a religious venue. The researcher attempted to establish whether or not the venue was paid for by the DA, but the interviewed official declined to provide further information. The party provided T-shirts and caps for its members who were entertained by a guest artiste. Details of the observed spending are in the cost verification Annex 1.

Emerging culture of handouts in campaigns

Given that the researcher conducted an analysis of YouTube videos, it was difficult to observe handouts in campaigns.

Trends in campaign contributions

The following trends in campaign contributions were observed:

- **Public funding:** All parties represented in the provincial legislature (DA, ANC, EFF and ACDP) received funds from the RPPF provided through the IEC.
- **Membership contributions:** The researcher could not ascertain membership contributions as political party respondents were not willing to disclose.
- **Private donors:** All the interviewed party representatives declined to speak about private donations to their parties.

The most significant campaign financing story that dominated the elections in the Western Cape was the controversial donation by businessman Iqbal Survé to the ANC. The outcry generated by the donation led to the ANC suspending its treasurer in the province, Maurencia Gillion. The *Cape Times*, in its online edition of 6 May, alleged that Sekunjalo Executive Chairman Iqbal Survé made a donation to the ANC in the Western Cape to help transport voters to stations during the elections. The businessman was quoted as saying:

It's so important that we support the progressive forces, the best thing that we can ever do is to get our people to come out and vote. I just want to make one thing very clear. Our support for this election has nothing to do with Independent Media. Independent Media has its own editors and people being responsible for being objective and reporting on all sides of the story in all our titles. I think it's important to be transparent about such things. There is nothing to hide if you love democracy and you want to support democracy, do so equally. I am one of the people that's called for donations to political parties to be transparent because there is nothing to hide if you believe in our democracy.

(Umrav, 2019)

Suffice to add that Survé claimed his donation was to 'deepen democracy.' In his words: 'I have only one condition to this support, do not give us [the company] anything in return. It's very important that our support is unconditional'.


Understandably, the donation generated considerable reaction from the general public and especially from rival political parties. Even the ANC admitted it was wrong for the party to collect money from Survé and his companies while the commission of inquiry into the Public Investment Corporation (PIC) was still

ongoing. The acting chairperson of the ANC in the province, Khaya Magaxa, was quoted as follows:

We appreciate Dr Iqbal as a long-serving member of the ANC, he is one of us, but the reality is his name and his company is implicated in the looting of the PIC, we would be benefiting in our election campaign from that money. The PIC is pensioners' money.

(Makinana, 2019)

The outrage generated by the supposed 'donation' prompted the ANC to return the donation to the donor; *see* below for the ANC's letter stating the reasons behind this return:



ANC Western Cape

For Immediate Release

Media Statement
Tuesday, 07 May 2019

African National Congress in the Western Cape Returns donation from Dr Iqbal Survé

The African National Congress (ANC) in the Western Cape has decided to return the donation made by the philanthropist and media tycoon, Dr Iqbal Survé.

Accordingly, the Provincial Treasurer has been instructed to execute this decision immediately.

During the course of our election campaign, we have been approached by many individuals and organisations who have expressed their wish to support the rejuvenation and renewal of the ANC as well as the renewed wave of confidence in our economy, country and movement. Following a thorough assessment, we would then decide if we would accept a particular donation and how it would be used.

Due to the fact that this happened a mere three days before the election, we had no time to do such an assessment or to consider how such a donation would be perceived given the revelations made at the Commission of Inquiry into allegations of impropriety regarding the Public Investment Corporation.

We remain confident that, despite the fact that we need all help at this stage, returning the donation is the right to do.

-Ends-
Issued by
Khaya Magaxa: Acting Chair of the ANC Western Cape

Enquiries
Lionel Adendorf
PEC Head of Communication ANC Western Cape
Tel: +27 65 873 9343

- **Foreign donors:** None could be verified. However, despite the debate about the DA being funded by foreign sources, party respondents were not willing to disclose any such to the researcher. It is anticipated that such donations will be disclosed when the PPFA comes into force.
- **Sale of party memorabilia:** Researcher could not verify, as he did not attend party rallies where memorabilia were sold.

Findings on in-kind contributions to parties and campaigns in the province:

- **Sponsorship by corporate donors:** As stated in the report, Iqbal Survé, the executive director of Sekunjalo Investment Holdings, donated R1 million to the ANC campaigns (Umraw, 2019; Makinana, 2019). The donor clarified this was to offset transportation costs for indigent members of the party.
- **Contribution by volunteers:** The researcher observed that all the political parties utilised volunteers for their events. They stated that it was their way of reducing campaign costs. Details of estimated volunteer costs can be found in Annex 1 of the report.
- **Other forms of contributions:** The researcher observed that the EFF used one of the lecture theatres of the Cape Peninsula University of Technology in Mowbray for training its party agents. The researcher sought to determine whether the party paid for the venue, and was told it was obtained by EFF student members of the institution.
- **Contributions by traditional chiefs:** The researcher did not observe any.
- **Contributions by religious groups:** As stated in the report, the researcher observed that the Hillsong Church in Century City Cape Town made their auditorium available for use by the DA.
- **Contributions by affiliate labour unions:** The COSATU May Day celebration was a form of indirect contribution and the estimated contribution is provided in the attached annex.

Findings on compliance with PPFA in the Western Cape

The researcher observed that the parties described most of their activities as the work of volunteers. They were coy in their responses to questions about who, what, and how funds were obtained and expended. The most prominent case of a private donation was to the ANC by a prominent businessman, which the party returned after public outcry.

References

- Bauer, N. (2009) 'Zille: DA received money from Gupta employee', *Mail & Guardian* (online) 29 January. Available at: <https://mg.co.za/article/2013-01-29-zille-we-did-not-receive-money-from-the-guptas/> (Accessed 25 June 2019)
- Creswell, J. (2003) *Research design: Qualitative, quantitative, and mixed methods approaches* (2nd ed.). Thousand Oaks, CA: Sage.
- Cruywagen, V. (2019) 'EFF buoyed by big turnout at Philippi manifesto rally', *Cape Argus* (online). Available at: <https://www.iol.co.za/capeargus/news/elections2019-eff-buoyed-by-big-turnout-at-philippi-manifesto-rally-20420554> (Accessed 19 June 2019)
- Kiewit, L. (2019) 'Calls for Regulation of Internal Party Election Funding', *Mail & Guardian* (Online) 27 July. Available at: <https://mg.co.za/article/2019-07-24-calls-for-regulation-of-internal-party-election-funding/> (Accessed 26 July 2019)
- Makinana, A. (2019) "'No thanks, Iqbal" - ANC returns controversial businessman's donation', *Sunday Times* (online) 7 May. Available at: <https://www.timeslive.co.za/politics/2019-05-07-anc-returns-iqbal-survs-donation/> (Accessed 7 May 2019)
- Phakathi, B. (2017) 'We paid back the Gupta money, says Mmusi Maimane', *Business Day* (online) 17 August, Available at: <https://www.businesslive.co.za/bd/national/2017-08-17-we-paid-back-the-gupta-money-says-mmusi-maimane/> (Accessed 27 June 2019).
- Ramorei, K. (2019) 'Keep the ANC and EFF out of the Western Cape-Maimane', *SADC News* (online), 6 May. Available at: <https://sadcnews.org/2019/05/06/keep-the-anc-and-eff-out-of-the-western-cape-maimane/> (Accessed 27 June 2019)
- South African History Online (2011) *South African Labour History*. Available at: <https://www.sahistory.org.za/article/south-african-labour-history> (Accessed: 9 August 2019)
- STATS, SA. (2019) *The South Africa I know; the Home I understand*, Available at: <http://www.statssa.gov.za/?m=2019> (Accessed 17 June 2019)
- Umraw, A. (2019) 'Iqbal Survé gives ANC 'sizeable' election campaign donation', *Times Live* (online) 6 May. Available at: <https://www.timeslive.co.za/politics/2019-05-06-iqbal-surv-gives-anc-sizeable-election-campaign-donation/> (Accessed 07 May 2019)

ANNEX 1

COST VERIFICATION OF OBSERVED CAMPAIGN ACTIVITIES

**GOOD Party campaign rally,
Wesbank, Cape Town, Western Cape
16 February 2019**

N.B: The costs listed are from the researcher's secondary observations, inquiries and estimates.

Item Description	Quantity	Estimated costs (From Researcher's Finding)	Verified confirmed costs based on party	Sources of funding identified
Rented Hall	1	33 250	n/a	n/a
PA System (including microphone)	2	2 750 (at 1 375 each)	n/a	n/a
Tear-drop banner (large size) by the sides of the Hall	2	2 100 (at 1 050 each)	n/a	n/a
Party flags	2	700 (at 350 each)	n/a	n/a
Party-branded T-shirts (Printed in full colour front only on 165gsm T-shirt. Price includes printing & T-shirts)	300	72 600 (at 242 each)	n/a	n/a
Party-branded caps	180	13 500 (at 75 each)	n/a	n/a
Guest Artiste	1	n/a	n/a	n/a
Volunteers	12	2 400 (at 200 each)	n/a	n/a
Total		R127 300	n/a	n/a

Source: GOOD Party Campaign Rally, Wesbank, Cape Town-Western Cape Available: <https://www.youtube.com/watch?v=UdDzh0BWrO4>

**African Transformation Movement (ATM) campaign rally
Elsie's River, Western Cape
9 March 2019**

N.B: The costs listed are from the researcher's secondary observations, inquiries and estimates.

Item Description	Quantity	Estimated costs (From Researcher's Finding)	Verified confirmed costs based on party	Sources of funding identified
Rented Hall	1	28 350	n/a	n/a
PA System with microphone	2	2 750 (at 1 375 each)	n/a	n/a
Party-branded T-shirts (Printed in full colour front only on 165gsm T-shirt. Price includes printing & T-shirts)	10	2 420 (at 242 each)	n/a	n/a
Party-branded caps	10	750 (at 75 each)	n/a	n/a
Volunteers	5	1 000 (at 200 each)	n/a	n/a
Total		R35 270	n/a	n/a

Source: African Transformation Party Campaign Rally, Elsie's River, Western Cape. Available: https://www.youtube.com/watch?v=B7P5Yds_1JI

**ANC campaign road show, Delft, Western Cape
22 March 2019**

N.B: The costs listed are from the researcher's secondary observations, inquiries and estimates.

Item Description	Quantity	Estimated costs (From Researcher's Finding)	Verified confirmed costs based on party	Sources of funding identified
Mobile PA System	2	16 750	n/a	n/a
Tear-drop Banner (large size)	1	1 050	n/a	n/a
Party flags	3	1 050 (at 350 each)	n/a	n/a

Party-branded T-shirts (Printed in full colour front only on 165gsm T-shirt. Price includes printing & T-shirts)	65	15 730 (at 242 each)	n/a	n/a
Party branded vehicles	2	n/a	n/a	n/a
Volunteers 20		4 000 (at R200 each)	n/a	n/a
Total		R38 580	n/a	n/a

Source: ANC Campaign Road show, Delft, Western Cape. Available: <https://www.youtube.com/watch?v=3OAb0pqQokk>

ANC campaign trail, Citrusdal, Western Cape 24 March 2019

N.B: The costs listed are from the researcher's secondary observations, inquiries and estimates.

Item Description	Quantity	Estimated costs (From Researcher's Finding)	Verified confirmed costs based on party	Sources of funding identified
Rented Hall	1	43 674	n/a	n/a
PA System (including microphone)	2	2 750 (at 1 375 each)	n/a	n/a
Table cloth (giant size)	1	1 200	n/a	n/a
Tear-drop Banner (large size) by the sides of the Hall	2	2 100 (at 1 050 each)	n/a	n/a
Party-branded T-shirts (Printed in full colour front only on 165gsm T-shirt. Price includes printing & T-shirts)	230	55 660 (at 242 each)	n/a	n/a
Party-branded caps	180	13 500 (at 75 each)	n/a	n/a
Bottled water on table	20	200 (at 10 each)	n/a	n/a

Volunteers	13	2 600 (at 200 each)	n/a	n/a
Total		R121 684	n/a	n/a

Source: ANC Campaign Trail at Citrusdal, Western Cape. Available: <https://www.youtube.com/watch?v=B4U2tS9DyK4>

**Economic Freedom Fighters (EFF) provincial manifesto rally
Philippi Stadium, Western Cape
30 March 2019**

N.B: The costs listed are from the researcher's secondary observations, inquiries and estimates.

Item Description	Quantity	Estimated costs (From Researcher's Finding)	Verified confirmed costs based on party	Sources of funding identified
Rented Stadium	1	n/a	n/a	n/a
PA System (including microphone)	4	5 500 (at 1 375 each)	n/a	n/a
Tear-drop banner (large size) by the sides of the Hall	2	2 100 (at 1, 050 each)	n/a	n/a
Stage cover	1	n/a	n/a	n/a
Party-branded T-shirts (Printed in full colour front only on 165gsm T-shirt. Price includes printing & T-shirts) (<i>An estimated 11 000 people attended the rally</i>)	8 500	2 057 000 (at 242 each)	n/a	n/a
Party-branded caps	7 500	562 500 (at 75 each)	n/a	n/a
Refreshment	n/a	n/a	n/a	n/a
Volunteers	200	40 000 (at 200 each)	n/a	n/a
Total		R2 667 100	n/a	n/a

Source: Economic Freedom Fighters (EFF) Provincial Manifesto Rally. Philippi Stadium, Western Cape. Available: <https://www.youtube.com/watch?v=FZtLIXtVaZ0>

**Socialist Revolutionary Workers Party (SRWP) campaign rally
Grabouw, Western Cape
30 March 2019**

N.B: The costs listed are from the researcher's secondary observations, inquiries and estimates.

Item Description	Quantity	Estimated costs (From Researcher's Finding)	Verified confirmed costs based on party	Sources of funding identified
Rented Hall	n/a	n/a	n/a	n/a
PA System with microphone	2	2 750 (at 1 375 each)	n/a	n/a
Tear-drop Banner (large size) on Elevated Stand	2	2 100 (at 1 050 each)	n/a	n/a
Party flags	2	500 (at 250 each)	n/a	n/a
Party-branded t-shirts (Printed in full colour front only on 165gsm T-shirt. Price includes printing & t-shirts).	50	12 100 (at 242 each)	n/a	n/a
Party branded caps	30	2 250 (at 75 each)	n/a	n/a
Volunteers	5	1 000 (at 200 each)	n/a	n/a
Total		R19 800	n/a	n/a

**African Christian Democratic Party (ACDP) campaign rally
Lavender Hill, Western Cape
2 April, 2019**

N.B: The costs listed are from the researcher's secondary observations, inquiries and estimates.

Item Description	Quantity	Estimated costs (from researcher's finding)	Verified confirmed costs based on party	Sources of funding identified
Rented Public Sports Field	1	n/a	n/a	n/a
PA System with microphone	2	2 750 (at 1 375 each)	n/a	n/a
Tear-drop Banner (large size) on Elevated Stand	2	2 100 (at 1050 each)	n/a	n/a
Party-branded T-shirts (Printed in full colour front only on 165gsm T-shirt. Price includes printing & T-shirts)	110	26 620 (at 242 each)	n/a	n/a
Party-branded caps	n/a	n/a	n/a	n/a
Volunteers	10	2 000 (at 200 each)	n/a	n/a
Total		R33 470	n/a	n/a

Source: ACDP campaigns in the Western Cape. Available: https://www.youtube.com/watch?v=DQJY_F8uWVU

**Democratic Alliance (DA) campaign rally,
Hillsong Church, Century City,
Cape Town, Western Cape
1 May 2019**

N.B: The costs listed are from the researcher's secondary observations, inquiries and estimates.

Item Description	Quantity	Estimated costs (From Researcher's Finding)	Verified confirmed costs based on party	Sources of funding identified
[Rented?] Church auditorium	1	n/a	n/a	n/a
PA System (including microphone)	4	5 500 (at 1 375 each)	n/a	n/a
Expert FHD Projector Screens Hire (12' x 9')	3	2 220 (at 740 each)	n/a	n/a
Tear-drop banner (large size) by the sides of the auditorium	2	2 100 (at 1, 050 each)	n/a	n/a
'One South Africa' Banner Across Venue	3	n/a	n/a	n/a
Party-branded T-shirts (Printed in full colour front only on 165gsm T-shirt. Price includes printing & T-shirts)	650	157 300 (at 242 each)	n/a	n/a
Party-branded caps	150	11 250 (at 75 each)	n/a	n/a
Refreshment	n/a	n/a	n/a	n/a
Guest Artist	1	n/a	n/a	n/a
Volunteers	50	10 000 (at 200 each)	n/a	n/a
Total		R188 370	n/a	n/a

Source: Democratic Alliance (DA) Campaign Rally. Cape Town, Western Cape, 1 May 2019 at Hillsong Church, Century City. Available: <https://www.youtube.com/watch?v=lhje7W1cuUM>

**ANC campaign trail
Khayelitsha, Western Cape
3 May 2019**

N.B: The costs listed are from the researcher's secondary observations, inquiries and estimates.

Item Description	Quantity	Estimated costs (From Researcher's Finding)	Verified confirmed costs based on party	Sources of funding identified
Rented Hall (open space was used)	n/a	n/a	n/a	n/a
Mobile PA System	3	25 125 (at 8 375 each)	n/a	n/a
Table cloth (giant size)	n/a	n/a	n/a	n/a
Party Banner at backdrop (large size)	2	3 500 (at 1 750 each)	n/a	n/a
Party-branded T-shirts	1 100	50 500 (at 50 each)	n/a	n/a
Party-branded caps	650	19 500 (at 30 each)	n/a	n/a
Bottled water on table	20	200 (at 10 each)	n/a	n/a
Volunteers	20	4 000 (at 200 each)	n/a	n/a
Total		R102 825	n/a	n/a

Source: ANC Campaign Trail in Khayelitsha, Western Cape Available: https://www.youtube.com/watch?v=c_jPAaDh1-w

CHAPTER 5

Mpumalanga

Esteri Elsie Magaisa

EXECUTIVE SUMMARY

This executive summary consolidates the key activities and findings from the research into campaign finance undertaken in Mpumalanga between 19 April and 18 May 2019, and follow-up interviews in June 2019. This follows the enactment of the Political Party Funding Act 2018 (PPFA). Stakeholders who were interviewed include two representatives from the provincial office of the Independent Electoral Commission (IEC), six political party representatives, two independent experts, two media personnel and two from the private sector. Both qualitative and quantitative research methods were used. Quantitative data (cost verification) complemented the qualitative research which ranged from semi-structured interviews, key informant interviews and observation. Purposive sampling was employed and snowball sampling followed after identifying key respondents among various stakeholders.

All stakeholders agreed that PPFA 2018 was a step forward as South Africa attempts to regulate private political parties and campaign funding. They concurred that the role of money in politics undeniably influences the quality of democracy and governance. Smaller political parties felt that although the IEC is trusted by the large majority of South Africans, whether it is the appropriate institution to exercise the regulation of private party funding will require careful consideration. However, the IEC indicated that it had limited capacity to execute its new duties; hence the establishment of a separate business unit responsible for party funding within the Electoral Commission to oversee the implementation of political party funding legislation. The research found that all political parties interviewed receive financial support from private funders. Anecdotal evidence suggests that companies wanting to secure lucrative contracts with the South African state donate to the country's political parties. In-kind donations included party members using their own vehicles during door-to-door campaigns, and using their own furniture (desk and chairs) on election day. Of the six parties interviewed only the ANC and DA had advertised in the local Mpumalanga newspaper. The other parties indicated that they did not flight adverts due to financial constraints. A low level of abuse of state resources was recorded during

the research period; municipal ambulances were evident at ANC mini-rallies only. Overall, the research found that political parties should be held to higher levels of transparency and should publicly disclose their financial interests, especially more substantial donations and investments, as secrecy abets corruption and conflicts of interest.

INTRODUCTION

Mpumalanga is an ANC-led province. From 2009 to 2014, the ANC's support reduced from about 85% to 80%, showing that it still enjoyed a very strong base in the province. In the 2014 elections, the ANC held 24 of the 30 seats in the provincial legislature, with the DA having three seats (10.4% of the votes) and the EFF two seats (6.26%). Although only the sixth largest province in terms of registered voters, with a total of 1 939 391, there were 28 political parties contesting the 2019 elections in Mpumalanga, vying for 30 seats in the provincial legislature. In the 2019 elections the ANC retained control of the province. The EFF unseated the DA as the official opposition in the Mpumalanga legislature as it received 12.79% of the 1.3 million votes cast in the province, more than double the support it enjoyed in 2014. The DA came in third with 9.77%, a marginal decline from its 2014 result (*Timeslive*, 2019).

Mpumalanga is home to the deputy president of South Africa, David Mabuza. He was formerly premier of the province and ANC provincial chairperson for nine years before his election as the party's deputy president in 2017. The *Daily Maverick* (8 April 2019) claimed that David Mabuza left a leadership vacuum in Mpumalanga and his departure from the province has opened up political competition within the party. This has had serious consequences for the ANC in Mpumalanga with records of intra-party conflicts over positions. An example is the court case attended in Nelspruit, Mpumalanga on 24 April 2019, in which ANC members took the party to the Nelspruit High Court to annul the provincial executive committee (PEC). The petitioners alleged that 'the structure was illegal as it was a creation of allegedly fake branches' (Mabena, 2019). However, the case was dismissed, as one of the branches (Bohlabela) had existed for five-and-a-half years when the application was made. As a result of this dismissal some ANC members threatened not to vote in the 2019 national elections.

Mining firms are the most predominant and influential private businesses in Mpumalanga. According to independent research, some of these donated to the ruling ANC during elections. The province is the land of extractives as more than 80% of South Africa's coal is sourced in Mpumalanga. Other minerals found in the province include gold, platinum group minerals, chromite, zinc, cobalt, copper, iron and manganese (*Daily Maverick*, 2019). Most of the manufacturing production in Mpumalanga is in the southern highveld region, especially in

the Highveld Ridge where large petrochemical industries such as Sasol II and III are located. Three of South Africa's major power stations (the biggest in the southern hemisphere) are in Mpumalanga.

RESEARCH METHODOLOGY

Given the complexity and diversity of expected data, both qualitative and quantitative methods were used. Quantitative data, verified through a comparative market cost verification method, complemented the qualitative research methods which ranged from semi-structured interviews, key informant interviews and observation. Purposive sampling based on expertise and a close relationship with the study topic was employed and snowball sampling followed after identifying key respondents among the various stakeholders. The quantitative approach was employed by gathering information on campaign costs from the various political parties interviewed. To obtain a comparative analysis, the researcher approached printing companies for quotations on the identified campaign materials, resulting in the production of a cost verification sheet. Data analysis was done using a thematic approach. The conclusion and verification were the final analytical activity for the researcher who interpreted the analysed data for this report.

During the reporting period, the researcher conducted 18 interviews with stakeholders on the PPFA. The interviews were as follows: ten with political parties (three ANC, two EFF, one DA, one PAC, one from Sancota [the South African National Congress of Traditional Authorities], one ATM), two IEC representatives, two with media representatives (*Barberton Community Radio* in Nelspruit and *Emalahleni FM*), and three with private businesses, including one individual who represented a political party. Ten campaign activities were observed during the reporting period, as follows: four door-to-door campaigns, two party meetings (including the ANC Women's League in Middelburg), and four mini-rallies.

On election day, twelve polling stations were visited (two in Nelspruit, six in Witbank and four in Middelburg) to observe election day expenditure by political parties. These locations were chosen because they were large and easily accessible, and during the campaign period they featured considerable political activity by the bigger political parties.

The limitation of this study was its brief timeframe. The study could have yielded more information had it been done three months prior to the election when campaigns were at their peak. Political parties were reluctant to disclose information and this could be attributed to the fact that the PPFA 2018 was not yet operational. However, after some probing the researcher managed to obtain information on private funding.

KEY FINDINGS IN MPUMALANGA

Stakeholder perception of PPFA

Most of the stakeholders consulted agreed that PPFA 2018 is a commendable piece of legislation that seeks to strengthen the regulation of political finance in South Africa. However, some limitations were highlighted and will form part of this report.

Political parties

In general, the parties agreed that in order to achieve a fair and competitive system, the country should offer a level playing field on which any political actor can participate. The major highlight of the discussions was the degree of political party acquaintance with the provisions of PPFA 2018 in relation to disclosure and funding, as well as a ceiling on contributions in the interests of fostering uniformity and levelling the playing field. In relation to disclosure, they concurred that this removes the necessity to seek funds that may come with either imposed or implied conditions. Further, the parties agreed that the Act prevents political finance-related corruption and enhances financial transparency. Commenting on public funding provided by the government to political parties, they agreed that this was essential as it provides parties with adequate resources for democratic activities, increasing the party-political institutions and stability. It also cushioned smaller political parties with a poor resource base, thus promoting equal opportunity and electoral competition.

However, Sancota highlighted the need for the PPFA to consider allocating a certain percentage to newcomers to further level the playing field. Sancota argued that it could not contest in every province due to limited funds. That new parties struggle financially was evidenced by Sancota's lack of a party website.

With this in view, the researcher deduced that not all parties are equally resourceful and those that cannot successfully tap into the resources of private contributors should not necessarily be at a disadvantage. This consideration is primarily relevant for smaller parties, newly established parties, parties whose political programme is unlikely to appeal to wealthy or established interests, and parties that lack any linkages to affiliated interest organisations.

The EFF, DA, PAC and ATM had reservations about the PPFA 2018, arguing that the success of such regulation depends on the establishment of effective monitoring bodies. Their additional concern was that the PPFA could risk stifling the basic right of citizens to fund the candidate or party of their choice. In particular, the DA argued that a legal framework that tightly regulates political finance may entrench electoral authoritarianism.

While the PPFA 2018 prohibits direct donations from certain sources, parties argued that without effective disclosure and transparency the relationship between finance and politics will remain obscure and the voters will have no way to gauge the influence of money on the leaders they elect. Overall, political parties agreed that the effectiveness of PPFA 2018 will depend on the IEC having adequate authority and resources. However, if the IEC exercises power in a partisan manner to favour the governing party, then the regulation becomes ineffective.

Independent Electoral Commission (IEC)

The provincial IEC voter education and liaison officer and outreach officer both had a basic knowledge of PPFA 2018 and concurred that it was a good initiative as it would control political party funds, increase fairness and level the playing field. Their major concerns were with the current situation and they agreed that there is no central repository of information regarding public and private funding of political parties; no transparency, regulation or oversight of private funding of political parties; and that the current RPPF may appear to reinforce the status quo by favouring larger parties.

In general, these two officials agreed on the importance of the legislation, but they revealed challenges such as capacity constraints and operational capacity which usually restrict the extent to which monitoring bodies are able to effectively and transparently regulate financial flows. As such they agreed on the implications of PPFA 2018 for the IEC. They were of the view that the legislation provides an overarching framework but a considerable amount of work remains to be done in order to operationalise the legislation. This includes the following key areas:

- **Establishment of a structure:** a separate business unit responsible for party funding must be established within the Electoral Commission to oversee the implementation of party funding legislation. The specialist capacity which will be required includes policy and regulatory development, financial management, compliance and enforcement, and communications and education.
- **Establishment of systems:** the unit responsible for party funding will be required to establish systems for the convenient and cost-effective reporting on donations by political parties and private donors. This is likely to include an electronic submission and reporting system. Systems for queries, complaint handling and interaction with political parties, donors, Parliament and other stakeholders must also be established. The IEC provincial officers revealed that whilst they knew of a structure that would be

responsible for PPFA 2018 at national level, at this point they were not aware of any similar establishment at the provincial level.

