

Analysis of the IEC's Annual Political Funding Report for FY2024/2025

Following the money, exposing the gaps, shining a light on political funding

MY VOTE COUNTS

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Democracy cannot flourish in the dark. Transparency in political funding is essential to protect the public interest and limit private influence.

MVC is a non-partisan civil society organisation dedicated to advancing the constitutional principles of transparency, inclusiveness, and accountability in South Africa by campaigning to reform political party funding and our electoral system.

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POLITICAL PARTY NAMES AND ABBREVIATIONS

ActionSA
(not abbreviated)

AIC
African Independent Congress

ACDP
African Christian Democratic Party

ACT
African Congress for Transformation

ANC
African National Congress

ATM
African Transformation Movement

AL-J
Al Jama-ah

BOSA
Build One South Africa

COPE
Congress of the People

DA
Democratic Alliance

EFF
Economic Freedom Fighters

VF Plus
Freedom Front Plus

GOOD
Good Party

IFP
Inkatha Freedom Party

MF
Minority Front

NCC
National Coloured Congress

NFP
National Freedom Party

PAC
Pan Africanist Congress of Azania

PA
Patriotic Alliance

Rise Mzansi
(not abbreviated)

SACP
South African Communist Party

MK
UmKhonto Wesizwe NPC

UAT
United Africans Transformation

UDM
United Democratic Movement

PART 1 INTRODUCTION

The Electoral Commission's (IEC) annual political funding report ('the report'), for the reporting period 01 April 2024 to 31 March 2025 (the 'reporting period' or 'FY 2024/2025'), has now been made publicly available (see here).[1] The report is required to be published by the IEC in terms of the Political Funding Act 6 of 2018 (PFA), formerly the Political Party Funding Act, and is the fourth of its kind since the Act came into effect in April 2021. The report is also the first to be published since the amended PFA – which now includes provisions relating to the funding of independent candidates – came into effect in May 2024.

Less than five years ago, South Africa had no law regulating the private funding of political parties. Despite this progress, there are still many unknowns when it comes to private funding.

Given that the yearly political funding report provides the most comprehensive publicly available analysis of parties' private and public funding sources, its publication should be a landmark event in the accountability calendar. Less than five years ago, our understanding of the private funding of political parties was little to none, and there was no legal framework regulating the receipt and disclosure of private funding. However, it also serves as a reminder of the significant loopholes which should be addressed in the PFA, and the fact that many of our largest parties' private funding sources remain opaque. In this analysis, MVC highlights the report's most noteworthy datapoints, discusses important trends in party funding, and draws attention to the concerning transparency gaps which continue to plague South Africa's political funding regime.

The report's release is also an opportunity to reflect on two significant developments, the full impact of which remains to be seen. The first was the creation of a lacuna in the PFA: when the amendments to the PFA came into effect in May 2024, the upper donations cap of R15 million and the donations disclosure threshold of R100,000 were effectively removed due to a legislative misstep. MVC immediately sought the closure of this lacuna by filing urgent legal proceedings, but by the time the Western Cape High Court reinstated the limits in August 2024, parties had been allowed to accept donations of unlimited value without disclosing them to the IEC for a period of over three months – a period in which SA's most significant post-1994 national election took place. The public remains in the dark as to parties' private funding sources during this period, and we may never know whether significant donations were made to parties on the eve of the May 2024 elections, or, the sources of donations that were made during this period. The IEC's report, which draws its data from information disclosed to it by parties as required by law, must be analysed with this caveat in mind. More on this later in our analysis.



The second development was the President's promulgation of a new donations cap and disclosure threshold in August 2025, following the National Assembly's recommendation that the limits be doubled: the cap on private donations from a single source in a financial year was increased from R15 million to R30 million, and the donations disclosure threshold was raised from R100,000 to R200,000. Accordingly, the IEC's FY2024/2025 report will be the last which includes data relating to private donations between R100,000 and R200,000. When the IEC publishes its annual report next year, the extent of private donations which remain shielded from public scrutiny will have increased. By way of illustration, 8 of the 62 (13%) donations disclosed to the IEC in the reporting period would not have been included in this year's report had the new limits already been in place.

The PFA, despite its shortcomings, is a vital legal tool for ensuring transparency and accountability in political funding in South Africa. However, these two key developments serve as a pressing reminder that unless we seek to continually protect and strengthen the PFA, our hard-won political funding regime will be neutered by weak reporting thresholds which allow parties to accept large donations in secrecy. Though MVC's litigation to challenge the President's doubling of the limits is underway, there is no guaranteeing that these changes will be reversed by the courts. As you read through our analysis of the FY2024/2025 report, we encourage you to reflect on what is at stake if our political funding regime continues to be weakened. Without strict regulation of political donations, it is all too easy for parties to become overly reliant on private funding and susceptible to undue influence – a state of affairs which undermines our foundational democratic commitments.

Since August 2025, parties can accept up to R30 million a year from a single donor, double the previous limit. Under the new R200,000 disclosure threshold, 8 of this year's 62 disclosed donations would have been undisclosed.

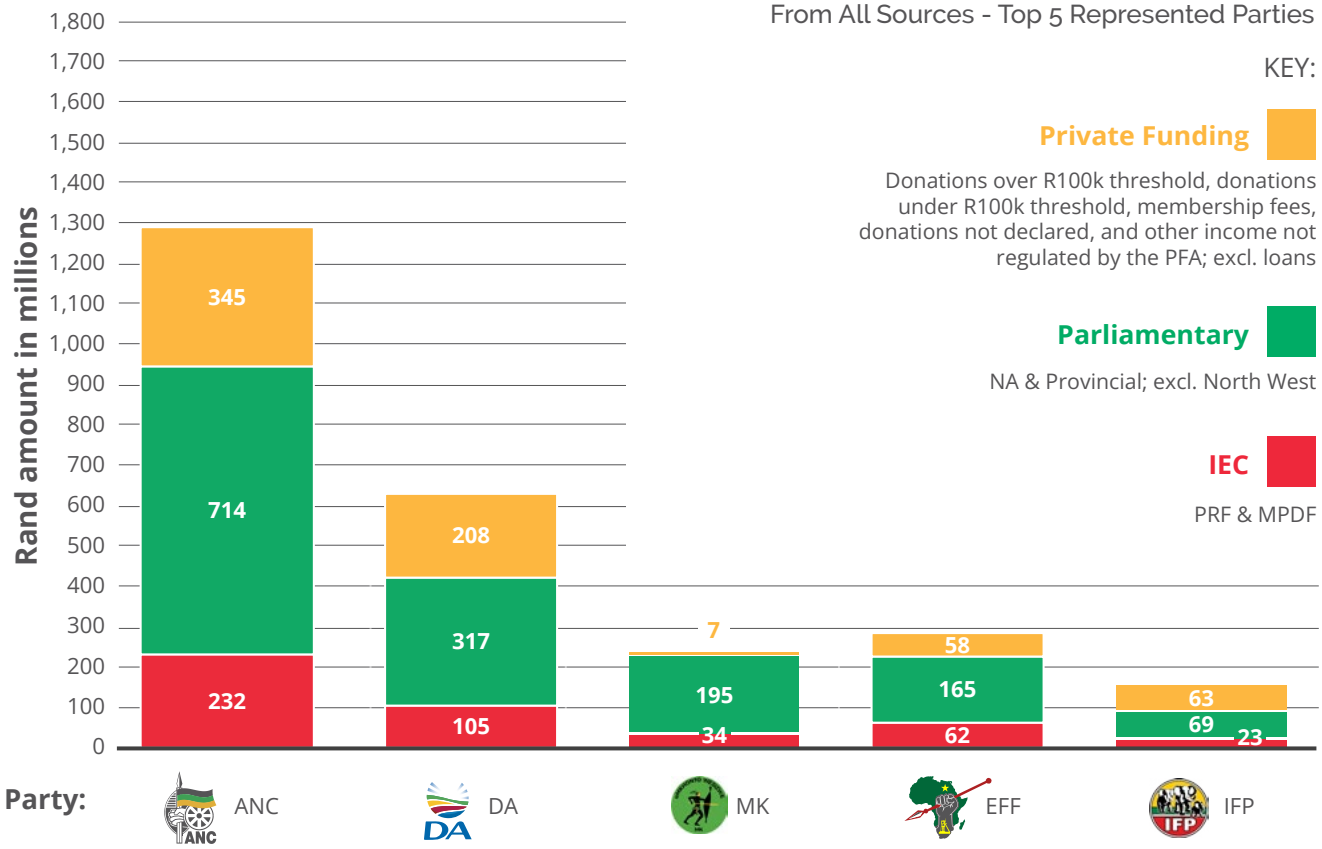
A note on the data: All the data referenced in this analysis (including data depicted in graphs and visuals) has been drawn from the IEC's report, and the accuracy of this analysis is thus dependent on the accuracy of the IEC's data. It must be stressed that the IEC's data relies on political parties' compliance with the PFA's disclosure and accounting requirements. The IEC's report and this analysis therefore cannot be taken to be a complete picture of political funding in South Africa during the reporting period, given that the report does not account for non-compliance beyond that which has already been identified and investigated. It also does not account for donations received but not disclosed during the lacuna period described above, barring those voluntarily disclosed by the DA, ActionSA and IFP, who continued to comply with disclosure requirements despite the legislative gap. Where there are ambiguities or discrepancies in the IEC's data, we note this in the endnotes.

