

Vote 8

National Treasury

Adjusted budget summary

R thousand	2023/24			
	Appropriation	Adjustments appropriation		Adjusted appropriation
		Decrease	Increase	
Amount to be appropriated	34 889 373	(1 016 475)	477 380	34 350 278
<i>of which:</i>				
Current payments	3 020 835	(506 469)	–	2 514 366
Transfers and subsidies	29 788 267	–	477 380	30 265 647
Payments for capital assets	163 151	(45 133)	–	118 018
Payments for financial assets	1 917 120	(464 873)	–	1 452 247
Direct charge against the National Revenue Fund	923 595 085	–	32 382 639	955 977 724
Executive authority	Minister of Finance			
Accounting officer	Director-General of the National Treasury			
Website	www.treasury.gov.za			

Vote purpose

Support economic growth and development, good governance, social progress and rising living standards through the accountable, economical, efficient, equitable and sustainable management of public finances, the maintenance of macroeconomic and financial sector stability, and the effective financial regulation of the economy.

Performance

Indicator	Programme	MTSF priority	Annual performance		
			Projected for 2023/24	Achieved in the first half of 2023/24 (April to September)	Changed target for 2023/24
Number of economic forecasts developed per year	Economic Policy, Tax, Financial Regulation and Research	Priority 2: Economic transformation and job creation	4	2	–
Number of quarterly expenditure reports submitted to the standing committee on appropriations per year	Public Finance and Budget Management	Priority 1: A capable, ethical and developmental state	4	2	–
Number of catalytic projects approved in spatially targeted areas within metropolitan cities, secondary cities and rural towns per year	Public Finance and Budget Management	Priority 5: Spatial integration, human settlements and local government	35	11	–
Net loan debt as a percentage of GDP	Asset and Liability Management	Priority 1: A capable, ethical and developmental state	70.1% (R4.9tr)	69.7% (R4.9tr)	72.6% (R5.1tr)
Value of government gross annual borrowing			R515.6bn	R286.9bn	R563.6bn
Cost to service debt as a percentage of GDP			4.9% (R340.5bn)	2.5% (R172.5bn)	5.1% (R354.5bn)
Number of transversal-term contracts implemented per year	Financial Accounting and Supply Chain Management Systems		13	25	–

Progress

In the first half of 2023/24, 11 catalytic projects were approved in spatially targeted areas in metropolitan cities, secondary cities and rural towns against an annual target of 35. The slow start was a result of delays in project identification and preparation. However, it is envisaged that the annual target will be met as the process to prioritise additional projects for approval is under way.

The increase in targeted gross annual borrowing for 2023/24 is mainly due to an increase in the main budget deficit as a result of weaker than expected revenue performance. As at 30 September 2023, R286.9 billion of the gross borrowing requirement was financed through the net issuance of short-term loans, domestic long-term loans and foreign long-term loans, and the use of cash and other balances.

The increases in the targeted net loan debt as a percentage of GDP, as well as costs to service debt as a percentage of GDP, are mainly driven by the increase in gross annual borrowing for 2023/24 and fluctuations in inflation, interest and exchange rates.

In the first half of the financial year, 25 transversal-term contracts were implemented against an annual target of 13. This high achievement was due to the commencement of planned contracts ahead of schedule and the extension of contracts that were expiring.

Adjusted estimates

Programme		2023/24							
		Adjustments appropriation							Total adjustments appropriation
R thousand	Appropriation	Amounts announced in the Budget	Unforeseeable /Unavoidable	Virements and shifts	Shifting of funds between votes	Significant and unforeseeable economic and financial events	Other adjustments ¹		
Administration	706 104	–	–	–	–	(60 720)	–	(60 720)	645 384
Economic Policy, Tax, Financial Regulation and Research	172 506	–	–	–	–	(22 136)	–	(22 136)	150 370
Public Finance and Budget Management	4 305 641	–	–	–	–	(294 174)	–	(294 174)	4 011 467
Asset and Liability Management	1 135 379	–	–	25 274	–	–	(502 000)	(476 726)	658 653
Financial Accounting and Supply Chain Management Systems	1 237 345	–	–	50 000	–	(367 065)	–	(317 065)	920 280
International Financial Relations	2 591 332	–	–	158 780	–	(1 000)	–	157 780	2 749 112
Civil and Military Pensions, Contributions to Funds and Other Benefits	7 038 992	–	–	(234 054)	–	(172 000)	–	(406 054)	6 632 938
Revenue Administration	12 157 596	1 000 000	–	–	–	–	–	1 000 000	13 157 596
Financial Intelligence and State Security	5 544 478	–	–	–	–	(120 000)	–	(120 000)	5 424 478
Subtotal	34 889 373	1 000 000	–	–	–	(1 037 095)	(502 000)	(539 095)	34 350 278

Adjusted estimates (continued)