Media

Interaction with two media houses based in Mpumalanga revealed that they had a general knowledge of PPFA 2018 but were more conversant with the Represented Political Party Fund (RPPF). Regarding the specifics of PPFA 2018, they commended the requirement for political parties to disclose donations above R100 000 paid directly by donors, and for donors' names to be reported to the Electoral Commission together with the amount of the donation. There was consensus that the changes brought about by these new regulations would alter the political landscape for parties as well as major corporate and private donors.

Experts

There was consensus among academic experts interviewed that, first and foremost, the PPFA was commendable. They accept that political parties require funds for all their activities (including campaigning, canvassing, governance and administration and even contesting elections via deposits) as stated in the South African Constitution, which specifically provides for party funding. A highlight was that in the past there has been no central repository of information regarding public and private funding of political parties, nor any transparency, regulation or oversight of private funding of political parties. Therefore, PPFA 2018 would go a long way towards ensuring transparency for the nation, and especially for the electorate.

In relation to the question of whether the IEC would remain impartial, the experts concurred that they commended the efforts of Chapter 6 of the 2018 Act. This introduced a new mandate whereby the IEC would establish a structure specifically responsible for the management of political funding. They agreed that there are compelling political, operational and financial reasons for the regulation of party funding and the management of elections to be separate. The reasons for this separation are to insulate the electoral process from the politics of party funding, to ensure that the political party funding regulatory mandate does not impair the electoral operations mandate, and vice versa; to ensure that 'cannibalisation' of either budget does not occur; and to uphold the financial and operational integrity of each process.

Regarding the proportional formulae used to allocate the RPPF, experts agreed that this appeared to reinforce the status quo by favouring incumbent and larger parties. It would also limit newer, smaller parties with fewer resources from competing on a more equitable basis with those that are dominant and better resourced.

Furthermore, the experts agreed that as levels of popular disengagement, disaffection and cynicism rise, and as party leaders are increasingly perceived as incompetent, dishonest and corrupt, a growing number of voices have joined the chorus for more transparency, tighter controls and stricter regulations of the activities of political parties and politicians. Therefore, justification for the state to be directly involved in the financing of political parties is associated with concerns for the fairness and equality of political competition.

Private businesses

The research findings from interviews carried out with private businesses indicated that there were low levels of knowledge about the PPFA 2018. However, they expressed the view that they would prefer not to have their identities revealed by the IEC as they fear being judged by those political parties whose funding requests they might have rejected.

Stakeholder preparedness to comply with PPFA

Political parties

The political parties interviewed were the ANC, EFF, DA, PAC, ATM and Sancota. They indicated that they take compliance issues very seriously because transparency and control over political party funding become more effective when political parties also have internal control mechanisms in place. Therefore, as parties they have reinforced their regulatory frameworks by adopting internal mechanisms of control and supervision. According to these political parties, political party funding is managed by the finance department in each party's headquarters. Further, where funds have been cascaded to provincial or regional offices, these local finance departments are responsible for disbursements and reporting to the headquarters. Party members who receive party funds are also expected to report quarterly on the activities for which they used the money. Financial reports are also shared and audits conducted by experts; this includes information on annual contributions and expenditure. Overall, political parties agreed that they already comply with the processes and procedures laid down by the IEC as they aim to improve their internal integrity standards.

Commenting on compliance, the EFF was of the view that stringent legal frameworks do not necessarily translate into well-regulated political finance systems, which are more dependent on the willingness of all parties involved, including the monitoring bodies. With regards to the campaign period, the parties argued that in practice, monthly reporting of such information during campaigns is markedly infrequent. Given that the PPFA will be in force during the next elections, the political parties revealed that they were yet to implement a structure to ensure that their donors comply with the mandatory disclosure of donations and donation ceilings.

IEC

The IEC was in the process of recruiting a chief executive (CE) whose responsibility would be the strategic management of the Multi-Party Democracy Fund (MPDF) and RPPF business unit of the Electoral Commission, and to oversee the implementation and compliance with MPDF and RPPF legislation and regulations at the national level. This position required experience in a regulatory/compliance environment and sound knowledge and understanding of relevant legislation and institutional governance systems. They further detailed the responsibilities of the CE who will report to the Chief Electoral Officer (CEO).

In addition, the IEC representatives revealed that they acknowledged international best practice and complied with international instruments. For example, South Africa is a signatory to the United Nations Convention against Corruption (UNCAC) which, amongst others, promotes enhanced transparency in the financing of election campaigns.

Media

The researcher interviewed the Barberton and Emalahleni radio stations which revealed that they had no systems in place to specifically monitor PPFA 2018. They indicated that their task as broadcasters is to serve as watchdogs and whistleblowers, hence they are prepared to monitor the PPFA.

Campaign expenditure trends in Mpumalanga

Direct expenditure

The tables below provide an analysis of the trends in expenditure along the following lines: campaign rallies, door-to-door campaigns, spending on advertisements.

Table 1:
ANC mini-rally, Lynnville Park, Witbank, 27 April 2019

Item	Estimated cost per Unit	Number of Units observed	Verified Costs (based on market price)
Venue rental for rallies	Free (use of public space)	1	n/a
Private security	South African police services		n/a
Media coverage at campaign events	Not observed	n/a	n/a

Celebrity entertainers	Not observed	n/a	n/a
Packs given to attendees			
Fliers	R6	5000 (R30 000)	R5 (R25 000)
Wall Calendar	R8	2000 (16 000)	R5 (10 000)
T-shirt	R70	1000 (70 000)	R100 (R 100 000)
VIP catering	Not observed	n/a	n/a
Transportation	35 taxis @ R1 500 each	35 (R52 500)	R2 000 (R70 000)
Total		R168 500	R205 000

Table 2:
EFF mini-rally, Newtown informal settlement, Middleburg, 3 May 2019

Item	Estimated cost per Unit	Number of Units observed	Verified Costs (based on market price)
Venue rental for rallies	Free (use of public space)	1	n/a
Private security	South African police services		n/a
Media coverage at campaign events	Not observed	n/a	n/a
Celebrity entertainers	Not observed	n/a	n/a
Packs given to attendees			
Fliers	R8 (R8 000)	1000	R5 (R5 000)
Wall Calendar	R10 (5 000)	500	R5 (R2 500)
T-shirt	R60 (21 000)	350	R100 (35 000)
VIP catering	Not observed	n/a	n/a
Transportation (number of taxis observed with an indication of cost)	20 taxis @ R2 000 R40 000	20	R2 500 (R50 000)
Party memorabilia handed out			
T-shirts	R60 (R21 000)	350	R100 (35 000)
Total	R95 000		R127 500

Table 3:
ATM mini-rally, Bushbuckridge, Nelspruit, 5 May 2019

Item	Estimated cost per Unit	Number of Units observed	Verified Costs (based on market price)
Venue rental for rallies	Free (use of public space)	1	n/a
Private security	R10 000	15	R15 000
Media coverage at campaign events	Not observed	n/a	n/a
Celebrity entertainers	Not observed	n/a	n/a
Packs given to attendees			
Fliers	R5 (R2 500)	500	R5 R2 500
T-shirt	R50(R7 500)	150	R100 (R15 000)
VIP catering	Not observed	n/a	n/a
Transportation Taxis	R1 500 (7 500)	5	R2 500 (R12 500)
Party memorabilia handed out			
T-shirts	R50 (R7 5000)	150	R100 (R15 000)
Total	R25 000		R45 000

The following section shows the spending trends of door-to-door campaigns by the ANC, DA, PAC and Sancota observed during the reach period:

Table 4:
DA, Lynnville Park, Witbank, 28 April 2019

Item	Estimated cost per Unit	Number of Units observed	Verified costs (based on market price)
Meals	R40 (R800)	20	R45 (R900)
Transport Allowance to and from area of residence	R100 (R2 000)	20	unverifiable
Transportation to site for campaign (Taxis)	R500 (R1 000)	2	R600 (R 1200)
Packs			
T-shirt	R90 (R45 000)	500	R100 (50 000)
Flier	R6 (R12 000)	2000	R5 (10 000)
Total	R60 800		R62 100

Table 5:
PAC, Mhluzi extensions 3, and 4, Middelburg, 25 April 2019

Item	Estimated cost per Unit	Number of Units observed	Verified costs (based on market price)
Meals	R40 (R320)	8	R45 (360)
Transport Allowance to and from area of residence	Not given	n/a	n/a
Transportation to site for campaign (Taxis)	R250 (250)	1	R500 (500)
Packs Flier	R4 (400)	100	R5 (500)
Total	R 970		R1 360

Table 6:
ANC, Lynville, Witbank, 30 April 2019

Item	Estimated cost per Unit	Number of Units observed	Verified costs (based on market price)
Meals	R45 (R2 025)	45	R50 (R2 250)
Transport Allowance to and from area of residence	R70 (3 150)	45	not verifiable
Transportation to site for campaign (Taxis)	R1 500 (R4 500)	3	R6 000 (18 000)
Packs			
T-shirt	R70 (10 500)	150	R100 (15 000)
Flier	R6 (6 000)	1000	R5(R5 000)
Wall calendar	R8 (8 000)	1000	R5 (R5 000)
Total	R34 175		R45 250

Table 7:
Sancota, Die Heuwel Extension 1, 2, and 4, Witbank, 6 May 2019

Item	Estimated cost per Unit	Number of Units observed	Verified costs (based on market price)
Meals	R40 (200)	5	R45 (R225)
Transport Allowance to and from area of residence	R50 (250)	5	unverifiable
Transportation to site for campaign (Taxis)	Own transport	1	n/a
Packs Flier	R5 (250)	50	R5 (R250)
Total	R700		R475

Table 8:
EFF, Middelburg Central, 4 May 2019

Item	Estimated cost per Unit	Number of Units observed	Verified costs (based on market price)
Meals	R50 (R1 250)	25	R50 (R1 250)
Transport Allowance to and from area of residence	R60 (R 1 500)	25	unverifiable
Transportation to site for campaign (Taxis)	600 (R1 200)	2	R1 000 (R2 000)
Packs Flier T-shirt	R5 (R5 000) R60 (R30 000)	1 000 500	R5 (R5 000) R100 (R50 000)
Total	R38 950		R58 250

The following section shows tables reflecting costs incurred by various political parties on election day.

Table 9:
ANC, Siyathela Early Learning Association polling station, Witbank,
8 May 2019

Item	Estimated cost per Unit	Number of Units observed	Verified costs (based on market price)
Rental of tables and chairs	Use of party equipment	2 tables, 2 chairs	Not verifiable
Meals			
Transport Allowance to and from area of residence	R70 (R280)	2 party agents, 2 volunteers (4)	Not verifiable
Airtime and Data	Not given	n/a	n/a
Free Wi-fi	Not observed	n/a	n/a
Packs T-shirt Flier	R70 (R1 400) R6 (R300)	20 50	R100 (R2 000) R5 (R250)
Total	R1 980		R2 250

Table 10:
EFF, Nelspruit Methodist Church, Nelspruit, 8 May 2019

Item	Estimated cost per Unit	Number of Units observed	Verified costs (based on market price)
Rental of tables and chairs	Use of party equipment	1 table, 2 chairs	Not verifiable
Meals	R50 (R200)	4	R50 (R200)
Transport Allowance to and from area of residence	R70 (R280)	2 party agents, 2 volunteers	not verifiable
Airtime and Data	R50 (R100)	2 party agents	not verifiable
Free Wi-fi	Not observed	n/a	n/a
Packs Flier	R6 (R900)	150	R5 (R750)
Total	R1 480		R950

Table 11:
DA, Middelburg Primary School, 8 May 2019

Item	Estimated cost per Unit	Number of Units observed	Verified costs (based on market price)
Rental of tables and chairs	Use of party equipment	1 table, 2 chairs	Not verifiable
Meals	R45 (R180)	4	R45 (R180)
Transport Allowance to and from area of residence	R100 (R400)	2 party agents, 2 volunteers	Not verifiable
Airtime and Data	Not provided	n/a	Not verifiable
Free Wi-fi	Not observed	n/a	n/a
Packs Fliers T-shirts	R6 (R1 200) R90 (R4 500)	200 50	R5 (R1 000) R100 (R5 000)
Total	R6 280		R6 180

Table 12:
Sancota, Nelson Ngobeni Primary, Witbank, 8 May 2019

Item	Estimated cost per Unit	Number of Units observed	Verified costs (based on market price)
Rental of tables and chairs	Use of own equipment	1 table, 2 chairs	Not verifiable
Meals	R30 (R60)	2 party agents	R45 (R90)
Transport Allowance to and from area of residence	R100 (R300)	3 (1 party agents, 1 volunteer)	not verifiable
Airtime and Data	Not provided	2 party agents	not verifiable
Free Wi-fi	Not observed	n/a	n/a
Packs Fliers	R5 (R75)	15	R5 (R75)
Total	R435		R165

Table 13:
ATM, Sofunda Secondary School, Middelburg, 8 May 2019

Item	Estimated cost per Unit	Number of Units observed	Verified costs (based on market price)
Rental of tables and chairs	Not observed	n/a	n/a
Meals	R45 (R45)	1	R45 (R45)
Transport Allowance to and from area of residence	R50 (R50)	1 party agent	Not verifiable
Airtime and Data	Not provided	n/a	Not verifiable
Free Wi-fi	Not observed	n/a	n/a
Total	R90		R45

Table 14:
PAC, Civic Centre Municipality, Witbank, 8 May 2019

Item	Estimated cost per unit	Number of units observed	Verified costs (based on market price)
Rental of tables and chairs	Not observed	n/a	n/a
Meals	R40	1	R45
Transport Allowance to and from area of residence	R80	1 party agent	Not verifiable
Airtime and Data	Not provided	n/a	Not verifiable
Free Wi-fi	Not observed	n/a	n/a
Total	R120		R45

Table 15 below shows the cost of advertising in a newspaper. The ANC and DA were the only political parties to flight advertisements during the reporting period. Table 16 shows the cost of erecting billboards during the election campaign.

Table 15:
Political advertisement in Mpumalanga newspaper

Political Party	Estimated cost per unit (Mpumalanga Newspaper)	Number of Units Observed	Verified costs (based on market price)
ANC	R20 000	2 pages	R27 315.20
DA	R10 000	1 page	R13 657.60

Table 16:
Political advertisement: billboards

Political Party	Estimated cost per unit per month x 3 months	Number of Units Observed	Verified costs (based on market price) per month x 3 months
ANC (Nelspruit, Middelburg, Witbank (3.0m x 12.0m) Illumination: Externally illuminated site	R 50 000 x 3 =R150 000	3	R60 310.83 x 3 = R180 932.49
EFF (Witbank and Nelspruit) (3.0m x 12.0m) Illumination: Non-illuminated site	R35 000 x 2 =R70 000	2	R42 470.20 x 2 =R84 940.40

Indirect expenditure trends

The SACP organised May Day celebrations in Nelspruit at which no indirect expenditure was observed. This event turned out to be a campaign event for the ruling party.

Emerging culture of handouts in campaigns

During the research period, the researcher did not observe any distribution of food handouts, which the political parties interviewed had attributed to lack of funding. During a follow-up interview, the ATM representative revealed that they had distributed 100 food parcels during their final rally. The costs of these handouts were as follows:

Table 17:
Cost of items distributed as handouts by ATM political party

Item	Estimated cost per unit	Number of units observed	Verified costs (market price)
2 litres cooking oil	R40 (R4 000)	100	R40 (R4 000)
2 kgs flour	R35 (R3 500)	100	R35 (R3 500)
2 kgs surf (soap powder)	R50 (R5 000)	100	R55 (R5 500)
10 kgs mealie meal	R60 (R6 000)	100	R80 (R8 000)
2 bathing soap (lux)	R20 (R2 000)	100	R30 (R3 000)
1 packet assorted sweets	R25 (R2 500)	100	R30 (R3 000)
Total	R23 000		R27 000

Trends in campaign contributions

Trends noted in campaign contributions concerned the use of the public funding provided through the IEC. At election rallies, it was established that most of the venues used were public facilities and they were free. The expenses that were covered were tents and chair hire for at least 1 000 people. The purchase of a PA system and speakers was recorded at an ANC rally. Branded mobile vehicles were also observed.

Almost all political parties distributed packs in the form of party regalia (mainly party-branded T-shirts). During door-to-door campaigns, political parties which received funds under the RPF, distributed election campaign fliers which contained party manifesto messages and wall calendars. Due to the nature of these mini-rallies the parties sought cost-effective mechanisms such as relying on SAPS for security. One exception was when ANC deputy president David Mabuza addressed a rally in Nelspruit under the presidential protection unit. In relation to media, the national broadcaster was absent from all events attended. The local Mpumalanga newspaper, the *Lowvelder*, covered a few rallies. The ANC revealed that they used money from the public fund to flight their advertisements in the Mpumalanga newspaper. These advertisements summarised the ANC's past successes and encouraged people to vote for the party.

Regarding membership contributions, parties generally indicated that the money obtained from membership contributions is used to buy party memorabilia which is sold at party offices at all times.

Private donors

Private funding was the most challenging aspect of the research as the interviewees regarded this information as confidential. However, information gathered after extensive probing was that the ANC, as the ruling party which also controls the province of Mpumalanga, received financial support from mining companies. Anecdotal evidence suggests that companies wanting to secure lucrative contracts with the South African state donate to political parties in the country. In this regard, information gathered shows that there are high capital value projects such as the Mafube Coal Mine in Middelburg with a capital value of R16 billion, and Merafe Resources and Glencore PLC with a capital value of R167 billion (*Africa Mining Portal*, 2014). Findings from the interviews conducted with respondents from the manufacturing companies showed that the ANC has received donations of at least R3m from each of these mining firms.

A third-party source revealed that Robert Gumede had donated to the ANC in 2019 and has donated to the ANC during previous elections. Gumede is a South African billionaire with a history of financial support for the ANC in Mpumalanga during elections. A report by *My Vote Counts* suggests that in 2014 he donated vehicles worth R10 million, and iPads (*My Vote Counts*, 2014), in return for tenders for his ICT Company, Gijima Group; however, this could not be verified. The practice of making party donations in anticipation of or as a reward for government tenders constitutes not only a conflict of interest, but is also illegal, provided that some form of intention exists. Interestingly, only a month after the elections there was a report that Gumede had been awarded a tender by the Mbombela municipality and is set to invest billions in a development in Mbombela on land owned by Mbombela Local Municipality (*Lowvelder*, 2019).

The ANC asserted that private donations cater mainly for printing memorabilia, day-to-day office costs and daily allowances, transport allowances, and catering and taxi hire during election campaigns. Inside information gathered from PRET shows that they received private donations from millionaire Themba Sigudla, the man behind the political formation of the party. This money was used for the purchase of three branded campaign vehicles, printing party memorabilia, fuel and communication (*Mpumalanga News*, 2019).

Foreign donors

The DA revealed that the party continues to receive donations from Nathan Kirsh, a South African-born billionaire who is based in Europe. In a previous report, *My Vote Counts* (2014) revealed that Nathan Kirsh had donated to the DA in the build-up to the 2014 election. The donation is managed at party headquarters; at the provincial offices they usually receive party memorabilia

estimated at R50 000. Some of these items are distributed during campaigns and some are sold at the provincial offices.

Sale of party memorabilia

During the research period the researcher observed the sale of party memorabilia at both the DA and ANC offices. This was regarded as a fundraising project to support the parties' day-to-day office work (*see* Annex 1 for photographs).

In addition, findings on in-kind contributions indicated that in all political parties, volunteers took part in door-to-door campaigns and manned party tables on election day without receiving a daily allowance for their time or labour. The ANC revealed that party supporters offered their cars to ferry volunteers during door-to-door campaigns. Party members across political parties offered tables and chairs that were used outside the polling stations on election day.

In relation to religious places, interviews with congregants of the St John's Presbyterian Church, Church Unlimited and Apostolic Faith Ministries in the province revealed that they had provided ANC speakers with time during the church services before the election to speak on why ordinary people should vote for ANC. However, the researcher did not directly observe the use of religious places as campaign venues.

Findings on use of state resources in Mpumalanga

During campaign rallies the researcher noted the presence of municipal ambulances at ANC rallies only. Findings show that they were not hired and they were absent from rallies of other political parties (*see* photographs in Annex 1).

Findings on compliance with the PPFA in Mpumalanga

The research showed that the three major political parties in South Africa, the EFF, ANC and DA utilised the money they receive through the public fund (which is allocated through proportional representation in Parliament) for the intended purposes. In-kind contributions such as volunteers were common across all parties. Private funders noted were individuals and mining companies. Foreign sources noted were individuals who support the party and are based outside South Africa.

References

- Africa Mining IQ (n.d.) *Mining Companies in Mpumalanga*. Available at: <https://www.projects iq.co.za/mining-companies-in-mpumalanga>
- De Villiers, M. & de Villiers, S. (2019) 'Robert Gumede set to invest billions into Mbombela development: a planned R5 billion development is set to transform the city's skyline and revive the town', *Lowvelder*, 21 June. Available at: <https://lowvelder.co.za/487884/robert-gumede-set-invest-billions-mbombela-development/>
- Du Plessis, C. (2019) 'A year after Mabuza's departure the fear of exacerbating disunity has led to a stalemate in Mpumalanga'. Available at: www.dailymaverick.co.za/article/2019-04-08-a-year-after-Mabuza's-departure-the-fear-of-exacerbating-disunity-has-led-to-a-stalemate-in-Mpumalanga/
- Kambula, H. (2019) 'Lessons on a "just transition" from fossil fuels to renewable energy', 17 May. Available at: www.dailymaverick.co.za/article/2019-05-17-lessons-on-a-just-transition-from-fossil-fuels-to-renewable-energy/
- Mabena, S. (2019) 'Mabuza's former friend turns against him in ANC faction fight', *The Citizen*, 23 April. Available at: <https://citizen.co.za/news/south-africa/courts/2121645/mabuzas-former-friend-turns-against-him-in-anc-faction-fight/>
- My Vote Counts (2019) 'The private funding of political parties'. Available at: <http://www.myvotecounts.org.za/wp-content/uploads/2019/04/Historical-Political-Party-Funding-1.pdf>
- Umraw, A. (2019) 'ANC wins Mpumalanga as EFF ousts DA to become official opposition', 10 May. Available at: www.timeslive.co.za/politics/2019-05-10-anc-wins-mpumalanga-as-eff-ousts-da-to-become-official-opposition<https://mpumalanganews.co.za/356169/imademymark-28-political-parties-choose-mpumalanga>

ANNEX
Evidence of findings
Photographs of political party stalls, tables and the misuse of
state resources



ANC stalls selling party memorabilia at the provincial party headquarters



Municipal ambulance at an ANC rally, Lynnville Park, Witbank



DA and SANCOTA party tables on election day

CHAPTER 6

KwaZulu-Natal (KZN)

Clayton Hazvinei Vhumbunu

EXECUTIVE SUMMARY

This research conducted in the province of KwaZulu-Natal (KZN) combined a variety of data collection methods, namely attending election campaign events, reviewing secondary data sources in the form of newspaper articles and media monitoring, and 21 interviews with various stakeholders. These consist of seven political parties, six journalists/media houses, five expert researchers on elections and democracy, one from the private sector, and one from a religious organisation. During the reporting period the researcher attended eight election campaign rallies, four road show/electorate engagement/public blitz events, one election debate, and one door-to-door campaign; and in addition, visited seven shopping malls to observe election campaign activities. On election day, 8 May 2019, a total of eight polling stations were visited to observe election day expenditure by political parties.

Research found that almost all political parties agree on the objectives and principles of the PPFA which they believe will assist in bringing decency, integrity and transparency to party financing in South Africa whilst also cultivating trust in and respect for political parties by the citizens. Journalists, the private sector, religious organisations and experts agreed, stating that the PPFA strengthens electoral democracy and makes electoral contests fairer and more competitive. The few parties that denounced the Act expressed their concern that the legislation might scare away potential donors for fear of retribution by ruling party officials whenever they want to do business with government.

Most of these stakeholders averred that they already have structures in place to implement the PPFA. Election campaign expenditure observed during the 2019 campaigns in KZN was largely for hiring tents and public address (PA) systems; producing party-branded regalia, election campaign banners and outreach materials such as fliers and pamphlets; placing media adverts and billboards; and transport and communication. Estimates of these expenditures were made by establishing the market prices of all items identified during campaigns attended, as well as advertisements gathered through media

monitoring and observation. In addition, market prices were established from major service providers in the province.

Based on key findings, this report presents recommendations that may contribute to the achievement of PPFA objectives to facilitate transparency, accountability and integrity in South African politics whilst levelling the electoral playing field to facilitate more competitive elections in the country.

INTRODUCTION

Historically, KZN has always been politically influential in national politics. This province has the second largest population in South Africa after Gauteng, with over 11 million people, constituting almost 20% of the national population. The province's economy is based largely on agriculture, with sugar farming and sugar refining being the main industry,¹ although there are a number of coal and quarry mining companies concentrated in the northern parts of the province in Newcastle, Zululand, Utrecht, Dundee, Ballengeich, and Hlobane (Dept of Mineral Resources, 2017). Durban Port, the busiest and largest shipping terminal in southern Africa, is located in KZN. The province also hosts Toyota South Africa Motors vehicle manufacturing plant and 80 other automotive component companies, making it the third largest host province of automotive component companies after Gauteng and the Eastern Cape (Automotive Export Manual, 2019). Whilst the sugar business is key in KZN, together with vehicle assembly, food-processing and oil refineries, there have not been any reports of these firms being engaged in political party funding activities in the province.

The ANC remains the dominant party in KZN. It is home to former President Jacob Gedleyihlekisa Zuma, who resigned in February 2018 whilst facing a motion of no-confidence. Other prominent politicians in the province include Zuma's former wife Nkosazana Dhlamini-Zuma (Minister of Cooperative Governance and Traditional Affairs), Senzo Mchunu (Minister of Public Service and Administration), Zwelini Mkhize (now Minister of Health), Bhhekowakhe Cele (Minister of Police), and Sihle Zikalala (Premier of KZN).

The province is politically contested and has witnessed political killings for many years, to the extent that in October 2016, the *Moerane Commission of Inquiry into the Underlying Causes of the Murder of Politicians in KwaZulu-Natal (UKZN)* investigated the phenomenon and produced recommendations; but these killings still continue. In the circumstances it was not surprising that the EFF organised a campaign rally and march against intolerance and political killing, which took place in Durban on 30 April 2019.

1 80% of South Africa's sugar industry is located in KZN and the province produces over 20 million tonnes of sugarcane per annum.

The Inkatha Freedom Party (IFP), however, plays second fiddle to the ANC from which it broke away in 1979. It maintains a traditional support base in the province largely because the party's leader, Prince Mangosuthu Buthelezi (who inherited the chieftaincy of the Buthelezi tribe in 1953) appeals to the predominantly Zulu population of the province. Prior to the 2019 elections, leading parties in the KZN Provincial Legislature were the ANC, DA and IFP (see Table 1 below).

