



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

MEDIA STATEMENT

MFMA EXEMPTION NOTICE

On 15 March 2020, President Cyril Ramaphosa declared a national state of disaster in terms of the Disaster Management Act to enable government and the country at large to manage the spreading of the COVID-19 virus. As part of the measures introduced to curb the spreading of the virus, the President prohibited gatherings of 100 or more people.

On 23 March 2020, the President declared a nationwide lockdown, whereby all citizens, except those that form part of essential services, were ordered to stay home for a period of 21 days. The nationwide lockdown commenced at midnight on Thursday 26 March 2020.

On 30 March 2020, the Minister of Finance in terms of the Municipal Finance Management Act 56 of 2003 (MFMA) issued a conditional Exemption Notice in order to ensure effective and efficient service delivery and to minimise any potential delay in decision making. The conditional Exemption Notice will also facilitate and enable legislative processes during the period of the national state of disaster. The notice may be accessed on the National Treasury website.

Municipalities and municipal entities will be exempted from the timeline provisions in the MFMA until such time that the national state of disaster declaration is lifted by the President. The exemption is conditional that the MFMA timelines referred to in the latter sentence are complied with 30 days after the national state of disaster is lifted. It should facilitate the key process on the budget, timelines for adoption and reports, and related matters to be addressed in a manner taking cognisance of the challenges experienced as a result of the announcement of the disaster and lockdown. It also provides for a special adjustments budget to address expenditure relating to the pandemic.

Further information is available on the MFMA webpage using the following link: <http://mfma.treasury.gov.za/RegulationsandGazettes/Pages/default.aspx>. These measures are additional to the MFMA Circular 100 on emergency procurement in response to the COVID-19 pandemic, issued on 19 March 2020.

Any enquiries can be directed to MFMA helpdesk – email: MFMA@treasury.gov.za.

Other communication will be issued by the Minister of Cooperative Governance relating to matters addressed under the Municipal Systems and Structures Acts.

Issued by National Treasury

Date: 30 March 2020