PART 2 OVERVIEW OF PARTY FUNDING FOR FY 2024/2025

The report paints a comprehensive picture of the current state of political funding in South Africa, in that it provides detailed information about all sources of political funding, both private and public. It reveals that represented political parties[2] received a substantial sum – over R3 billion – in total funding over the reporting period.

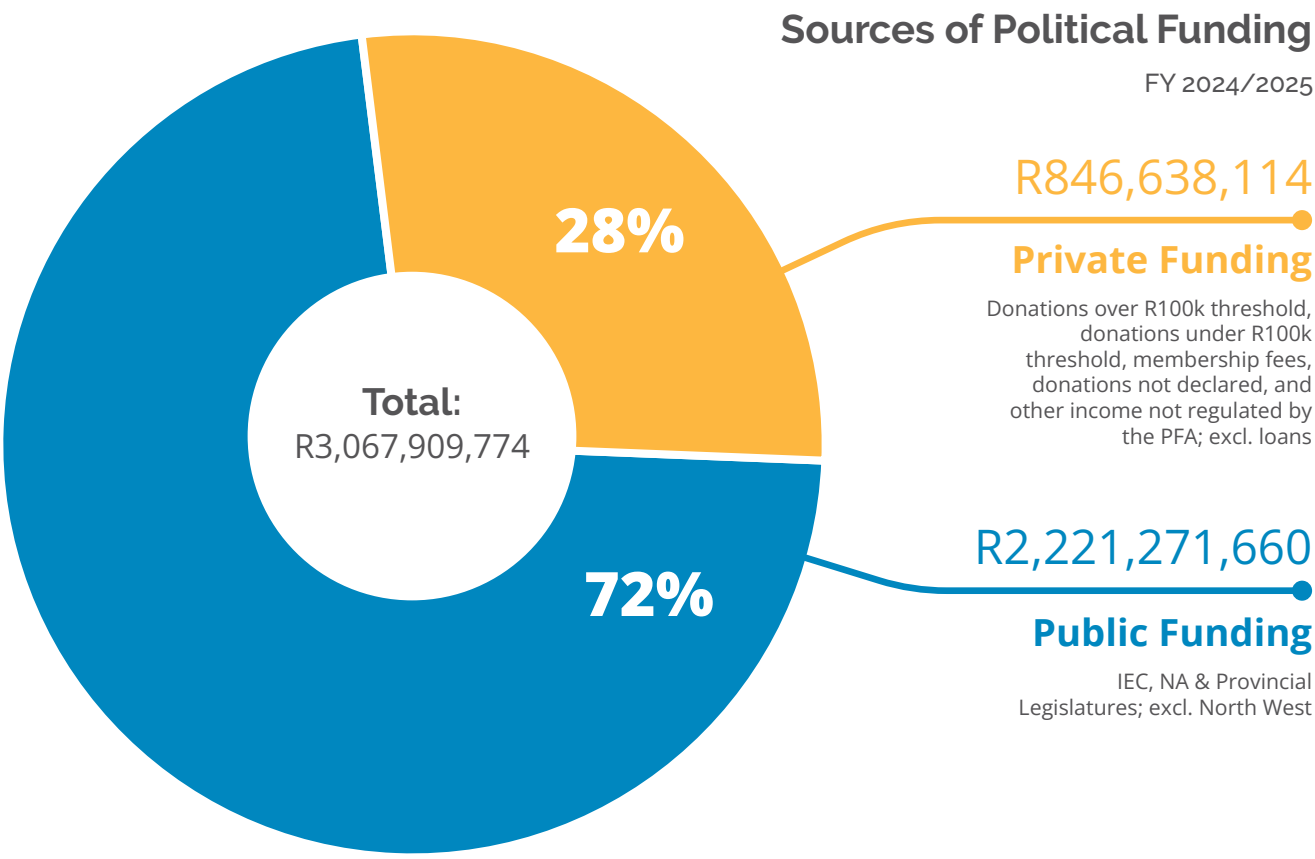
Total Funding for FY 2024/2025

From All Sources - Top 5 Represented Parties

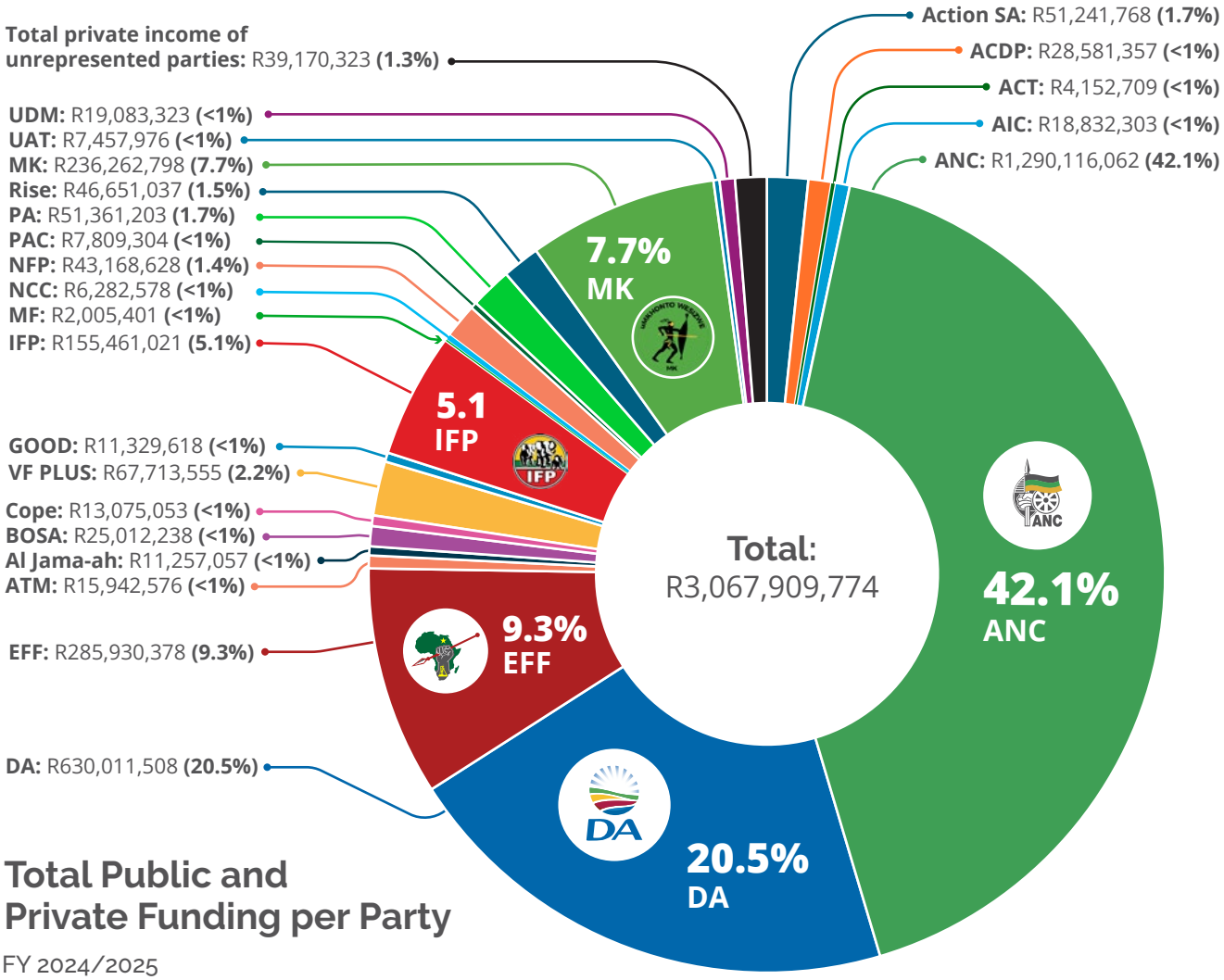


There are three sources of public funding for political parties: the IEC, the National Assembly (NA), and provincial legislatures.[3] All public funding is ultimately provided by the taxpayer via National Treasury. Only represented parties and independent representatives – those parties and independent candidates that won seats in the NA and/or provincial legislature/s – are entitled to receive public funding. Any party and independent candidate, whether represented or not, can receive private funding, provided by businesses and individuals in the form of donations.

