



**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA

---

**MEDIA STATEMENT**  
**2021/22 ANNUAL REPORT ON NON-COMPLIANCE WITH PAYMENT OF**  
**SUPPLIERS' INVOICES WITHIN 30 DAYS**

---

National Treasury has today released an annual report on non-compliance with payment of suppliers' invoices within 30 days. The report reveals that there is an overall regression in the number of invoices not paid within 30 days by national and provincial departments in the 2021/22 financial year. The number of invoices paid after 30 days by national and provincial departments in the 2021/2022 financial year amounted to 401 691 invoices to the Rand value of R 33.7 billion. The number of invoices older than 30 days and not paid by national and provincial departments at the end of March 2022 amounted to 67 862 to the Rand value of R 6.1 billion.

National departments recorded an improvement of 63% in the number of invoices older than 30 days and not paid at the end of the 2021/2022 financial year, which amounted to 134 invoices to the Rand value of R 5 million when compared to 358 invoices to the Rand value of R426 million reported at the end of the 2020/2021 financial year. Provincial departments recorded a regression of 81% in the number of invoices older than 30 days and not paid at the end of the 2021/2022 financial year which amounted to 67 728 invoices to the Rand value of R 6.1 billion when compared to 37 506 invoices to the Rand value of R 5.3 billion reported in the 2020/2021 financial year

**Recommendations for improvement:**

- Payment of invoices within 30 days be included in the performance agreements of accounting officers, chief financial officers and other officials working in this area;
- Disciplinary actions against officials who fail to comply with the requirements to pay invoices within 30 days and who undermine the systems of internal control be taken;
- Accounting officers take steps to ensure that the information to be submitted to the relevant treasury is duly signed off and submitted to the relevant treasury as per the timeframes stipulated in the National Treasury Instruction Note number 34;
- Accounting officers and chief financial officers to address the root causes of the late and/or non-payment of invoices to improve compliance with the requirement of Treasury Regulation 8.2.3;
- Payment of suppliers within 30 days be a standing agenda item for discussion at every EXCO meeting of Departments; and
- Accounting officers to consider recommendations provided to improve the level of compliance with the requirement to pay supplier's invoices within 30 days.





**national treasury**

Department:  
National Treasury  
**REPUBLIC OF SOUTH AFRICA**

The purpose of this annual report is to keep the relevant stakeholders abreast of non-compliance information with the legislative requirements to pay supplier's invoices within 30 days and provides a trends analysis of what transpired in the 2021/2022 financial year when comparing such to the previous financial year analysis. The annual report also provides common reasons recorded by departments for late and/or non-payment of invoices and continuous efforts taken by the National Treasury to improve compliance with the requirements to pay invoices within 30 days.

The National Treasury Instruction Number 34 issued in 2011, requires departments to submit 30 days exception reports to the relevant treasuries by the 7th day of each month, with details of the number and Rand value of invoices paid after 30 days from the date of receiving invoices, the number and Rand value of invoices that are older than 30 days which remained unpaid, and the reasons for the late and/or non-payment of these invoices.

The late and/or non-payment of supplier's invoices have negative impact on socio and economic challenges that our country is facing such as high unemployment rate, inequality, poverty, the financial health of suppliers, and the ability of suppliers to pay salaries and meet their contractual obligations, and amongst other many other challenges.

To ensure that supplier operations continue without strain and financial difficulties, government institutions are urged to pay their suppliers on time and not contribute to the dire effects of the Pandemic that has already put a strain on the financial sustainability of SMMEs. The National Treasury continues to monitor the level of compliance with the requirement to pay supplier's invoices within the prescribed period in terms of section 38(1)(f) of the Public Finance Management Act (PFMA), 1999 (Act No. 1 of 1999) and Treasury Regulation 8.2.3.

More in-depth information may be sourced from the Annual Report on the National Treasury website [www.treasury.gov.za](http://www.treasury.gov.za).

**Issued by National Treasury**

**Date: 18 July 2022**