Programme	2023/24								Adjusted appropriation
	Appropriation	Amounts announced in the Budget	Unforeseeable /Unavoidable	Virements and shifts	Shifting of funds between votes	Significant and unforeseeable economic and financial events	Other adjustments ¹	Total adjustments appropriation	
Direct charge against the National Revenue Fund	923 595 085	–	–	–	–	17 558 206	14 824 433	32 382 639	955 977 724
Provincial equitable share	567 527 713	–	–	–	–	17 558 206	–	17 558 206	585 085 919
Debt-service costs	340 460 294	–	–	–	–	–	14 055 770	14 055 770	354 516 064
General fuel levy sharing with metropolitan municipalities	15 433 498	–	–	–	–	–	–	–	15 433 498
National Revenue Fund payments	50 528	–	–	–	–	–	266 663	266 663	317 191
Auditor-General of South Africa	123 052	–	–	–	–	–	–	–	123 052
Public Finance Management Act (1999) section 70 payment: Land and Agricultural Development Bank of South Africa	–	–	–	–	–	–	502 000	502 000	502 000
Total	958 484 458	1 000 000	–	–	–	16 521 111	14 322 433	31 843 544	990 328 002
Economic classification									
Current payments	343 481 129	–	–	93 918	–	(600 387)	14 055 770	13 549 301	357 030 430
Compensation of employees	920 001	–	–	–	–	(10 886)	–	(10 886)	909 115
Goods and services	2 100 834	–	–	93 918	–	(589 501)	–	(495 583)	1 605 251
Interest and rent on land	340 460 294	–	–	–	–	–	14 055 770	14 055 770	354 516 064
Transfers and subsidies	612 872 530	1 000 000	–	(135 607)	–	17 171 193	–	18 035 586	630 908 116
Provinces and municipalities	585 541 244	–	–	(88 431)	–	17 451 193	–	17 362 762	602 904 006
Departmental agencies and accounts	18 775 138	1 000 000	–	50 000	–	(130 000)	–	920 000	19 695 138
Foreign governments and international organisations	1 608 381	–	–	135 838	–	–	–	135 838	1 744 219
Households	6 947 767	–	–	(233 014)	–	(150 000)	–	(383 014)	6 564 753
Payments for capital assets	163 151	–	–	4 562	–	(49 695)	–	(45 133)	118 018
Machinery and equipment	157 680	–	–	4 562	–	(49 695)	–	(45 133)	112 547
Software and other intangible assets	5 471	–	–	–	–	–	–	–	5 471
Payments for financial assets	1 967 648	–	–	37 127	–	–	266 663	303 790	2 271 438
Total	958 484 458	1 000 000	–	–	–	16 521 111	14 322 433	31 843 544	990 328 002

1. Other adjustments include rollovers, the shifting of funds following a function shift within a vote, self-financing expenditure, declared unspent funds and expenditure in terms of section 16 of the Public Finance Management Act (1999).

Programme 1: Administration

Subprogramme		2023/24							
		Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
R thousand	Appropriation	Amounts announced in the Budget	Unforeseeable /Unavoidable	Virements and shifts	Shifting of funds between votes	Significant and unforeseeable economic and financial events	Other adjustments		
Ministry	4 561	-	-	-	-	-	-	-	4 561
Departmental Management	61 425	-	-	6 395	-	(130)	-	6 265	67 690
Corporate Services	336 969	-	-	(7 836)	-	(54 260)	-	(62 096)	274 873
Enterprise-wide Risk Management	40 842	-	-	(142)	-	-	-	(142)	40 700
Financial Administration	55 503	-	-	5 443	-	-	-	5 443	60 946
Legal Services	24 364	-	-	(21)	-	-	-	(21)	24 343
Internal Audit	32 203	-	-	(3 378)	-	(4 310)	-	(7 688)	24 515
Communications	8 600	-	-	176	-	(20)	-	156	8 756
Office	141 637	-	-	(637)	-	(2 000)	-	(2 637)	139 000
Accommodation									
Total	706 104	-	-	-	-	(60 720)	-	(60 720)	645 384
Economic classification									
Current payments	551 996	-	-	(1 315)	-	(11 625)	-	(12 940)	539 056
Compensation of employees	224 366	-	-	-	-	(4 800)	-	(4 800)	219 566
Goods and services	327 630	-	-	(1 315)	-	(6 825)	-	(8 140)	319 490
Transfers and subsidies	4 838	-	-	783	-	-	-	783	5 621
Departmental agencies and accounts	2 535	-	-	-	-	-	-	-	2 535
Households	2 303	-	-	783	-	-	-	783	3 086
Payments for capital assets	149 270	-	-	532	-	(49 095)	-	(48 563)	100 707
Machinery and equipment	143 799	-	-	532	-	(49 095)	-	(48 563)	95 236
Software and other intangible assets	5 471	-	-	-	-	-	-	-	5 471
Total	706 104	-	-	-	-	(60 720)	-	(60 720)	645 384

Programme 2: Economic Policy, Tax, Financial Regulation and Research

Subprogramme		2023/24							
		Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
R thousand	Appropriation	Amounts announced in the Budget	Unforeseeable /Unavoidable	Virements and shifts	Shifting of funds between votes	Significant and unforeseeable economic and financial events	Other adjustments		
Programme Management for Economic Policy, Tax, Financial Regulation and Research	50 426	-	-	-	-	(11 510)	-	(11 510)	38 916
Financial Sector Policy	38 637	-	-	-	-	(5 550)	-	(5 550)	33 087
Tax Policy	33 593	-	-	-	-	(4 676)	-	(4 676)	28 917
Economic Policy	28 939	-	-	-	-	(400)	-	(400)	28 539
Cooperative Banks Development Agency	20 911	-	-	-	-	-	-	-	20 911
Total	172 506	-	-	-	-	(22 136)	-	(22 136)	150 370

Programme 2: Economic Policy, Tax, Financial Regulation and Research (continued)

Economic classification		2023/24							Total adjustments appropriation	Adjusted appropriation
		Adjustments appropriation								
R thousand	Appropriation	Amounts announced in the Budget	Unforeseeable /Unavoidable	Virements and shifts	Shifting of funds between votes	Significant and unforeseeable economic and financial events	Other adjustments			
Current payments	137 681	-	-	-	-	(17 136)	-	(17 136)	120 545	
Compensation of employees	93 051	-	-	-	-	(6 086)	-	(6 086)	86 965	
Goods and services	44 630	-	-	-	-	(11 050)	-	(11 050)	33 580	
Transfers and subsidies	33 911	-	-	-	-	(5 000)	-	(5 000)	28 911	
Departmental agencies and accounts	33 911	-	-	-	-	(5 000)	-	(5 000)	28 911	
Payments for capital assets	914	-	-	-	-	-	-	-	914	
Machinery and equipment	914	-	-	-	-	-	-	-	914	
Total	172 506	-	-	-	-	(22 136)	-	(22 136)	150 370	