Over the reporting period, represented parties received a total of **R2,221,271,660** in public funding between them.[4] This compares with **R846,638,114** in private funding received by all parties over the same period.[5] This figure includes donations that exceed the disclosure threshold of R100,000, as well as those that fall under the threshold. It also includes membership fees and levies, 'other income' not regulated by the PFA, and known donations not disclosed to the IEC[6], but excludes loans. This means that altogether, **parties received R3,067,909,774 in public and private funding combined**. This is a significant sum, notwithstanding the fact that the first two months of the reporting period preceded a national election. Although a slight decrease on the R3,242,325,452 parties received in FY2023/2024, it remains a noteworthy increase on the approximately R2.03 billion in total public and private funding received by parties over the FY2022/2023 reporting period.[7]



As in previous years, the total funding that parties have access to varies significantly between them. This is partially the result of public funding being allocated to represented parties largely on a proportional basis, in accordance with the number of seats won in Parliament and/or the provincial legislatures, but is also the result of certain parties receiving significant sums from donors.



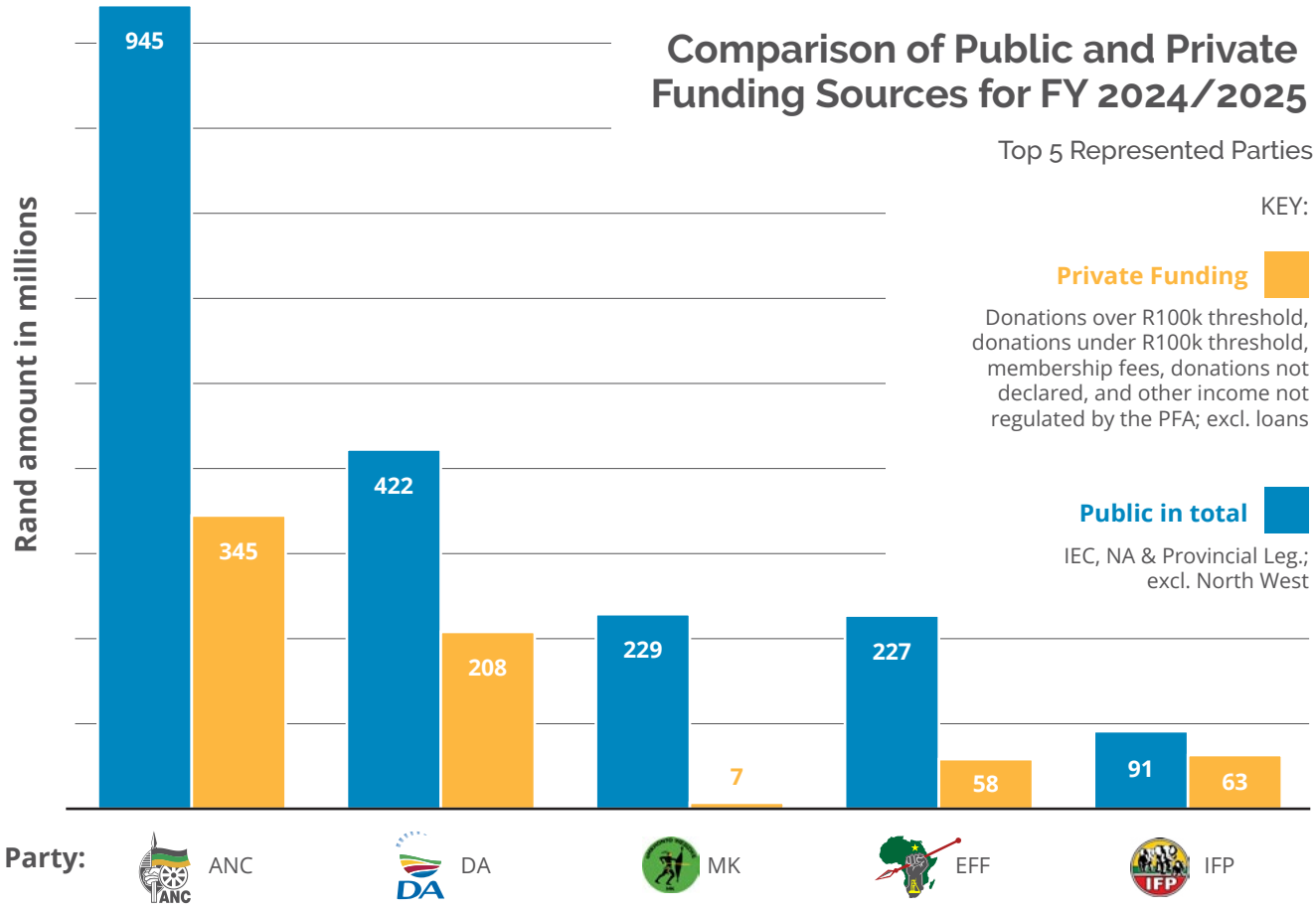
Total Public and Private Funding per Party

FY 2024/2025

For example, the **ANC received over R1,290,116,062** in total funding over the reporting period, which, although roughly R500 million less than the R1.7 billion it received in the previous reporting period, is still more than double that of its closest contender the DA, which received **R630,011,508** in total funding. The **EFF and MK** also benefitted from significant funding, **receiving R286 million** and **R236 million** (public and private funding combined) respectively.[8]

Together, the **ANC and DA received 63%** of all funding, a 10% decrease from 73% in the previous reporting period. This decrease is worth highlighting, particularly because this is the first reporting period in which the 2024 amendments to the PFA were implemented. The PFA now requires 10% of the IEC funds to be distributed equitably and 90% proportionally (previously, this split was 33% and 67%).

One would expect this change to result in an even greater concentration of funding in the hands of the ANC and DA, but this has not been the case – a sign of the ANC's declining electoral dominance, and the impact of MK's entry onto the electoral scene. The DA, in fact, performed slightly better in the 2024 elections compared to 2019, so its share of public funding would not have declined. Further, that 73% and 67% of the ANC and DA's funding, respectively, was received from public sources is an important reminder of the critical role which public funding plays in supporting democracy, given parties are the lifeblood of our democratic institutions.



PART 3 PUBLIC FUNDING

We now turn to take a closer look at the three sources of public funding that parties received, namely, funding from the IEC, (the **'IEC allocation'**) the NA (the '**parliamentary allocation**') and the provincial legislatures (the '**provincial allocation**').

IEC FUNDING

The PFA established the Political Representatives Fund (PRF) to disburse public funding from the IEC to political parties represented in the NA and/or provincial legislatures. The fund is capitalised by National Treasury. The funds are distributed on a quarterly basis in accordance with a prescribed formula. Following the 2024 amendments to the PFA, this formula prescribes that 10% of the funds must be distributed equitably to all represented parties, and the remaining 90% distributed proportionally in accordance with parties' representation in the NA and provincial legislatures. The funds that parties receive from the PRF may only be used for specific purposes, including **developing the political will of the people**; **bringing the party's influence to bear on the shaping of public opinion**; **furthering political education**; **promoting active citizenship; complying with the Act's provisions**; and so on. The funds may not be used to, among other things, pay salaries or fees, establish a business, acquire financial interests, or defray legal costs related to internal party disputes. For the reporting period, the PRF was allocated R322,077,000, and was also given an additional allocation of R200,000,000 to help parties cover the costs of election campaigning. Thus the **PRF disbursement came to a total of R566,878,967**, which included R42,690,364 in suspended funds from the previous reporting period paid out to the AIC, COPE and MF.[9]

The IEC paid out nearly R600 million to represented parties in FY2024/2025. Private donations to the Multi-Party Democracy Fund more than quadrupled, from R7.2 million to R30.9 million.

The PFA also established a second fund, the Multi-Party Democracy Fund (MPDF), to provide additional support to political parties. The fund is capitalised by private donations from corporate and private sources. Its funds are distributed to represented parties in the NA and provincial legislatures in accordance with the same formula that the PRF's funds are distributed. Encouragingly, private donations to the MPDF increased during the reporting period, with the result that **R30,885,951 was disbursed from the MPDF** – a more than fourfold increase on the MPDF disbursement of R7,160,198 in FY2023/2024.[10] The largest contributor to the MPDF in the reporting period was Exxaro Resources, which donated R25 million to the fund.

In sum, the full amount disbursed by the **IEC was R597,764,916** for the reporting period. The ANC received R231,510,332 of this amount, the DA R105,464,932 and the EFF R62,467,354.[11] This reporting period was also the first in which MK – now the third-largest party in Parliament – received public funding as a represented party, receiving R34,150,230 across the three financial quarters following the May 2024 elections (note, newly elected parties did not receive any of the R200,000,000 additional allocation, which was paid out in the first quarter).

