

South Africa's G20 Presidency **Funding Guideline**

**Developed by
National Treasury**

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national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

1. Introduction

In November 2024, the National Treasury issued Instruction No. 2 of 2024/25, which outlines principles for G20 sponsorship arrangements to accounting officers of departments and constitutional institutions in accordance with the Public Finance Management Act, 1999 (Act No. 1 of 1999 - PFMA).

In terms of which, the National Treasury advised that the Instruction and the G20 Sponsorship Framework aim to establish processes for soliciting, accepting, disbursing, managing, and evaluating sponsorships during South Africa's G20 Presidency. Funds raised through sponsorships will support activities aligned with South Africa's strategic objectives and supplement government financing efforts for the G20 Presidency.

Following the Instruction and the G20 Sponsorship Framework, the National Treasury wishes to provide guidance to accounting officers and authorities on the funding principles for the G20 that should be followed. These guidelines are supplementary to the Sponsorship Framework and are advisory rather than mandatory.

2. Purpose

The G20 funding guide aims to enhance transparency and accountability in funding practices. It encourages departments to improve funding efficiency and standardise practices within a unified framework. By promoting openness in funding processes, the guide seeks to prevent resource misuse and assist in monitoring and evaluation, ensuring consistency across G20 funding principles.

3. Applicability

3.1 This Guideline applies to—

- (a) Departments;
- (b) Trading Entities; and
- (c) Constitutional Institutions.

3.2 While these guidelines do not apply to public entities listed in Schedule 2 and Schedule 3 to the PFMA, public entities are encouraged to consider and implement similar measures.

4. Effective Date

4.1 This guideline takes effect from the date of issuance until 30 November 2025.

5. G20 Funding Guideline

- 5.1 Given government's tight fiscal environment, institutions involved in G20 should focus on high-impact initiatives to reduce costs, with departments expected to fund activities primarily through reprioritisation and realignment of current budget baselines.
- 5.2 Departments unable to fund G20 activities through reprioritisation have received supplementary funding through the 2024 Adjusted Estimates of National Expenditure to offset the G20 funding shortfall in 2024/25. The 2025 fiscal framework has made provisional allocations for G20 funding for selected departments, to be announced during the 2025 Budget.
- 5.3 Allocations will prioritise specialised or centralised functions like policing, communication as these are crucial for state security, public order and achieving consistency in key messaging on the G20. The functions pertaining to policing will be exclusively provided by the Department of Police, while communication will require collaborative effort among stakeholder departments and agencies such as the Government Communication and Information System, Department of International Relations and Cooperation, National Treasury and the Presidency. The funding for communication is intended to supplement the existing baseline allocations of departments for G20.
- 5.4 A G20 Sponsorship Committee has been established to oversee fundraising efforts and the mobilisation of external resources through sponsorships. Furthermore, departments are advised to consult with the Sponsorship Committee regarding available sponsors before using appropriated funds. The Sponsorship Committee can be reached at g20sponsorship@dirco.gov.za. Departments are also required to report all G20 funding and sponsorships to the National Treasury. This information must be included as part of reporting to the National Treasury, utilising the reporting templates that will be provided by the National Treasury.
- 5.5 Government institutions involved in sponsorship must adhere to sound financial management as envisaged in the PFMA and ensure they assess potential conflicts of interest and risk exposures as part of their due diligence in any sponsorship arrangement.
- 5.6 Sponsors and donors may include multilateral and domestic corporations, financial institutions, intergovernmental agencies, regional and continental developmental agencies, international organisations, foundations, individuals, philanthropies, non-profit organisations, and G20 Member States and invited countries.
- 5.7 Sponsorships may cover, among others, procurement of products, services, including the rendering of professional services, deployment of human resources, or event

execution.

- 5.8 Government institutions engaging in sponsorships for the usage of venues and conferencing facilities should prioritise the use of state-owned facilities. Only if these facilities are inadequate or deemed unsuitable for G20 gatherings should commercial or other facilities be considered.
- 5.9 The selection of a meeting location should be cost-effective, convenient, and accessible, considering factors such as size, capacity, amenities, transportation, and technical aspects.
- 5.10 The South African government, as the host country for the G20, will incur the reasonable costs associated with foreign ministers and heads of state in accordance with the host country agreement and G20 protocols. These costs may include accommodation, executive vehicles, drivers, and other travel-related expenses.
- 5.11 The cost of G20 delegates and participants from foreign governments and institutions will be borne by the sending foreign governments, international organisations, and institutions, including accommodation and air travel for the G20 conferences, meetings, working groups, engagements and events.
- 5.12 Departments will be responsible for their own accommodation and travel arrangements for South African government delegates and participants rendering essential services for the G20.
- 5.13 To take advantage of the preferential or discounted rates negotiated during the G20, government institutions are encouraged to make accommodation and travel reservations through designated conference travel agents, selected hotels, and participating airlines. This approach ensures that the government achieves greater efficiency.
- 5.14 South African Airways (SAA) is partnering with the state to serve as the official air travel logistics partner for the G20 Presidency. The nature of the partnership, terms and conditions of the partnership will be detailed in the agreement to be concluded by the Department of International Relations and Cooperation on behalf of the State with SAA. Departments are advised to consult with DIRCO on the precise offerings entailed by this partnership.
- 5.15 Transfers from/to airports from the initial point-of-entry will be at the G20 delegates and participants own cost arranged through their sending government, institution or international organisation and will not be borne by the South African government.
- 5.16 Shuttle services between hotel and meeting and conference venues could be arranged for delegates and participants as a courtesy of the meeting organisers – the lead South African government institution.
- 5.17 Unless specifically exempted, foreign governments, international organisations or

institutions will be responsible for all incidental costs of G20 delegates and participants such as immigration control expenses, i.e. visa application costs and medical immunisation costs.

5.18 The procurement of goods and services for G20 must be made through a fair, equitable, competitive, transparent, and cost-effective system, as prescribed by the Constitution and the PFMA. Appropriate sourcing strategies should be used, and elevated prices should not be paid.

5.19 Departments are urged to prioritise sustainability and environmentally friendly practices for G20 overall, and more specifically in the procurement of goods and services.

6. Other

The G20 Funding Guideline should be read alongside Instruction No. 2 of 2024/25, G20 Sponsorship Framework and the National Treasury Instruction No.1 of 2024/25 on Revised Cost Containment Measures, available on the National Treasury's website.

7. Contact details

For any queries regarding these guidelines, please contact your budget analyst in the relevant Treasury.

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