Programme 3: Public Finance and Budget Management

Subprogramme		2023/24							Total adjustments appropriation	Adjusted appropriation
		Adjustments appropriation								
R thousand	Appropriation	Amounts announced in the Budget	Unforeseeable /Unavoidable	Virements and shifts	Shifting of funds between votes	Significant and unforeseeable economic and financial events	Other adjustments			
Programme	36 020	-	-	-	-	(1 035)	-	(1 035)	34 985	
Management for Public Finance and Budget										
Management Public Finance	66 659	-	-	-	-	(65)	-	(65)	66 594	
Budget Office and Coordination	68 367	-	-	-	-	(35)	-	(35)	68 332	
Intergovernmental Relations	284 563	-	-	(15 000)	-	(92 465)	-	(107 465)	177 098	
Financial and Fiscal Commission	64 084	-	-	-	-	(5 000)	-	(5 000)	59 084	
Facilitation of Conditional Grants	2 580 033	-	-	(88 431)	-	(107 013)	-	(195 444)	2 384 589	
Catalytic Infrastructure and Development Support	545 689	-	-	103 431	-	(83 561)	-	19 870	565 559	
Programme Government Technical Advisory Centre	660 226	-	-	-	-	(5 000)	-	(5 000)	655 226	
Total	4 305 641	-	-	-	-	(294 174)	-	(294 174)	4 011 467	

Programme 3: Public Finance and Budget Management (continued)

Economic classifications		2023/24							Adjusted appropriation
		Adjustments appropriation						Total adjustments appropriation	
R thousand	Appropriation	Amounts announced in the Budget	Unforeseeable /Unavoidable	Virements and shifts	Shifting of funds between votes	Significant and unforeseeable economic and financial events	Other adjustments		
Current payments	868 863	-	-	88 224	-	(181 661)	-	(93 437)	775 426
Compensation of employees	248 840	-	-	-	-	-	-	-	248 840
Goods and services	620 023	-	-	88 224	-	(181 661)	-	(93 437)	526 586
Transfers and subsidies	3 433 366	-	-	(88 361)	-	(112 013)	-	(200 374)	3 232 992
Provinces and municipalities	2 580 033	-	-	(88 431)	-	(107 013)	-	(195 444)	2 384 589
Departmental agencies and accounts	853 083	-	-	-	-	(5 000)	-	(5 000)	848 083
Households	250	-	-	70	-	-	-	70	320
Payments for capital assets	3 412	-	-	137	-	(500)	-	(363)	3 049
Machinery and equipment	3 412	-	-	137	-	(500)	-	(363)	3 049
Total	4 305 641	-	-	-	-	(294 174)	-	(294 174)	4 011 467

Programme 4: Asset and Liability Management

Subprogramme		2023/24							Adjusted appropriation
		Adjustments appropriation						Total adjustments appropriation	
R thousand	Appropriation	Amounts announced in the Budget	Unforeseeable /Unavoidable	Virements and shifts	Shifting of funds between votes	Significant and unforeseeable economic and financial events	Other adjustments		
Programme Management for Asset and Liability	37 308	-	-	25 274	-	-	-	25 274	62 582
Management State-owned Entity Financial Management and Governance	1 037 012	-	-	-	-	-	(502 000)	(502 000)	535 012
Government Debt Management	21 341	-	-	-	-	-	-	-	21 341
Financial Operations Strategy and Risk Management	27 293	-	-	-	-	-	-	-	27 293
	12 425	-	-	-	-	-	-	-	12 425
Total	1 135 379	-	-	25 274	-	-	(502 000)	(476 726)	658 653
Economic classification									
Current payments	134 671	-	-	25 274	-	-	-	25 274	159 945
Compensation of employees	90 048	-	-	-	-	-	-	-	90 048
Goods and services	44 623	-	-	25 274	-	-	-	25 274	69 897
Payments for capital assets	708	-	-	-	-	-	-	-	708
Machinery and equipment	708	-	-	-	-	-	-	-	708
Payments for financial assets	1 000 000	-	-	-	-	-	(502 000)	(502 000)	498 000
Total	1 135 379	-	-	25 274	-	-	(502 000)	(476 726)	658 653