Table 1:
Distribution of seats in the KZN Provincial Legislature after the 2014 and 2019 elections

PARTY	2014 ELECTIONS			2019 ELECTIONS		
	Votes	%	Seats	Votes	%	Seats
ANC	2 475 041	64.52	52	1 951 027	54.22	44
DA	489 430	12.76	10	500 051	13.90	11
IFP	416 496	10.86	9	588 046	16.34	13
NFP	280 425	7.31	6	56 587	1.57	1
EFF	70 823	1.85	2	349 361	9.71	8
MF	38960	1.02	1	18 864	0.52	1

Source: Independent Electoral Commission (IEC, 2019)

As election campaigns gathered momentum at the end of April 2019, parts of KZN were hit by floods and landslides caused by Cyclone Kenneth, which killed over 70 people and left over 1 000 people homeless in the province. When the rains subsided, almost all political parties rushed² to visit different communities, mostly on the South Coast, 'to assess the magnitude of the damage' caused by the floods and to 'assist victims of the floods and mudslides'. This was especially in informal settlements in the district municipalities of eThekweni, Harry Gwala, King Cetshwayo, Ilembe, uMkhanyakude and Ugu which were declared disaster zones. President Cyril Ramaphosa himself had to 'cut short his visit to Egypt'³ to tour areas in KZN affected by the floods. This provided a perfect campaign platform.

2 Parties whose leaders visited KZN flood hit areas to donate handouts to flood victims include the ANC, DA, UDM, NFP, and IFP (SABC 2019).

3 When the floods occurred, the president was in Cairo, Egypt attending an African Union (AU) Troika Summit convened to discuss the political and security situations in Sudan and Libya (Makhanya, 2019; 'KZN left counting cost following deadly floods' (SABC News Online, 2019).

RESEARCH METHODOLOGY

The methodology of this research comprised data collection through interviews with key informants. In addition, data was also collected through direct observation of expenditure patterns at political party election campaigns. Secondary data sources were consulted in the form of reports, newspapers and media publications.

Interviews were conducted with seven political parties, six journalists/media houses, five expert researchers on elections and democracy, one in the private sector, and one with a religious organisation.

The political parties interviewed were the Congress of the People (COPE), African Transformation Movement (ATM), GOOD Party, Economic Freedom Fighters (EFF), Socialist Revolutionary Workers Party (SRWP), Pan Africanist Congress of Azania (PAC), and African Peoples' Convention (APC).

The seven journalists interviewed were from the following: *The Independent*, *The Mercury*, *The Daily News*, *The Post*, *The Highway Mail*, *The Rising Sun*, and *Vuma 103 FM*. In addition, five independent experts on democracy and elections from the University of KwaZulu-Natal (UKZN), Durban University of Technology (DUT) and the University of Zululand were interviewed, whilst two officials were from a religious association (KwaZulu-Natal Christian Council) and private sector company (Group Five KZN) respectively.

During the reporting period, the researcher attended eight election campaign rallies, four road show/electorate engagement/public blitz events, one election debate, and one door-to-door campaign, in addition to visiting seven shopping malls to observe election campaign activities. All these activities were in Durban Central, Umbilo, Glenwood, Umlazi, Cato Manor, KwaMashu, Chatsworth, Pinetown, Mthwalume, uMzumbe, Scottburgh, uMkomaas, Amanzimtoti, Umzinto, Hibberdene, Port Shepstone, Margate, Clermont, Berea, Tongaat, Umhlanga, Pietermaritzburg and Msunduzi.

On election day, 8 May 2019, a total of eight polling stations⁴ in both urban and rural areas were visited to observe expenditure patterns by political parties through their party agents inside and outside polling stations.

The selection of interviewees and secondary data sources was determined by purposive sampling. In terms of geographical delimitation, attending election campaign events for political parties was guided by the need to balance the coverage of all political parties as well as convenience considerations with all research activities in KZN.

4 The eight polling stations visited are Carrington Senior Primary School and Port Natal School (both in, Durban); Durban City Hall, Dennis Hurley Centre along Cathedral Road (both in Durban Central); Phakama Senior Primary School along Ingome Road in Emlanjeni, and Ekusizaneni Primary School, Emlanjeni (both in KwaMashu), Nhlazatshe Community Hall in Msunduzi and St Martins Church (both in Msunduzi outside Pietermaritzburg). Vote counting was also observed at Carrington Senior Primary School, Umbilo (Durban).

KEY FINDINGS FOR KWAZULU-NATAL

Stakeholder perception of PPFA

Political parties

All the political parties interviewed, except the ATM, agreed to the objectives and principles of the PPFA as they believe it will bring decency, integrity and transparency to party financing in South Africa, whilst also cultivating citizen's trust and respect of political parties. There was a general perception that restrictions on foreign donations are welcome as a preventive mechanism against covert foreign interference in local politics.

The parties also support the mandatory disclosure provisions for the same reasons, and expressed readiness and willingness to disclose their donations once the legislation enters into force. Smaller parties such as the ATM disagreed as they feared that such disclosure may discourage potential donors, especially those corporates which may have prospects of bidding for government or municipal tenders that are mostly under the sphere of influence of the ruling ANC. Thus, for businesses to associate with smaller parties could be perceived as a threat to the ANC and could adversely influence the adjudication of tender bids.

Political parties generally agreed to the specified donation ceilings whilst noting these need to be inflation-adjusted. However, parties like ATM, SRWP, PAC and EFF were of the view that ceilings thwart and suppress the growth of smaller political parties since the bigger political parties already have unfair access to public resources which they can use (and abuse) during election campaigns to their advantage. Hence the larger parties have less appetite than smaller parties for donations.

Parties interviewed about the proportional formulae for allocation funds from the Represented Political Parties Fund (RPPF) generally support it, noting that political parties with larger representation in Parliament and provincial legislatures have more financial obligations and responsibilities; thus, they deserve a larger allocation. Nevertheless, parties such as the ATM were of the view that the proportionality formula is unfair to parties with less representation because they already attract fewer donations. Parties such as GOOD suggested that 50% of RPPF funds should be proportionally allocated whilst the other 50% should be equally shared and directed towards community projects driven by political parties.

Generally, political parties feel the IEC should execute the monitoring and oversight of both the Multi-Party Democracy Fund (MPDF) and the RPPF. Their argument was that since the IEC administers the Public Funding of Represented Political Parties Act 103 of 1997, it is in position to implement the PPFA 2018 and

monitor its compliance. The caveat, however, is that the IEC itself should be constantly monitored and scrutinised, especially by civil society and NGOs, in order to avoid any tendency to abuse or favouritism. A different view by parties such as GOOD argued that the IEC was vulnerable to bias and corruption, and suggested the formation of a more impartial institution comprising selected individuals from political parties that are represented in Parliament and provincial legislatures to undertake that mandate.

Political parties interviewed about the overall donation ceiling for political parties per financial year considered it unnecessary, given the fact that election campaigns are an expensive undertaking requiring huge budgets. They further argued that there is no logical basis for restricting donations via a flat ceiling, yet some political parties receive more allocations under the RPPF funds. Thus, it would be unfair to have a uniform donation ceiling for all political parties while at the same time maintaining an allocation formula (for both MPDF and RPPF funds) that is not equal. This means political parties are already on a different financial footing, which is unfair.

Some parties agreed that the PPFA should apply to expenditure on intra-party campaigns. Several further suggested that since the PPFA has already been enacted, it should be mandatory for parties to align their own constitutions and intra-party election campaign codes of conduct with the PPFA so that these provisions also applied to intra-party campaigns. However, other parties were of the view that regulating donations towards candidates in intra-party campaigns should be left to parties themselves via self-regulatory mechanisms within their own legal structures and systems.

Media

Journalists were of the view that the PPFA would be helpful in preventing the covert abuse of political party financing as an instrument of undue influence and control. To this end, journalists agreed that the disclosure of donations was critical in enhancing transparency and accountability. Their perception was that restrictions on foreign donations reduce interference in local politics whilst going a long way towards strengthening electoral democracy and making electoral contests fairer and more competitive in South Africa.

There were, however, a few journalists who were critical of the motive behind the PPFA. They considered the possibility that the Act is being used by the ANC to stifle the emergence and growth of a powerful opposition in the country. The ANC, by virtue of its access to intelligence services, could easily trace undisclosed donations to other parties whilst also benefiting from the possible reluctance of corporates to fund smaller parties. This is especially true of companies that may want to do business in future, as they may be unofficially blacklisted for 'incorrect' or 'improper' association with ANC's 'political enemies

and competitors', since the ANC has influence in procurement decisions across almost all government departments, parastatals and municipalities through its cadre deployment policy' (Levin, 2018). Whilst it is admitted that the PPFA provides for both covert and overt donations by anonymous and known private donors to contribute to the MPDF, these concerns should be understood within the political context. There is an undeniable possibility of state capture and of infiltration into state institutions or supposedly independent institutions in South African politics.

Whilst the PPFA provides for private donors to contribute both overtly and confidentially, or covertly to the MPDF, these concerns should be well understood within the political context. There is an undeniable possibility of corruption and that state institutions, or supposedly independent institutions in South African politics, could be infiltrated.

Journalists interviewed on the proportional and equitable formula for allocation of the RPPF were of the view that it is fair, as larger parties have higher costs than smaller parties. The different sizes of their organisational structures and constituency bases such as rentals, staff salaries, logistical expenses for reaching expanded constituencies, and asset maintenance, incur greater expenditure. Some journalists, however, argued that this formula may contradict the principle behind multiparty democracy and competitive elections. These criteria may not level the playing field for political parties with fewer representatives which already face the challenge of limited donor funding. There were suggestions that during the election campaign period, allocation of RPPF funds should be on equal-share basis to promote fair competition, and after elections, the proportionality rule should be reinstated. Journalists considered that this could contribute to further leveling the playing field.

Most journalists averred that the donations cap per financial year is reasonable because excess donations result in some parties having money to spend on vote-buying and other illegal purposes. This compromises the integrity of elections whilst disadvantaging the parties with limited access to donor funds. A different perspective emerged from some journalists who consider the donation ceiling per financial year unnecessary, given the fact that an election campaign is an expensive undertaking requiring very large budgets. They also argued that there is no logical basis on which to restrict donations via a flat ceiling because political parties are already on a different financial footing, as some parties would have received more RPPF allocations than others, which is unfair.

On the set donation ceiling per financial year, some journalists questioned the methodology used to calculate these ceilings. Although most journalists agreed that the penalties for non-compliance are adequate, there were some who stated that the set penalties are too small for financially well-off parties

such as the ANC. The resultant effect is that they may breach the provisions of the PPFA and perhaps secure undisclosed donations without much fear of the non-prohibitive fine. The perception was that what may deter parties from violating the Act is not the accompanying penalty per se, but rather the fear of parties losing their moral standing and integrity in the face of an increasingly inquisitive and demanding electorate.

Journalists had mixed perceptions on the IEC's monitoring and oversight role. Most journalists were of the view that whilst the IEC should continue with this function, the electoral body lacks the requisite capacity, impartiality and independence to oversee and monitor both the MPDF and the RPPF. Therefore, some journalists suggested that the Auditor-General's office might be better positioned to take over the oversight role. The argument was that any institution is prone to capture, and what is needed is to capacitate the IEC through ethical leadership and building the integrity of technical personnel.

Some journalists questioned whether the IEC had the technical capacity to trace and verify all party reports of donations, as this is a complicated and sophisticated exercise. They argued that given the confidential nature of party donations, and the possible use of party investment vehicles (e.g. the ANC's Chancellor House) as conduits to channel undisclosed donations, there is a good chance that some political parties may circumvent the law and conceal prohibited donations.

Journalists and other experts agreed that the PPFA should include donations to intra-party campaigns. They argued that such donations also need regulation, especially those of the ruling party which are likely to produce an outcome that will influence decisions relating to the appointment of cabinet, the deployment of members to Parliament and cadres to municipalities.

Experts

Experts were of the opinion that the regulation of public and private funding of political parties, the prohibition of certain donations made directly to political parties, and the regulation regarding the disclosure of donations as envisaged by the PPFA, is a victory for electoral democracy, transparency and accountability in the country. They argued that the disclosure of donations above a specific threshold will assist with information to expose possible underhand political dealings and patronage networks in South African politics and administration. The restrictions on foreign donations are a useful check against the possibility of undue foreign interference as outside forces may work with their proxies to advance their agenda against national (South African) interests.

The PPFA's provisions imposing a R15 million cap per financial year for each party were viewed as progressive by some experts, who argue that this will prevent the monetisation of elections. However, there were contrasting

views to the effect that such ceilings inhibit the growth potential of parties and their capacity to reach out while constraining their campaign programmes.

Regarding the mixed formula for allocating the RPPF, most experts opined that it gives more traction to already established and represented parties at the expense of smaller nascent parties with little or no parliamentary representation. This in turn may perpetuate the continued dominance of a few parties.

As to whether the PPFA should extend regulations to include intra-party campaigns, most experts maintained that this form of regulation is problematic and difficult and would require diverse control mechanisms. However, they also argued that the scope of the PPFA should have been broadened to cover intra-party campaigns since this is the root of state capture, the foundation for building of patronage networks and corruption.

Experts could not agree on whether the IEC is best placed to carry out the oversight and monitoring role in implementing the PPFA. Some experts felt the IEC is not the most suitable institution to oversee and monitor both the MPDF and RPPF funds as it is vulnerable to capture and bias. Those who shared this view suggested that a body consisting of all the political parties represented in Parliament and provincial legislatures should undertake this function. Other experts felt that the IEC is the ideal body to carry out the function, on two conditions; one, that its capacity and competence is strengthened and two, that both civil society and media play a robust watchdog role to check against possible abuse, capture and partiality tendencies.

Private sector

The representative from the private sector company (Group Five KZN) was of the opinion that the proposed PPFA may assist with making political parties more accountable and responsible. However, he added that a number of companies might be unwilling to donate to parties as they are concerned that this could affect their relationship with clients should their identities be disclosed. His argument was that should a political party be seen to advance certain policy positions which they (the company or companies in question) dislike, there is a high probability that the company's products could face a backlash. The official gave the example of a mobile phone company that had donated to a particular political party, resulting in some of their subscribers switching to a different company to express their disapproval and dissatisfaction with this political relationship.

Religious groups

An official from the KwaZulu-Natal Christian Council stated that whilst their organisation had not been involved in party funding, member churches that

donate should have their names disclosed for purposes of transparency and avoidance of underhand dealings. The official stated that the PPFA's restriction on foreign funding was useful to prevent foreign influence, whilst allowing South African elections to be determined by South Africans themselves without any form of interference.

Stakeholder preparedness to comply with the PPFA

Of the seven political parties interviewed (the EFF, COPE, APC, PAC, GOOD Party, SWRP and ATM), all except the ATM indicated that they have structures and modalities in place to comply with the PPFA.

All parties emphasised that the PPFA provisions would mean maintaining a separate account for all donations from local and foreign donors, recording names of all donors whose donations exceed specified thresholds, and accompanying expenditure from the funds for the purposes of auditing and periodic reporting to the IEC. They also stated that they already have structures in place in their respective departments of finance and administration. These include bank accounts, accountants and auditors, as well as standard operating procedures relating to receiving, recording, disbursement and auditing such funds. Specifically, COPE stated that they already have bank accounts and related structures in all provinces and at national level for receiving and managing party donations.

Only the ATM stated that as a newly-formed party founded in 2018, they had not yet put in place adequate structures and modalities to implement the PPFA. However, they indicated that they do not foresee any challenges in setting up and operationalising these structures and modalities as the party has the requisite capacity and competence to do so.

The political parties also stated their preparedness to comply with the prescribed threshold requirement of the PPFA 2018 at all levels (national and provincial).

Media houses interviewed mentioned that journalists in their existing political reporting units would be responsible for reporting issues related to the monitoring of PPFA compliance. The majority of the individual journalists, however, admitted that they have not fully grasped the provisions of the Act, and stated that their colleagues and peers in the same units were yet to fully comprehend the legislation.

This makes it difficult to accept that media houses are ready to monitor compliance since compliance monitoring can only be effectively undertaken by those who are fully aware of all the provisions of the of legislation in question.

Campaign expenditure trends in KZN

Direct expenditure

Research established that most of the venues used for campaigns were hired municipal facilities and open public places. The hired venues included Tongaat Outspan Sportsfield, FNB Wadley Stadium (Edendale, Pietermaritzburg), Sugar Ray Xulu Stadium (Clermont, Durban), and Durban City Hall and are owned by eThekweni Municipality and Msunduzi Municipality.

At election campaign rallies, most expenses were for hiring tents, a PA system, fire fighting vehicles, ambulances, water bowsers, mobile lighting units, VIP vehicles, and mobile vehicles with PA systems.

The ANC had many entertainers at their rallies; for example, at its Msunduzi Siyanqoba rally on 5 May 2019, there were performances by over ten celebrity artists and dance groups. Most ANC election campaign rallies had a minimum of five hired performing artists.

Almost all political parties distributed parcels in the form of party regalia (mainly party-branded T-shirts, caps, hats, berets, doeks (head scarves) and wraps). In most cases, expenditure on party regalia constituted between 35% to about 60% of the total estimated cost of expenditure per event.

In road show/electorate engagement/public blitz events, political parties distributed election campaign flyers and party manifesto pamphlets. This was done by volunteers who were paid undisclosed stipends.

Whilst some of the campaign events received no coverage by any media houses, all ANC election campaign events attended by this researcher were covered by SABC News and major newspapers and radio stations in KZN. The ANC had far more free coverage from both the state broadcaster, the SABC, and private media.

The South African Police Force (SAPS) provided security at almost all events, but parties provided complementary, stipend-paid volunteer marshalls. Most parties used volunteers to distribute party regalia, pamphlets and manifestos during election campaign rallies and road show/electorate engagement/public blitz events. The highest number of volunteer security marshalls was seen at the EFF campaign rally and march against political killings in KZN. The Umkhonto we Sizwe Military Veterans Association (MKMVA) provided VIP protection at the ANC's Siyanqoba campaign.

The ANC hired a helicopter towing an ANC flag emblazoned with ANC President Cyril Ramaphosa's name and face to fly around Msunduzi and above the venue during a campaign rally at FNB Wadley Stadium on 5 May 2019.

Another trend was hiring eThekweni buses (Durban Transport buses owned and operated by eThekweni Municipality). Many buses were hired from

the municipalities and private bus companies to ferry supporters from different KZN regions to the campaign venue. The highest number was around 200 Durban Transport buses hired by the EFF for its election campaign rally and march against political killings and intolerance, held at the Botha Park/King Dinizulu Park, Berea (Durban) on 30 April 2019.

The eight election campaign rallies and road show/electorate engagement/public blitz events attended revealed the following expenses: (*see* Cost Verification Sheet for more details).

Table 2:
Total expenditure incurred by political parties in election campaigns attended in KZN during the research period

Political Party	Total Estimated Campaign Events Expenses (in Rands)
ANC	1 257 005
EFF	1 760 144
IFP	200 326
DA	71 012
SRWP	1 880 816
ATM	144 551
COSATU-ANC (May Day Rally)	1 407 031

Source: Authors summation based on identified expenditure and costs whose prices were verified by different service providers in the province

There was no on-site VIP catering for the events attended except for the COSATU-ANC May Day rally at Sugar Ray Xulu Stadium and IFP Siyanqoba election bus road show of 29 April 2019. Again, all parties used volunteers, who are a form of in-kind contribution. Volunteers served as marshalls and/or as distributors of fliers, pamphlets and other party regalia.

The only door-to-door campaign attended was the DA's door-to-door campaign and road show election campaign conducted on 27 April 2019 in KwaMashu Section C. The costs involved included expenses related to the use of a DA-branded mobile entertainment vehicle with loudspeaker, amplifier and generator. Ten volunteers distributed flyers to people around KwaMashu Section C area.

Findings regarding media advertising were that the DA, ANC, Minority Front (MF) and IFP placed more advertisements than the other parties in KZN

newspapers and radios (mostly in *The Independent*, *The Mercury*, *The Daily News*, *The Post*, *The Highway Mail*, *The Rising Sun*, *Ukhozi FM Radio*, and *Vuma 103 FM*).

In terms of advertising in print media for the month of April up to election day, the DA and MF had the highest number of election campaign advertisements in the main newspapers of KZN, that is, *The Independent*, *The Mercury*, *The Daily News*, and *The Post*. Estimated expenses for the five political parties which had election advertisements in the main KZN newspapers and billboards along the major highways and locations in KZN are in Table 3 below: (see Cost Verification Sheet for more details).

Table 3:
Cost estimates for expenditure by political parties on billboard and newspaper advertisements

Political Party	Total Estimated Billboard and Newspaper Advertising Expenses (in Rands)
ANC	4 523 120
DA	1 417 695
EFF	1 130 780
IFP	995 761
Minority Front (MF)	60 758

Source: Author's summation based on expenditure and costs whose prices were verified from newspapers and different service providers in the province

Indirect expenditure trends

Instances of indirect expenditure observed in the course of this research took place during the May Day celebrations organised by the Congress of South African Trade Unions (COSATU)⁵ which is affiliated to the ANC. COSATU organised these celebrations at Sugar Ray Xulu Stadium on 1 May 2019, and the ANC used the platform for campaigning. The expenses incurred included venue hire, tent hire, volunteers, transportation and party regalia. There was evidence of ANC involvement in logistical preparations for the event although the details as to who contributed how much to the event could not be established.

Similarly, the National Union of Metalworkers of South Africa (NUMSA) also held May Day celebrations at Botha Park in Durban during which the SRWP led by Irvin Jim used the platform for election campaigning.

⁵ COSATU currently has about 18 affiliate trade unions. These include the National Education, Health and Allied Workers' Union (NEHAWU), National Union of Mineworkers (NUM), South African Democratic Teachers' Union (SADTU), and South African Municipal Workers' Union (SAMWU)

Emerging culture of handouts in campaigns

The only case where a party distributed handouts was at the IFP campaign rally and address to the people of Comtech informal settlement in Umlazi S Section who were affected by Cyclone Kenneth floods. Food hampers were distributed comprising potatoes, rice, maize meal, sugar, salt, tea bags, wheat flour, cooking oil, onions, dried beans and baked beans. The estimated cost of this food was R7 000 according to estimated cost verifications (*see Table 2 below*).

Trends in campaign contributions

Political parties (the EFF, SRWP, IFP, PAC, APC, and DA) all indicated that their election campaign events had benefited from in-kind contributions by their 'partners' without specifying who donated what, when and in what quantities. Some confided that each Member of Parliament is obligated to contribute part of his/her earnings as a legislator to the party coffers. Volunteers contributed to campaign activities as stated earlier and they were also present both inside and outside polling stations on election day as polling agents (*see photos in Annex 1 below*).

Findings on the use of state resources in KZN

Cases were observed indicating the possible abuse of state resources, or possible use of undue influence to facilitate the unfair enjoyment of state services and resources by certain political parties. These included the following:

- The use of eThekweni Metro-Police VIP Motorcycle Escort services by the Inkatha Freedom Party (IFP) at its election campaign rally in KwaMashu Section C Sports Grounds on 28 April 2019.
- The KZN Department of Health provided two mobile clinics to service the COSATU-ANC May Day Celebrations at the Sugar Ray Xulu Stadium, in Clermont on 1 May 2019, yet the same service was not offered to other parties.
- The use of two Msunduzi Municipality Metro Police blue light escort vehicles to escort the ANC premier candidate and leadership on their way to, and from, the Siyanqoba Rally at the FNB Wadley Stadium in Msunduzi on 5 May 2019.
- SABC News live coverage of both the ANC Siyanqoba Rally at the Outspan Sportsfield in Tongaat and the COSATU-ANC May Day celebrations at the Sugar Ray Xulu Stadium, in Clermont on 1 May 2019 were addressed by President Cyril Ramaphosa, yet other parties did not have the same SABC coverage in the province.

- The KZN Department of Health provided two mobile clinics, one EMRS KZN emergency medical rescue service vehicle as well as KZN emergency medical service vehicles for the ANC Siyanqoba Rally at Outspan Sportsfield in Tongaat, yet these were not offered to the other parties.

Findings on compliance with the PPFA in KZN

Given that the PPFA is not yet in force, it was difficult to establish the level of political party compliance or non-compliance with the PPFA. Be that as it may, all parties engaged indicated that their respective election campaign activities were funded by internal resources with the help of in-kind donations from their partners, without further disclosure of who donated what, when, where and in what quantities.

