



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

TO ALL: MEMBERS OF THE EXECUTIVE
: ACCOUNTING OFFICERS OF DEPARTMENTS
: CHIEF FINANCIAL OFFICERS OF DEPARTMENTS
: HEAD OFFICIALS OF PROVINCIAL TREASURIES

NATIONAL TREASURY INSTRUCTION NO. 4 OF 2019/2020

DETERMINATION OF PRICE THRESHOLD FOR PROCUREMENT OF OFFICIAL VEHICLES FOR MEMBERS OF THE EXECUTIVE

1. PURPOSE

- 1.1 The purpose of this National Treasury Instruction is to give legal effect to the provisions of Chapter 4 of the Guide for Members of the Executive related to the determination of price threshold for purchase of official vehicles; and
- 1.2 Communicate the maximum price threshold for the purchase of motor vehicles for official use as determined by the Minister of Finance.

2. BACKGROUND

- 2.1 The Guide provides the Minister of Finance with authority to determine the price threshold, including security features of vehicles procured for official use by Members of the Executive. The Minister of Finance shall annually review the threshold determined for the price of vehicles procured for members of the Executive in consultation with the Ministers responsible for Police, Transport and State Security.
- 2.2 In giving effect to this requirement, Members of the Executive are urged to be mindful of the current economic realities and the need to intensify efforts to improve efficiency in the procurement of official vehicles for Members of the Executive.
- 2.3 A list recommended vehicle price range and categories determined by the Minister of Finance will be included in the RT57 Transversal Contract issued by the National Treasury for bulk purchase of official motor vehicles. The RT57 Transversal Contract will be updated annually to include a list of indicative vehicles that may be procured by Members of the Executive. Documents related to this Transversal Contract can be downloaded via the following web link:

<http://www.treasury.gov.za/divisions/ocpo/ostb/contracts/default.aspx>

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3. ENFORCEMENT OF THIS TREASURY INSTRUCTION

- 3.1 With effect from 25 October 2019, all official vehicles purchased by government departments at national and provincial spheres of government for official use by Members of the Executive shall be procured and managed in line with the provisions of Chapter 4 of the Guide for Members of the Executive.
- 3.2 The total cost of the official vehicle purchased in line with paragraph 3.1 above shall not exceed R700,000 inclusive of VAT and any added security features. The cost of the preferred vehicle including security features must at all times be reduced to fit within the set threshold.
- 3.3 It is the responsibility of each department to ensure that confirmation of the price of security features is obtained from the South African Police Service prior to finalising the vehicle purchase.
- 3.4 For the purpose of this Treasury Instruction Members of the Executive include, Ministers and Deputy Ministers at national sphere of government, Premiers and Members of the Executive Councils at provincial sphere of government.
- 3.5 Relevant Provincial Treasuries are requested to ensure that departments reporting to the respective Members of the Executive, execute these requirements in line with the provisions of the Guide for the Members of the Executive.
- 3.6 Departments are advised to consider locally manufactured and assembled vehicles.

4. REPORTING ON PROCUREMENT OF OFFICIAL VEHICLES FOR MEMBERS OF THE EXECUTIVE

- 4.1 Accounting officers of departments are required to separately record the details of all acquisitions related to the costs of vehicles procured for official use by Members of the Executive in the annual report of their respective departments at the end of each financial year.
- 4.2 The enclosed **Annexure A** contains a list of indicative categories and the price of vehicles for official use for Members of the Executive.

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5 APPLICABILITY

This Treasury Instruction applies to all departments at national and provincial spheres of government.

6 EFFECTIVE DATE

This Treasury Instruction takes effect from 25 October 2019 and must be adhered to by all affected accounting officers.

7 DISSEMINATION OF INFORMATION CONTAINED IN THIS TREASURY INSTRUCTION

7.1 Accounting officers of departments are requested to bring the contents of this Treasury Instruction to the attention of relevant:

- a) Members of the Executive;
- b) Chief Financial Officers; and
- c) Heads of supply chain management division.

7.2 Head officials of provincial treasuries are requested to bring the contents of this Treasury Instruction to the attention of provincial departments in their respective provinces.

8 AUTHORITY FOR THIS TREASURY INSTRUCTION

This Treasury Instruction is issued in terms of section 76(4)(C) of the PFMA and requirements of Chapter 4 of the Guide for Members of the Executives.

9 CONTACT DETAILS

Enquiries related to this Treasury Instruction may be directed to:

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SILINDILE KUBHEKA
ACTING ACCOUNTANT-GENERAL: OFFICE OF THE ACCOUNTANT GENERAL

DATE: 25 October 2019

ANNEXURE A

INDICATIVE LIST OF 2019 VEHICLE CATEGORIES AND PRICES



INDICATIVE LIST OF 2019 VEHICLE CATEGORIES AND PRICES

1. New Volkswagen Tiguan Specs & Prices in South Africa

Model	Price (R)	Efficiency (l/100km)
2.0TDI 4Motion Comfortline R-Line	R 586 650	6.1
2.0TSI 4Motion Highline	R 592 100	7.8
2.0TDI 4Motion Highline	R 592 200	6.4
2.0TSI 4Motion Highline R-Line	R 612 750	7.8

2. New Mercedes-Benz C-Class Specs & Prices in South Africa

Model	Price (R)	Efficiency (l/100km)
C180 AMG Line auto	R 666 669	6.5
C200 Avantgarde auto	R 678 436	6.3
C220d auto	R 684 059	4.8

3. New Toyota Fortuner Specs & Prices in South Africa

Model	Price (R)	Efficiency (l/100km)
2.4GD-6 4x4 auto	R 556 400	8.2
2.8GD-6	R 606 000	7.5
2.8GD-6 auto	R 626 300	8.0

4. New Audi A4 Specs & Prices in South Africa

Model	Price (R)	Efficiency (l/100km)
35TFSI	R 541 500	4.9
35TFSI sport	R 575 000	4.9
40TFSI sport	R 582 000	4.9
40TDI	R 586 000	4.1



5. New Hyundai Tucson Specs & Prices in South Africa

Model	Price (R)	Efficiency (l/100km)
2.0 Premium	R 425 900	8.9
2.0 Premium auto	R 446 900	9.0
2.0 Executive	R 488 900	9.0
2.0 Elite	R 529 900	9.0

6. New Ford Everest Specs & Prices in South Africa

Everest 2.2 tdcI xls 6mt 4x2	R467,100
Everest 2.2 tdcI xls 6at 4x2	R485,300
Everest 2.2 tdcI xls 6mt 4x4	R552,800
Everest 2.2 tdcI xlt 6mt 4x2	R502,400
Everest 2.2 tdcI xlt 6at 4x2	R522,700
Everest 3.2 tdcI xlt 6at 4x2	R607,900