Programme 5: Financial Accounting and Supply Chain Management Systems

Subprogramme		2023/24								
		Adjustments appropriation								
R thousand	Appropriation	Amounts announced in the Budget	Unforeseeable /Unavoidable	Virements and shifts	Shifting of funds between votes	Significant and unforeseeable economic and financial events	Other adjustments	Total adjustments appropriation	Adjusted appropriation	
Programme Management for Financial Accounting and Supply Chain Management Systems	120 079	-	-	(45 000)	-	(14 585)	-	(59 585)	60 494	
Office of the Chief Procurement Officer	76 644	-	-	-	-	(1 305)	-	(1 305)	75 339	
Financial Systems	781 259	-	-	42 500	-	(350 000)	-	(307 500)	473 759	
Financial Reporting for National Accounts	114 729	-	-	-	-	(255)	-	(255)	114 474	
Financial Management Policy and Compliance Improvement	144 298	-	-	2 500	-	(920)	-	1 580	145 878	
Audit Statutory Bodies	-	-	-	50 000	-	-	-	50 000	50 000	
Service Charges: Commercial Banks	336	-	-	-	-	-	-	-	336	
Total	1 237 345	-	-	50 000	-	(367 065)	-	(317 065)	920 280	
Economic classification										
Current payments	1 166 921	-	-	(4 079)	-	(366 965)	-	(371 044)	795 877	
Compensation of employees	232 629	-	-	-	-	-	-	-	232 629	
Goods and services	934 292	-	-	(4 079)	-	(366 965)	-	(371 044)	563 248	
Transfers and subsidies	62 242	-	-	50 186	-	-	-	50 186	112 428	
Departmental agencies and accounts	60 483	-	-	50 000	-	-	-	50 000	110 483	
Households	1 759	-	-	186	-	-	-	186	1 945	
Payments for capital assets	8 182	-	-	3 893	-	(100)	-	3 793	11 975	
Machinery and equipment	8 182	-	-	3 893	-	(100)	-	3 793	11 975	
Total	1 237 345	-	-	50 000	-	(367 065)	-	(317 065)	920 280	

Programme 6: International Financial Relations

Subprogramme		2023/24							
		Adjustments appropriation							
R thousand	Appropriation	Amounts announced in the Budget	Unforeseeable /Unavoidable	Virements and shifts	Shifting of funds between votes	Significant and unforeseeable economic and financial events	Other adjustments	Total adjustments appropriation	Adjusted appropriation
Programme Management for International Financial Relations	11 211	–	–	–	–	(200)	–	(200)	11 011
International Economic Cooperation	55 620	–	–	(14 185)	–	(800)	–	(14 985)	40 635
African Integration and Support	1 408 552	–	–	131 964	–	–	–	131 964	1 540 516
International Development Funding Institutions	1 092 829	–	–	37 127	–	–	–	37 127	1 129 956
International Projects	23 120	–	–	3 874	–	–	–	3 874	26 994
Total	2 591 332	–	–	158 780	–	(1 000)	–	157 780	2 749 112
Economic classification									
Current payments	66 166	–	–	(14 186)	–	(1 000)	–	(15 186)	50 980
Compensation of employees	31 067	–	–	–	–	–	–	–	31 067
Goods and services	35 099	–	–	(14 186)	–	(1 000)	–	(15 186)	19 913
Transfers and subsidies	1 607 381	–	–	135 839	–	–	–	135 839	1 743 220
Foreign governments and international organisations	1 607 381	–	–	135 838	–	–	–	135 838	1 743 219
Households	–	–	–	1	–	–	–	1	1
Payments for capital assets	665	–	–	–	–	–	–	–	665
Machinery and equipment	665	–	–	–	–	–	–	–	665
Payments for financial assets	917 120	–	–	37 127	–	–	–	37 127	954 247
Total	2 591 332	–	–	158 780	–	(1 000)	–	157 780	2 749 112

Programme 7: Civil and Military Pensions, Contributions to Funds and Other Benefits

Subprogramme		2023/24							
		Adjustments appropriation							
R thousand	Appropriation	Amounts announced in the Budget	Unforeseeable /Unavoidable	Virements and shifts	Shifting of funds between votes	Significant and unforeseeable economic and financial events	Other adjustments	Total adjustments appropriation	Adjusted appropriation
Government Pensions Administration Agency	94 537	–	–	–	–	(22 000)	–	(22 000)	72 537
Civil Pensions and Contributions to Funds	6 699 528	–	–	(234 054)	–	(150 000)	–	(384 054)	6 315 474
Military Pensions and Other Benefits	244 927	–	–	–	–	–	–	–	244 927
Total	7 038 992	–	–	(234 054)	–	(172 000)	–	(406 054)	6 632 938

Programme 7: Civil and Military Pensions, Contributions to Funds and Other Benefits (continued)

Economic classification		2023/24							
		Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
R thousand	Appropriation	Amounts announced in the Budget	Unforeseeable /Unavoidable	Virements and shifts	Shifting of funds between votes	Significant and unforeseeable economic and financial events	Other adjustments		
Current payments	94 537	-	-	-	-	(22 000)	-	(22 000)	72 537
Goods and services	94 537	-	-	-	-	(22 000)	-	(22 000)	72 537
Transfers and subsidies	6 944 455	-	-	(234 054)	-	(150 000)	-	(384 054)	6 560 401
Foreign governments and international organisations	1 000	-	-	-	-	-	-	-	1 000
Households	6 943 455	-	-	(234 054)	-	(150 000)	-	(384 054)	6 559 401
Total	7 038 992	-	-	(234 054)	-	(172 000)	-	(406 054)	6 632 938

Programme 8: Revenue Administration

Subprogramme		2023/24							
		Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
R thousand	Appropriation	Amounts announced in the Budget	Unforeseeable /Unavoidable	Virements and shifts	Shifting of funds between votes	Significant and unforeseeable economic and financial events	Other adjustments		
South African Revenue Service	12 157 596	1 000 000	-	-	-	-	-	1 000 000	13 157 596
Total	12 157 596	1 000 000	-	-	-	-	-	1 000 000	13 157 596
Economic classification	12 157 596	1 000 000	-	-	-	-	-	1 000 000	13 157 596
Transfers and subsidies	12 157 596	1 000 000	-	-	-	-	-	1 000 000	13 157 596
Departmental agencies and accounts	12 157 596	1 000 000	-	-	-	-	-	1 000 000	13 157 596
Total	12 157 596	1 000 000	-	-	-	-	-	1 000 000	13 157 596