References

- Automotive Export Manual (2019), pp.27. Available at: <http://www.aiec.co.za/Reports/AutomotiveExportManual.pdf> (Accessed 03 August 2019).
- KwaZulu-Natal. Department of Transport (2007?) *Freight Transport Databank*. Available at: http://www.kzntransport.gov.za/public_trans/freight_databank/kzn/industries/olive_production/index_xml.html (Accessed 03 August 2019).
- Levin, R.M. (2018). 'Ethical Leadership, State Capture and Corruption', *Amabulo: Let's Talk Politics*. Number 44, December 2018. Available at: <https://www.anc1912.org.za/sites/default/files/Umabulo%2044%202018%20final.pdf> [Accessed on 17 June 2019]
- Makhanya, S. (2019) 'KZN left counting cost following deadly floods', *SABC News Online*, 28 April. Available at: <http://www.sabcnews.com/sabcnews/kzn-left-counting-cost-following-deadly-floods/> [Accessed 17 June 2019]
- South Africa. Department of Mineral Resources (2017). *Operating Mines in KwaZulu-Natal*. Available at: <https://www.dmr.gov.za/mineral-policy-promotion/operating-mines/kwa-zulu-natal> (Accessed 22 June 2019)
- South Africa (2018). *Moerane Commission of Inquiry into the Underlying Causes of Murder of Politicians in KwaZulu-Natal (UKZN)*. Available at: <http://www.kznonline.gov.za/images/Downloads/Publications/MOERANE%20COMMISSION%20OF%20INQUIRY%20REPORT.pdf> [Accessed 16 June 2019]
- SABC (2019) 'Parties whose leaders visited KZN flood hit areas to donate handouts to flood victims include the ANC, DA, UDM, NFP, and IFP'.
- SABC (2019) 'Political parties visit flood victims', 26 April. Available at: <http://www.sabcnews.com/sabcnews/political-parties-visit-flood-victims/> Accessed 16 June 2019]

ANNEX 1

Evidence of findings Photographs of campaign visits attended



Inkatha Freedom Party (IFP) officials distribute food parcels to victims of Cyclone Kenneth at Comtech Informal Settlements in Umlazi Section S on 25 April 2019





Members of the Umkhonto we Sizwe Military Veterans Association (MKMVA) who provided VIP security and conducted drills just before the ANC Siyanqoba Rally, FNB Wadley Stadium in Msunduzi on 5 May 2019



KZN Provincial Government Department of Health mobile clinics deployed to service the COSATU-ANC May Day celebrations at the Sugar Ray Xulu Stadium, in Clermont on 1 May 2019



SABC News open broadcast van used for live coverage of the COSATU-ANC May Day celebrations at the Sugar Ray Xulu Stadium, in Clermont on 1 May 2019



eThekweni Metro-Police VIP motorcycle escort services escorting the IFP President as he arrives at the IFP election campaign rally and launch of 'Sizonqoba' get-out-to-vote campaign and unveiling of the IFP election campaign bus in KwaMashu Section C Sports Grounds on 28 April 2019



Helicopter above the FNB Wadley Stadium towing an ANC flag emblazoned with ANC President Cyril Ramaphosa's name and face during the ANC Siyanqoba Rally, FNB Wadley Stadium in Msunduzi on 5 May 2019



KZN Department of Health bus and mobile clinics, KZN Emergency Medical Rescue Service vehicle and Emergency Medical Services vehicles at ANC Siyanqoba rally in Tongaat Outspan Sportsfield, Durban, on 4 May 2019



EFF marshals controlling the crowd at the party's campaign rally and march against intolerance and political killings in Durban on 30 April 2019



Some of the eThekwin Municipality (Durban Transport) buses hired by the EFF to ferry supporters to the party's campaign rally and march against intolerance and political killings in Durban on 30 April 2019



Democratic Alliance (DA) door-to-door campaign caravan in KwaMashu C Section on 27 April 2019



SAPS Officers at ANC Siyanqoba Rally in Tongaat Outspan Sportsfield in Durban, 4 May 2019



*DA, ANC and EFF tents and stalls
outside Durban City Hall polling
station*



*ANC mobile campaign caravan at ANC Siyanqoba Rally, outside FNB
Wadley Stadium in Msunduzi on 5 May 2019*

ANNEX 2

COST VERIFICATION SHEET OF CAMPAIGN ACTIVITIES ATTENDED (25 APRIL – 18 MAY 2019)

**Inkatha Freedom Party (IFP) visit, address and distribution of food to
Cyclone Kenneth flood victims in Comtech Informal Settlement,
Umlazi S Section on 25 April 2019**

Item Description	Quantity	Estimated Costs in Rands (Based on Verified Market Prices and Researcher's Findings)
VIP and Senior Officials Transportation (Fuel Costs)	3 vehicles	494.40 (10 litres per vehicle at R16.48 per litre)
Food hampers donated		
Potatoes	5 packets x 10kg	275 (at 55 each)
Rice	10 packets x 5kg	335 (at 67 each)
Maize Meal	10 packets x 10kg	640 (at 64 each)
Sugar	10 packets x 5kg	670 (at 67 each)
Salt	20 packets x 1kg	80 (at 4 each)
Tea Bags	20 packets x small	580 (at 29 each)
Cake Flour	6 packets x 10kg	264 (at 44 each)
Cooking Oil	20 bottles x 2 litres	660 (at 33 each)
Onions	2 packets x 5 kg	80 (at 40 each)
Dried Beans	6 packets x 5 kg	780 (at 130 each)
Baked Beans	3 packs x 6x4.10g	144 (at 48 each)
TOTAL		R5 337.4

**Democratic Alliance (DA)'s door-to-door election campaign rally held on
27 April 2019 at KwaMashu sports grounds**

Item Description	Quantity	Estimated Costs in Rands (Based on Verified Market Prices and Researcher's Findings)
Big tent (15x15m) with raised stage (6mx2m)	1	26 494.25
PA System	1	9 400

Teardrop banners (medium sized)	7	6 300 (at 900 each)
VIP and Senior Officials Transportation (Fuel Costs)	7 vehicles	5 768 (50 litres per vehicle at R16.48 per litre)
Party-branded T-shirts	200	9 000 (at 45 each)
Party-branded caps	200	6 000 (at 30 each)
Roll-up medium sized banners (3mx1m) with the premier candidate Zwakele Mncwango's face and name	4	3 400 (at 850 each)
Stage banner	1	1 200
Volunteers	10	1 200 (at 120 each)
Exhibition tent and table (3mx3m)	1	2 250
TOTAL		R71 012.25

Inkatha Freedom Party (IFP) election campaign rally and launch of 'Sizonqoba' (get out to vote) campaign and unveiling of IFP election campaign bus on 28 April 2019 at KwaMashu Section C sports grounds

Item Description	Quantity	Estimated Costs in Rands (Based on Verified Market Prices and Researcher's Findings)
Big tent (24x10m)	1	32 418.50
VIP Tables (2mx1m)	4	
Plastic chairs	400	
PA System	1	9 400
VIP and senior officials transportation (fuel costs)	13 vehicles	10 712 (50 litres per vehicle at R16.48 per litre)
Imithente Maskandi Dance Group hire	1 session	4 000
Mobile toilet units	4	3 200 (at 800 each)
Party-branded T-shirts	500	22 500 (at 45 each)
Party-branded caps	500	16 000 (at 32 each)
Party-branded doeks	500	10 000 (at 20 each)
Stage banner	1	1 200
TOTAL		R109 430.50

The African Transformation Movement (ATM) 'Siyabusa' election campaign rally observed at KwaMashu Number 6 sports grounds on 28 April 2019

Item Description	Quantity	Estimated Costs in Rands (Based on Verified Market Prices and Researcher's Findings)
Big tent (30x15m)	1	47 311
VIP Tables (2mx1m)	1	
Plastic chairs	700	
PA System	1	9 400
VIP and senior officials transportation (fuel costs)	10 vehicles	8 240 (50 litres per vehicle at R16.48 per litre)
KwaMashu Traditional Dance Group	1	1 000
Party-branded T-shirts	800	36 000 (at 45 each)
Party-branded caps	800	25 600 (at 32 each)
Party-branded doeks	400	8 000 (at 20 each)
Stage banners	2	2 400 (1 200 each)
Tear-drop banners (medium sized banners)	8	7 200 (at 900 each)
TOTAL		R144 551

African National Congress (ANC) Road Show election campaign rally at Mthwalume Shopping Centre, uMzumbe on the 29th of April 2019

Item Description	Quantity	Estimated Costs in Rands (Based on Verified Market Prices and Researcher's Findings)
PA System	1	9 400
VIP and senior officials transportation (fuel costs)	2 vehicles	988.80 (30 litres per vehicle at R16.48 per litre)
Party-branded T-shirts	200	9 000 (at 45 each)
Party-branded caps	200	6 400 (at 32 each)
Party-branded doeks	100	2 000 (at 20 each)
TOTAL		R27 788.80

The Inkatha Freedom Party (IFP)'s 'Sizonqoba' election campaign bus road show on the 29 of April 2019 (from Durban CBD, uMlazi, Scottburgh, uMkomaas, Umzinto, Hibberdene, Port Shepstone, up to Margate)

Item Description	Quantity	Estimated Costs in Rands (Based on Verified Market Prices and Researcher's Findings)
VIP Catering	10 officials	3 500 (at 350 per official)
Allowances for volunteers	15	1 500 (at 100 each)
VIP and senior officials transportation (fuel costs)	6 vehicles	7 910.40 (80 litres per vehicle at R16.48 per litre)
Election bus fuel expenses	1	1 648 (100 litres at R16.48 per litre)
PA System in a separate vehicle	1	9 400
Party-branded t-shirts	800	36 000 (at 45 each)
Party-branded caps	800	25 600 (at 32 each)
TOTAL		R85 558.40

Economic Freedom Fighters (EFF) Election Campaign Rally and March against Political Killings and Political Intolerance held at the Botha Park/ King Dinizulu Park, Berea on the 30 of April 2019

Item Description	Quantity	Estimated Costs in Rands (Based on Verified Market Prices and Researcher's Findings)
Allowances for volunteer marshals	60	4 800 (at 80 each)
PA System in a separate vehicle	1	9 400
VIP and senior officials transportation (fuel costs)	6	4 944 (50 litres per vehicle at R16.48 per litre)
Bus hire from eThekweni Municipality	200	1 300 000 (at 6 500 each)
Party-branded T-shirts	3 000	135 000 (at 45 each)
Party-branded caps	2 000	64 000 (at 32 each)
Party-branded berets	4 000	120 000 (at 30 each)
Party-branded hats	1 000	32 000 (at 32 each)
Party-branded wrap cloths	2 000	50 000 (at 25 each)
Party-branded doeks	2 000	40 000 (at 20 each)
TOTAL		R1 760 144

**The COSATU May Day celebrations (an ANC campaign event) attended at
Sugar Ray Xulu Stadium, Clermont on 1 May 2019**

Item Description	Quantity	Estimated Costs in Rands (Based on Verified Market Prices and Researcher's Findings)
High Platform Stage (10mx10m)	1	80 000
PA System	1	9 400
VIP Tent (frame tent) (20mx15m)	1	40 000
VIP and senior officials transportation (fuel costs)	20 vehicles	16 480 (50 litres per vehicle at R16.48 per litre)
Fuel costs for mobile vehicles with PA systems and speakers	6	7 910.40 (80 litres per vehicle at R16.48 per litre)
VIP Catering	30	10 500 (at 350 per official)
Allowances for volunteer security officials	40	7 200 (at 180 each)
Bus hire from eThekweni Municipality	100	650 000 (at 6 500 each)
Stadium hire	1	11 813 (eThekweni tariff)
Mobile water bowsers	2	5 247.4 (at 262.37 per hour for 10 hours)
Party-branded T-shirts	5000	225 000 (at 45 each)
Party-branded caps	5000	160 000 (at 32 each)
Party-branded hats	1000	32 000 (at 32 each)
Party-branded wrap cloths	3000	75 000 (at 25 each)
Party-branded doeks	3000	60 000 (at 20 each)
TOTAL		R1 407 030.80

Socialist Revolutionary Workers Party (SRWP) election campaign rally and May Day celebrations held at Botha Park/King Dinizulu Park, Berea

Item Description	Quantity	Estimated Costs in Rands (Based on Verified Market Prices and Researcher's Findings)
Bus hire from eThekweni Municipality	10	65 000 (at 6 500 each)
VIP and senior officials transportation (fuel costs)	5 vehicles	2 472 (30 litres per vehicle at R16.48 per litre)
Small banners (2mx3m)	4	1 600 (at 400 each)
PA System	1	9 400
Party-branded T-shirts	300	13 500 (at 45 each)
Party-branded caps	300	9 600 (at 32 each)
Party-branded hats	300	9 600 (at 32 each)
Party-branded wrap cloths	300	7 500 (at 25 each)
Party-branded doeks	100	2 000 (at 20 each)
TOTAL		R1 880 816

African National Congress (ANC) blitz and public engagement on 3 May 2019 at the Botha Park/King Dinizulu Park in Durban Central, Berea

Item Description	Quantity	Estimated Costs in Rands (Based on Verified Market Prices and Researcher's Findings)
Bus hire from eThekweni Municipality to carry volunteers to the venue	10	65 000 (at 6 500 each)
Small banners (2mx3m)	2	800 (at 400 each)
Volunteers for distributing flyers	800	Unpaid
Flyers (small)	5 000	1 166.66 (at 240 for 200)
PA System	1	9 400
Party-branded T-shirts	400	18 000 (at 45 each)
Party-branded golf shirts	400	12 800 (at 32 each)
Party-branded wrap cloths	400	10 000 (at 25 each)
Party-branded doeks	400	8 000 (at 20 each)
TOTAL		R125 166.66

African National Congress (ANC) Siyanqoba Election Campaign Rally in Tongaat Outspan Sportsfield in Tongaat, Durban

Item Description	Quantity	Estimated Costs in Rands (Based on Verified Market Prices and Researcher's Findings)
Bus hire from eThekwin Municipality to carry volunteers to the venue	20	130 000 (at 6 500 each)
Venue hire from eThekwin Municipality	125 per day	125
High platform stage (12mx5m) with 2 big projector screens on the sideways	1	60 000
Volunteer marshalls	20	3 600 (at 180 each)
VIP and senior officials transportation (fuel costs)	15 vehicles	12 360 (50 litres per vehicle at R16.48 per litre)
Mobile vehicles with PA systems and speakers	6	$1\,500 \times 6 + (180 \times 12) = 9\,000$ (for staff and fuel)
Entertainment performances by Andile KaMajola, Thembinkosi Thwala (of Uzalo), Hlengiwe Mhlaba, and other four Musical Groups	8	64 000 (at 8 000 each)
Mobile toilets	20	3 000 (at 150 per unit per day)
Flyers (small)	6 000	5 000 (at 240 for 200)
PA System 1		9 400
Party-branded T-shirts for 2000 people	1 000	45 000 (at 45 each)
Party-branded golf shirts	1 000	32 000 (at 32 each)
Party-branded wrap cloths	500	12 500 (at 25 each)
Party-branded doeks	500	10 000 (at 20 each)
TOTAL		R395 985

NB: Costs/expenses below (FNB Wadley Stadium) are based on verified market prices through quotations secured from service providers in Durban. Venue hire charges were verified with Municipal Offices and Durban Transport Buses hire charges were based on inquiries made at, and quotations secured from, the eThekwin Municipal Offices (City Fleet Unit) in Durban. Entertainment performance charges were based on inquiries made at the campaign venues and interactions with some of the performers at the venues. The details relating to stipends paid to volunteers were based on interviews conducted with some volunteers from different political parties.

African National Congress (ANC) Siyanqoba Election Campaign Rally at the First National Bank (FNB) Wadley Stadium in Msunduzi on 5 May 2019

Item Description	Quantity	Estimated Costs in Rands (Based on Verified Market Prices and Researcher's Findings)
Bus hire from eThekweni Municipality to carry volunteers to the venue	54	351 000 (at 6 500 each)
Helicopter hire	1	50 000
VIP and senior officials transportation (fuel costs)	20 vehicles	16 480 (50 litres per vehicle at R16.48 per litre)
Msunduzi Municipality mobile water carrier/bowser	1	(at R262.37 per hour for 10 hours)
Venue hire from Msunduzi Municipality	1 day	411 (at 411 per day)
High platform stage (12mx5m) with 2 big projector screens on the sideways	1	60 000
Volunteer marshalls	50	9 000 (at 180 each)
Umkonto WeSizwe Military Veteran Association (MKMVA)	30	5 400 (at 180 each)
Mobile Vehicles with PA systems and speakers	6	1 500 x 6 + (180 x 12) = 9 000 (for staff and fuel)
Entertainment performances by L Vovo Derrango (Thokozani Ndlovu), Maskandi Musical Group, Hlengiwe Mhlaba, Nathi & Khanyiso, Mondli Ngcobo, Buhle Bengezo Traditional Dance Group, and Khumbulani Traditional Dance Group	9	72 000 (at 8 000 each)
Mobile toilets	20	3 000 (at 150 per unit per day)
Flyers (small)	4 500	3 750 (at 240 for 200)
PA System	1	9 400
Party-branded T-shirts for 2000 people	2 000	90 000 (at 45 each)
Party-branded caps 500		16 000 (at 32 each)
Party-branded doeks	500	10 000 (at 20 each)
TOTAL		R708 064.70

ANNEX 3

COST VERIFICATION SHEET OF MEDIA COSTS FOR POLITICAL PARTIES (NEWSPAPER ADVERTS EXCLUDING RADIO) AND BILLBOARD ADVERTISEMENTS (25 APRIL - 18 MAY 2019)

Item Description	Quantity	Estimated Costs in Rands (Based on Verified Market Prices and Researcher's Findings)
AFRICAN NATIONAL CONGRESS (ANC)		
Billboards (4m x 4m)	20	226 156 each including production (12 500), lighting (9 500) and rental per month (51 039) for 4 months
Newspaper adverts (<i>in Mercury, Daily News and The Post</i>)	-	-
TOTAL		R4 523 120
ECONOMIC FREEDOM FIGHTERS (EFF)		
Billboards (4m x 4m)	5	226 156 each including production (12 500), lighting (9 500) and rental per month (51 039) for 4 months
Newspaper Adverts (<i>in Mercury, Daily News and The Post</i>)	-	-
TOTAL		R1 130 780
INKATHA FREEDOM PARTY (IFP)		
Billboards (4m x 4m)	4	226 156 each including production (12 500), lighting (9 500) and rental per month (51 039) for 4 months
Newspaper Adverts (<i>in Mercury, Daily News and The Post</i>)	3	91 137.15 (at 30 379.05 per advert 27cm x 18.8cm)
TOTAL		R995 761.15

DEMOCRATIC ALLIANCE (DA)		
Billboards (4m x 4m)	6	226 156 each including production (12 500), lighting (9 500) and rental per month (51 039) for 4 months
Newspaper Adverts (<i>in Mercury, Daily News and The Post</i>)	2	60 758.10 (at 30 379.05 per advert 27cm x 18.8cm)
TOTAL		R1 417 694.10
MINORITY FRONT (MF)		
Billboards (4m x 4m)	-	-
Newspaper Adverts (<i>in Mercury, Daily News and The Post</i>)	2	60 758.10 (at 30 379.05 per advert 27cm x 18.8cm)
TOTAL		R60 758.10

NB: The details relating to advertising costs in the newspapers cited above were arrived at using quotations secured from the newspapers, whilst the costs for production, lighting and rental of billboards were arrived at using verified market prices through quotations secured from relevant service providers in Durban.

ANNEX 4

COST VERIFICATION SHEET FOR ELECTION DAY EXPENSES FOR POLITICAL PARTY AGENTS (INSIDE AND OUTSIDE THE EIGHT POLLING STATIONS VISITED)

Political Party	Estimated Total Expenses for Meals, Refreshments, Transport and Communication (based on verified market prices and researcher's findings) (in rands)
ANC	12 140
EFF	2 760
DA	3 680
IFP	1 840
ATM	1 610
ACDP	1 610
COPE	1 330

CHAPTER 7

Eastern Cape

Patience Shawarira

EXECUTIVE SUMMARY

This report covers research conducted in the Eastern Cape between 22 April and 18 May 2019. Research methods include desktop research, interviews and observations conducted at rallies, and door-to-door campaigns. During the reporting period, the researcher conducted 12 interviews to gather the perceptions of stakeholders towards the Political Party Funding Act (PPFA). These interviews were as follows: eight with political parties, two with journalists, one with an expert researcher and one with a civil society organisation (CSO) representative.

Political parties actively campaigning in the Eastern Cape include the African National Congress (ANC), Democratic Alliance (DA) and Economic Freedom Fighters (EFF). Other smaller political parties include the African Christian Democratic Party (ACDP), African Transformation Movement (ATM) and the Socialist Revolutionary Workers Party (SWRP) (limited funding restricted their campaign activities to provinces where they were likely to have the most votes). Campaigns attended were in Makhanda (formerly Grahamstown), King William's Town, Port Elizabeth and East London. The researcher observed two door-to-door campaigns conducted by opposition parties; one was conducted by the DA with residents from Hlalani Township in Makhanda and the other was held by the EFF with residents from Duncan Village in East London. The researcher attended five political party campaigns organised by the ANC, DA and EFF. ANC rallies were held in Makhanda and King William's Town; the EFF campaign rally was held in East London, and a DA rally was held in Bethelsdorp outside Port Elizabeth.

The researcher attended two Freedom Day events, one public debate and one pledge-signing, and conducted three interviews with media personnel from Forte FM community radio and *Grocott's Mail* newspaper.

Expenditure was largely on political party regalia, PA systems, transport for political party supporters, media coverage, fliers and food packs for campaign rallies and door to door campaigns.

Sources of funding for the EFF campaign attended were from donors and supporters. The ANC funding was from donations by prominent members of the business community and from its annual membership fees. DA funds consisted of donations from benefactors and supporters, ACDP funds were in-kind donations from supporters, and SWRP funds were also donations from supporters. ATM campaign funding was from its membership and churches. The abuse of state funds was noted in the ANC campaigns which were masked as national Freedom Day and Workers' Day celebrations.

INTRODUCTION

The Eastern Cape's capital is Bisho and its largest cities are Port Elizabeth and East London. The province is a stronghold of the ANC, as can be seen from the 2009 elections when the ANC won 68.83% of the votes in Eastern Cape (IEC, 2019). This is also reflected in the presidential elections, where the ANC received a two-thirds majority.

The province is the birthplace of many prominent struggle icons and South African politicians, including Nelson Mandela, Steve Biko, Fort Calata, James Calata, Charles Coghlan, Matthew Goniwe, Chris Hani, Bantu Holomisa, Govan Mbeki, his two sons Moeletsi Mbeki and Thabo Mbeki, Raymond Mhlaba, Vuyisile Mini, Wilton Mkwayi, Oscar Mpetha, Griffiths Mxenge, Robert Resha, Walter Rubusana, Walter Sisulu, Robert Sobukwe, David Stuurman, and Oliver Tambo. The first premier of the Eastern Cape, Raymond Mhlaba, and current premier Oscar Mabuyane are both members of the African National Congress.

Evidence based on DA and EFF door-to-door campaigns indicated that people were prepared to vote for the ANC in the upcoming elections, because the ANC is the party they knew from the liberation struggle. In an informal interview conducted with a woman from Joza township outside Makhanda, she stated that she would vote for the ANC as the party had given her an RDP house and she was receiving social grants. She said she was not sure whether, if a different party came to power, she and others would continue to receive these benefits, as she felt that politicians do not always honour their promises once they are elected into power.

Key contenders in the Eastern Cape elections are the ANC, DA and EFF. The ANC has the largest support in the Eastern Cape followed by the DA and EFF. The United Democratic Movement (UDM) is also based in the Eastern Cape. The ATM, ACDPD and SWRP have less support than these three main parties. Informal interviews with DA supporters indicate that the DA has considerable support from voters in Port Elizabeth's coloured areas.

The ANC has links with businesses in the province through its business arm, the Progressive Business Forum, which was formed in 2006 with the primary objective of creating an ongoing dialogue between the ANC and the business

community. Through this group and with support from prominent members of the business community and donations from well-wishers, ANC was able to organise and deliver supplies such as blankets and foodstuff to people in Port St Johns who were affected by the floods in April 2019 (*see pictures in Annex*). This relief was provided after disaster hit the area, claiming a number of lives and leaving families destitute.

Other forms of indirect campaign in the rural areas included ANC officials participating in traditional ceremonies such as funerals, and making donations to the bereaved. Party officials used such indirect platforms to contact voters in the Ngcobo and Chris Hani region.

RESEARCH METHODOLOGY

The research methodology used to conduct this research in the Eastern Cape consisted of interviews, observations and desktop research. These included three interviews with ANC officials, one interview each with an official from the DA, the EFF, ATM, and ACDP and one with a member of the SWRP. Three campaign rallies, two door-to-door campaigns, two national Freedom Day events, one public debate event and one pledge-signing event were observed. In addition, two interviews were conducted with media personnel from Forte FM community radio and *Grocott's Mail* newspaper, one with an independent expert, and two interviews with CSO representatives.

On election day the researcher visited five polling stations; but heavy rains limited access between polling stations and as a result there were many stations the researcher was unable to visit that day. Another challenge was the distances between towns which meant travelling time of two to three hours. The choice of areas to visit for this research was determined by the accessibility of the town or city where campaigns were taking place. In addition, the researcher attended different political party campaigns in order to acquire a general sense of campaign expenditure by these parties.

Limitations

Challenges faced in conducting the research include limited funding to cover areas like Mthatha, which are a considerable distance from Makhanda. Another challenge in conducting the research was the overlapping party campaign schedules. Overall, the research was limited to three weeks. Heavy rains and flooding in some parts of the Eastern Cape limited access to some campaign areas. The researcher was unable to interview the IEC and EFF as both organisations deferred to their head offices. Access to some civil society groups in the province also proved problematic as these groups did not work on party and campaign finance.

Cost verification methods

Cost verifications were based on quotations from relevant service providers. In addition, the researcher contacted political party representatives requesting quotations and also conducted cost verification from online research of similar items.

KEY FINDINGS IN THE EASTERN CAPE

Stakeholder perception of PPFA

Political parties

African National Congress

The ANC confirmed its support for the Political Party Funding Act (PPFA) in an interview conducted on 1 May 2019 with the ANC provincial secretary for the Eastern Cape. The respondent said that private and foreign funding should be regulated as a way of creating transparency and accountability on election campaigns. He added that the ANC opposed foreign funding of political parties and noted that in other countries foreign funding poses challenges as it can be used to drive regime change. In a separate interview, another ANC official agreed that the ANC fully supports the enactment of the PPFA as a legal framework protecting against the use of campaign financing.

The ANC also considered the allocation criteria in the PPFA to be fair, as they are determined by political parties represented in the National Assembly and/or the provincial legislatures based on the number of seats won in the respective structures (PPFA 2018, 6(1) -(3)).

This eliminates the possibility that political parties with fewer votes might receive more funding than those with the majority of votes. Commenting on the ceilings on contributions and mandatory disclosure requirements, the ANC official said these are problematic as some donors may prefer confidentiality and not want their donations to be publicly known. Forcing political parties to disclose their sources of funding may therefore affect the smooth running of an election. The ANC representative also mentioned that party structures enable it to comply with the Act; for example, they have a treasurer who reports to their executive committee.

Democratic Alliance

In a lengthy statement the DA expressed their concern about the Act, which they perceived as a threat to both multi-party democracy in general and the DA in particular. The DA, they asserted, 'has a highly professional and ethical fundraising operation. We make it clear to donors that they are contributing

to democracy and good governance in South Africa, and that we will not give donors preferment or special treatment'. In their view, the Act makes it 'more onerous for honest parties to raise money legally. Until the government shows a willingness to act against those who have been allowed to raise money corruptly, the DA will remain very cynical about the motives behind the introduction of the legislation'. They also claimed that the PPFA 'has already had a chilling effect on our donors [who] believe... that they will suffer disadvantage if it becomes known that they donated to an (any) opposition party'. In addition, they expressed their scepticism about the IEC's ability to administer the legislation, and to do so fairly. 'We are increasingly of the view that the IEC is both partisan and inefficient', concluding that they received 'very limited funds from abroad, and those are mainly from foundations which support democracy. We will not disclose them until we are obliged to do so'.

African Christian Democratic Party

The ACDP provincial leader for Eastern Cape said the party fully supports the enactment of the PPFA as this provides transparency on political party funding and spending on election campaigns. He said failure to do so creates problem for accountability, using the Zondo Commission as an example. He also mentioned that the ACDP receive most of their funding from small donations made by party supporters, who could be councillors and/or members of parliament, and claimed that as a party they do comply with the current regulatory framework by submitting financial reports of campaigns and events held by the party to the IEC. As the IEC provides money to political parties to support campaigns, political parties are mandated to inform the IEC about how they have spent the money, and he added that the IEC is very strict on this. Thus, he considers that the IEC has full capacity to regulate the operation of the PPFA. He mentioned that they would like to get funding from the private sector but have faced challenges in doing so, adding that as a party they do not have any foreign funding.

African Transformation Movement

The ATM representative for the Eastern Cape responded that this party fully supports the PPFA, as in their opinion it forces political parties to declare their sources of funding. This framework ensures transparency on the part of political parties. The ATM has structures in place to comply with the PPFA, in the form of audited financial reports. They also have financial reporting mechanisms at national, provincial and regional level to comply with the PPFA. The party reports through the South African Council of Churches which forms part of its membership. The ATM representative said the party is deliberately self-funded through its membership and by churches as a way of ensuring that the party is not captured, i.e. that is not beholden to sponsors.