LEGISLATIVE FUNDING

The second and third sources of public funding are the parliamentary and provincial allocations. Sections 57(2) and 116(2) of the Constitution provide that the rules and orders of the National Assembly and provincial legislatures, respectively, must provide for financial and administrative assistance to each represented party, in proportion with its representation. These allocations make up the bulk of parties' public funding, and when combined, come to more than double the IEC allocation.

The PFA requires the NA and provincial legislatures' accounting officers to disclose any funding disbursed to represented political parties during the reporting period to the IEC. Concerningly, the North West province failed to provide this data to the IEC for the FY2024/2025 reporting period. Thus although most provincial funding data has been included in the IEC's report, we do not have a complete picture of the provincial allocations distributed in FY2024/2025. What we do know is that a total of **R1,623,506,744** was allocated to 23 represented political parties by the NA and eight provincial legislatures. This includes allocations to COPE, the AIC and MF, which stopped receiving allocations after losing representation in the 2024 elections. The ANC, as the party with the greatest representation in these legislatures, was allocated R713 678 372 – a noteworthy decrease from the almost R1 billion it received in the prior reporting period, which speaks, yet again, to our shifting electoral landscape. The DA and EFF received R316,551,616 and R165,187,591 respectively, while MK received R194,925,576.[12]

Parliament and the provincial legislatures allocated parties more than double what the IEC does. The ANC's funding from Parliament and the legislatures fell from almost R1 billion to R714 million in a year.

USE AND UNDERSPEND OF PUBLIC FUNDING

Before we turn to discuss private funding data, we take a brief look at IEC data relating to parties' use – and underutilisation – of the IEC allocation. Parties must account to the IEC for how they have spent their IEC allocation, and the IEC presents this data in its annual report, under line items such as 'personnel expenditure', 'accommodation', 'travel expenditure', 'arrangements of meetings

and rallies', 'promotions and publications', and so on. The IEC also reports parties' underspend. This year, the largest underspend was reported by the NFP, which failed to spend R10 million of the R24 million it received in the reporting period. Minor underspends ranging between approximately R1-2 million were reported by the VF PLUS , NCC, PA, MK, UAT and AIC. No underspend was reported by the DA, EFF and ANC.

Voters still have no idea how parties spend their funding from Parliament and the provincial legislatures, or whether it goes to businesses linked to party members.

It is interesting to note where SA's largest parties spent the lion's share of their IEC allocation. R166 million of the ANC's R232 million allocation was spent on 'personnel'; R71 million of the DA's R106 million allocation was spent on 'promotions and publications'; R41 million of the EFF's R62 million was spent on 'arrangements of meetings and rallies'; and almost R14 million of MK's R34 million was spent on the ambiguous category of 'other expenses'.[13] Curiously, MK reported a nil expenditure for meetings and rallies, of which it held several during the reporting period.

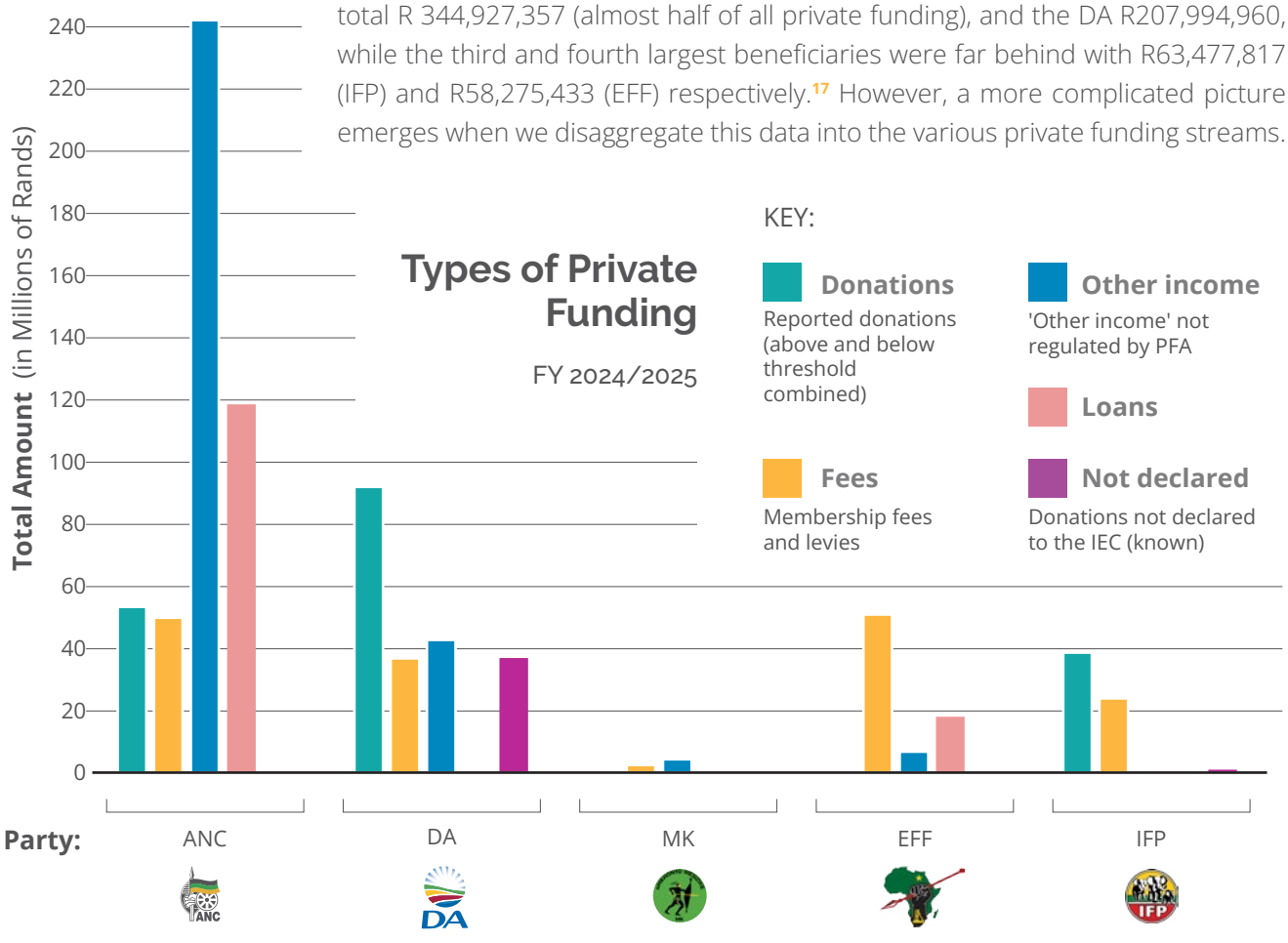
Unfortunately, we still have no idea how parties' remaining public funds – the provincial and parliamentary allocations – are spent. This is a significant transparency gap in our political funding regime, given the majority of parties' public funds – and indeed their total funding – come from these sources. Information concerning how effectively a party uses its funding, and where it prioritises spending its funds, is highly relevant to voters and should be made publicly available. It allows voters to discern, for example, whether parties make an effort to get value for (public) money when paying for services, or whether parties are contracting with businesses which have connections with party members.



PART 4 PRIVATE FUNDING OF REPRESENTED AND UNREPRESENTED PARTIES

The IEC report's data on private funding includes funding provided by businesses, trusts, non-profit organisations and individuals in the form of donations, funding provided by party members paying membership fees and levies, and funding that is generated by the party itself (reported as 'other income').

Although the IEC publishes donations disclosure reports every quarter[14], its annual report is significant because it provides us with detailed insights into parties' other sources of private income, including the total donations they receive under the disclosure threshold of R100, 000, membership fees and levies, 'other income' not within the ambit of the PFA, and loans. The IEC report reveals that together, parties received **R846,638,114 in private funding** during the reporting period.[15] Though this is a slight decrease on the R1,054,778,069 total of the previous reporting period, it remains more than double the amount reported in FY2022/2023.[16] The ANC and DA continue to report significant private funding: the ANC brought in a total R 344,927,357 (almost half of all private funding), and the DA R207,994,960, while the third and fourth largest beneficiaries were far behind with R63,477,817 (IFP) and R58,275,433 (EFF) respectively.[17] However, a more complicated picture emerges when we disaggregate this data into the various private funding streams.



