



MINISTRY OF FINANCE  
REPUBLIC OF SOUTH AFRICA

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## MEDIA STATEMENT

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# PRESS STATEMENT ON 2025 BUDGET REVIEW

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The Minister of Finance, Mr. Enoch Godongwana, wishes to inform all stakeholders that the National Treasury will re-table the 2025 Budget Review on Wednesday, 21 May 2025.

This comprehensive review will include the Fiscal Framework, the Appropriation Bill, Division of Revenue Bill, and already tabled Rates and Monetary Amounts and Amendment of Revenue Laws Bill.

This decision follows Minister Godongwana's recent announcement and subsequent request to the Speaker of the National Assembly to maintain the Value-Added Tax rate at its current level of 15 percent, reversing the previously proposed 0.5 percentage point increase presented in the 12 March budget.

The revised budget will adhere to all established technical processes and consultations as set out in the Money Bills and Related Matters Act.

This includes formal consultations with the Financial and Fiscal Commission, thorough consultations with all political parties within the Government of National Unity as well as Cabinet approval before presentation to Parliament.

Until the new budget is passed, government services will continue to be funded under section 29 of the Public Finance Management Act.

This allows spending of up to 45 per cent of last year's budget during the first four months, and up to 10 per cent for each month after that.

While we wait for the 2025 Division of Revenue Act to be passed, funding for provinces and municipalities will continue under the 2024 Act, allowing transfers of up to 45 per cent of their allocated funds

While the postponement of the budget's passage is not ideal, the circumstances leading to this decision have highlighted the importance of meaningful engagement on fiscal matters.

This situation has provided a valuable opportunity for all stakeholders—citizens, Members of Parliament, labour organisations, and civil society—to thoroughly engage with the complex



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challenge of achieving fiscal sustainability while promoting economic growth and protecting essential public services within very limited resources.

The National Treasury has already commenced work on developing a new fiscal framework that will maintain our trajectory toward debt stabilisation, a crucial element in strengthening our public finances.

This process includes:

1. Revising economic assumptions using the latest available data
2. Generating a updated fiscal projects
3. Recalculating revenue projections and tax implications
4. Determining appropriate borrowing strategies
5. Consolidating these elements into a coherent and sustainable fiscal framework

The Ministry remains committed to transparent communication throughout this process and will provide further updates as they become available.

We owe it to the hardworking citizens of South Africans to be open and transparent about how tax money is spent.

The budget that will be tabled on May 21 will aim to maintain these principles.

### Ends

*For any media queries email [media@treasury.gov.za](mailto:media@treasury.gov.za).*

*Issued by Ministry of Finance*

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