Socialist Workers Revolutionary Party

The SWRP provincial secretary for the Eastern Cape reported that the party fully supports the enactment of the PPFA, as the Act seeks to promote transparency regarding political party funding. He mentioned that the SWRP is funded by foreign donors from sister socialist parties in Africa and abroad including Zimbabwe, Zambia and Europe. Thus, the party funding is based on donations and it does not have any private or public funding. Commenting on the IEC capacity to regulate the PPFA, the respondent said that the IEC needs to strengthen its internal structures as a way of building its capacity to regulate and monitor the PPFA. He noted that political parties, especially the larger ones, will find ways of circumventing the Act and not fully complying, and thus the PPFA is not completely inviolable. More needs to be done by the IEC to strengthen its internal structures to ensure full compliance with the PPFA.

The respondent was of the opinion that the allocation criteria in the PPFA are fair as they ensure that political parties with a large number of votes receive public funding. The SWRP hope that in future they would also have access to funding from the IEC. He also felt that the ceilings on contributions and mandatory disclosure requirements are fair as they will force political parties to disclose funding sources above a certain threshold.

Media views on the PPFA

The researcher interviewed local media, specifically *Grocott's Mail* and Forte FM, a community radio station in the town of Alice. They were asked for their views on the PPFA and also if they covered the campaign period and presidential elections. A general view held by media bodies in the Eastern Cape is that they fully support the PPFA as it enhances transparency on the use of campaign finance, and ensures the accountability of political parties to the people, which is essential in a democratic society.

Independent analyst's views of the PPFA

The researcher solicited views on the PPFA from an independent analyst who commented that he was still grappling with the subject of political party funding. He opined that the PPFA was initiated to curb state capture, a situation whereby private donors often demand state contracts after donating large sums of money, especially to the ANC. For example, former President Zuma had urged companies to donate to the ANC as a form of investment. Thus, the Bill seeks to regulate private funding to political parties and limit contributions/donations, in exchange for state funding via Parliament. The analyst further remarked:

This is an excellent bill I think, in that it forces political party to be accountable and transparent. It also allows the electorate some kind

of participatory scrutiny, via the Parliament. This Act empowers the electorate to supervise their political parties. I love the Bill (*sic*), it also avoids a situation where democratic processes are controlled secretly by foreign governments and private companies. I do not agree with the DA for example which says that the Bill will scare away some of their backers. If such backers are truly scared away, it simply means that such donors were rogue donors to start with. I mean, why wouldn't they allow themselves to be scrutinised?

Commenting on the fairness of the allocation criteria, the analyst added:

... the Act is very fair in that each party gets what is proportionate to the voters they have, but of course, the system allows the ANC to get overwhelmingly more, which makes sense because the ANC is larger anyway. But objectively speaking, there are genuine business people who do not want to be known that they fund political parties. So, I think, political parties will struggle financially at some point because of the Bill.

The analyst commented on the contribution ceilings and mandatory disclosure requirements, and that the smaller contributions and limits are unfair to political parties because of the costs of running a political party. He added that he is 100% confident that the IEC is capable of effectively monitoring private funding, saying that the IEC has never disappointed in running elections: 'They are quite transparent and the best by African and world standards.' Commenting on the willingness of the private sector to disclose their donations, the analyst said those that have made dubious lucrative deals must be in a jittery mode. 'This is an egg in the face, they would need more sophisticated means to bribe state officials.'

Stakeholder preparedness to comply with the PPFA

The Independent Electoral Commission (IEC) established a code of conduct which both the DA and ANC signed, and which ensures that the election campaign is conducted in a free and fair manner, and that the law is respected. Abuse of state funds is therefore illegal and a breach of that promise to all South Africans. Compliance with the PPFA by political parties is still unclear as voters do not have information on who donates how much to which political party. Guidelines to operationalise the PPFA are yet to be finalised, hence reporting on the 2019 elections cannot be done.

President Ramaphosa signed the Political Party Funding Act into law but did not make the necessary proclamation to implement it, as required by Section

26 of that Act. The commencement date for the Act was 8 February 2019, and yet until the proclamation is made the PPFA is not fully operational. Critics thus view the signing of the PPFA as a mere public relations exercise as the Act is still not operational. Political parties are thus not bound by the Act as yet, which is especially problematic in light of speculations that political parties such as the EFF have received donations from 'cigarette smuggler and alleged underworld figure Angelo Mazzotti, or from somebody or some company associated with him or his cigarette company Carnilinx' (de Vos, 2019). Most donations to political parties remain confidential, making it difficult for voters to judge if a political party has been bought by special interest. Bosasa donations to the ANC is another example, and it is also unclear if the interests of property developers in Cape Town can be linked to donations made by these developers to the DA.

The ANC provincial secretary for the Eastern Cape commented that they rely on government structures which they consider strong enough to regulate the PPFA. He added that these government structures, together with the courts, are more than capable of regulating the PPFA. Separately, an interviewee who was both an ANC supporter and SASCO member, said that the IEC has been strengthened and is now able to monitor the PPFA. He also said that the recent appointment of a new IEC commissioner also indicates that the IEC is a transparent body able to carry out its mandate of operationalising the PPFA.

Media and civil society organisations

According to the elections editor for *Grocott's Mail*, the newspaper is prepared to report on and monitor compliance with the PPFA, stating that in the May 2019 elections the people's right to make an informed decision was being affected because they did not know the identities of the funders for certain political parties. The media are prepared to monitor compliance as a way of protecting the citizen's rights. He also noted that there may be challenges to *Grocott's Mail* in monitoring the compliance of political parties with the PPFA due to their inability to access information which could be found only in Pretoria, for example.

He mentioned that he was disappointed that the Act had not been operationalised in the run-up to the elections. 'The operationalisation of the act before elections would have shed light on who is funding political parties', he said. He also mentioned that corporates should be willing to reveal their donations to political parties if they do not have anything to hide. In addition, this editor mentioned that the Act should have been implemented years ago, saying lack of implementation of the Act is the root cause of corruption and this is seen in state capture. Companies are getting tenders and they are not being regulated as a result of funding certain political parties.

A political journalist from the East London newspaper, the *Daily Dispatch*, commented that the publication is prepared to monitor the PPFA, as the Act will

drastically enhance transparency and accountability in the country's political and electoral system. He added that the *Daily Dispatch* welcomes the law as it will deepen democracy and usher in a new culture of transparency.

The researcher also contacted the director of the Eastern Cape Non-Governmental Coalition (ECNGOC) who remarked that party funding is a universal problem in democracies. Political parties are resource-hungry institutions and exist in large part to enhance their interests. Businesses, civil society and citizens naturally want representatives who will advance their interests and may be willing to reach into their wallets to achieve this. Thus, the potential to buy influence is ever present and 'as ECNGOC, we are prepared to monitor compliance of political parties to the PPFA'. He stressed that there must be transparency about private political party funding, as 'we feel that the public and the electorate must have information that enable[s] them to make an informed vote'.

Campaign expenditure trends in the Eastern Cape

Direct expenditure

The following campaign rallies and door-to-door campaigns were attended over the period 29 April–7 May 2019 and include the costs incurred for these events. A door-to-door campaign organised by the DA in Hlalani Township, Makhanda (Grahamstown). This campaign was a low-cost event, with people being given T-shirts and fliers. The DA team visited five homes and handed over a total of eight T-shirts, fliers and pins as indicated in the cost verification form. The DA representative for Eastern Cape indicated that no expenses were incurred in this campaign as he used his own car and fuel allowance to drive from King William's Town to Makhanda. A meeting was meant to be held at Hlalani hall after the door-to-door meetings, but was cancelled. There was no media coverage of the event.

The researcher also attended a public debate held at Feather Market Centre in Port Elizabeth organised by the ANC. The six parties which took part in the Herald Candrad Elections Debate were Lance Grootboom (ACDP), Lulama Moolman (AIC), Stella Ndabeni-Abrahams (ANC), Nqaba Bhanga (DA), Lukhanyo Mrara (EFF) and Mabandla Gogo (UDM). The party representatives debated crime, jobs, housing backlogs and their plans to grow the economy. The debate was attended by party supporters in their party regalia. Costs incurred for this event were transport for the attendees, which was paid for by each political party. This debate was attended by 2 000 people and an estimated figure of R4 500 was used to cover transport costs. The event was held in a public place at no cost and security by Nelson Mandela Bay municipality officers was

provided free of charge. Media coverage by *HeraldLive* and SABC News was also free of charge.

On 3 May 2019, the researcher attended an EFF door-to-door campaign in Duncan Village, outside East London. A team of five EFF volunteers visited people's houses encouraging them to vote for the EFF in the upcoming national elections. The residents of Duncan Village were not given anything by the EFF representatives. The EFF contact person for East London indicated that the cost incurred for the door-to-door campaign was R500 for fuel for the EFF volunteers. On the same day, the researcher also attended an EFF rally held with students from Buffalo City Campus in East London. About 250 students were in attendance and they were given party T-shirts and caps.

Analysis of the trends in expenditure

Campaign expenditure for rallies across political parties were mostly for transport, T-shirts, fliers, food packs, PA systems and tents. Most campaign rallies were held in public facilities; thus, no costs were incurred for venue bookings.

Door-to-door campaign expenditure across political parties was for transport costs in the form of fuel to transport the volunteers to the places where they conducted the door to door campaigns.

In rural areas, spending on campaigns was for handouts; for example, the ANC donated food items and blankets to people in rural Eastern Cape, and those affected by floods in Port St Johns. In rural areas, the ANC attracted huge crowds to its rallies; for example, in Dimbaza thousands of people turned up for the campaign rally attended by President Ramaphosa (see pictures in Annex).

In urban areas, the ANC, DA and EFF held campaign rallies and door-to-door campaigns, most of which were very low cost. For example, in the DA door-to-door campaigns people were given only T-shirts and fliers. There were no visible handouts in the EFF door-to-door campaign in Duncan Village.

A trend that the researcher also observed in the rural areas during the elections campaign period was that of ANC officials taking part in traditional ceremonies such as funerals, and making donations to the bereaved. Party officials used such platforms to indirectly reach out to voters.

In discussions with media personnel from the SABC, *Daily Dispatch* and *HeraldLive* who were covering the elections, the researcher was informed that media coverage was free of charge in the run-up to the national elections. Most advertisements that the researcher observed were posted via online platforms such as the Facebook and the Twitter pages of the relevant political parties' social media platforms. There was no direct observation of newspaper adverts being placed in *HeraldLive*, the *Daily Dispatch*, *St Francis Chronicle*, *Grocott's Mail* or the *Graff-Reinet Advertiser* during the run-up to the 2019 elections.

Billboards were placed at various strategic points in major cities in the Eastern Cape by the ANC, DA and EFF. An estimated cost of the billboards is provided in Table 1 below, and a quotation is provided to verify these costs. Smaller political parties like the ATM, ACPD and SWRP did not have billboards.

Table 1:
Number of billboards estimated per political party

Political Party	Unit cost	Total Estimated cost of Billboards (in rands)
ANC	5 @ R10 260	R 51 300
DA	3 @ R10 260	R 30 780
EFF	1 @ R10 260	R 10 260

Table 2:
DA campaign rally in Bethelsdorp, Port Elizabeth

		Estimated cost per unit	Number of units observed	Verified costs (based on market prices)
Campaign rallies				
	Venue rental for rallies	Public facility	n/a	n/a
	Private security	Not observed	n/a	n/a
	Media coverage at campaign events	Free of charge	n/a	n/a
	Celebrity entertainers	Not observed	n/a	n/a
	Packs given to attendees	Not observed	n/a	n/a
	VIP catering	Not observed	n/a	n/a
	Transportation (number of taxis observed with an indication of cost)	R3 500	n/a	n/a
	Party memorabilia handed out	Not observed	n/a	n/a

		Estimated cost per unit	Number of units observed	Verified costs (based on market prices)
Door-to-door campaigns				
	Door-to-door campaign at Hlalani township, Makhanda			
	Cost incurred for door-to-door campaigns, divided into fees, meals and transportation	Transport fuel, R400	1	R400
	Installation of stalls at strategic points	Not observed	n/a	n/a
Political advertisements				
	Cost of advertisements (TV, newspaper, hand-bills, billboards etc.)	Not observed	n/a	n/a
Stalls and other installations at strategic locations	Pledge-signing table at Church Square, Makhanda			
	Space rentals	Public facility	n/a	n/a
	Rentals of tents/booths	Not Observed	n/a	n/a
	Rentals of chairs and tables	Use of party equipment, 2 tables, 2 chairs	n/a	n/a
	Cost of gifts/ items distributed	R6 (300 Fliers)	50	R90 000
Election day expenditure				
	Rental of tables and chairs at polling stations	They used their own	n/a	n/a
	Meals	Not observed	n/a	n/a
	Transport allowance (paid)	Not observed	n/a	n/a
	Transportation (taxi service)	1 big taxi	n/a	R970
	Fee or allowance	Not observed	n/a	n/a
	Airtime and data	Not observed	n/a	n/a
	Free Wi-Fi	Not observed	n/a	n/a
	Others (please specify)			
Total				R90 400

Table 3:
EFF campaign rally at Buffalo City campus in East London

		Estimated cost per unit	Number of units observed	Verified costs (based on market prices)
Campaign rallies				
	Venue rental for rallies	Free of charge	n/a	n/a
	Private security	Not observed	n/a	n/a
	Media coverage at campaign events	Free of charge	n/a	n/a
	Celebrity entertainers	Not observed	n/a	n/a
	Packs given to attendees	Not observed	n/a	n/a
	VIP catering	Not observed	n/a	n/a
	Transportation (number of taxis observed with an indication of cost)	Transport costs of R800	n/a	R800
	Party memorabilia handed out	Not observed	n/a	n/a
Door-to-door campaigns				
	Cost incurred for door-to-door campaigns – split into fees, meals and transportation	Fuel for R500	n/a	n/a
	Installation of stalls at strategic points	Not observed	n/a	n/a
Political advertisements				
	Cost of advertisements (TV, newspaper, handbills, billboards etc.)	Not observed	n/a	n/a
Stalls and other installations at strategic locations		Not observed	n/a	n/a

	Space rentals			
	Rentals of tents/ booths			
	Rentals of chairs and tables			
	Cost of gifts/ items distributed			
	Other costs incurred			
Election day expenditure				
	Rental of tables and chairs at polling stations	Used their own tables and chairs (two of each)	n/a	n/a
	Meals	Not observed	n/a	n/a
	Transport allowance (paid)	Not verifiable	n/a	n/a
	Transportation (taxi service)	One big taxi		R970
	Fee or allowance	Not observed	n/a	n/a
	Airtime and data	Not Observed	n/a	n/a
	Free Wi-Fi	Not observed	n/a	n/a
	Others			
Total				R1 770

Indirect expenditure trends

The researcher observed indirect expenditure by the Department of Arts and Culture in sponsoring the Freedom Day celebration, which was used by the ANC to campaign for election votes. South Africa's national Freedom Day celebrations were held at Miki Yili Stadium in Joza Township, Makhanda on 27 April 2019 and attended by an estimated 14 000 people. Although the celebrations are a national event the ANC turned this into an ANC rally with ANC party supporters turning up in their numbers, wearing party regalia and singing party campaign songs. However, the ANC claimed that 'All political parties were invited to attend – but some members of the opposition chose not to attend the event' (*Grocott's Mail*, 2019). EFF members dressed in their distinctive political party regalia were denied access to the event, further indicating the partisanship of the security hired for the Freedom Day commemorations.

Expenses incurred in organising the Freedom Day celebrations were as follows: five South African Air Force (SAAF) jets zipped across Miki Yili Stadium for two days, with an estimated cost for flying each jet pegged at R82 900 per hour. Municipal vehicles were in evidence both on the day before and during the Freedom Day celebrations.

Attendees were given food packs consisting of a fruit, bread, roast chicken and fruit juice. Hundreds of food packs were left at the entrance of the stadium. Catering was organised by the Department of Arts and Culture. An official from the municipality said renovations to Miki Yili Stadium were done via the presidency and not through the Makana municipality, as is the norm with national events.

Extra police protection was hired for the event and extensive security was evident at the venue throughout the day. National, provincial and local traffic police guarded intersections on the route, alongside military police. Inside and outside the tents plainclothes officers kept an eye on the crowd, while anyone entering the security perimeters was searched and their bags put through X-Ray machines while they walked through a metal detector.

It was difficult to verify the costs incurred for the Freedom Day celebration as the event was a national day and expenses were paid from state funds. This celebration provided an indirect platform for the ANC campaign. Members of Eastern Cape royalty, including amaNdlambe chiefs and the NamaKwa traditional house, had VIP seats. Senior SANDF and SA Navy officers filled a seating block plus three rows in the next block (*ibid.*).

A Workers' Day rally held in King William's Town on 1 May 2019 was attended by members of different workers unions, namely Congress of South African Trade Unions (COSATU), South African Municipal Workers Union (SAMWU), National Education, Health and Allied Workers Union (NEHAWU), South African Federation of Trade Unions (SAFTU) and the South African Transport and Allied Workers Union (SATAWU). The ANC used the opportunity to campaign and urge attendees to support the ANC in the upcoming elections, giving it an unfair advantage in that it used a national, non-political event to campaign. ANC party campaign songs were sung, and entertainment was provided by a dance group called Slow Foot, with media coverage by the *Daily Dispatch*. An event organiser confirmed that the cost for the PA system and stage setup was R200 000 and was paid for by COSATU with support from the government. Other costs incurred for this event were estimated at R64 000 for transport and VIP cars (*see cost verification form*). There were five cars branded with the message 'SADTU says vote ANC' (SADTU is a teachers' union affiliated to COSATU and thus allied to the ANC), and cars belonging to SADTU members were branded with ANC messages.

Table 4:
ANC National Freedom Day celebrations (costs covered by the Department of Arts and Culture)

	Estimated cost per unit	Number of units observed	Verified costs (based on market prices)
Campaign rallies			
Venue rental for rallies: Big tent	R73 500	3	R220 500
Small tent	R80 000	1	R 80 000
Private security	South Africa police services	n/a	n/a
Media coverage at campaign events	Media coverage was free of charge	n/a	n/a
Celebrity entertainers	Not observed	1	Not observed
Packs given to attendees (enumerate each item in the packs given to attendees)			
	R12	12 000	R14 400
Soft drink	R 4	12 000	R48 000
Banana	R 4	12 000	R48 000
Bread, 2 Slices	R15	12 000	R18 000
Chicken piece			
VIP catering	Not observed	n/a	n/a
Transportation (number of taxis observed with an indication of cost)	60 Taxis @R2 845	60	R170 700
Party memorabilia handed out	Not observed	n/a	n/a
Door-to-door campaigns			
Cost incurred for door-to-door campaigns, divided into fees, meals and transportation	Not observed	n/a	n/a
Installation of stalls at strategic points	Not observed	n/a	n/a

Stalls and other installations at strategic locations		Not observed	n/a	n/a
	Space rentals	Not observed	n/a	n/a
	Rentals of tents/booths	Not observed	n/a	n/a
	Rentals of chairs and tables	Not observed	n/a	n/a
	Cost of gifts/ items distributed	Not observed	n/a	n/a
	Other costs incurred	Not observed	n/a	n/a
Election day expenditure				
	Rental of tables and chairs at polling stations	They used their own tables and chairs	n/a	n/a
	Meals	Not observed	n/a	n/a
	Transport allowance (paid)	Not observed	n/a	n/a
	Transportation (taxi service)	1 large taxi	1	R970
	Fee or allowance	Not observed	n/a	n/a
	Airtime and data	Not observed	n/a	n/a
	Free Wi-Fi	Not observed	n/a	n/a
	Others (please specify)			
Total				R600 570

Table 5:
ANC May Day celebration costs

	Estimated cost per unit	Number of units observed	Verified costs (based on market prices)
Campaign rallies			
Venue rental for rallies	Public facility	n/a	n/a
Security	South Africa police services	n/a	n/a
Media coverage at campaign events: Daily Dispatch	Free of charge	n/a	n/a
Celebrity entertainers	Slow foot dance group	R2 500	R2 500
Packs given to attendees	Not observed	n/a	n/a
PA system	R200 000	1	R200 000
Transportation (number of taxis observed with an indication of cost)	Transport for 2 000 people @ R12 each	R2 000	R24 000
Party memorabilia handed out	Not observed	n/a	n/a
Total			R226 500

Emerging culture of handouts in campaigns

The researcher noted the ruling party distributed relief materials to victims of flooding in Port St Johns. However, due to difficulties in accessing the area, the researcher was not able to observe this process first-hand.

Trends in campaign contributions

The ANC, DA and ACPD received public funding through the RPPA as these parties have seats in Parliament. In line with the law, no allocations are made from the Fund to political parties which are represented in municipal councils only (nor to those which have no elected representatives at all), according to the IEC website.

The ATM and SWRP did not receive any public funding as they are yet to qualify for such funds, according to these allocation criteria. These two parties therefore relied on donations from their members and well-wishers.

Sources of ANC funding, as already indicated, are from companies and prominent business people. DA funding is from company donations and its membership. ACPD funding is from its membership and donations from well-wishers; the ATM and SWRP are funded by donations from well-wishers. None of the parties indicated that they receive funding from foreign donors. With the PFA yet to come into force, it was difficult to ascertain the extent of private funding received by parties during the 2019 elections.

In-kind contributions

The researcher did not observe any in-kind contributions in the Eastern Cape.

References

- De Vos, P. (2019) *Constitutionally Speaking*, 12 February, available at: <https://constitutionallyspeaking.co.za/political-party-funding-act-should-be-brought-into-operation-forthwith/2019>
- EISA (2009) South Africa: 2009 Eastern Cape Legislature election results. Available at: <https://www.eisa.org.za/wep/sou2009resultsa.htm>
- Electoral Commission of South Africa (2018) 'Party Funding'. Available at: <https://www.elections.org.za/content/Parties/Party-funding/>
- Grocotts Mail* (2019) 'Makhanda hosts successful Freedom Day celebrations, 28 April', Available at: <https://www.grocotts.co.za/2019/04/28/makhanda-hosts-successful-freedom-day-celebrations/>
- IEC (2019) 2019 National and Provincial Elections: Results Dashboard. <https://www.elections.org.za/NPEDashboard/app/dashboard.html>
- Kuye, J. O. & Cedras, J. P. (2011). 'Dialogue between the ANC, COSATU and the SACP: the impact on leadership, governance and public policy in South Africa'. Available at: <https://repository.up.ac.za/handle/2263/18302>
- My Vote Counts* (2018) 'Political Party Funding Bill'. Available at: <http://www.myvotecounts.org.za/wp-content/uploads/2018/04/FINAL-Policy-Brief-Party-Funding-Bill.pdf>
- My Vote Counts* (2019?) 'Political Party Funding'. Available at: <https://www.myvotecounts.org.za/campaigns/political-party-funding/>
- News24 (2018) The ANC and Cosatu's alliance. Available at: <https://www.news24.com/MyNews24/the-anc-and-cosatus-alliance-20180903>
- Quintal, G. (2019). 'Who is funding SA political parties'. *Business Day*, 17 April. Available at: <https://www.businesslive.co.za/bd/politics/2019-04-17-who-has-been-funding-sas-political-parties/>

ANNEX

Evidence of findings Photographs taken during fieldwork



ANC Rally in Dimbaza (Source: ANC Eastern Cape Facebook)



ANC Rally in Butterworth (Source: ANC Eastern Cape Facebook)



ANC makes donations to residents in Port St Johns (Source: ANC Eastern Cape Facebook)



*ANC makes a donation of R50 000 to residents in Port St Johns
(Source: ANC Eastern Cape Facebook)*

Evidence of possible abuse of state resources during the Freedom Day celebrations



ANC members in political party regalia at Miki Yili Stadium during Freedom Day celebrations



ANC members in political party regalia at Miki Yili Stadium during Freedom Day celebrations



ANC members in political party regalia seen at Miki Yili Stadium



Aerial display by South African Air Force across Miki Yili Stadium during Freedom Day commemorations



EFF supporters march outside Miki Yili Stadium after being denied access to the stadium



Food packs handed over to attendees at the Freedom Day celebrations

CHAPTER 8

Limpopo

Letlhogonolo Mpho Letshele

EXECUTIVE SUMMARY

This executive summary provides a brief overview of the activities and key findings of research into the financing of political party campaigns undertaken in the province of Limpopo between 23 April and 4 May 2019 i.e. the period leading up to the national and provincial elections. The research was informed by interviews with the political parties to acquire information on their campaign finance. Research methodology consisted of 23 interviews: seven with media personnel, four with political analysts, one with an academic, five with private companies and six with civil society organisations (CSOs). In addition, the researcher covered both rural and urban areas by attending political party campaigns, rallies, meetings and debates as well as using desktop research to supplement the interviews.

A major finding is the inadequate understanding by stakeholders of the PPFA legal framework. There is insufficient transparency on the part of political parties about the sources of their campaign finance, more especially on private sources of funding. The IEC is yet to finalise its arrangements for regulating political party and campaign finance. Media personnel, however, indicated that they are willing to monitor the PPFA as part of their watchdog role. Private businesses which funded smaller political parties in Limpopo were uncertain about the implementation of the PPFA, as they were concerned that disclosing information on which political party they funded could place them in a bad light with those parties they did not fund. Most representatives of political parties supported the implementation of the PPFA, saying it would promote transparency and accountability as they would be obliged to reveal their sources of funding.

INTRODUCTION

The province of Limpopo is known to be politically vibrant and was very active in the struggle against apartheid, having produced some of the country's political heavyweights such as Peter Mokaba, Cyril Ramaphosa and Julius Malema.

Until 2014 Limpopo was considered to be a predominantly ANC stronghold. However, the political landscape changed with the emergence of the Economic Freedom Fighters (EFF) which affected the political structure of the province mainly because it is the home of the EFF leader. As a result, political support has since shifted between the two parties and the EFF is particularly strong in Limpopo. Notably, both current leaders of the ANC and EFF respectively come from this province, which would have an effect on party positions there.

In the 2014 elections, four political parties won seats in the legislature, with the majority party, the ANC, garnering 39 seats, the EFF six seats and the DA three seats followed by COPE, with a single seat. However, Limpopo had the biggest drop in voter turnout during the 2019 elections of 34.72% compared to 1999. On voting day, an ongoing municipal demarcation dispute in Vuwani led to disruptions and arrests.

According to Eyewitness News of 19 December 2018, the ongoing Zondo Commission of Inquiry into State Capture has been linked to the rise of Julius Malema as president of the ANC Youth League and the financial collapse of the Limpopo government under Premier Cassel Mathale. Limpopo was also home to the VBS (Venda Building Society) based in Thoyandou, Limpopo, which collapsed in 2019 after R2bn was stolen by the bank's directors, senior executives and well-connected politicians. This is a tragedy in the making because Limpopo is riddled with political tension between pro-and anti-VBS forces in the province.