PRIVATE DONATIONS

Private donations may be divided into two groups: those made under the disclosure threshold of R100,000, in respect of which we have no data (other than the total amount), and those made above the disclosure threshold. During the reporting period, the DA was once again the biggest beneficiary of private donations, bagging **R68,183,783** in donations over the threshold, and R23,789,951 in donations below the threshold – R91,973,734 in total.[18] That the ANC did not receive a single donation less than R100,000 – in an election year no less – suggests a potential failure to comply with the PFA's reporting requirements. This is further substantiated by the fact that the ANC's auditors could not confirm the party had controls in place to record such donations. The IFP, PA, PAC, and MK also reported receiving zero donations under the R100,000 threshold. MVC has written to these parties to request clarity on this issue, but as of the time of publishing, only the PAC responded, confirming it received zero donations under the disclosure threshold.

Moreover, **MK and EFF each declared only a single donation** – in the case of MK, R338, 555 received from the South African Policy Education Initiative; and in the case of the EFF, R515 313 from Mobile Telephone Networks (Pty) Ltd.[19] This means that two out of four of our biggest represented parties barely declared any donations over the threshold. In the case of MK, this donation was allegedly its only donation, as it did not record any donations under the threshold. Indeed, between the R2.8 million in total donations MK declared in FY2023/2024, and the R7 million in total private funding it declared in FY2024/2025, MK apparently ran its electoral campaign on a shoestring budget of R10 million.[20] Without greater detail about parties' expenditure, however, we cannot know for certain how much MK spent on its campaign. We also cannot discount the possibility that MK was relying on funds received but not disclosed prior to registering as a political party.

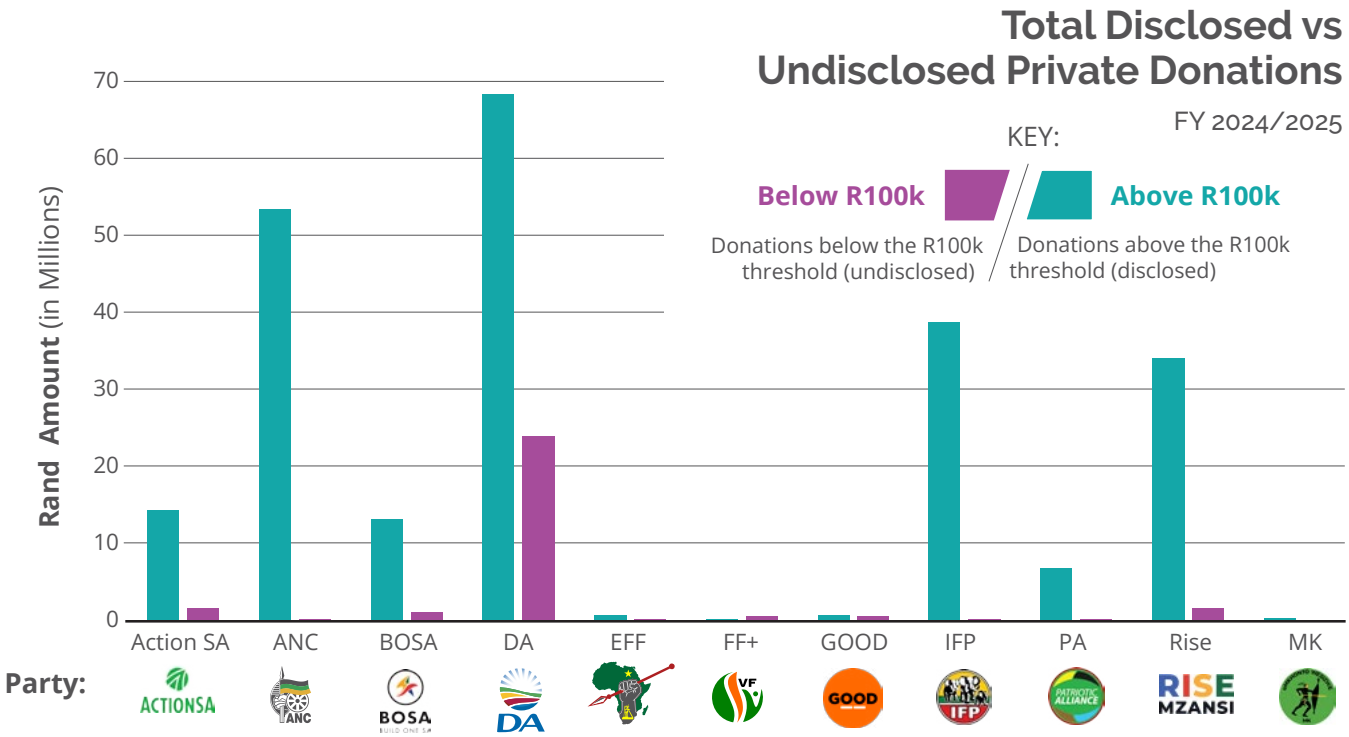
MK and the EFF, two of South Africa's four biggest parties, each declared just one donation over R100,000 in FY2024/2025. On paper, MK ran its first national election campaign on a shoestring budget of about R10 million.

Recently established parties ActionSA, BOSA, and Rise Mzansi continue to appeal to donors, receiving approximately R16 million, R14 million and R35 million in private donations respectively, with most of these donations being over the disclosure threshold.[21] Martin Moshal, members of the Oppenheimer family, and several family trusts, private companies, and non-profit organisations are the key donors backing these parties. Indeed, taking a closer look at the donor data is a reminder that the current disclosure regime only affords limited insight into donors' identities, as we don't have access to information concerning the ownership structures of many of the legal entities making sizeable donations to parties. For example, there is very little publicly available information about We Are The People NPC which donated R15 million to Rise Mzansi, and Voices of South Africa NPC which donated over R8 million to the DA. Nor do we know much about Batho Batho Trust, which was

reported as donating R25 million to the ANC. We have clarified this donation, which appears to be in excess of the donations cap, with the IEC and can confirm that the report erroneously combined a R15 million donation from Batho Batho Trust with a R10 million donation from Botho Botho Commercial Enterprises (Pty) Ltd.

In total, **R231,340,238 in private donations in excess of the threshold** was disclosed during the reporting period (represented and unrepresented parties combined).[22] This represents 86% of the R268,059,511 in total private donations received during the reporting period. While it is certainly encouraging that such a high percentage of donations are falling subject to the PFA's disclosure requirements, this figure must be appreciated with the caveat that four major parties – the ANC, IFP, MK and PA – did not disclose any donations under the threshold.

This encouraging picture is also tempered by the reality that we still remain in the dark as to the majority of our parties' private funding sources. The percentage above decreases significantly when calculated as a total of all private funding (excluding loans): **only 27% of the total private funding of R846,638,114 is comprised of disclosable donations (for reference, all donations combined make up only 32% of total private funding).** While this is partially a result of the fact that parties continue to receive much private funding in the form of membership fees, it nevertheless reveals that the source of most of parties' private funding remains shielded from scrutiny. Indeed, the category of membership fees itself also requires closer inspection, and even when we exclude this category, it is clear that between donations under the threshold and 'other income', there is still much we don't know about parties' private funding sources. We now turn to discuss parties' other funding streams below.



MEMBERSHIP FEES AND LEVIES

According to the data, our largest parties continue to enjoy healthy levels of financial support from their members: the ANC, DA, EFF, IFP and MK recorded receiving over **R163 million** in membership fees between them.[23] Most notably, the EFF declared barely half a million in total private donations, yet again reported an incredible R51 million in membership fees and levies, more than any other party.[24] As highlighted above, this is an area of private funding into which we have very little insight. It is unclear whether parties' accounting systems properly record membership fee payments, and whether auditors – and the IEC – are able to verify that reported membership fee amounts are legitimate. Considering that membership fees make up such a significant portion of some of our largest parties' private funding, this is a category that requires closer scrutiny.

OTHER INCOME

One of the headline figures of MVC's analysis of the FY2023/2024 report was that 78% of the ANC's private funding fell into the ambiguous category of 'other income outside the ambit of the Act'.[25] In the previous reporting period, the ANC disclosed **over R400 million** in 'other income'. This trend has persisted in the FY2024/2025 reporting period, in which the ANC received **R241,964,300 in other income**. As was the case in FY2023/2024, the party with the next highest 'other income' figure was the DA, which received R42,723,253.[26] This year, several other parties also reported receiving a sizeable portion of 'other income': the SACP (R21,107,769), EFF (R6,787,784), NFP (R14,177,112) and MK (R4,344,098).[27]

The ANC reported over R400 million in "other income" in FY2023/2024 and another R242 million in FY2024/2025. The DA reported R30 million in "other income in FY2023/2024, and R42 million in "other income" in FY2024/2025.