Programme 9: Financial Intelligence and State Security

Subprogramme		2023/24							
		Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
R thousand	Appropriation	Amounts announced in the Budget	Unforeseeable /Unavoidable	Virements and shifts	Shifting of funds between votes	Significant and unforeseeable economic and financial events	Other adjustments		
Financial Intelligence Centre	385 730	-	-	-	-	-	-	-	385 730
Secret Services	5 158 748	-	-	-	-	(120 000)	-	(120 000)	5 038 748
Total	5 544 478	-	-	-	-	(120 000)	-	(120 000)	5 424 478
Economic classification	5 544 478	-	-	-	-	(120 000)	-	(120 000)	5 424 478
Transfers and subsidies	5 544 478	-	-	-	-	(120 000)	-	(120 000)	5 424 478
Departmental agencies and accounts	5 544 478	-	-	-	-	(120 000)	-	(120 000)	5 424 478
Total	5 544 478	-	-	-	-	(120 000)	-	(120 000)	5 424 478

Direct charges against the National Revenue Fund

		2023/24								
		Adjustments appropriation								
R thousand	Appropriation	Amounts announced in the Budget	Unforeseeable /Unavoidable	Virements and shifts	Shifting of funds between votes	Significant and unforeseeable economic and financial events	Other adjustments	Total adjustments appropriation	Adjusted appropriation	
Provincial equitable share	567 527 713	–	–	–	–	17 558 206	–	17 558 206	585 085 919	
Debt-service costs	340 460 294	–	–	–	–	–	14 055 770	14 055 770	354 516 064	
General fuel levy sharing with metropolitan municipalities	15 433 498	–	–	–	–	–	–	–	15 433 498	
National Revenue Fund payments	50 528	–	–	–	–	–	266 663	266 663	317 191	
Auditor-General of South Africa	123 052	–	–	–	–	–	–	–	123 052	
Public Finance Management Act (1999) section 70 payment: Land and Agricultural Development Bank of South Africa	–	–	–	–	–	–	502 000	502 000	502 000	
Total	923 595 085	–	–	–	–	17 558 206	14 824 433	32 382 639	955 977 724	
Economic classification										
Current payments	340 460 294	–	–	–	–	–	14 055 770	14 055 770	354 516 064	
Interest and rent on land	340 460 294	–	–	–	–	–	14 055 770	14 055 770	354 516 064	
Transfers and subsidies	583 084 263	–	–	–	–	17 558 206	–	17 558 206	600 642 469	
Provinces and municipalities	582 961 211	–	–	–	–	17 558 206	–	17 558 206	600 519 417	
Departmental agencies and accounts	123 052	–	–	–	–	–	–	–	123 052	
Payments for financial assets	50 528	–	–	–	–	–	768 663	768 663	819 191	
Total	923 595 085	–	–	–	–	17 558 206	14 824 433	32 382 639	955 977 724	

Details of adjustments to the 2023 Estimates of National Expenditure

Appropriation of expenditure earmarked in the 2023 Budget speech for future allocation

Programme 8: Revenue Administration

An additional R1 billion is allocated to the South African Revenue Service for capital and ICT projects, and personnel capacity to improve the revenue-raising capabilities of the South African Revenue Service.

Virements and shifts within the vote

Programmes

1. Administration
2. Economic Policy, Tax, Financial Regulation and Research
3. Public Finance and Budget Management
4. Asset and Liability Management
5. Financial Accounting and Supply Chain Management Systems
6. International Financial Relations
7. Civil and Military Pensions, Contributions to Funds and Other Benefits
8. Revenue Administration
9. Financial Intelligence and State Security

From:			To:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(1 315)	Programme 1		1 315
Goods and services	Bursaries, computer services, consultants	(529)	Households	Leave gratuities	529
	Consultants	(5)		Leave gratuities	5
	Computer services, contractors, minor assets, operating leases	(249)		Leave gratuities	249
	Computer services, contractors, minor assets, operating leases	(522)	Machinery and equipment	Laptops	522
	Minor assets	(10)		Laptops	10
Shifts within the programme as a percentage of the programme budget		0.2%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 3		(88 638)	Programme 3		88 638
Goods and services	Advertising, bursaries, training and development, travel and subsistence	(56)	Households	Leave gratuities	56
	Advertising, bursaries, training and development, travel and subsistence	(137)	Machinery and equipment	Laptops	137
	Catering, travel and subsistence	(14)	Households	Leave gratuities	14
Provinces and municipalities	Neighbourhood development partnership grant (direct grant) ¹	(88 431)	Goods and services	Neighbourhood development partnership grant (indirect grant) ¹	88 431
Shifts within the programme as a percentage of the programme budget		2.1%			
Virements to other programmes as a percentage of the programme budget		0.0%			

Virements and shifts within the vote (continued)

From:			To:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 5		(4 079)	Programme 5		4 079
Goods and services	Consultants	(110)	Households	Leave gratuities	110
	Consultants	(191)	Machinery and equipment	Laptops	191
	Computer services	(72)	Households	Leave gratuities	72
	Computer services	(3 249)	Machinery and equipment	System servers	3 249
	Bursaries	(4)	Households	Leave gratuities	4
	Bursaries, catering, training and development, travel and subsistence	(103)	Machinery and equipment	Laptops	103
	Bursaries, catering, training and development, travel and subsistence	(350)		Laptops	350
Shifts within the programme as a percentage of the programme budget		0.3%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 6		(14 186)	Programme 6		14 186
Goods and services	Venues and facilities	(1)	Households	Leave gratuities	1
	Training and development, travel and subsistence, venues and facilities	(4 058)	Payments for financial assets	World Bank Group	4 058
	Training and development, travel and subsistence, venues and facilities	(5 697)	Foreign governments and international organisations	Financial Intermediary Fund ¹	5 697
	Training and development, travel and subsistence, venues and facilities	(3 874)		International Finance Facility for Immunisation ¹	3 874
	Training and development, travel and subsistence, venues and facilities	(556)		Collaborative Africa Budget Reform Initiative ¹	556
Shifts within the programme as a percentage of the programme budget		0.5%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 7		(234 054)	Programme 4		25 274
Households	Post-retirement medical scheme	(25 274)	Goods and services	Eskom independent assessment	25 274
	Post-retirement medical scheme	(50 000)	Programme 5		50 000
	Post-retirement medical scheme	(33 069)	Departmental agencies and accounts	Auditor-General of South Africa ¹	50 000
	Post-retirement medical scheme	(125 711)	Programme 6		158 780
			Payments for financial assets	World Bank Group	33 069
			Foreign governments and international organisations	Common Monetary Area compensation ¹	125 711
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		3.3%			
Total		(342 272)			342 272