RESEARCH METHODOLOGY

The research focused on political party campaign finance by observing and analysing spending trends of different political parties, and soliciting their views and those of other stakeholders involved in the monitoring of political party funding. Data collection methods thus involved attending political party campaign rallies, door-to-door campaigns and meetings, as well as conducting interviews with private company representatives, media analysts, academics and political analysts. YouTube videos of campaign rallies also formed part of the desktop research. From the EFF YouTube videos it was evident that Limpopo is a stronghold for the EFF, with a high turnout of EFF supporters at its rallies. The researcher also identified YouTube videos of the ANC rally in Seshego, where many ANC supporters turned up in their party regalia. COPE door-to-door campaigns in Mokopane appeared to be low-cost with a few volunteers visiting people's homes, as was also seen in YouTube videos.

It is difficult to quantify the costs incurred from these YouTube campaigns as the researcher was not physically present to assess the costs incurred by each political party.

Political party campaigns attended include five campaign rallies with the ANC, EFF and COPE (in Seshego, Sekhukune, Nkowankowa, Botlokwa, Polokwane); three door-to-door campaigns with the ANC, DA and COPE (in Blood River, Mamokgadi Village and Sekhukhune), and two political meetings (in Ga-Mamaila and Lephalale) organised by the ANC.

Though several political parties embarked on election campaigns in the province, for the purpose of this research the author limited the research to five political parties which had actively campaigned, namely the ANC, EFF, COPE, DA and the ACDP.

The relevant media stakeholders consulted include the SABC, eNCA, and local radio stations Thobela FM, Energy FM, Capricorn FM, Choice FM & Rise FM. Civil society organisations and think tanks consulted for the research include My Vote Counts (MVC), Right2Know, Media Monitoring Africa (MMA), Radical Economic Transformation Forum (RETF), South African National Civic Organisations (SANCO), and Business Unity South Africa (BUSA). Religious organisations consulted include the South African Council of Churches (SACC).

Other relevant stakeholders include the Independent Electoral Commission (IEC), public relations experts and traditional authorities from the Department of Cooperative Government, Human Settlements and Traditional Authorities (COGHSTA) and the Congress of Traditional Leaders (CONTRALESA). Areas for the research were selected on the basis of population density and party strongholds and locations were determined by the political parties. Cost verification methods were informed by interviews with the political parties to acquire information on their campaign finance. To verify the costs of expenses observed during the campaigns, the researcher obtained quotes and estimations from service providers to compare market prices.

KEY FINDINGS IN LIMPOPO

Stakeholder perception of PPFA

Political parties

Political parties held contrasting views on the legal framework of the Political Party Funding Act (PPFA) of 2018, especially regarding the position of the IEC on the matter. Smaller political parties such as the ACDP argued that the implementation of this Act will be critical in exposing the influence of private funding on policy. Therefore, all funding must be transparent. Political parties exist for the purpose of serving the people and therefore citizens must have the right to know who funds the political parties they wish to vote for.

However, some political parties such as the EFF argued that the formula based on proportional representation used for allocation by this Act encourages competition among the political parties. They believe that this method of funding

allocation encourages political parties to work even harder the following year in order to receive more money; hence, the fund is seen as an incentive for the political parties represented in Parliament. Therefore, smaller political parties cannot be allocated the same amount of money as the larger parties.

Parties with a larger representation such as the DA argued that they would provide information about their sources of private funding only once the Act is implemented, that is, when they would be obligated to do so. This is because at the time of writing there is no obligation to reveal their sources, thus the protection of their donors' identities is a priority.

Smaller political parties such as COPE argued that they support the current practice in the Represented Political Parties Fund (RPPF) and would prefer that all political parties represented in Parliament should receive equal allocations. They argue that these parties represent a constituency and therefore need money from the fund to function and campaign in their constituencies. An EFF official further argued that when political parties debate policy in Parliament, they do so as equals. All parties should thus be allocated the same amount of money because once a policy becomes law it is not attributed to that party on the basis of its proportional representation. Thus, political parties are inherently equal in Parliament and therefore public funding should also be allocated equally.

Civil society organisations (CSOs)

Civil society organisations such as My Vote Counts and Right2Know believe that the obligation of parties to disclose information on their campaign financing is not dependent on the enactment of the Bill. My Vote Counts and Right2Know gave reasons why concealing this information contributes to political inequality. For example, the information would reveal the financial sources to which political parties are more likely to respond. It would help the public and media to root out cases of undue influence by donors. Furthermore, exposure could deter donors and political parties from engaging in corrupt practices, and reduce undue access by the elite to political parties.

Religious organisations

The South African Council of Churches (SACC) welcomes the implementation of the PPFA. They believe the PPFA will help in monitoring the decision-making of political parties. The Council further notes that private funding has a significant influence on the decision-making of political parties; therefore, its regulation and disclosure will help citizens to hold political parties accountable. Although religious organisations are not prohibited from participating in politics, there is a consensus that they must be protected from politics because of its perceived violent nature. The SACC argued that churches are non-profit organisations and therefore do not have the financial capacity to fund political parties. The Council argued that though it is not entirely against church law to fund a political party,

it is not encouraged. The main concern that emerged from the interview was what interest it would serve for churches to fund a political party.

The indirect support of political parties by churches is also frowned on by the Council. One of the chairpersons argued that as a church is a place of worship it would be inappropriate to become involved in party politics. Political parties may join a church as ordinary members of the congregation but may not use the institution as an opportunity to advance political agenda. He further explained that members of the church may be involved in politics independently from the church. They do so on their own accord, in their own private time and space.

Independent Electoral Commission (IEC)

During the course of the research officials based at the IEC Provincial Office in Polokwane were interviewed. These officials seemed to have very little knowledge about PPFA 2018. However, they expressed the view that the PPFA 2018 is good legislation as it attempts to level the playing field for political parties in South Africa.

The PPFA is expected to be implemented in 2020 by all IEC structures and offices, from national to provincial offices. Provincial offices (through the Provincial Electoral Officer (PEO) and support staff) will also be responsible for PPFA implementation in each of the nine provinces.

The key findings of the research were that there is no central point of information regarding public and private funding of political parties; no transparency, regulation or oversight of private funding of political parties, especially at provincial level.

Experts

All experts agreed that the regulation of political party funding would help hold all political parties and private sources of funding accountable to the voters. One political analyst said that the PPFA should also extend to intra-party campaign funding, as this would introduce accountability and regulation of party funding at party level. Another political analyst said the regulation would also show how much companies invest in political party funding, and this would hold parties accountable for their expenditure.

Some regulations exist to guide the expenditure of the public party fund; for example, the money from the public fund cannot be used to pay IEC officials; the money cannot be used to buy private property nor pay a public servant or buy shares in a business. The public fund is therefore controlled in this sense because it is transparent.

Private funding

Private funders from the Moolman Group and Ross Investment argue that the PPFA will negatively impact on their ability to fund political parties because

some corporates do business with government. Disclosure might affect their ability to get government contracts, which would in turn have a negative impact on their company. Thus, although some of these companies would want to support political parties and the regulation and disclosure of private funding, this may be to their detriment in terms of their relationship with government. Sources of private funding said they prefer to remain anonymous because of the fear of victimisation by the government.

Traditional authorities

Traditional authorities in the province welcome the PPFA. They particularly commend the regulation of private funding because they believe that implementation of the Act will assist in curbing the influence of private funding on policy.

However, a point of contention in the perception of the PPFA by some traditional leaders concerned the relationship between the Congress of Traditional Leaders of South Africa (CONTRALESA) and the ANC, which CONTRALESA has openly supported. Some traditional authorities have therefore argued that they too would like to support political parties of their choice without discrimination.

Stakeholder preparedness to comply with PPFA

Political parties

Smaller political parties such as COPE said that they abide by the national standard on compliance with the PPFA. COPE further said that their provincial office produces a financial report on a monthly basis to ensure the party complies with the legislation. Funders must be declared and no private funding for more than the indicated amount had been received.

More heavily represented political parties such as the ANC, EFF and DA said that the legal framework of party campaign finance is administered by their respective national offices and thus political parties at provincial level could not comment on the PPFA. Some political parties said that to assemble the information on sources of funding would place an unrealistic burden prior to the elections.

Media

Media houses in Limpopo revealed that they had a general knowledge of PPFA 2018. With regards to the specifics of the Act, they commended the requirement of political parties to disclose donations above R100 000 paid directly by donors, and to report the donor's names and the amount donated to the IEC. There was

consensus that the changes brought about by these new regulations would alter the political landscape for parties and their major corporate and wealthy individual donors.

In an interview, *Mail & Guardian* journalist Govan Whittles indicated that the media is prepared to monitor the PPFA. Whittles added that he sees no reason why the Act cannot be implemented, as the IEC needs to collect and receive financial information and then publish it. He said he sees no reason why this cannot happen before the local government elections.

In interviews with the both the provincial SABC radio stations and some local radio stations, they commented that they have a duty to comply with the PPFA as part of their watchdog role, adding that they aim to provide equal airtime to all political parties. The radio stations that were interviewed, Energy FM and Rise FM, revealed that they had no systems in place to specifically monitor PPFA 2018. However, they indicated that their task as broadcasters is to serve as watchdogs and whistle-blowers and as such, they are prepared to monitor the PPFA.

Private businesses

The major research findings from interviews with a Polokwane-based businessman in the province indicated that he had very little knowledge of PPFA 2018. However, the common factor among the different businesses was that they would prefer not to have their identities revealed by the IEC because they fear adverse reaction from those political parties whose funding requests they had rejected.

Campaign expenditure trends in Limpopo

Political parties did not spend a large amount of their funding on advertising, as they generally relied on their social media platforms such as Twitter and Facebook. There was no evident trend of distribution of parcels during political party campaign rallies and/or door-to-door campaigns. Political parties spent most of their funds on transportation e.g. hiring of buses from member's homes to campaign rallies and door-to-door campaigns. Political parties also spent some of the funds on T-shirts; but much of the fund money went into private security for the events. There is no evidence of the role of private funding during the political party campaign finance. However, some private funding sources indicated that would prefer to donate to political parties anonymously for fear of victimisation by the ruling party.

Table 1:
EFF rally at Nkowankowa Stadium, Tzaneen, 28 April 2019

Item	Verified cost based on market prices	Number of units observed	Total cost based on market price
Venue rental for rallies	Public facility	n/a	n/a
Private security	R13 225	100	R1 322 500
Media coverage at campaign events	n/a	n/a	n/a
Celebrity entertainments	R45 000	1	R45 000
Packs given to attendees	n/a	n/a	n/a
T-shirts	R40	5 000	R 200 000
VIP catering	R129	100	R 12 900
Transportation	R4 672	35	R 163 520
Head wraps	R30	100	R3 000 (estimated cost)
Total expenditure			R 1 746 920

Table 2:
ANC/COSATU May Day rally, Lenyenye Stadium, Tzaneen, 01 May 2019

Item	Verified cost based on market prices	Number of units observed	Total cost based on market price
Venue rental for rallies	Public facility	n/a	n/a
Private security	South African Police Service	n/a	n/a
Media coverage at campaign events	n/a	n/a	n/a
Celebrity entertainments	n/a	n/a	n/a
Packs given to attendees	n/a	n/a	n/a
T-shirts	R40	7500	R300 000
VIP catering	R129	200	R 25 800
Transportation	Not provided	n/a	n/a
Total expenditure			R325 800

Table 3:
ANC mini-rally, Botlokwa Sport Complex, Botlokwa. 3 May 2019

Item	Verified cost based on market prices	Number of units observed	Total cost based on market price
Venue rental for rallies	Public facility	n/a	n/a
Private security	R13 225	75	R991 875
Media coverage at campaign events	n/a	n/a	n/a
Celebrity entertainments	n/a	n/a	n/a
Packs given to attendees	n/a	n/a	n/a
T-shirts	R40	2 500	R100 000
Fliers	R4	2 500	R 10 000
Toilets for hire	R2 760	10	R 27 600
VIP catering	R129	10	R 1 290
Transportation	R4 672	10 buses	R 46 720
Total expenditure			R1 177 485

Table 4:
EFF Rally, Seshego, Polokwane, 26 April 2019

Item	Verified cost based on market prices	Number of units observed	Total cost based on market price
Venue rental for rallies	Public facility	n/a	n/a
Private security	R13 225	150	R1 983 750
Media coverage at campaign events	n/a	n/a	n/a
Celebrity entertainments	R100 000	1	R100 00
Packs given to attendees	n/a	n/a	n/a
Fliers	R4	4 500	R 15 750
VIP catering	R129	200	R 25 783
Transportation	R4 672	40 buses	R 186 880
Total expenditure			R2 312 163

Table 5:

ANC door-to-door campaign, Nirvana & Westenburg, Polokwane, 4 May 2019

Item	Verified cost based on market prices	Number of units observed	Total cost based on market price
Venue rental for rallies	Public facility	n/a	n/a
Private security	n/a	n/a	n/a
Media coverage at campaign events	n/a	n/a	n/a
Celebrity entertainments	n/a	n/a	n/a
Packs given to attendees	n/a	n/a	n/a
T-shirts	R40	1 500	R60 000
VIP catering	R129	35	R 4 515
Transportation	n/a	n/a	n/a
Total expenditure			R64 515

Table 6:

ANC door-to-door campaign, Mamogadi Village, Giyani, 24 April 2019

Item	Verified cost based on market prices	Number of units observed	Total cost based on market price
Venue rental for rallies	n/a	n/a	n/a
Private security	n/a	n/a	n/a
Media coverage at campaign events	n/a	n/a	n/a
Celebrity entertainments	n/a	n/a	n/a
Alcohol	R1 000	500	(500 000 total cost, unverifiable)
T-shirts	R40	500	R20 000
VIP catering	R129	10	R1 290
Transportation	R4 672	1 bus	R4 672
Total expenditure			R525 962

Table 7:
COPE door-to-door campaign, Seshego, 26 April 2019

Item	Verified cost based on market prices	Number of units observed	Total cost based on market price
Venue rental for rallies	n/a	n/a	n/a
Private security	n/a	n/a	n/a
Media coverage at campaign events	n/a	n/a	n/a
Celebrity entertainments	n/a	n/a	n/a
Packs given to attendees	n/a	n/a	n/a
Posters	R17	20	R340
Fliers	R4	750	3 000
Food for campaigners	R45	9	R405
VIP catering	R129	1	R129
Transportation, fuel Full tank @ 1 bakkie	R16	65 Litre tank	R1 040
Total expenditure			R4 914

Table 8:
DA door-to-door campaign, Sekgosese, 28 April 2019

Item	Verified cost based on market prices	Number of units observed	Total cost based on market price
Venue rental for rallies	n/a	n/a	n/a
Private security	n/a	n/a	n/a
Media coverage at campaign events	n/a	n/a	n/a
Celebrity entertainments	n/a	n/a	n/a
Packs given to attendees	n/a	n/a	n/a
T-shirts	R40	250	R10 000
Posters	R15	25	R375
Fliers	R4	500	R2000
VIP catering	n/a	n/a	n/a
Transportation	R4 672	10 buses	R46 720
Total expenditure			R59 095

Table 9:
COPE community Meeting, Ga-Sekhukhune, Waterberg region, 29 April 2020

Item	Verified cost based on market prices	Number of units observed	Total cost based on market price
Venue rental for rallies	n/a	n/a	n/a
Private security	n/a	n/a	n/a
Media coverage at campaign events	n/a	n/a	n/a
Celebrity entertainments	n/a	n/a	n/a
Packs given to attendees	n/a	n/a	n/a
T-shirts	R40	250	R10 000
Fliers	R4	2 000	R8 000
VIP catering	Not provided	n/a	n/a
Transportation	R4 672	1 bus	R46 72
Total expenditure			R22 672

Table 10:
ANC political meeting, Lephalale TVET College, 30 April 2019

Item	Verified cost based on market prices	Number of units observed	Total cost based on market price
Venue rental for rallies	n/a	n/a	n/a
Private security	n/a	n/a	n/a
Media coverage at campaign events	n/a	n/a	n/a
Celebrity entertainments	n/a	n/a	n/a
Packs given to attendees	Not provided	n/a	n/a
T-shirts	R40	250	R10 000
VIP catering	Not provided	n/a	n/a
Transportation	n/a	n/a	n/a
Total expenditure			R10 000

Table 11:
ANC Political campaign, Mamokgadi Village, 27 April 2019

Item	Verified cost based on market prices	Number of units observed	Total cost based on market price
Meals (plate of pap and meat)	R50	100	R5 000
Transportation Allowance to & from area of residence	R4 672	1 bus	R4 672
T-shirt	R40	250	R10 000
Fliers	R4	2 000	R8 000
Total expenditure			R27 672

Table 12:
Election day expenditure

ACDP			
Item	Verified cost based on market prices	Number of units observed	Total cost based on market price
Rental of tables and chairs at policing stations	They used their own tables and chairs	n/a	n/a
Meals (pap and meat)	50	8	R400
Transport allowance	Not observed	n/a	n/a
Total expenditure			R5 072

COPE			
Item	Verified Cost based on market prices	Number of units observed	Total cost based on market price
Rental of tables and chairs at policing stations	They used their own tables and chairs	n/a	n/a
Meals (pap and meat)	50	6	R300
Transport allowance	Not observed	n/a	n/a
Total expenditure			R4 972

EFF			
Item	Verified cost based on market prices	Number of units observed	Total cost based on market price
Rental of tables and chairs at policing stations	They used their own tables and chairs	n/a	n/a
Meals (pap and meat)	50	6	R300
Transport allowance	Not observed	n/a	n/a
Total expenditure			R4 972

Advertisements

The SABC offered some free advertising to all political parties at the national level. Mainstream media generally did not cover election campaigns at the provincial level, and Limpopo was no exception. The media thus appeared to have covered the campaigns in this province on their own accord. Most political parties relied on social media platforms such as Twitter and Facebook for their various campaigns. The EFF used Twitter while both the ANC and the DA relied largely on Facebook.

The media played a role only by facilitating political debates on radio. Capricorn FM facilitated a political debate between the ANC, EFF, DA and COPE. Choice FM also hosted a live debate between these four political parties in the province. However, in the last round of election campaigns in Limpopo, media coverage of the EFF and ANC was provided by eNCA and SABC because EFF leader Julius Malema campaigned in four regions of the province while President Cyril Ramaphosa campaigned in one region in the province.

Table 13:
Banners

Political Party	Billboards	Cost
EFF	15 @ R50 523	R757 845
ANC	10 @ R50 523	R50 523
DA	3 @ R50 523	R151 569
COPE	1 @ R50 523	R50 523

Emerging culture of handouts in campaigns

No widespread distribution of hand-outs and/or parcels was observed during political party campaigns in the province, nor at party campaign rallies and/or door-to-door campaigns. However, during an EFF rally in Nkowankowa, elderly citizens, particularly women (grannies), were given EFF branded doeks/headwraps that they wore during the rally. During an EFF campaign in Polokwane, the EFF were seen to donate a four-roomed house to a grandmother and her family in Seshego.

Trends in campaign contributions

Public funding through the RPPF

Larger political parties such as the ANC, DA and the EFF said that they received money from public funding provided through the IEC. All the parties said that the public funding is administered at the national office and funds are then allocated to the provinces.

Generally, only four political parties were represented in the provincial legislature following the 2014 elections, namely the ANC with 39 seats, the EFF with six seats, the DA with three and COPE with only one seat. The ACDP did not have any representation in the provincial assembly. However, all the political parties in this research were represented in the National Assembly for the same period. Therefore, according to the PPFA regulations, all represented political parties were eligible for funds.

Membership contributions

Some political party members, for example from COPE and the ACDP, said that they contributed to the party's campaign from their own personal funds. Some members used their own private vehicles for political party campaigns such as door-to-door campaigns, political party meetings and transportation to campaign rallies and community meetings – and even on election day for party agents. Some party members offered their houses as venues for political party meetings and as meeting points for members and campaigners as well as storage for party material such as posters and T-shirts.

Table 14:
COPE Membership contributions

Member 1	R100 000
Member 2	R 75 000
Member 3	R 50 000
Total	R225 000

Some members of both parties went to the extent of taking out bank loans in order to assist finance the political party campaign in the province. Members of COPE were under the impression that they would be reimbursed for using their personal funds when IEC funds were made available as per PPFA. However, during the research period, the party had not received any funds. COPE said they had not received funds from the party's national office because the party's national office had not received funds from the IEC.

Private funding

There is no direct evidence of the role of private funding during the political party campaigns. Some private funders said they would prefer to donate to political parties anonymously for fear of victimisation by the ruling party. Political party representatives mentioned that funding is administered at national level therefore they are unaware of the sources of private funding. On election day some private funders such as local businesses and suppliers provided food/meals to agents of smaller parties such as the ACDP. These preferred not be publicly identified, so only the political parties that benefited know their identities. Some private funders paid caterers to supply food to party agents. Other private funders include Castle Lager (the flagship product of South African Breweries), which donated chairs to the EFF campaign (*see Annex*).

In-kind contributions

During an ANC door-to-door campaign in Mamokgadi village, the local chief catered for party members by contributing the venue, food, music and alcohol beverages (*see Table 6*). The chief also offered the use of his vehicle for door-to-door campaigns in the neighbouring villages. It is not clear whether the chief was given money by the party to provide these services or the donation was in-kind. It is also not clear if the chief was contributing to the party in his capacity as a local businessman or as the chief.

The ANC's May Day rally was a COSATU event. It seems that the union paid for all the costs pertaining to the event, that is the buses, tents, chairs, and stage. The event however provided a campaign platform for the ANC, as its leaders and members campaigned at the same event and same venue. It appears that the union donated facilities and logistics for the ANC's campaign.

Other in-kind contributions were the religious venues for campaign rallies, which comprised both churches and the houses of traditional leaders. Membership contributions also formed part of the in-kind contributions to smaller political parties. Political parties such as the EFF, ACPD and COPE relied heavily on contributions from their members to sponsor their campaign rallies.

Sponsorship from companies and big supermarkets also contributed to in-kind donations given to political parties. Other forms of in-kind contributions

consisted of volunteers' time, for example COPE's door-to-door campaigns in Seshego. Members of the EFF, ANC and other political parties also volunteered their time to conduct door-to-door campaigns. Other forms of in-kind contributions include chairs donated by Castle Lager with a Castle Lager logo on the back (*see Annex*).

Findings on the use of religious places

The ACDP is a Christian party and they used their church for political party campaigns, in particular an ACPD rally organised by the party leader Kenneth Meshoe, who is also a church pastor. Due to conflicting schedules the researcher was not able to directly observe the ACPD campaigns held in the church.

Findings on the use of state resources in Limpopo

No visible abuse of state resources was observed during political party campaigns in the province, though some cases were noted during ANC and EFF events. There was a motorcade when President Cyril Ramaphosa campaigned at a rally in Ga-Sekhukhune in the Waterberg region. It was not clear if the vehicles belonged to the Presidency or to the ANC as efforts to establish the origin of the vehicles were unsuccessful. Also, in the same rally furniture belonging to the provincial government of Limpopo was observed, and the podium was marked 'Limpopo Province'. During the ANC election rally in Botlokwa Sport Complex in Limpopo, government resources in the form of a podium belonging to the provincial government were used (*see Annex*).

State resources were also noted during an EFF rally in Vhembe. Municipal officials belonging to the party used their influence and the municipality's vehicles to assist in the campaign. Because of the risk associated with obtaining physical proof of such activities, the researcher was advised not to take any pictures.

Findings on compliance with the PPFA in Limpopo

Stakeholders in the province generally complied with the regulations of the PPFA. The researcher did not observe any abuse of state resources and most stakeholders said that they welcome the regulation of the PPFA. However, private funders seem to have difficulty complying with the PPFA because they would prefer not to be identified.

References

- COPE door to door campaign. Available at: <https://www.youtube.com/watch?v=h4bGDrWHV-U>
- EISA (2014) *SA Elections 2014: The Problems of Unregulated Private Funding of Political Parties: Protests and the Provincial Results Patterns*, Johannesburg: EISA.
- Electoral Commission of South Africa (2014) *2014 National and Provincial Elections: National Results*. Available at: <https://www.elections.org.za/content/Elections/Results/2014-National-and-Provincial-Elections--National-results/>
- February, J. (2012) *NGO Pulse* 27 February. Available at: <http://www.ngopulse.org/article/political-party-funding-legislation-should-regulate-donations>.
- Lediga, S. (2018) 'State Capture began in Limpopo with Malema in the Mix', *Eyewitness News*. Available at: <https://ewn.co.za/2018/12/19/opinion-state-capture-began-in-limpopo-with-malema-in-the-mix>
- Matlosa, K. (2004) *The politics of state resources: Party funding in South Africa*, Johannesburg: Konrad-Adenauer-Stiftung.
- My Vote Counts (2018) *Political Party Funding Bill*, Policy Brief. Available at: <http://www.myvotecounts.org.za/wp-content/uploads/2018/04/FINAL-Policy-Brief-Party-Funding-Bill.pdf>
- SABC Digital News (2019) *EFF Rally in Burgersfort, Limpopo*. Available at: <https://www.youtube.com/watch?v=3h9z1cQpJol>
- SABC Digital News (2019) *Ramaphosa takes ANC campaign to Seshego*. Available at: <https://www.youtube.com/watch?v=6-eELVDniMY>
- Sarakinsky, I. (2014) 'Party Political Finance and Multi-Party Democracy in South Africa's Elections', *Election Update South Africa October 2014*, Johannesburg: EISA.

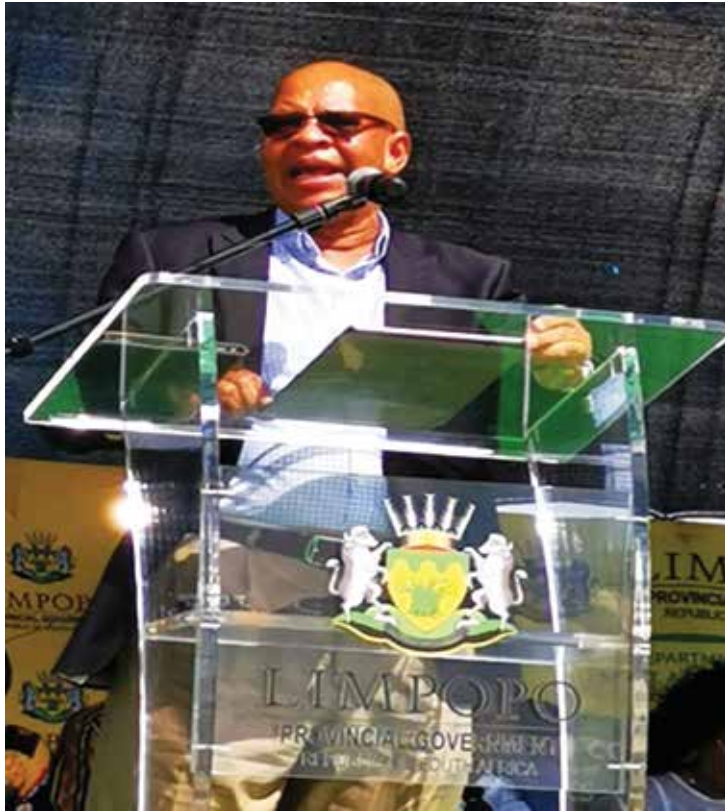
ANNEX

Evidence of findings: Photographs taken during fieldwork



EFF Rally in Nkowankowa Stadium, Tzaneen, Limpopo. Source: Twitter

In this picture of an EFF rally held at Nkowankowa Stadium, Tzaneen in Limpopo, the chairs have a Castle Lager logo visible on the back. Castle Lager sponsored the EFF rally by providing the chairs, clearly advertising their product. The EFF claimed that it did not receive any private funding, but this picture serves as evidence of support.