In terms of section 12(3)(d) of the PFA, the auditor appointed to audit a represented party's annual financial statements (AFS) must "express an opinion on those statements…(d) indicating whether any income was received by the political party other than provided for in terms of this Act". While we can therefore assume that the ANC's financial statements reflecting R242 million as 'other income' have been confirmed by an auditor's opinion, beyond this, we know very little. We have no indication of what the source of this money could be. The IEC is legislatively bound to accept the auditor's opinion, and must publish the data it receives through parties' audited AFS unchanged in its report. This means that the IEC is unable to independently verify whether this income – and the 'other income' of the other parties mentioned above – legitimately falls outside of the PFA's ambit.

We addressed correspondence to all 17 represented parties that disclosed 'other income' querying the sources of such income. At the time of publishing, we only received substantive responses from GOOD (R137 848 from fundraising and

interest earned) and VF PLUS (R2 465 085 primarily from interest received on investments, sale of assets and merchandise, and fundraising). Without responses from the 15 other parties, we can but speculate as to the source of their other income. As we noted in our analysis last year, it is possible that the ANC disposed of properties and financial assets during the reporting period, and that there is an entirely legitimate explanation for the 'other income' amount. However, it is widely known that the ANC's investment arm, Chancellor House Holdings, manages its investment and property portfolio. In any event, it would be quite something if the ANC had realised over R600 million in assets and investments in just two years – especially considering that, later in 2025, the ANC was again unable to pay staff salaries.[28] While we cannot discount the possibility that the ANC's other income was generated by tickets sold to attend fundraising gala dinners, these are often arranged by another ANC-affiliated entity, the Progressive Business Forum – as was the case with galas hosted in April and July 2024.

The category of 'other income' makes up **over 70%** of the ANC's total private funding (R242 of R344 million). Thus, while we should celebrate the fact that 86% of all donations received in the reporting period were disclosable, this percentage throws into relief the concerning reality that we still don't know where our largest party is receiving most of its private funding from.

LOANS

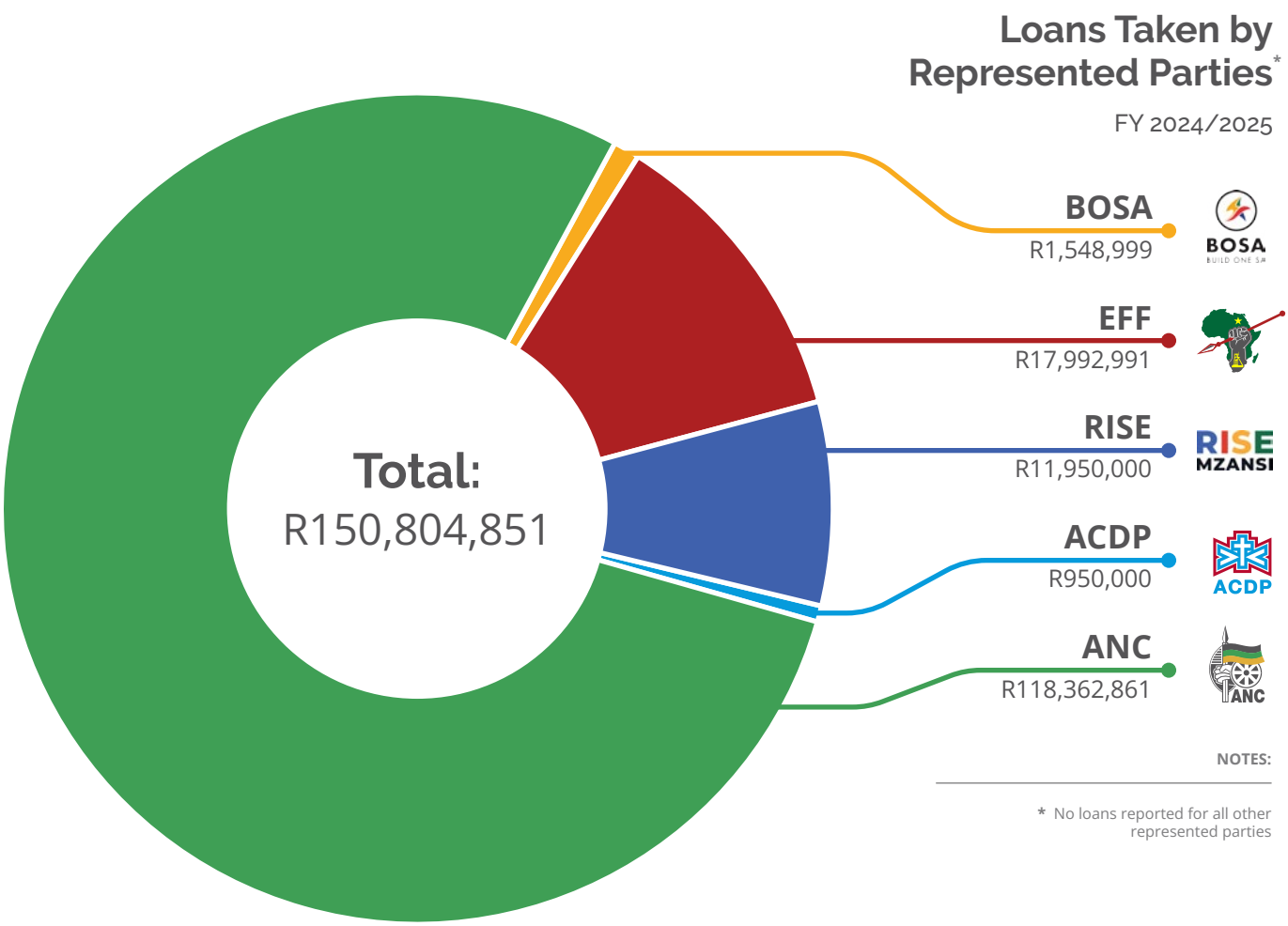
Matters become even more murky when we turn to look at the funding stream attributed to 'loans received during the period'. While the EFF and Rise Mzansi each received notable loans of R17,992,991 and R11,950,000 respectively, these pale in comparison to the whopping **R118,362,861 loan received by the ANC**.[29] Put together, this loan amount and the ANC's 'other income' amount comes to a startling **78%** of the ANC's total private funding (including donations and membership fees). We have addressed correspondence to the ACDP, ANC, BOSA, EFF, and Rise Mzansi (the five parties that disclosed loans) querying the details of their reported loans. At the time of publishing, only BOSA responded to our query, indicating it would respond to a formal PAIA request.

South African parties don't have to publicly reveal who lends them money or on what terms. Canada, the UK, Ireland, Portugal and Spain all require this disclosure.

The IEC's report does not provide any information about the loans, such as whether the loan was guaranteed, the repayment terms, and the interest rate applicable. Beyond receiving an auditor's opinion confirming that a given loan is on commercial terms, the IEC has no means of verifying whether a loan is a legitimate transaction, and has no oversight over whether a loan is being repaid in compliance with its terms. As we have argued previously, loans can be perfectly legitimate financial instruments, but without information about their terms being made publicly available, it is difficult to confirm whether this is the case.

It would be all too easy for a party to evade the disclosure requirements by receiving donations masquerading as loans – loans that have their payment terms endlessly deferred or are eventually written off years later, or are settled on the party's behalf by a private guarantor. Indeed, in 2026, it was reported that a R30 million loan from We Are The People NPC to Rise Mzansi had been converted into a donation. The IEC has indicated it is investigating whether that conversion complied with the law.[30]

In many jurisdictions with party funding regimes similar to our own, parties are required to disclose the source and amount of any loans they receive (e.g. Canada, the UK, Ireland, Portugal and Spain). As parties appear to be borrowing larger and larger sums of money (the ANC's loan is double the amount of the largest loan recorded in the previous reporting cycle), it is clearer than ever that this weakness in the PFA needs to be remedied so that citizens have access to information about who is financing parties. Moreover, the PFA should be amended to afford the IEC legislative oversight over party loans and their repayment, because if loans are written off or otherwise not repaid, they should be recategorised as donations.



DONATIONS NOT DECLARED

In the FY2024/2025 reporting period, the IEC has included for the first time a new private funding stream: 'Donation not Declared with the Commission'. In this category, the DA disclosed R36,594,051; ActionSA R5,057,968; and the IFP R400,000. We have established with the IEC that this category refers to donations which were received in the lacuna period. Notwithstanding the temporary lapse of the donations disclosure requirements, there was still an obligation for parties to record all their income, as per Section 12 of the Act. We have written to these three parties to confirm the details of the donation amounts listed in the report. It is very likely that these amounts reflect the total donations received by parties during the lacuna period, rather than a single donation. As of the time of publishing, we have not received responses to these queries, other than a request for an extension of the deadline from the DA.

For over three months in 2024, including the run-up to the general election, parties could take donations without disclosing them. We still don't know the true extent of that funding.