1. National Treasury approval has been obtained.

Adjustments due to significant and unforeseeable economic and financial events

Cabinet has approved reductions of R1.037 billion to the department's baseline, of which:

- R60.72 million is in Programme 1: Administration
- R22.136 million is in Programme 2: Economic Policy, Tax, Financial Regulation and Research
- R294.174 million is in Programme 3: Public Finance and Budget Management
- R367.065 million is in Programme 5: Financial Accounting and Supply Chain Management Systems
- R1 million is in Programme 6: International Financial Relations
- R172 million is in Programme 7: Civil and Military Pensions, Contributions to Funds and Other Benefits
- R120 million is in Programme 9: Financial Intelligence and State Security.

Declared unspent funds – R502 million

Programme 4: Asset and Liability Management

The R502 million of the R1 billion appropriated for the recapitalisation of the Land and Agricultural Development Bank of South Africa is suspended from the department's budget and included as part of a direct charge against the National Revenue Fund to cater for the government-guaranteed debt obligation on behalf of the bank, in line with section 70 of the Public Finance Management Act (1999).

Direct charges against the National Revenue Fund – R32.383 billion

Adjustments due to significant and unforeseeable economic and financial events – R17.558 billion

R17.558 billion is allocated to the provincial equitable share for the 2023/24 wage agreement in the education (R10.753 billion) and health (R6.805 billion) sectors.

Other adjustments – R14.824 billion

An additional R502 million is allocated for the government-guaranteed debt obligation on behalf of the Land and Agricultural Development Bank of South Africa, in line with section 70 of the Public Finance Management Act (1999), as follows:

- R364 million for the African Development Bank
- R124 million for the World Bank Group
- R14 million for Visio Fund Management.

Since the 2023 Budget was announced, debt-service costs increased by R14.056 billion due to higher interest and inflation rates and a weaker exchange rate.

Payments to the National Revenue Fund increased by R266.663 million to make provision for premiums on the restructuring of the domestic debt portfolio and International Monetary Fund revaluation losses.

Expenditure outcome for 2022/23 and actual expenditure for 2023/24

Programme	2022/23					2023/24			
	Adjusted appropriation	Outcome			Adjusted appropriation/ Total (%)	Actual expenditure			
		Apr 22 - Sep 22	Apr 22 - Sep 22 % of adjusted appropriation	Apr 22 - Mar 23		Apr 22 - Mar 23 % of adjusted appropriation	Apr 23 - Sep 23	Apr 23 - Sep 23 % of adjusted appropriation	
R thousand									
Administration	541 619	226 250	41.8	486 826	89.9	645 384	0.1	226 337	35.1
Economic Policy, Tax, Financial Regulation and Research	158 212	62 003	39.2	119 142	75.3	150 370	0.0	71 797	47.7
Public Finance and Budget Management	4 425 181	2 114 721	47.8	4 289 832	96.9	4 011 467	0.4	2 211 666	55.1
Asset and Liability Management	6 024 410	48 871	0.8	5 225 491	86.7	658 653	0.1	86 392	13.1
Financial Accounting and Supply Chain Management Systems	946 132	388 734	41.1	716 652	75.7	920 280	0.1	361 870	39.3
International Financial Relations	2 806 816	1 011 689	36.0	2 848 635	101.5	2 749 112	0.3	926 330	33.7
Civil and Military Pensions, Contributions to Funds and Other Benefits	7 012 051	3 024 401	43.1	6 773 586	96.6	6 632 938	0.7	3 241 034	48.9
Revenue	11 527 781	5 763 926	50.0	11 635 781	100.9	13 157 596	1.3	6 078 792	46.2
Administration	5 395 482	2 801 773	51.9	5 395 482	100.0	5 424 478	0.5	2 866 817	52.8
Financial Intelligence and State Security									
Subtotal	38 837 684	15 442 368	39.8	37 491 427	96.5	34 350 278	3.5	16 071 035	46.8
Direct charge against the National Revenue Fund	893 797 255	433 618 793	48.5	895 963 169	100.2	955 977 724	96.5	475 871 911	49.8
Provincial equitable share	570 868 206	280 378 398	49.1	570 868 206	100.0	585 085 919	59.1	297 239 928	50.8
Debt-service costs	307 156 884	147 793 094	48.1	308 459 149	100.4	354 516 064	35.8	172 545 238	48.7
General fuel levy sharing with metropolitan municipalities	15 334 823	5 111 607	33.3	15 334 823	100.0	15 433 498	1.6	5 144 499	33.3
National Revenue Fund payments	263 203	263 112	100.0	263 279	100.0	317 191	0.0	317 191	100.0
Auditor-General of South Africa	72 582	72 582	100.0	148 582	204.7	123 052	0.0	123 052	100.0
Public Finance Management Act (1999) section 70 payment: Land and Agricultural Development Bank of South Africa	101 557	–	–	889 130	875.5	502 000	0.1	502 003	100.0
Total	932 634 939	449 061 161	48.1	933 454 596	100.1	990 328 002	100.0	491 942 946	49.7
Economic classification									–
Current payments	309 841 145	148 865 208	48.0	310 662 011	100.3	357 030 430	36.1	173 702 039	48.7
Compensation of employees	888 381	408 040	45.9	850 434	95.7	909 115	0.1	445 834	49.0
Goods and services	1 795 880	664 074	37.0	1 352 428	75.3	1 605 251	0.2	710 967	44.3
Interest and rent on land	307 156 884	147 793 094	48.1	308 459 149	100.4	354 516 064	35.8	172 545 238	48.7
Transfers and subsidies	615 522 001	299 106 255	48.6	615 531 047	100.0	630 908 116	63.7	316 511 734	50.2
Provinces and municipalities	588 582 630	286 809 176	48.7	588 582 630	100.0	602 904 006	60.9	303 644 394	50.4
Departmental agencies and accounts	18 193 909	9 087 234	49.9	18 377 258	101.0	19 695 138	2.0	9 642 098	49.0
Foreign governments and international organisations	1 804 525	187 747	10.4	1 848 524	102.4	1 744 219	0.2	2 022	0.1
Households	6 940 937	3 022 098	43.5	6 722 635	96.9	6 564 753	0.7	3 223 220	49.1