Stanley Mathabatha, Premier of Limpopo, at the ANC Rally, Botlokwa Sport Complex, Limpopo. Source: Twitter

This picture was taken during a speech delivered by Limpopo Premier Stanley Mathabatha during an ANC election rally in the Botlokwa Sport Complex in Limpopo. This is evidence that the ANC used government resources during their campaign as the podium belonged to the provincial government.



COPE's door-to-door campaign at Blood River, Seshego

This picture was taken during a COPE door-to-door election campaign in Blood River, Seshego, Limpopo. This picture depicts the limited resources that COPE used in order to conduct door-to-door campaigns in the province, with only one vehicle for about 10 locations. They had about 20 volunteers who distributed pamphlets from door-to-door.

CHAPTER 9

Free State

Lehlohonolo Mofubelu

EXECUTIVE SUMMARY

This report on the PPFA in the Free State employed both quantitative and qualitative research methods, and included interviews and attendance at campaign events. A total of 14 interviews were conducted with stakeholders on the Political Party Funding Act (PPFA). During the same period, the election campaigns of four political parties were visited, together with two road shows and two door-to-door campaigns during which political parties distributed party regalia in both urban and semi-rural areas.

Seven voting stations, mostly schools, were visited during the elections. Elections in the province proceeded successfully with no disruption or acts of violence being reported.

There was consensus among the parties that the PPFA represents the broader electorate and has a moral responsibility for attaining political accountability in South Africa. However, differing opinions emerged from small parties which argued that the PPFA could have a damaging effect on their relations with donors. Media houses held the view that this legislation could make government more accountable to the people, a view shared by academic experts who argued that the PPFA should be implemented without delay in order to curb the scourge of corruption which remains at the centre of state capture and in state institutions.

The Act has been seen by all stakeholders as a milestone, a success with the potential to strengthen accountability and transparency on party funding. However, the disclosure of donors remains the main concern for the opposition in the province.

INTRODUCTION

The Free State is centrally located in the heart of South Africa and is a key agricultural contributor with mining remaining its largest employer. The province consists of an established 'institutional, educational and administrative infrastructure. Located in the province is the Supreme Court of Appeal, the

University of Free State and the Central University of Technology' (Industrial Development Corporation, 2019). Mining in the province remains a strategic driver of socio-economic development (Kane-Berman, 2017). The province is also a historical stronghold of the ANC as the capital city Bloemfontein is where the party was formed in 1912 (Kings, 2019). From 1994 to 2019 the ANC consistently retained political power in national and provincial elections while other parties occupied the opposition seats (*Timeslive*, 2014). In 2014 the ANC won a majority in the Free State with 22 seats, while the remaining seats were allocated to the opposition based on the number of votes they received. The 2019 election victory for the ANC again consolidated its power leading by 61.14% of votes and securing a total of 19 seats in the Free State legislature (*The Citizen*, 2019).

The political landscape of the province is reflected in its multiparty politics. According to IEC provincial database, a total of 28 parties contested the elections in the province (*BloemfonteinCourant*, 2019). Political figures in the province include the current ANC Secretary-General, Ace Magashule, a figure described by an investigative journalist Pieter-Louis Myburgh in his *Gangster State* (Davis, 2019) as being a mastermind of corruption. The current minister of transport and former ANC head of elections Fikile Mbalula is also from the Free State. The recent testimony of former ANC member Mxolisi Dukwana at the Commission of Inquiry into State Capture, indicated that the province has become a symbol of state capture and political corruption. Evidence of political greed includes the notorious Estina dairy farm project (estimated at R300 million) which resulted in the province being on the list of corrupt regions under investigation by the Zondo Commission of Inquiry into State Capture (Khumalo, 2019). These scandals are the reasons behind the collapse of service delivery in the province. Some of the revelations made by the Auditor General of South Africa include the statement that 'the province has mutated to be a symbol of a bad state on the verge of collapse' (Evans & Karrim, 2019).

The impression is that these illegal dealings have institutionalised corruption in the province to the extent that only those linked with the party's elite enjoy the riches of the state while ordinary citizens are victims of economic sabotage (*PoliticsWeb*, 2019; IOL, 2019). The specifics relating to allegations of tender scandals in the province include:

- The R300 million grass cutting tenders in the Free State include the following companies: ME Construction, owned by Ezekiel Magashule, a younger brother of the then premier and current ANC Secretary-General

- Botlokwa Holdings, owned by Thoko Malembe, a daughter of Ace Magashule who has also benefited from a R150-million Vogelfontein RDP housing project near Bethlehem
- The R1 billion housing scandal involving Hlaudi Motsoeneng and Fikile Mbalula's wife under the direction of Mosebenzi Zwane (*PoliticsWeb*, 2019).

This further raises concerns about the possible influence of corporate entities on the ANC in the province and how elections may have been funded. Though the influence of private funding of elections in the province cannot be confirmed, the influence of the former premier and his relations with the corporate world on the leadership of the province is often mentioned.

RESEARCH METHODOLOGY

The research for this study was based on interviews with a focus on party and campaign finance. A total of 14 interviews were conducted and were divided into two categories: political parties as the main stakeholders in party and campaign finance; and institutions such as the IEC (a Chapter Nine institution, ie one supporting constitutional democracy) and others including the Department of Education, Independent Communications Authority of South Africa (ICASA) and the South African Local Government Association (SALGA). Six interviews involved political parties, namely the ANC, DA, EFF, FF+, IFP and the PA. Five interviews were held with the following institutions: the Independent Electoral Commission, the Department of Education, Department of Police, Roads and Transport, Independent Communications Authority of South Africa (ICASA) and the South African Local Government Association (SALGA). Two interviews were held with media houses Central Media Group and the South African Broadcasting Corporation (SABC). The last interview was with a representative from the private (mining) sector, Harmony Gold's Bambanani Mine in Welkom.

The campaigns observed included two door-to-door campaigns and four political rallies by the ANC, EFF, DA, and Patriotic Alliance. During the course of the study, seven voting stations were visited during the election on 8 May to observe the trends in election-day party expenditure. The data collected in the course of the research was validated through a cost verification process which proved challenging, particularly in relation to stakeholders such as political parties who were reluctant to disclose and confirm their campaign expenditure. The methods thus employed included interviews with relevant entities such as the taxi association in Bloemfontein on transport prices, engaging with party representatives, and engaging with business entities to verify the market costs of items.

KEY FINDINGS IN THE FREE STATE

Stakeholder perception of PPFA

The Electoral Commission of South Africa (IEC)

This institution fully supports the need to implement legislation to safeguard the sovereignty of the country. The imperative to proceed with the implementation of the PPFA originates from private and foreign donors having a negative influence, to some extent, on the political and economic policy directions of the country. The implementation of the Act is, however, faced with a number of challenges. This includes the finalisation of the head of political party funding office by the IEC and its subsidiary provincial structures, whose mandate will focus on monitoring the compliance of political parties with the PPFA as well as compliance with the provisions of the Act as binding on political parties.

Political parties

Political parties in the province share a common understanding of the PPFA having the potential to address political accountability, though there is also concern about the execution of the PPFA. Listed below are the views of political parties on the PPFA.

The ANC views the creation of the PPFA remains an indication of loyalty to the people in so far as transparency and accountability are concerned. The party is also keen to counter any possible corruption in the funding of political parties. The DA holds the view that the implementation of the PPFA will address the long-overdue changes (lack of regulation in political funding) which the government has failed to address over the past 25 years. This relates to lack accountability and transparency which can be addressed through advocating the execution of the Act. The EFF holds the view that the Act has sinister motives to disadvantage the financial wellbeing of political parties which, unlike the ANC, do not have access to state benefits. The Freedom Front Plus holds the view that the implementation of the PPFA does not represent the collective wellbeing of political parties; rather, it is designed to facilitate the demise of the opposition particularly on matters of donor disclosure. Such provisions in the legislation could have devastating effects on opposition parties, particularly as their existence depends on financial supports from private donors.

Media

The media continues to play a critical role in creating public awareness about the importance of the PPFA as a means of holding political parties to account. Both Central Media Group and the SABC expressed the view that there is a need to implement laws that will foster a culture of political accountability, considering the negative effects of donors on the national politics of the country.

Stakeholder preparedness to comply with PPFA

The IEC: The commission is in the process of establishing a head of political party funding to focus on monitoring compliance and transparency on party funding in all provinces. The creation of such a structure indicates readiness by the Commission to implement the Act.

Political Parties: Most political parties have not yet created structures to deal with PPFA compliance. However, the political parties indicated that their internal finance departments can be used to provide compliance with the legislation.

The ANC indicated that should the Act be operationalised, they would consider the need to set up specific structures to comply with the PPFA. The EFF holds the same view. The DA supports the need to regulate party funding; however, it does not have any specific structure to deal with the PPFA. The provisions of the Act remain problematic as parties stand to lose the financial support of donors and this could have severe implications for the opposition, including the Patriotic Alliance and Freedom Front Plus.

Department of Education: The department remains fully aware of the new legislation; however, there is a lack of clarity on how the legislation can be implemented. The role of the department focuses on the provision of facilities and voter education. There are unfortunately no structures put in place by the department to deal with monitoring issues of compliance by political parties regarding the PPFA.

SALGA: The need to regulate political party funding is a matter of a national concern, requiring the government to act boldly on protecting the nation against corrupt and opportunistic donors whose interest represents private financial gain at the expense of the public. However, in terms of monitoring compliance with party funding, SALGA has not created any structures that will assist in fostering political accountability and transparency.

Expert opinion (University of the Free State): Political parties accountable to the public should support the need to create an atmosphere of transparency around their funding. Given the fact that the PPFA is a new Act that has yet to be implemented, it remains vital to consider the creation of structures that will focus on monitoring issues of compliance with the PPFA.

Private sector perspective (mining): The private sector in the province is represented by mining industries specialising in coal, diamonds, and gold. According to an interview with a representative of Harmony Gold Bambanani Mine in Welkom, there are no measures by the (private sector) mining companies on how to create structures to deal with monitoring the PPFA. However, mining companies in Welkom remain committed to fighting the scourge of corruption and to ensure that revenue from the sale of minerals does not advance the interests of political parties in the province.

Religious community: A representative from South African Council of Churches indicated that there are no measures in place by the religious community in the province to ensure effective monitoring of compliance with the PPFA. The SACC supports the view that any form of contribution to political parties by the religious sector should be subject to regulations to deter the advancing of personal interests in politics.

Campaign expenditure trends in the Free State

Direct expenditure

The ANC: The party held two campaigns in Botshabelo and Bloemfontein. These were led by the deputy president of the Republic, David Mabuza and the former head of ANC elections, Fikile Mbalula, who had both VIP state protection together with municipal traffic officials. Both campaigns had a large number of supporters, many of whom arrived by taxi. During the campaign rallies, expenditure targets focused on selling products such as caps, shirts and doeks (head scarves) in Bloemfontein to generate revenue. Some products were freely provided in semi-rural areas to supporters and followers. A few public facilities (in particular municipal halls) were used which may have incurred costs to the party. No celebrity entertainment was used in those campaigns that this researcher observed.

Democratic Alliance: The party made use of public spaces to conduct its campaigns in Welkom, Bloemfontein and Botshabelo. In terms of expenditure, party products like jackets and hats were distributed among voters during door-to-door campaigns, while in political rallies the same products were sold. In terms of transport logistics, the party had organised taxis for supporters to attend the arrival of the party leader, Mmusi Maimane, during his visit to Bloemfontein. No form of entertainment was witnessed during this campaign visit in the province.

Economic Freedom Fighters: This party generally used public spaces for its campaigns. These included its road show and the party's final campaign in Bloemfontein. During the party leader's visit to Bloemfontein taxis were used to ferry supporters. Party members encouraged the public to buy branded party products such as berets, caps, shirts and jackets as part of revenue accumulation.

The Patriotic Alliance: The party indicated that it does not have the financial resources to make pay for municipal and government facilities for its meetings, rallies and campaigns, as these are not free. On the last day of campaigning, the party provided meals for its supporters with the costs of catering remaining

unconfirmed and probably incurred by the party itself. The name of the catering company used to provide refreshments and food for the attendees was not disclosed by the party, nor the costs of catering services it employed during its campaign.

Freedom Front Plus: This party has a marginal support base in the province and made use of open school grounds for conducting their campaigns, particularly in Bloemfontein. Pamphlets and other branded party materials were distributed to attract voters to the party. Most of the party campaign activities by the party had neither entertainment nor catering for its supporters, and no private security presence was visible at party campaign events.

Areas of expenditure on political campaign

Media coverage in terms of mass media

The ANC, as the leading party, enjoyed full media coverage throughout its campaign period. This was also the case with the DA and the EFF with the SABC present during their campaigns. Various newspapers such as the *Daily Sun* carried advertisements by the ANC, DA and EFF. Given the importance of media coverage, in particular mass media (TV, radio and internet advertisements) these parties had the financial capacity to market their brands through campaigns in the form of billboards, posters and advertisements on television and radio on *Lesedi FM*, broadcast by the SABC in the province.

Entertainment and private security

No celebrities were observed during the campaigns of these political parties. Songs relating to the liberation struggle were played as a form of entertainment by the ANC, DA and EFF for their supporters at the campaign activities which the researcher attended. Private security services were seen to accompany party leaders of the ANC, DA and EFF, supplemented by the South African Police Service. The identities and costs relating to the use of private companies used for covering the election campaigns of the top three parties could not be confirmed as party representatives failed to respond to these questions.

Party regalia and catering (urban vs rural dynamics)

The election period became an opportunity for political parties to attract voters, and to market and sell their brands to the general public. In Bloemfontein and smaller cities, the ANC, EFF and the DA sold party regalia such as caps, shirts and hats. The campaign activities of these parties did not include catering for the general public, who indicated that they had paid for their own food, and to some extent their own transport. Party expenditure remained concentrated in urban centres rather than rural areas.

Transport

During the course of the election period, public transport in the form of taxis was used to transport supporters to different political activities. Taxis from the Greater Bloemfontein Taxi Association were used for the attendance of supporters in Botshabelo, Bloemfontein, Thaba 'Nchu and Welkom, and they indicated that travelling costs between these locations range from R1 000 to R1 500 per taxi. The transport costs for supporters were carried by their respective political parties (ANC, DA, EFF and PA). In some instances, party followers used their own private transport to attend campaigns, including door-to-door campaigns.

Analysis of expenditure trends

Rural areas visited during the campaign period included Tweespruit and Makura. A large portion of campaign expenditure by various parties was in urban areas which have a higher concentration of voters than the rural areas where the sales and distribution of party materials differed. Party products such as T-shirts, jackets and hats were often sold in urban centres and provided freely in rural areas. Media coverage by the SABC in urban centres was highly visible compared to that in rural areas. Most of the party advertisements such as those of the ANC, DA and EFF reflected urban coverage in cities such as Bloemfontein. It is thus evident that urban centres hold a strategic importance for marketing political party brands with the intention of generating revenue and creating sustainable income for political parties.

Table 1:
Summary of ANC costs in the Free State for events observed in Bloemfontein, Botshabelo, Thaba Nchu and Welkom

		Estimated cost per unit	Number of units observed	Verified costs (based on market prices)
Campaign rallies				
	Venue rental for rallies (Mangaung local community hall)	R2 393	4	R9 572 (Sourced from the Mangaung tariffs rates 2018/2019)
	Private security			

	Media coverage at campaign events	R22 000(Lesedi FM)	2	R22 000
	Celebrity entertainers			
	Packs given to attendees)			
	VIP catering			
	Transportation (number of taxis observed with an indication of cost)	10(R1 500 per taxi)	10	R15 000 (Source Bloem Taxi Association)
	Party memorabilia handed out Products sold in urban areas such as Bloemfontein, Botshabelo and Welkom: 30 Items per area)	T-shirts (R50 00 caps (R150 00 and jackets (220,00)	4	R20 000
Door-to-door campaigns				
	Cost incurred for door-to-door campaigns – split into fees, meals and transportation	Meals (25*8) Transport (200*7)	5	R13 800
	Installation of stalls at strategic points	Stalls (150)	8	
Political advertisements				
	Cost of advertisements (TV, newspaper, handbills, billboards etc.)	TV Adverts. Source: SABC-Lesedi FM (R10 000) Newspaper (R10 000) Source: Volksblad) Billboards R39 000 (Source: Central Media Group)	3	R59 000
Stalls and other installations at strategic locations				
	Space rentals			
	Rentals of tents/booths			
	Rentals of chairs and tables			
	Cost of gifts/ items distributed			
	Other costs incurred (pls specify)			

Election day expenditure				
	Rental of tables and chairs at polling stations	R1 500*8	8	R12 000
	Meals	R25 per meal		R400
	Transport allowance (paid)			
	Transportation (taxi service)	R336 for two weeks		R672 for taxi allowance
	Fee or allowance			
	Airtime and data	R50 per week		R200
	Free Wi-Fi Political posters (R30 each for a total of 3 000 ANC posters Is 3,000 in the province)	ANC posters At R30,00 each		R30* 3.000= R90 000
Total				R242 644

Table 2:
Summary of DA costs in the Free State for events observed in Bloemfontein, Botshabelo, Thaba 'Nchu and Welkom

		Estimated cost per unit	Number of units observed	Verified costs (based on market prices)
Campaign rallies				
	Venue rental for rallies	R1 821 (sourced from Mangaung Local Municipality Rates)	3	R5 463 (Mangaung Municipal Rates)
	Private security			
	Media coverage at campaign events	R22 000 (Lesedi FM broadcasting rate-Peak Hours)	2	R22 000
	Celebrity entertainers			

	Packs given to attendees			
	VIP catering			
	Transportation (number of taxis observed with an indication of cost)	9 taxis (R1 500 per taxi, sourced from Bloem Taxi Association for Long Distance)	3	R13 500
	Party memorabilia handed out Products sold in urban areas such as Bloemfontein, Botshabelo and Welkom)	T-shirts (R50-150) caps (R150) and jackets (R200-250) -50 items)	3	R10 200
Door-to-door campaigns				
	Cost incurred for door-to-door campaigns – split into fees, meals and transportation	Meals (25*8) Transport (168*7)	4	R11 528
	Installation of stalls at strategic points	Stalls (150)	6	R900 00
Political advertisements				
	Cost of advertisements (TV, newspaper, handbills, billboards etc.)	TV Adverts, Source: SABC-Lesedi FM (R10 000) Newspaper source: Volksblad (R10 000) Billboards: Source, Central Media Group (R13 000)	3	R33 000
Stalls and other installations at strategic locations				
	Space rentals			
	Rentals of tents/ booths			
	Rentals of chairs and tables			
	Cost of gifts/ items distributed	T-shirts and caps (40 Items)	2	R3 800

	Other costs incurred			
Election day expenditure				
	Rental of tables and chairs at polling stations	R1 200*7	7	R8 400
	Meals	R25 per meal		
	Transport allowance (paid)	For 4 people		R100 meals
	Transportation (taxi service)	R336 for two weeks		R672 taxi allowance
	Fee or allowance			
	Airtime and data	R50 per week		R200
	Free Wi-Fi			
	Others (DA posters at R30 each for 2 500 posters)	posters at R30 each for 2,500 posters		R75 000
Total				R185 733

Table 3:

Summary of EFF costs in the Free State for events observed in Bloemfontein, Botshabelo, Thaba 'Nchu and Welkom

		Estimated cost per unit	Number of units observed	Verified costs (based on market prices)
Campaign rallies				
	Venue rental for rallies	R2 486	1	R2 486
	Private security			
	Media coverage at campaign events	R22 000 (Lesedi FM broadcasting rate)	2	R22 000
	Celebrity entertainers			
	Packs given to attendees			
	VIP catering			
	Transportation (number of taxis observed with an indication of cost)	5 taxis (R1 500 per taxi)	3	R7 500

	Party memorabilia handed out Products sold in urban areas such as Bloemfontein, Botshabelo and Welkom	T-shirts, caps and jackets (60 items)	3	R10 800
Door-to-door campaigns				
	Cost incurred for door-to-door campaigns – split into fees, meals and transportation	Meals (25*8) Transport (200*7)	4	R9 400
	Installation of stalls at strategic points	Stalls (150)	6	R900
Political advertisements				
	Cost of advertisements (TV, newspaper, handbills, billboards etc.)	TV Adverts: SABC-Lesedi FM (R10 000) Newspaper (R5 000, source: Volksblad newspaper) Billboards (R10,000, source: Central Media Group)	3	R25 000
Stalls and other installations at strategic locations				
	Space rentals			
	Rentals of tents/ booths			
	Rentals of chairs and tables			
	Cost of gifts/ items distributed	T-shirts and caps (40 Items)	2	R3 800
	Other costs incurred			
Election day expenditure				
	Rental of tables and chairs at polling stations	R1 000*6	6	R6 000
	Meals	R25 per meal		R400
	Transport allowance (paid)			

	Transportation (taxi service)	R336 for two weeks		R672
	Fee or allowance			
	Airtime and data	R50 per week		R200
	Free Wi-Fi			
	Others (R30.00 each poster For 2 300 EFF posters in the province)	R30.00 each poster		R69 000
Total				R126 172

Indirect expenditure trends

The use of South African Police Service (SAPS) vehicles was an indication of how the majority party, the ANC, enjoyed state services. Throughout the election period, senior ANC officials were provided with state security protection in the form of police and traffic officials.

In contrast, smaller parties (the Patriotic Alliance, AZAPO and ATM, a new party in the province) could not afford private security services, and had no support from the state security agencies. The May Day rally by diverse political parties became a display of enthusiasm and optimism as contending parties eyed the position of leadership in the province. During this period political parties (ANC, DA, EFF, FF+, IFP and PA) freely distributed party regalia, in some cases selling items to the general public. There was a similar scenario on Freedom Day but with a focus on the importance of the youth vote.

Table 4:
Estimated costs of events observed along the same lines as the cost verification table for campaign rallies

		Estimated cost per unit	Number of units observed	Verified costs (based on market prices)
Type of event	ANC May day rally			
	Venue rental for rallies	R2 486 (sourced from Mangaung Local Municipality Rates)	1	R2 486
	Private security			

		Estimated cost per unit	Number of units observed	Verified costs (based on market prices)
	Media coverage at campaign events	n/a		n/a
	Celebrity entertainers	n/a		n/a
	Packs given to attendees	n/a		
	VIP catering			
	Transportation (number of taxis observed with an indication of cost)	5 for R7 500	1	R1 500 per trip
	Party memorabilia handed out	T-Shirts and caps (50)	2	R7 550
	Total estimated cost for ANC events in Bloemfontein, Botshabelo and Thaba 'Nchu			R17 536

Type of event	EFF May day rally			
	Venue rental for rallies	Mangaung sports Ground		Not paid
	Private security			
	Media coverage at campaign events	n/a		n/a
	Celebrity entertainers	n/a		n/a
	Packs given to attendees	n/a		n/a
	VIP catering			
	Transportation (number of taxis observed with an indication of cost)	3 taxis for R1 500 per trip	1	R7 500
	Party memorabilia handed out	T-Shirts and caps (50)	2	R7 550
	Total estimated cost for EFF events in Bloemfontein, Botshabelo and Thaba 'Nchu			R15 550

		Estimated cost per unit	Number of units observed	Verified costs (based on market prices)
Type of event	DA Day door-to-door campaign			
	Venue rental for rallies	n/a		n/a
	Private security	n/a		n/a
	Media coverage at campaign events	n/a		n/a
	Celebrity entertainers	n/a		n/a
	Packs given to attendees	n/a		n/a
	VIP catering			
	Transportation (number of taxis observed with an indication of cost)	3 taxis for R1 500 per trip. 1 taxi from Welkom to Bloem at R1 500	1	R7 500
	Party memorabilia handed out	T-Shirts and caps (50)	2	R7 550
	Total estimated cost for DA events in Bloemfontein, Botshabelo and Thaba 'Nchu			R15 550

Emerging culture of handouts in campaigns

Party representatives from the ANC, DA and EFF confirmed that handouts which were provided to the public were ordered in bulk. Urban centres were used as strategic points to market and sell party brands. ANC party regalia included T-shirts, hats and doeks and the scenario was similar for the EFF, DA, and PA. Urban centres were the preferred locations for marketing and selling party regalia while semi-rural locations were used to distribute these items freely to the general public. The importance of having eye-catching products contributes to the high costs of campaigning in the country. This indicates how much parties are willing to spend to attract a large support base, thereby pushing the costs of campaign spending to unprecedented levels in South Africa. This has, in turn, made it costly for small political parties to penetrate the political landscape in terms of marketing their political brands.

Trends in campaign contributions

The IEC in the province indicated that it has fulfilled the requirement to distribute funds based on proportionality, as mandated by law. However, the request to disclose the funds distributed to political parties by the IEC based on the number of seats in the legislature, was unsuccessful. The IEC indicated that this subject does not fall within the public domain, as the PPFA is not yet operational. Members from different organisations made contributions to their respective parties, in some cases through membership donations. In the case of the ANC, some members have made in-kind contributions with funds for meals during door-to-door campaigns, while others used their own resources such as cars during the campaigns to transport members and supporters. Some members of the DA and the EFF, IFP, the Patriotic Alliance and ATM, contributed funds indirectly for transport during the campaign period, particularly those in the transport business.

The political parties identified above had each, during the course of the campaign period, distributed party products to their respective supporters. The ANC sold some of its products such as jackets at a price of R1 500 and branded party caps (hats) for R150. The EFF also sold some of its products with prices ranging from R100 to R350. This included caps, T-shirts and jackets. Similar costs for the same products were also seen in the DA, FF+, PA and IFP.

Efforts to engage with political parties in the province about disclosing their relations with private donors were unsuccessful.

Summary of findings on in-kind contributions

Political parties refused to disclose information about their corporate donors. The contribution of volunteers to the respective parties was indicated by the time they dedicated to party groundwork. In the case of the ANC, some volunteers in areas such as Botshabelo used their own incomes for airtime and data bundles and provided food for lower income groups. This was to some extent also the case with EFF volunteers in Bloemfontein, Thaba 'Nchu and Welkom. Supporters of new parties like the ATM, who volunteered during the campaign, used their own resources such as vehicles to campaign and assist during door-to-door campaigns. Religious groups in some parts of the province provided access for parties to engage with their congregations, in particular the Apostolic Faith Mission Church in Parys. The ANC visited this church on 19 April 2019 with the intention of encouraging church followers to engage in the moral regeneration of the country in the fight against corruption.

Findings on the use of state resources in the Free State

Security was provided for political parties during the campaign period. Leaders of the ANC and its high-ranking party members such as the former Head of Elections, Fikile Mbalula (who campaigned for the party in his home town of Botshabelo), were provided with security by police and traffic officers during his visits to various townships, as was the deputy president of the Republic, David Mabuza. There was no visible deployment of police to protect the leaders of small parties such as the Patriotic Alliance during their campaign. It is evident that dominant parties like the ANC enjoy the benefits of state resources while small parties have less access to state resources.

