



MINISTRY OF FINANCE  
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Private Bag X115, Pretoria, 0001 | 40 Church Square, Pretoria, 0002 | Tel: +27 12 315 5111



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## MEDIA STATEMENT

### MINISTER OF FINANCE, MR ENOCH GODONGWANA, CONCLUDES VISIT TO DITSOBOTLA LOCAL MUNICIPALITY

The Minister of Finance, Mr Enoch Godongwana, concluded his visit to the Ditsobotla Local Municipality in the North West province, where he officially handed over the revised Financial Recovery Plan (FRP) to the municipality and outlined the roles and responsibilities for its implementation. North West Finance MEC, Ms Kenetswe Mosenogi, Mayors and municipal officials were among the officials who attended the handover.

Cabinet approved the implementation of section 139(7) in September 2025, which included the imposition of the FRP and the appointment of a National Cabinet Representative (NCR) to address the serious deterioration of the municipality's finances and delivery of services. The municipality has had eight previous unsuccessful interventions.

"I can only surmise that part of the reason for eight failures is that we have not fully embraced what it means to be under an intervention. When a municipality is under intervention, it is not operating under normal conditions. The municipality is operating under constrained conditions with fewer financial resources. Therefore, it cannot be "business as usual" in the way the day-to-day activities are run and managed. Habits, attitudes and mindsets must shift in this process. An intervention mindset must be adopted to kickstart recovery. I believe that officials from the Municipal Financial Recovery Services unit are already assisting the municipality with change management," said Minister Godongwana.

While the Minister indicated that driving the implementation of the financial recovery plan was the responsibility of the municipal manager, he called on the municipal council and administrators in the municipality to also play their role to get the municipality back to functionality.



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There was little room for financial assistance given the constrained public finances, the Minister said. “Neither national nor provincial interventions are accompanied by financial bailouts. However, this does not mean that other forms of support will not be provided to get you moving. The National Treasury will provide you with fuel by exploring options to assist the municipality with smart metering and metering for bulk supply and will investigate further opportunities for assistance.”

The Ditsobotla municipality has completed the Section 78 process required to sign the Distribution Agency Agreement (DAA) with Eskom. This is a partnership where Eskom takes over electricity revenue collection and technical management in struggling municipalities. Sector departments have also pledged support to assist the municipality as part of Deputy President, Mr Paul Mashatile’s outreach visit at the beginning of May.

“The National Treasury will continue with oversight visits and closely monitor the implementation of the financial recovery plan through the monthly progress reporting by the municipality and through War Room meetings which will take place quarterly”, the Minister concluded. The Minister will also, in terms of Section 147 of the MFMA, ensure that progress reports on all national interventions are submitted quarterly to Cabinet so that Cabinet will be appraised of progress.

Contact: Tabby Tsengiwe

Media Liaison Officer Cell:082 885 6066

Email: [media@treasury.gov.za](mailto:media@treasury.gov.za)

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