Expenditure outcome for 2022/23 and actual expenditure for 2023/24 (continued)

Economic classification	2022/23					2023/24			
	Adjusted appropriation	Outcome			Adjusted appropriation/ Total (%)	Actual expenditure			
		Apr 22 - Sep 22	adjusted % of	Apr 22 - Mar 23		adjusted % of	Apr 23 - Sep 23	adjusted % of	
R thousand									
Payments for capital assets	49 418	21 477	43.5	37 887	76.7	118 018	0.0	10 355	8.8
Machinery and equipment	45 022	20 877	46.4	37 778	83.9	112 547	0.0	10 355	9.2
Software and other intangible assets	4 396	600	13.6	109	2.5	5 471	0.0	–	–
Payments for financial assets	7 222 375	1 068 221	14.8	7 223 651	100.0	2 271 438	0.2	1 718 818	75.7
Total	932 634 939	449 061 161	48.1	933 454 596	100.1	990 328 002	100.0	491 942 946	49.7

Expenditure trends

Total expenditure in 2022/23 was R933.5 billion, 100.1 per cent of the adjusted appropriation for the year. Mid-year expenditure in 2022/23 was R449.1 billion, 48.1 per cent of the adjusted appropriation, whereas expenditure in the first half of 2023/24 was R491.9 billion, 49.7 per cent of the adjusted appropriation of R990.3 billion. Compared to the first half of 2022/23, expenditure over the same period in 2023/24 increased by R42.9 billion, 9.5 per cent. This was mainly due to an increase in debt-service costs as a result of higher interest and inflation rates and a weaker exchange rate since the 2023 Budget was announced. Increases in transfers to the provincial equitable share also contributed as first-quarter cashflow projections were revised to accommodate cost of living adjustments.

Departmental receipts

Economic classification	2022/23					2023/24				
	Adjusted estimate	Outcome			Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Actual receipts		
		Apr 22 - Sep 22	adjusted estimate % of	Apr 22 - Mar 23				adjusted estimate % of	Apr 23 - Sep 23	adjusted estimate % of
R thousand										
Departmental receipts	8 427 197	2 748 677	32.6	8 817 935	104.6	11 640 120	8 450 577	27.4	4 767 012	56.4
Sales of goods and services produced by the department:	247 798	6 907	2.8	8 452	3.4	545	3 187	0.0	2 794	87.7
Sales of scrap, waste, arms and other used current goods	28	–	–	–	–	30	42	0.0	10	23.8
Interest, dividends and rent on land	7 888 401	2 738 018	34.7	8 789 001	111.4	11 348 245	8 156 048	26.5	4 762 630	58.4
Sales of capital assets	–	–	–	–	–	–	–	–	92	–
Transactions in financial assets and liabilities	290 970	3 752	1.3	20 482	7.0	291 300	291 300	0.9	1 486	0.5
National Revenue Fund receipts	3 921 105	1 887 495	48.1	5 221 249	133.2	11 053 000	22 375 809	72.6	4 223 987	18.9
<i>Of which:</i>										
Revaluation of profits on foreign currency transactions	3 892 000	1 858 390	47.7	4 775 101	122.7	11 053 000	18 890 000	61.3	3 995 461	21.2
Premiums on loan transactions	27 779	27 779	100.0	442 778	1 593.9	–	284 609	0.9	224 609	78.9
Other (mainly penalties on retail bonds and profit on script lending)	1 326	1 326	100.0	3 370	254.1	–	3 917	0.0	3 917	100.0
Conditional grant refunds	–	–	–	–	–	–	3 197 283	10.4	–	–
Total	12 348 302	4 636 172	37.5	14 039 184	113.7	22 693 120	30 826 386	100.0	8 990 999	29.2

Revenue trends

Mid-year revenue in 2022/23 was R2.7 billion, 32.6 per cent of the adjusted estimate, whereas revenue for the first half of 2023/24 was R4.8 billion, 56.4 per cent of the adjusted estimate of R8.5 billion. Compared to the first half of 2022/23, revenue over the same period in 2023/24 increased by R2 billion, 73.4 per cent. This was mainly due to an increase in interest income from investment accounts.