Findings on compliance with the PPFA in the Free State

Political parties in the province used financial resources for media advertising through newspaper publications (*Daily Sun* and *The Citizen*) and radio advertisements (*Lesedi FM*, *Mosupatsela FM* and *Motheo FM*). The distribution of political posters displaying party leaders formed part of the political campaign costs. From the expenditure estimates on the tables above it is thus evident that the leading party, the ANC, remained ahead of other parties with the cost of their campaign reaching over R200 000. The expenditure on its campaign covered media advertising, billboards, posters, social media advertising and payments to those deployed to assist in the election campaign.

Opposition parties such as the DA spent close to R190 000. This amount reflects the expenditure based on market estimates regarding pricing fees of billboards, posters, radio (*Lesedi FM* card rates) and newspaper advertisements in publications such as the *Bloemfontein Courant*, *Daily Sun* and *Volksblad*, as well as amounts paid to party agents and volunteers. The EFF expenditure on their political campaign amounted to R159 000. This related to the transport of its supporters to rallies, political posters, distribution of party regalia, payments to party agents and volunteers. It included costs of marketing their brands through billboards and radio advertisements through *Lesedi FM* and *Mosupatsela FM* during the election period in the province. Some of these party election campaign expenses were reflected in the products they produced and distributed to the general public.

In-kind contributions from party members in the ANC, DA and EFF came from different forms of membership donations, as confirmed in interviews with party agents. Members of small parties like the ATM and IFP are believed to have contributed resources such as mobile data to volunteers. Some members, especially in rural areas, are believed to have used their own transport in campaigning for their respective political parties. This was confirmed through interviews involving party members and agents in rural places such as Makura

located in Thaba 'Nchu. Foreign and private donors to political parties in the province remain confidential and their names had not been made public during the research period. Efforts to engage with political parties to disclose the source of their private donations, were unsuccessful.

References

- Davis, R. (2019) 'How to capture a province: New book lays bare Ace Magashule's Free State fiefdom', *Daily Maverick*, 31 March. Available at: <https://www.dailymaverick.co.za/article/2019-03-31-new-book-lays-bare-ace-magashules-free-state-fiefdom/> (Accessed 17 July 2019)
- Industrial Development Corporation (IDC). (2013) *Free State*. Available at: <https://www.idc.co.za/our-regions/free-state/> (Accessed 19 June 2019)
- Jankielsohn, R. (2019) 'This is the true state of the Free State', *Politicsweb*, 22 February. Available at: <https://www.politicsweb.co.za/politics/honesty-of-anc-a-highlight-of-fs-sopa-circus--roy-> (Accessed 10 May 2019)
- Kane-Berman, J. (2017) *Mining in SA: Then, now, and into the future*. Johannesburg, Institute of Race Relations. Available at: <https://www.politicsweb.co.za/documents/mining-in-sa-then-now-and-into-the-future--irr>. (Accessed: 17 July 2019)
- Karrim, A. & Evan, S. (2019) 'Friday Briefing: The plunder of Ace's Free State'. *News24*, 4 April. Available at: <https://www.news24.com/Analysis/the-plunder-of-aces-free-state-20190404>. (Accessed 22 July 2019)
- Khumalo, J. (2019) 'Free State: Capital of corruption?', *City Press*, 1 April. Available at: <https://citypress.news24.com/News/free-state-capital-of-corruption-20190401>. (Accessed 18 June 2019)
- Kings, S. (2019) 'Big drop for ANC in the Free State', *Mail & Guardian*, 10 May. Available at: <https://mg.co.za/article/2019-05-10-big-drop-for-anc-in-the-free-state> (Accessed 17 July 2019)
- Mtebele, N. (2019) 'Political parties make pledges in Bloemfontein', *BloemfonteinCourant*. Available at: <https://www.bloemfonteincourant.co.za/political-parties-make-pledges-in-bloemfontein/> (Accessed 15 June 2019)
- Myburgh, P-L. (2019) 'The Man Who Stole South Africa', *ForeignPolicy*, 9 May. Available at: <https://foreignpolicy.com/2019/05/08/the-man-who-stole-south-africa-ace-magashule-cyril-ramaphosa-anc-jacob-zuma-corruption-state-capture-guptas/>. (Accessed 12 May 2019)
- Rice, C. (2019) 'Elections 2019. Magashule book could cost ANC dearly in the Free State', *IOL*, 24 April. Available at: <https://www.iol.co.za/news/politics/elections2019-magashule-book-could-cost-anc-dearly-in-free-state-21835508>. (Accessed 17 May 2019)
- The Citizen*, 2019. 'ANC too strong for opposition despite losing three seats in Free State'. Available at: <https://citizen.co.za/news/south-africa/>

elections/2129579/anc-too-strong-for-opposition-despite-losing-three-seats-in-free-state/. (Accessed 17 July 2019)

TimesLive (2014) 'South Africa election results 2014', *TimesLive*, 9 May. Available at: <https://www.timeslive.co.za/politics/2014-05-09-south-africa-election-results-2014/> (Accessed 16 June 2019)

ANNEX 1

Table 5: Cost verification sheets per campaign event attended

	Date of event and party campaigning	Estimated cost per unit	Number of units observed	Verified costs (based on market prices)
Campaign rallies	EFF campaign rally: Bloemfontein: 30-04-2019			
	Venue rental for rallies			
	Private security			
	Media coverage at campaign events (Sourced from Lesedi FM Sales card rates)	R5-10 000	1	R10 000
	Celebrity entertainers			
	Packs given to attendees (enumerate each item in the packs given to attendees)			
	VIP catering			
	Transportation (number of taxis observed with an indication of cost)	4 taxis at R1,500	1	R6 000
	Party memorabilia handed out (mention the specific items)	T-Shirts (20) – R65, 00. Jack-ets(10)-R300.00)	1	R4 300
Door-to-door campaigns				
	Cost incurred for door-to-door campaigns – split into fees, meals and transportation	Meals for 5 party agents at R25, 00 each for 8 working days leading to the election	1	R1 000
	Installation of stalls at strategic points			
Total estimate				R21 300

	Date of event and party campaigning	Estimated cost per unit	Number of units observed	Verified costs (based on market prices)
Campaign rallies	ANC campaign rally: Botshabelo: 22-04-2019			
	Venue rental for rallies			
	Private security			
	Media coverage at campaign events	R5-10 000	1	R10 000
	Celebrity entertainers			
	Packs given to attendees (enumerate each item in the packs given to attendees)			
	VIP catering			
	Transportation (number of taxis observed with an indication of cost)	6 taxis at R1 500	1	R9 000
	Party memorabilia handed out (mention the specific items)	T-Shirts (15) – R50, 00. Jackets (15) – R300.00	1	R5 250
Door-to-door campaigns				
	Cost incurred for door-to-door campaigns – split into fees, meals and transportation	Meals for 5 party agents at R20.00 each for 8 working days leading to the election	1	R800
	Installation of stalls at strategic points			
Total estimate				R25 050

ANNEX 2

Evidence of findings. Photographs taken during fieldwork



ANC Deputy President speaking at the Apostolic Faith Mission Church in Parys on 19 April 2019, a form of indirect/in-kind contribution by religious groups



Police vehicles during the ANC campaign led by the deputy president in Botshabelo on 22 April 2019

CHAPTER 10

Key Findings, Recommendations and Conclusion

Clayton Hazvinei Vhumbunu

INTRODUCTION

The party and campaign finance monitoring project was implemented within the framework of EISA's broader electoral support programme for the 2019 elections. Its rationale was to contribute to an assessment and documentation of the transparency and integrity of the 2019 electoral process. The research in the six selected provinces was guided by the following objectives: assessing the preparedness of the IEC to monitor and regulate the provisions of the PPFA 2018; assessing the impact of the use of private funding sources in the 2019 elections; ascertaining the implications and significance of the enactment of PPFA 2018 on the electoral landscape in South Africa; establishing the extent to which PPFA 2018 complies with international benchmarks and best practice in party and campaign finance; evaluating the effectiveness of the current institutional framework for party and campaign finance regulation; and recommending the establishment of structures to support the implementation of PPFA 2018.

The introductory chapter and the chapters on the respective provinces indicate the research methods used to collect data. These comprised face-to-face interviews with key officials from the Electoral Commission of South Africa (IEC), political parties, experts on democracy and elections, non-governmental organisations (NGOs), media houses, the private sector, religious organisations and traditional leaders. Data was also gathered through observation, attending election campaign events (that is rallies, door-to-door campaigns, blitzes and road shows, visits to political party displays at shopping malls, and attending political party debates), documentary research, monitoring media reports, and international election observer reports. The estimated costs and expenses observed at the election campaign events attended were verified with the respective political parties. However, these were generally not forthcoming, as explained in the individual chapters, as the parties demonstrated a reluctance to disclose election campaign-related donations and financing details. Those expenses observed at election campaign events were costed by obtaining market prices through quotations from identified, credible and established

service providers in the provinces. This chapter will present a summary of the key research findings, recommendations and conclusion.

KEY FINDINGS AND CONCLUSION

Despite noticeable similarities, commonalities and the relatedness of some findings across the six provinces, research identified noteworthy differences and nuances. These were in terms of the preparedness of the IEC; how political parties and other stakeholders implement the provisions of PPFA 2018; election expenditure trends and patterns; and the impact of private funding sources on the 2019 elections. This was largely due to the fact that political contexts, political party networks and localised political contestations in the respective provinces differ considerably. The same variations were also manifest across the provinces in assessing the views and perceptions of the various stakeholders towards PPFA 2018. Thus, the summary of key findings of this project have been systematically organised and arranged in six distinct themes discerned from all chapters, as follows:

1. PPFA 2018 Compliance with international benchmarks and best practice on party and campaign finance

Chapter 3 discussed the legal framework that regulates political party funding, and that many other countries have already adopted similar laws. Based on the comparative analysis presented in the chapter, this research concludes that the PPFA may be considered largely consistent and congruous with international benchmarks and best practice on party and campaign finance. International benchmarks include: terms of legal scope and application; mandatory disclosure of funding sources and contributions; ceilings on expenditure and contributions; allocation criteria for public and private funding; restrictions and prohibition of certain sources of contribution – especially from state owned enterprises and foreign entities; compliance enforcement mechanisms; and the sanctionary framework of the legislation. However, it may be necessary to consider legislative review so that other provisions facilitate the progressive pursuit of the principal objectives of PPFA 2018. These include the need for campaign expenditure caps to level the electoral playing field, provisions prohibiting the use of state resources in election campaigning as a component of political party funding, and re-considering the implications and appropriateness of having the IEC undertake the PPFA 2018 monitoring and oversight role in view of its other functions.

2. Views and perceptions of stakeholders towards PPFA 2018

Data gathered from stakeholders in all the provinces indicate that there were divergent views and perceptions of PPFA 2018. For the purposes of presenting

a concise and incisive summary, these views and perceptions are in stakeholder categories.

Political parties

Political parties across all provinces had contrasting views. In principle, almost all political parties support the declared rationale and motivation behind PPFA 2018, especially the regulation of private funding. Their premise is that the Act will enhance transparency, accountability, and electoral integrity in political party funding. They also concur that the Act will contribute towards the attainment of fair and competitive elections in South Africa. However, it was noted that political parties have different views and perceptions of the key provisions of the PPFA, which are as follows:

- the establishment of two main funds for represented political parties;
- the establishment of structures for the management and administration of the funds;
- the formulae used for the allocation and payment of money to political parties from these funds;
- the stipulated purposes for the use of public funds allocated to political parties;
- prohibitions, thresholds and restrictions of donations made to political parties;
- duties of political parties with regard to receiving, recording and reporting donations and expenditure of allocated funds;
- PPFA enforcement, monitoring and compliance mechanisms;
- general provisions relating to IEC's administrative role, and reporting procedures of the Act.

The main source of contention appears to be the provision relating to the disclosure of donations and allocation criteria for MPDF and RPPF Funds. The trend identified across almost all provinces was that larger political parties (in terms of parliamentary representation) consistently expressed their support for the legislation on the basis that the objectives of the law are common cause. Smaller political parties expressed their reservations and dissatisfaction with the Act as they hold the view that the disclosure of their donors' identities would expose them to possible reprisals from government officials aligned to the ruling party. This applies particularly to instances when they intend to bid for tenders or supply any government department across the three spheres of government. Again, the smaller parties also fear that potential donors may be discouraged from donating as they may insist on their privacy. Although Section 3(5) of the PPFA allows donors to request the Commission not to disclose either

their identity or the amount of their contribution, some political parties still believe that their potential donors may be vulnerable.

An emerging trend in all provinces is that the larger political parties expressed satisfaction with the prescribed allocation formulae of RPPF and MPDF funds. This consists of disbursing two thirds of the total amount of the respective funds to represented political parties through proportional allocation in accordance with the number of seats awarded to each party in the National Assembly and provincial legislatures. The remaining one-third is allocated equitably by dividing the funds equally among the represented political parties in the National Assembly and provincial legislatures. Most of the smaller and unrepresented parties are of the view that the allocation criteria suppress their growth prospects and prejudices them against larger parties through smaller allocations.

Interviews with the political parties indicate that most of the larger political parties appear to be indulging in duplicitous doublespeak. For instance, after the elections in May 2019, officials from the ANC (Treasurer-General Paul Mashatile) and the DA (Chief Executive Paul Bugeh) called for a review of the PPFA in the 6th Parliament, arguing that the legislation limited their fundraising efforts (*see Mail & Guardian*, 10 May 2019).

Another notable finding in the interviews is an apparent lack of appreciation of the key provisions of the PPFA by some politicians. This may be why political parties do not have a consistent position on whether they support the Act. For example, EFF officials interviewed in the Free State stated that the PPFA had sinister motives designed to disadvantage the financial wellbeing of political parties which, unlike the ANC, do not have access to the benefits of the state. On the other hand, a high-ranking EFF official interviewed in KZN supported the Act with few reservations, affirming that the regulation of private funding of political parties was long overdue as this was crucial for transparency and accountability. Another case of internal discord was that of the ATM, whose President Vuyolwethu Zungula eulogised the PPFA 2018 in an article in the *Cape Times* on 17 January 2019, entitled 'Voters need transparency about private party funding'. Yet an ATM official interviewed in KZN vehemently criticised the Act and expressed intentions 'to resist the legislation in every manner possible'.

Experts on democracy and elections

Electoral experts across all provinces appeared to concur that the PPFA 2018 will herald a new dawn in transparency, accountability, and fair electoral competition which would cultivate trust between voters and political parties. While questioning the timing and possibly covert political motives behind the Act, most of them further agreed that the regulation of political party funding would address the root causes of state capture and help prevent the

monetisation of elections, whilst allowing voters to make informed decisions. Experts on democracy and elections from all provinces questioned the capacity and capability of the IEC to oversee and monitor the PPFA implementation, which has a bearing on the achievement of the intended objectives of the Act.

The media, civil society organisations, religious organisations and the private sector

Civil society across all six provinces shares similar views to those of the experts on democracy and elections. There are, however, concerns about whether the IEC would be able to trace all the clandestine donations made to political parties. Private sector stakeholders indicate that they do not fully understand the PPFA. They also do not support the disclosure provisions of the Act as they consider that these may affect their stakeholder relations and prospects of working with government institutions.

3. Preparedness of the IEC to monitor and regulate the provisions of PPFA 2018

From evidence gathered throughout the six provinces covered, the finding has been that the IEC does not yet have any structures at national or provincial levels to implement the PPFA. The IEC admitted that the implementation process will be phased in line with available funding and also allow for capacity development. Further submissions of public comments on the PPFA Regulations were cited as part of the reason behind delays in implementing the Act. The IEC, however, has developed an outline of the structure, or organogram for its envisaged Political Party Funding Unit that will be specifically responsible for overseeing the implementation of PPFA 2018. In August 2019 the IEC announced the appointment of George Mahlangu as chief executive of party funding (Makhafola, 2019). The envisaged unit will have functional areas or sections responsible for party funding management, investment management and planning, research and policy regulation, financial reporting, auditing, compliance and enforcement management, monitoring and investigation, litigation, communications, media relations and stakeholder relations. At the conclusion of the research project, the IEC was not yet ready to implement PPFA 2018 although they had covered substantial ground in terms of developing a framework and roadmap for implementing the Act.

4. Preparedness of political parties and other stakeholders to implement PPFA 2018

The broader picture across all six provinces is that most political parties are not yet adequately prepared to implement PPFA 2018. Operational, technical, and personnel capacity seem to be lacking as the PPFA will involve additional

technical compliance requirements and obligations for the parties. These include the creation of separate bank accounts for MPDF and RPPF funds, receiving and recording donations, reporting donations in line with prescribed reporting formats, auditing financial statements, and accounting for the expenditure of both private funds and RPPF funds.

Political parties are yet to create the requisite structures and systems to facilitate the implementation of the Act. New parties such as ATM and GOOD Party openly admitted that they do not have structures and modalities in place for implementing PPFA, whilst larger parties such as the ANC, DA and EFF claim that they will use their existing institutional infrastructure for PPFA compliance. The empirical reality, however, is that the *Public Funding of Represented Political Parties Act 103 of 1997* implementation infrastructure is neither adequate nor sufficient for implementing PPFA 2018 in light of these expanded duties and responsibilities.

A notable trend in all provinces is that most media houses are yet to fully comprehend the PPFA, and as a result their ability to play the watchdog role will be compromised. Based on the interviews, it appears that civil society organisations are more pro-active and knowledgeable about the legislation, and there is a high chance that they will fulfil their watchdog role.

5. Trends and patterns in election campaign expenditure

Notwithstanding the variations between provinces in terms of scope, quantity and distribution of expenditure, political parties in all six provinces incurred expenses as follows: mass media advertisements (print and electronic), political party regalia, venue hire, transport hire, political party marketing materials, entertainment, volunteers, distribution of food handouts, community assistance project donations and humanitarian interventions. With regard to mass media advertisements, larger parties benefited more from SABC TV broadcasts of election campaign adverts. The same parties spend more on billboards, newspaper advertisements (mostly in main newspapers across all provinces), street pole advertisements, and other election posters.

All political parties distributed free political party regalia (in the form of political party-branded T-shirts, caps, doeks, and berets), although there was a widespread trend to sell party regalia to supporters, especially in urban areas. Venues for most of the election campaign rallies were generally no-fee open public facilities although some municipally-owned grounds and community halls with modest fees were also used. Expenses such as tent hire, stage platforms, public address (PA) systems, VIP transportation and catering, party-branded mobile campaign vehicles and bus hire were common in all the provinces.

Volunteers were engaged in all provinces to distribute flyers, pamphlets and party memorabilia at election campaign events; some parties also engaged these

volunteers as marshalls for crowd control and management. On election day, political parties used volunteers as agents stationed inside and outside polling stations. These agents were entitled to allowances for communication, meals, and some transport. Larger parties generally had consistent representation at polling stations. For instance, the ANC was the only party that had manned tents outside all eight polling stations observed in KZN.

In the Eastern Cape and KZN, there was a culture of distributing food handouts to supporters. In KZN and the Eastern Cape, political parties donated groceries and food to flood victims following Cyclone Kenneth in late April 2019, and used this opportunity to campaign. Some political parties also made donations to schools and the under-privileged.

Hidden costs and expenses (through organisational and logistics undertakings) were also observed on May Day 2019 where political parties, mainly the ANC and the SRWP, took advantage of the celebrations to campaign. It was, however, very difficult to establish how much and in what way political parties had contributed to the events.

Overall, most political parties admitted that they benefited from in-kind contributions made by anonymous partners and well-wishers, but details were not disclosed as to what and where they contributed. The role of traditional leaders was not common except in Limpopo where chiefs were observed donating food and beverages to ANC door-to-door campaigners in Mamokgadi Village.

6. Possible abuse of state resources in election campaigning

In most of the provinces, possible cases of abuse of state resources related largely to the ANC with the exception of those IFP and EFF cases covered in the chapters on KZN and Limpopo respectively. In the provinces of KZN, Free State, Limpopo, Eastern Cape and Mpumalanga, there were cases where ANC rallies were provided with Department of Health mobile clinics, provincial government ambulances and provincial government emergency medical rescue service vehicles. These services were not extended to other political party events. Again, ANC officials enjoyed the services of metro police blue lights escort vehicles to and from election campaign rally venues. In KZN, the president of the Inkatha Freedom Party (IFP) used eThekweni metro police VIP motorcycle escort services to and from an election campaign rally in KwaMashu Section C Sports Grounds on 28 April 2019. While this may not qualify as abuse of state resources *sensu stricto*, when state services are extended to political rallies for one party the legitimate expectation is that similar events convened by other political parties should be accorded the same benefits, without discrimination.

In most provinces ANC election campaign rallies generally had live broadcast coverage from SABC News, while other political parties were not accorded the

same service. Such practices give rise to the reasonable suspicion that there may be a hidden hand of ANC-aligned government officials influencing the selective coverage of campaign events in pursuit of obvious political interests.

SUMMARY OF RECOMMENDATIONS

The following recommendations to the IEC, political parties and broader civil society are based on findings in the six provinces covered by the research, and in light of the principal objectives of the research as outlined in Chapter 1.

1. Speedy implementation of the PPFA

Based on the findings from all six provinces and perceptions of all stakeholders, it is recommended that government should facilitate the allocation of adequate and sufficient support to the IEC so as to speed up the implementation of the PPFA. By so doing, the Act will enhance transparency and accountability; intercept corruption and the abuse of state resources through prohibition of donations from SOEs; prevent destructive foreign interference through restrictions on donations from foreigners; discourage influence peddling through the capture of parties, party policy direction, privileged access to government corridors and state capture; level the electoral playing field through donation caps and MPDF component; and restore the integrity of South Africa's multiparty democracy through the prohibition of so-called dark money, and the commercialisation and monetisation of politics.

2. Engagement and sensitisation

The IEC may need to engage and sensitise all stakeholders (in particular political parties, business organisations, civil society groups, and media houses) through a structured education and information dissemination programme across all nine provinces of the country to dispel the myths, misconceptions and misinterpretations of the Act. This programme should also target relevant IEC technical officials in all provincial offices.

3. Implementation of a capacity building programme

In the same vein, the IEC may also need to design and roll out a capacity building programme comprising workshops or short-term training seminars across all provinces and for all parties, especially those new in Parliament. This is to assist in preparing the requisite structures and operational modalities needed to implement the PPFA. The capacity building programme may cover issues pertaining to reporting modalities, electoral declaration systems, reporting formats, reporting parameters, disclosure mechanisms, and other legislative requirements and obligations emanating from PPFA.

4. Creation of structures for partnerships and collaboration

The PPFA compliance monitoring and oversight role of the IEC may be complex and complicated as political parties may seek creative and innovative ways to circumvent and evade compliance. Tracing and tracking the flow of 'dark money' donations from non-permissible sources, or donations that exceed prescribed ceilings, will be a very complicated undertaking. The IEC may need to develop joint structures in partnership with civil society and political parties (in the form of party liaison committees) to allow for collaborative efforts and the sharing of information and ideas on how best to monitor compliance.

5. Whistleblower policies

People with inside knowledge may be willing to volunteer information relating to the violation of the PPFA by political parties, private sector companies, SOEs, and others, that may not be in the public domain. It is therefore recommended that the IEC, in line with the *Protected Disclosures Act 26 of 2000*, advocate for the adoption of whistleblower policies in political parties, private sector companies, SOEs, and others. This would protect employees who divulge information on such matters and develop procedures for the whistleblowers to disclose relevant and useful information, and would thus help reinforce PPFA compliance.

6. Incorporation of election campaign expenditure ceilings

It is recommended that in future, the IEC consider a possible review of the PPFA to incorporate election campaign expenditure ceilings in order to level the electoral playing field in line with international best practice and global standards.

7. Further consultations on allocation criteria for RPPF and MPDF funds

Whilst the allocation criteria for RPPF and MPDF funds have been revised to allow for more equity and equality, the continued calls for greater equity from smaller parties may point to a need for more dialogue and consultation with all stakeholders on the issue. This is in order to determine whether there is the need and basis for revising the allocation criteria in order to make South African multi-party democracy more vibrant.

8. Abuse of state resources

Efforts being made to level the electoral playing field through the PPFA may be derailed by the continued prevalence of cases involving the possible abuse of state resources. The IEC may need to review the Act so that it explicitly forbids the use of state resources in election campaigning. Such practices should be considered under the broader category of prohibited 'in-kind donations' which prejudice smaller and less influential parties whilst presenting an unfair advantage to their larger counterparts.

9. Aligning political party constitutions with the PPFA

Since intra-party election campaigns fall outside the jurisdiction and purview of the PPFA, it is recommended that political parties consider aligning their party constitutions to the PPFA. Key provisions of the Act, such as the disclosure of funding sources, would compulsorily apply to the intra-party donations made to party members during internal campaigning processes.

CONCLUSION

Empirical research established the transparency and integrity of the 2019 electoral process in South Africa with regard to political party funding. Broader findings revealed the prevalence of secrecy amongst many political parties and their reluctance to disclose their sources of private funding and donations. The verified election campaign costs and expenditure trends and patterns observed in the six provinces suggest that the 2019 electoral playing field in South Africa was neither even nor balanced from the perspective of election campaign finance. Privately sourced funds still constitute a huge portion of political parties' election campaign budgets; as a result, these have a considerable, but not exclusive, role in determining election outcomes. The fact that almost all political parties are reluctant to freely divulge sources of their election campaign finance in the absence of compelling legislation to do so, may cast a dark cloud on the horizon. The effective implementation of PPFA 2018 may be problematic. With the IEC not yet fully equipped and prepared to monitor and regulate the provisions of PPFA 2018, there is an expectation that efforts will be deployed to address this issue. In addition, there is likely to be an accelerated review of the Act to tighten it in light of the upcoming 2021 municipal elections, although generally the PPFA 2018 complies with international benchmarks and best practice on party and campaign finance. Overall, the empirical findings of the situation in the provinces suggest that implementation of the PPFA 2018 will facilitate desirable regulation, disclosure and control of political party funding in South Africa, which in turn deepens and strengthens electoral democracy. However, the effective collaboration, cooperation and political will of the IEC, political parties and all other relevant stakeholders are key in determining the extent to which the Act will achieve its intended objectives.

References

- Makhafola, G. (2019) 'IEC appoints George Mahlangu as head of new political party funding unit', IOL, 1 August. Available at: <https://www.iol.co.za/news/politics/iec-appoints-george-mahlangu-as-head-of-new-political-party-funding-unit-30162666>
- Marrian, N. (2019) 'Parties strain against Funding Act', *Mail & Guardian*, 10 May. Available at: <https://mg.co.za/article/2019-05-10-00-parties-strain-against-funding-act> [Accessed on 6 June 2019]
- Republic of South Africa (2000) *Protected Disclosures Act 26 of 2000*. Available at: <http://www.justice.gov.za/legislation/acts/2000-026.pdf> [Accessed 5 June 2019]
- Zungula, V. (2019) 'Voters need transparency about private party funding', *Cape Times*, 17 January. Available at: <https://www.iol.co.za/capetimes/opinion/voters-need-transparency-about-private-party-funding-18856278> [Accessed 1 June 2019]