Insofar as other represented parties are concerned, no funds have been reported in this category. We cannot say with certainty whether this is because other parties did not receive donations during the lacuna period, or because they chose not to disclose donations received in this period as they were under the belief that there was no legal obligation to do so. If they did receive donations, but did not report this income, they violated Section 12 of the Act. We have written to all represented parties to clarify whether they received donations during the lacuna period, and if so, to provide details of these donations. As of the time of publishing, only GOOD, PAC, and VF PLUS had responded, confirming that no donations above the disclosure threshold were received during the lacuna period. The lacuna was in place from 8 May 2024 to 16 August 2024, meaning part of the lacuna period fell right before the May 2024 general elections. This is ordinarily a time when there is an increase in private donations, so until we have established the facts around this, questions remain about the true extent of funding received by parties in this period.

MVC wrote to political parties querying certain information included in the report. The majority did not respond. We have included the responses of those that did in this analysis. If we receive additional responses, we will note these in due course.

PART 5 COMPLIANCE AND ENFORCEMENT

The PFA provides the IEC with the power to issue directions to political parties to enforce compliance before effecting sanctions. During FY2024/2025, the IEC issued over 25 directions to various political parties, several of them represented parties.[31] The report includes details of these directions, most of which related to 'financial statements non-compliance', and six of which related to 'donations disclosure'. Of represented parties, donations disclosure violations were reported for the ANC, ActionSA, UDM and Rise Mzansi. The DA, AIC and COPE were also issued directions for financial statements non-compliance. It is also worth pointing out that COPE failed to close its books and submit audited AFS to the IEC upon losing representation in the NA and provincial legislatures, as is required by the PFA. It is encouraging that the IEC has tripled the number of disclosure violations-related directions issued to parties since the previous reporting period, in which it issued only two. Of course, the fact that these directions need to be issued in the first place is another matter entirely.

In the reporting period, the IEC issued six directions relating to donation disclosures, up from two the year before. Of 611 registered parties, 448 did not submit *any* statement of income.

In another positive development, the IEC's court case seeking clarification of its discretion to impose administrative fines was finalised, and in May 2024 the Electoral Court found that 496 parties which had breached section 12 of the PFA in FY2021/2022 were obliged to pay the IEC administrative fines ranging between R10,000 and R40,000.[32] Section 12 relates to the accounting and banking requirements to which parties are subject. As the penalties were issued for the first year after the PFA's commencement, it is reasonable to assume that these transgressions related to parties' delayed compliance when the Act first came into effect. The IEC reports that, as of end March 2025, only twelve of the sanctioned parties had honoured their debt.

The IEC's report includes, for the first time, a section entitled 'Political Parties' Financial Compliance'.[33] **This section includes some of the most troubling data of this year's report.** For context, represented political parties are required to submit to the IEC audited AFS relating to money received from the Political Representatives Fund (PRF) and the Multi-Party Democracy Fund (MPDF). In addition, they are required to submit an audited statement of income relating to donations, membership fees, and levies. Of 611 registered parties, 448 did not submit ***any*** statement of income as required in terms of section 12(2)(ii) of the PFA, revealing once again widespread noncompliance among unrepresented parties in particular. All represented parties submitted audited AFS, but 'most' of these, according to the IEC, were not compliant with the PFA.[34] In the majority of cases, these issues were rectified, with the exception of five represented parties:

the ANC, BOSA, NFP, NCC and MK.[35] The issues relating to the NFP, BOSA and NCC's audited AFS largely relate to late submissions. For example, the NFP submitted its AFS several months late, and referred to the revenue it received from the IEC incorrectly; the NCC and BOSA also submitted their AFS late, both to their own auditors, and to the IEC. BOSA also mistakenly referred to its Gauteng provincial allocation and parliamentary allocation as income outside the ambit of the PFA, and failed to report on its expenditure properly. Concerningly, the NCC loaned an amount of R24,000 from its IEC allocation to a party member, in clear contravention of the PFA.

The issues which this section identifies in relation to MK and the ANC are even more significant. The IEC reports that MK "failed to account for R700 000 from the Funds account", which could imply that MK failed to account for how it spent R700,000 of its IEC allocation, or could mean that MK simply did not include this amount in its AFS at all.[36] Insofar as the ANC's audited AFS are concerned, several issues were noted for concern. The ANC's registered auditors, Cashew Registered Auditors Inc, indicated that it couldn't confirm, as required by the PFA:[37]

- Whether the ANC "*received donations from the prohibited suppliers, as there are no processes in place to record such information*";
- Whether "*donation received above the R100 000 threshold is complete or not, as there are no internal controls in place to record such transactions*" (sic);
- Whether "*donation received below the R100 000 threshold is complete or not, as there are no internal controls in place to record such transactions*" (sic); and
- Whether "*Donation received from foreign persons/companies does not exist or is not as there are no internal controls to record such information*" (sic).

Notwithstanding these issues, Cashew Registered Auditors Inc issued an unqualified audit opinion, which as the IEC notes in its report, is "questionable". The IEC also indicated that the ANC's audited AFS failed to disclose the terms and conditions of the R118 million loan, and that the audit opinion was not signed by the ANC's accounting officer.[38] Finally, the IEC notes that "there was a transfer of R 5,965,000 to the PRF account during the period; however, it was not accounted for on the cash flow statement of the fund". This amount does not match either the PRF or MPDF portion of the IEC allocation paid to the ANC (as recorded by the IEC), so the origin of this additional R6 million in funds would seem to be unclear.

The IEC called the ANC's clean audit "questionable". The ANC's financial statements did not give the terms of its R118 million loan, and could not explain a R6 million transfer.

Taking a step back, a troubling picture emerges. The ANC still receives the greatest share of public funding, and generates the greatest share of private funding, yet it is unclear whether we can rely on the accuracy of the data it provides to the IEC. In light of the above, and coupled with the fact that the ANC reported not a single rand in donations under the threshold, it would appear that the party's internal accounting processes have not been configured to facilitate compliance with the PFA and are flawed.

The IEC has issued directions to the ANC relating to a 'donations disclosure'; whether it will issue further directions regarding the ANC's compliance with the Act – and whether it can do so given the auditor's opinion was nevertheless unqualified – remains to be seen. These circumstances again raise the question of whether the IEC should even be tasked with making such decisions, or whether in the interests of protecting its institutional integrity and impartiality a separate body should be mandated with enforcing the PFA. These questions aside, it is clear that widespread noncompliance with the PFA remains an issue. All parties must take greater responsibility to ensure their compliance: failure to do so undermines a key piece of our accountability infrastructure, to the great detriment of our democracy.



PART 6 WHAT THE IEC REPORT DOESN'T TELL US

The IEC's annual political funding report has once again provided crucial insight into how South African politics is funded, and how seriously parties take their compliance with the Act's provisions. Yet it also provides an opportunity to reflect on all that we still don't know about how our parties are financed:

1. **Greater information about donations that fall under the disclosure threshold of R100,000:** Parties can receive donations of up to R99,999 without having to disclose the identity of the donor. We have no idea where this funding comes from, impeding our ability to hold parties to account over their funding sources. With the threshold now set at R200,000, an even greater proportion of parties' private funds will remain obscure in the FY2025/2026 reporting year.

2. **Party loans:** The lack of information about parties' lending activities is a glaring issue. Without insight into the identity of lenders (and guarantors) and repayment terms, it is impossible for the public to determine whether these loans are legitimate transactions or mere shams designed to evade the disclosure threshold and upper donations limit. This year, the ANC's R118 million loan – of which we know almost nothing, bar the figure itself – is a stark reminder of just how significant this information deficit is.

3. **Parties' income that falls outside the ambit of the Act:** As the ANC's R242 million and the DA's R43 million in 'other income' illustrates, we are still in the dark as to the provenance of a significant chunk of private funding received by our biggest parties. This continues to be a major weakness in our political funding regulatory regime.

4. **Parties' spending activities:** The majority of parties' public funds are received from Parliament and the provincial legislatures – indeed, the IEC allocation makes up only slightly more than a third of parties' funds. However, unlike the IEC allocation, we have no idea how these allocations are spent, and whether parties are using these funds responsibly. While all provinces require parties that receive provincial allocations to report on how they have spent these funds by submitting AFS, these are not made publicly available. Without this information, we also cannot form a clear picture of the true cost of running a political party in South Africa. This in turn hampers our ability to determine whether the R2.2 billion in public funding received by represented parties is adequate.

5 **The true identity of donors:** Where the identity of donors has been disclosed, we still know very little. We don't know who the ultimate beneficial owners are of the many private companies which donate to parties, because much of the information relating to shareholding is not publicly available. Matters are even more opaque when it comes to trusts. Without political funding legislation which mandates the disclosure of who donors' beneficial owners are, our ability to scrutinise parties' private funding sources is significantly curtailed.