Changes to transfers and subsidies, including conditional grants

Summary of changes to transfers and subsidies per programme

		2023/24							
		Adjustments appropriation							
R thousand	Appropriation	Amounts announced in the Budget	Unforeseeable /Unavoidable	Virements and shifts	Shifting of funds between votes	Significant and unforeseeable economic and financial events	Other adjustments	Total adjustments appropriation	Adjusted appropriation
	Administration Households								
	Social benefits								
	Current	–	–	–	783	–	–	783	783
	Employee social benefits	–	–	–	783	–	–	783	783
	Economic Policy, Tax, Financial Regulation and Research								
	Departmental agencies and accounts								
	Departmental agencies (non-business entities)								
	Current	13 000	–	–	–	–	–	(5 000)	8 000
	Financial Sector Conduct Authority	13 000	–	–	–	–	–	(5 000)	8 000
	Public Finance and Budget Management								
	Provinces and municipalities								
	Municipalities								
	Municipal bank accounts								
	Current	159 857	–	–	–	–	–	(8 505)	151 352
	Infrastructure skills development grant	159 857	–	–	–	–	–	(8 505)	151 352
	Capital	1 851 605	–	–	(88 431)	–	–	(98 508)	1 664 666
	Programme and project preparation support grant	376 792	–	–	–	–	–	(58 138)	318 654
	Neighbourhood development partnership grant	1 474 813	–	–	(88 431)	–	–	(40 370)	1 346 012

Summary of changes to transfers and subsidies per programme (continued)

		2023/24								
		Adjustments appropriation								
R thousand	Appropriation	Amounts announced in the Budget	Unforeseeable /Unavoidable	Virements and shifts	Shifting of funds between votes	Significant and unforeseeable economic and financial events	Other adjustments	Total adjustments appropriation	Adjusted appropriation	
	Departmental agencies and accounts									
	Departmental agencies (non-business entities)									
	Current	64 084	–	–	–	(5 000)	–	(5 000)	59 084	
	Financial and Fiscal Commission	64 084	–	–	–	(5 000)	–	(5 000)	59 084	
	Households									
	Social benefits									
	Current	250	–	–	70	–	–	70	320	
	Employee social benefits	250	–	–	70	–	–	70	320	
	Financial Accounting and Supply Chain Management Systems									
	Departmental agencies and accounts									
	Departmental agencies (non-business entities)									
	Current	–	–	–	50 000	–	–	50 000	50 000	
	Auditor-General of South Africa	–	–	–	50 000	–	–	50 000	50 000	
	Households									
	Social benefits									
	Current	1 759	–	–	186	–	–	186	1 945	
	Employee social benefits	1 759	–	–	186	–	–	186	1 945	
	International Financial Relations									
	Foreign governments and international organisations									
	Current	1 421 865	–	–	130 141	–	–	130 141	1 552 006	
	Common Monetary Area compensation	1 403 295	–	–	125 711	–	–	125 711	1 529 006	
	Collaborative Africa Budget Reform Initiative	2 444	–	–	556	–	–	556	3 000	
	International Finance Facility for Immunisation	16 126	–	–	3 874	–	–	3 874	20 000	
	Capital	–	–	–	5 697	–	–	5 697	5 697	
	Financial Intermediary Fund	–	–	–	5 697	–	–	5 697	5 697	

Summary of changes to transfers and subsidies per programme (continued)

		2023/24								
		Adjustments appropriation								
R thousand	Appropriation	Amounts announced in the Budget	Unforeseeable /Unavoidable	Virements and shifts	Shifting of funds between votes	Significant and unforeseeable economic and financial events	Other adjustments	Total adjustments appropriation	Adjusted appropriation	
Households										
Social benefits										
	Current	-	-	-	1	-	-	1	1	
Employee social benefits		-	-	-	1	-	-	1	1	
Civil and Military Pensions, Contributions to Funds and Other Benefits										
Households Social benefits										
	Current	5 992 369	-	-	(234 054)	-	(150 000)	(384 054)	5 608 315	
Injury on duty		746 205	-	-	42 000	-	-	42 000	788 205	
Post-retirement medical scheme		5 242 502	-	-	(275 704)	-	(150 000)	(425 704)	4 816 798	
Political Office Bearers Pension Fund		3 662	-	-	(350)	-	-	(350)	3 312	
Revenue Administration										
Departmental agencies and accounts										
Departmental agencies (non-business entities)										
	Current	11 606 355	1 000 000	-	-	-	-	1 000 000	12 606 355	
South African Revenue Service: Operations		11 606 355	1 000 000	-	-	-	-	1 000 000	12 606 355	
Financial Intelligence and State Security										
Departmental agencies and accounts										
Departmental agencies (non-business entities)										
	Current	4 792 859	-	-	-	(120 000)	-	(120 000)	4 672 859	
Secret Services: Operations		4 792 859	-	-	-	(120 000)	-	(120 000)	4 672 859	

Summary of changes to conditional grants: Local government

		2023/24								
		Adjustments appropriation								
R thousand	Appropriation	Amounts announced in the Budget	Unforeseeable /Unavoidable	Virements and shifts	Shifting of funds between votes	Significant and unforeseeable economic and financial events	Other adjustments	Total adjustments appropriation	Adjusted appropriation	
	Public Finance and Budget Management	2 580 033	-	-	(88 431)	-	(107 013)	-	(195 444)	2 384 589
	Programme and project preparation support grant	376 792	-	-	-	-	(58 138)	-	(58 138)	318 654
	Neighbourhood development partnership grant	1 474 813	-	-	(88 431)	-	(40 370)	-	(128 801)	1 346 012
	Infrastructure skills development grant	159 857	-	-	-	-	(8 505)	-	(8 505)	151 352

