



INYATHELO

The South African Institute for Advancement



NPO Act Amendment Bill Communiqué 8

25 March 2022

The NGO representative working group and nominees from the NGO sector participated in a virtual meeting organised by the Department of Social Development on Wednesday 23 March to discuss the NPO Amendment Bill. Although the original intent of the meeting was a workshop format, the DSD conducted the meeting as a structured presentation format with question-and-answer slots at the end of each presentation.

The agenda for the meeting, and presentations from the Department of Social Development can be found on the Inyathelo website—[here](#) together with all relevant information and documentation regarding the NPO Act Amendment Bill, 2021. The meeting started late because of technology hitches and challenges.

The Working Group participants and nominees noted that the sector was aware of the intent of the Bill and supported the sentiments that led to its development but were not prepared to support the Bill in its current form.

1. The following issues were raised in the Q&A session by various NGO representatives:
 - a. The Draft Bill is shoddy with incomplete sentences and missing words.
 - b. There are clauses in the Draft Bill that are unconstitutional and would result in litigation.
 - c. Several clauses in the Draft Bill are open to interpretation and ambiguous in nature.
 - d. The content is administrative as indicated but had important policy implications.
 - e. The changes proposed are not straightforward and a number of them are in contradiction to the intent of the Bill [which was to cut red tape, improve efficiency and create an enabling environment].
 - f. Proposals in the Bill would be onerous on Non-Profit Organisations.
 - g. The drafting of the Bill and the proposed amendments did not appear to consider the current social, political, and economic context impacting NPOs.
 - h. The current state of the sector due to the pandemic has highlighted the need to include support from Government in the Bill so that during times of disaster or *force de majeure* NPOs will be considered in resource allocations, decision making and consultations (as the private sector was). This is to avoid the situation experienced by NPOs of governments' promises of support, a social compact and social sector summit remained.

The Department noted that the Bill did not address the impact of the pandemic because it was drafted in 2018.

The Department reiterated that it was important that the sector at large submit comments on the Bill, and they would only be able to review the Bill after the new deadline for comments, 30 April 2022. Department officials emphasised that public comments would shape and change the Bill.

2. **Next Steps**

The Department has extended the deadline for submissions on the proposed NPO Act Amendment Bill to 30 April 2022. They are encouraging all NPOs to submit their views and will review the comments in their entirety. They will submit the Bill to parliament during the next financial year and expect the promulgation of the Bill to occur in 2023.

The development of a policy that will frame the revision of the NPO Act 71 of 1997 will be started in 2022. The Department noted that there are substantive research reports that will inform the review. These research reports can be found on the Inyathelo website.

The Working Group noted that it will take advantage of the extension to the deadline for comment on the NPO Act Amendment Bill and review its original submission on the Bill. The group has proposed:

- a. A public workshop in the week of 4 April to review and revise the joint submission on the Bill and plan a process for participation in the policy development process that will inform the review of the NPO Act.
- b. The Inyathelo web page on the NPO Amendment Bill becomes a resource for organisations wishing to make submissions on the Bill.
- c. Resource mobilisation to assist the sector in the policy review process.
- d. A media campaign on the proposed amendments to the NPO Act.
- e. An open letter to the Minister of Social Development outlining the discontent of the sector.

Kind regards

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