6 **An accurate and complete picture of private party funding:** The IEC can only report on the information which has been provided to it, and its investigative capacities remain limited. There is significant evidence in this report – from the ANC's failure to disclose any donations under the threshold, to MK's dubiously low reporting figures, to the many directions which the IEC has had to issue – that parties are not complying with the provisions of the PFA. Clearly, major blind spots remain in our understanding of who is funding our parties, and to what extent. This situation is worsened by the fact that many parties, and the ANC in particular, have not even instituted internal controls to ensure compliance with the PFA in the first place.

7 **Donations received during the lacuna period**: The report also can't tell us about donations which were made during the lacuna period, during which time parties were not technically under a legal obligation to comply with the PFA. Though we have written to parties seeking information on the private funding they received in this time, we may never know the full extent of donations made during this period.

8 **Parties' complete AFS**: Finally, we still lack a complete picture of parties' AFS. The AFS extracts included in the report only relate to parties' receipt and expenditure of PRF and MPDF funds, and even in this case, the level of detail required by the PFA is minimal. We therefore lack insight into what the cost of politics is for our parties, what the true extent of their funding sources are, and how they spend their money.

Without greater access to information about parties' funding sources, their lending activities, and their expenditures, our ability to hold parties to account and detect cases of private interests influencing our politics remains limited. It also makes it difficult to ascertain how much financial support parties truly require to operate effectively, which in turn impacts our ability to develop a political funding system that balances parties' need for funding with the constitutional imperatives of openness and accountability.

PART 7 CONCLUDING ANALYSIS

On the eve of the 2026 local government elections, South Africans are armed with more information about the funding of our politics than ever before. When the last municipal elections took place in 2021, the PFA had only just come into effect, and citizens were still largely in the dark as to the sources and extent of private donations to our largest parties. The IEC report is a timely reminder of how far we have come in ensuring greater transparency in our political funding landscape. Yet, as the final report which will include information on donations in the R100,000-R200,000 range, it is also a sober reminder that the PFA's efficacy is closely tied to donations thresholds set by the President. While MVC has challenged the rationality of the limits set by the President – who, to date, has been unable to provide adequate explanation and justification for how these limits were arrived at – parties will be able to continue to accept donations up to R200,000 without scrutiny, as well as accept disclosable donations of up to R30 million.

South Africans know more about party funding than ever before, but the law must be strengthened to reveal who lends parties money, on what terms, and where their "other income" comes from.

This increase to the threshold has weakened legislation which is already plagued by significant loopholes. The PFA must urgently be reformed to require parties to disclose who their lenders are, and on what terms they are receiving loans. The lack of information concerning parties 'other income' sources remains a major issue, as does the lack of regulation of donations from related parties, and the limited capacity of the IEC to enforce compliance with the Act. More generally, for as long as we are denied a complete picture of the funds our parties receive, and how they are spending them, we cannot gauge whether our current level of public funding is adequate, and whether our current model of funding politics is effective. Whether parties should be allowed to accept donations from companies at all, whether campaign spending caps should be introduced, and whether there should be greater regulation of parties' private income-generating activities, are all questions which require serious consideration as our political funding regime matures.

Regarding the report itself, though the IEC should be commended for its detailed work, it remains unclear why the report was released approximately a year after the reporting period ended. The PFA stipulates that parties must submit their financial statements and audit opinion within six months of the end of the annual reporting period, which for this report would have been 30 September 2025. Ideally, the report should be released more quickly. There is also no reason why our party funding system cannot operate on a live basis, with donations disclosures being published in real time rather than on a quarterly basis. Though we acknowledge the IEC faces staffing and budgetary constraints, this should be relatively straightforward to implement and would improve citizens' ability to access political funding information on a timely and regular basis. On this score, it is worth noting

that an early version of the draft PFA bill, provision was made for the release of donations disclosure information a month before any election.[39] This provision should be reintroduced into the law to ensure voters are adequately informed about the state of political funding and parties' compliance with the PFA before making voting decisions.

Ultimately, many urgent questions about the sources of our political parties' funds remain. Without ensuring we as citizens have the ability to scrutinise all sources of party income, our efforts to hold parties to account over their funding sources, and limit the potential for private interests to influence our politics, is greatly hampered. Our work to ensure greater transparency and accountability in political funding will likely never be complete, but it is a task to which we must all remain committed if we are to realise the vision of a democracy in which all voices count equally, and in which government is truly responsive to the people.

Parties received over R3 billion in FY2024/2025, yet much of where it came from and how it was spent still remains unknown. South Africa's political funding law is a hard-won gain. Unless it is protected and strengthened, our political system will become more vulnerable to the undue influence of private interests.



NOTES

1. At the time of writing, the report was not yet available on the IEC's website. It may be found instead on the Parliamentary Monitoring Group's website.
2. We follow the IEC in including in 'represented parties' those parties which failed to obtain representation in the National Assembly following the May 2024 general election (the Congress of the People (COPE), African Independent Congress (AIC), and Minority Front (MF)). As no independent candidates secured a seat in the National Assembly in the 2024 general election, no public funding was awarded to independent candidates. For this reason, our analysis refers to political parties only.
3. For a more detailed discussion of the sources of public funding, see our 2022 report "How Many Rands For Your Vote?" at https://myvotecounts.org.za/wp-content/uploads/2022/07/How-Many-Rands-2022.pdf
4. Figures drawn from pages 36-37 and 134-138 of the report. Note, this amount reflects what was actually disbursed, and includes suspended funds which were allocated in the FY2023/2024 but only paid in FY2024/2025 due to previous noncompliance.
5. Figure drawn from pages 26-35 of the report.
6. 'Donation not Declared with the Commission' is a new column included in this year's report, in the table titled 'Summary of Income and Loans of Represented Political Parties as per Audited Financial Statements filed with the Commission' (page 26-27). We describe these donations not declared with the IEC as 'known' because we assume there may be other donations not declared with the IEC which remain unknown.
7. The 2023 Political party Funding Annual Report can be found on the IEC's website: https://www.elections.org.za/pw/Downloads/Documents-Political-Party-Funding . This total was drawn from pages 11, 15, 20-22 of the 2023 report.
8. ANC, DA, MK and EFF totals drawn from pages 26-27, 36-37, and 134-138 of the report.
9. Figures drawn from pages 16-18 and 138 of the report.
10. Figures drawn from page 136 of the report and page 14 of the 2024 report.
11. Figures drawn from pages 16-17 and 138 of the report.
12. Figures drawn from pages 36-37 of the report.
13. Figures drawn from pages 17-18 of the report.
14. For a detailed look at parties' private donations disclosures with useful filtering functions, visit the Whose Vote Counts tool on our website.
15. This includes all income but excludes loans. Figure drawn from pages 26-35 of the report.
16. Figure drawn from pages 20-22 of the 2023 report. See our analysis of the FY2023/2024 report at: https://myvotecounts.org.za/wp-content/uploads/2025/09/MVC-Report-Analysis-of-the-IECs-Annual-Political-Party-Funding-Report-2023-24.pdf
17. Figures sourced from pages 26-27 of the report.
18. Figures sourced from pages 26-27 of the report.
19. Information sourced from page 24 of the report.
20. See our analysis of the FY2023/2024 report at: https://myvotecounts.org.za/wp-content/uploads/2025/09/MVC-Report-Analysis-of-the-IECs-Annual-Political-Party-Funding-Report-2023-24.pdf
21. Figures sourced from page 26-27 of the report.
22. Figure drawn from pages 26-35 of the report.
23. Figures sourced from page 26-27 of the report.
24. Figure sourced from page 27 of the report.
25. See our analysis of the FY2023/2024 report at: https://myvotecounts.org.za/wp-content/uploads/2025/09/MVC-Report-Analysis-of-the-IECs-Annual-Political-Party-Funding-Report-2023-24.pdf
26. Figure drawn from page 27 of the report.
27. Figures drawn from pages 26-35 of the report.
28. See https://www.sundaytimes.timeslive.co.za/politics/2025-12-03-anc-fails-to-pay-staff-salaries-yet-again/
29. Figures drawn from page 26-27 of the report. For journalistic discussion of the ANC's loan, see: https://www.news24.com/politics/analysis-would-you-honestly-loan-the-anc-r118-million-20260921-1101
30. https://www.news24.com/politics/rise-mzansis-songezo-zibi-defends-r30m-donation-to-party-as-iec-seeks-answers-20260608-1049
31. See pages 38-40 of the report.
32. Details on page 40 of the report.
33. Section commences on page 42 of the report.
34. See page 44 of the report.
35. See page 44 of the report.
36. See page 47 of the report.
37. See pages 44-45 of the report.
38. See pages 44-45 of the report.
39. https://static.pmg.org.za/DraftPoliticalPartyFunding.pdf



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