

# Vote 7

## National Treasury

### Adjusted budget summary

2019/20				
R thousand	Appropriation	Adjustments appropriation		Adjusted appropriation
		Decrease	Increase	
Amount to be appropriated	30 771 079	(174 468)	95 109	30 691 720
of which:				
Current payments	2 506 099	(95 651)	—	2 410 448
Transfers and subsidies	23 570 305	(78 817)	—	23 491 488
Payments for capital assets	36 775	—	6 093	42 868
Payments for financial assets	4 657 900	—	89 016	4 746 916
Direct charge against the National Revenue Fund	721 063 701	—	1 747 130	722 810 831
Executive authority	Minister of Finance			
Accounting officer	Director-General of the National Treasury			
Website address	www.treasury.gov.za			

### Vote purpose

*Support economic growth and development, good governance, social progress and rising living standards through the accountable, economical, efficient, equitable and sustainable management of public finances, maintenance of macroeconomic and financial sector stability, and effective financial regulation of the economy.*

### Mid-year performance

Indicator	Programme	MTSF outcome	Annual performance		
			Projected for 2019/20 as published in the 2019 ENE	Achieved in the first half of 2019/20 (April to September)	Changed target for 2019/20
Net loan debt as a percentage of GDP	Asset and Liability Management	Outcome 4: Decent employment through inclusive growth	52.3% (R2.8tr)	51.4% (R2.8tr)	56.1% (R2.9tr)
Value of government gross annual borrowing	Asset and Liability Management		R335.3bn	R234.8bn	R394.2bn
Cost to service debt as a percentage of GDP	Asset and Liability Management		3.7% (R202.2bn)	1.8% (R99.5bn)	3.9% (R203.7bn)
Number of municipal officials trained in financial management competencies per year	Financial Accounting and Supply Chain Management Systems	Outcome 12: An efficient, effective and development-oriented public service	1 000	500	–
Number of transversal term contracts implemented per year	Financial Accounting and Supply Chain Management Systems		25	22	–
Number of tenders advertised on an electronic tendering platform for contracts per year <sup>1</sup>	Financial Accounting and Supply Chain Management Systems		10 000	–	–
Number of investment plans completed per year	Technical Support and Development Finance	Outcome 8: Sustainable human settlements and improved quality of household life	2	1	–
Number of catalytic projects approved per year	Technical Support and Development Finance		20	16	–
Number of programmes in integration zones identified for planning per year	Technical Support and Development Finance		12	6	–
Number of programmes in integration zones under implementation per year	Technical Support and Development Finance		10	5	–
Total number of new jobs contracted in the Jobs Fund across the term of projects	Technical Support and Development Finance	Outcome 4: Decent employment through inclusive growth	160 000 <sup>2</sup>	170 107	–
Total number of placements contracted in the Jobs Fund across the term of projects	Technical Support and Development Finance		80 000	81 987	–

1. Indicator no longer measured.

2. Target amended to align with the department's 2019/20 annual performance plan, which was finalised after the 2019 ENE had been published.

## Changes to indicators and targets published in the 2019 ENE

Government's gross borrowing requirement for 2019/20 is estimated to increase in line with the projected higher budget deficit. An increase in debt-service costs is expected due to the projected higher budget deficit and changes to macroeconomic variables such as interest and exchange rates.

## Mid-year progress

In the first half of 2019/20, 22 transversal term contracts were implemented against an annual target of 25, mainly due to the decision to extend contracts that were almost expiring as an alternative sourcing strategy. The department reported 16 approved catalytic projects against an annual target of 20. This was due to the approval of a multiyear project pipeline to ensure project continuity and alignment with multiyear planned project cash flows.

Over the same period, the cumulative number of new jobs contracted in the Jobs Fund across the term of projects was 170 107 against the 2019/20 target of 160 000. In addition, the total number of placements contracted in the Jobs Fund across the term of projects was 81 987 against the 2019/20 target of 80 000. These achievements were attributed to a higher than anticipated number of projects meeting the Jobs Fund's competitive requirements.

## Adjusted estimates

Programme	2019/20							
		Adjustments appropriation					Adjusted appropriation	
		Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		Total adjustments appropriation
R thousand	Appropriation							
Administration	555 720	–	(36 512)	–	(7 838)	–	(44 350)	511 370
Economic Policy, Tax, Financial Regulation and Research	149 713	–	(4 966)	–	(1 622)	–	(6 588)	143 125
Public Finance and Budget Management	320 006	–	8 552	–	–	–	8 552	328 558
Asset and Liability Management	108 428	–	(6 003)	–	(996)	–	(6 999)	101 429
Financial Accounting and Supply Chain Management Systems	1 093 586	–	(42 661)	–	(6 737)	–	(49 398)	1 044 188
International Financial Relations	5 751 482	–	81 590	–	(4 941)	–	76 649	5 828 131
Civil and Military Pensions, Contributions to Funds and Other Benefits	5 574 503	–	–	–	–	–	–	5 574 503
Technical Support and Development Finance	2 737 557	–	–	–	(157 225)	100 000	(57 225)	2 680 332
Revenue Administration	9 529 031	–	–	–	–	–	–	9 529 031
Financial Intelligence and State Security	4 951 053	–	–	–	–	–	–	4 951 053
Subtotal	30 771 079	–	–	–	(179 359)	100 000	(79 359)	30 691 720
Direct charge against the National Revenue Fund	721 063 701	–	–	–	–	1 747 130	1 747 130	722 810 831
Provincial equitable share	505 553 753	–	–	–	–	–	–	505 553 753
Debt-service costs	202 207 844	–	–	–	–	1 522 906	1 522 906	203 730 750
General fuel levy sharing with metropolitan municipalities	13 166 793	–	–	–	–	–	–	13 166 793
National Revenue Fund payments	135 311	–	–	–	–	224 224	224 224	359 535
Total	751 834 780	–	–	–	(179 359)	1 847 130	1 667 771	753 502 551
Economic classification								
Current payments	204 713 943	–	(73 517)	–	(22 134)	1 522 906	1 427 255	206 141 198
Compensation of employees	869 339	–	–	–	(22 134)	–	(22 134)	847 205
Goods and services	1 636 760	–	(73 517)	–	–	–	(73 517)	1 563 243
Interest and rent on land	202 207 844	–	–	–	–	1 522 906	1 522 906	203 730 750

Economic classification		2019/20						
		Adjustments appropriation						
		Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand	Appropriation							
Transfers and subsidies	542 290 851	–	(21 592)	–	(157 225)	100 000	(78 817)	542 212 034
Provinces and municipalities	520 334 007	–	(19 500)	–	–	–	(19 500)	520 314 507
Departmental agencies and accounts	15 424 044	–	12 431	–	(157 225)	100 000	(44 794)	15 379 250
Foreign governments and international organisations	1 030 144	–	(20 953)	–	–	–	(20 953)	1 009 191
Households	5 502 656	–	6 430	–	–	–	6 430	5 509 086
Payments for capital assets	36 775	–	6 093	–	–	–	6 093	42 868
Machinery and equipment	29 300	–	6 093	–	–	–	6 093	35 393
Software and other intangible assets	7 475	–	–	–	–	–	–	7 475
Payments for financial assets	4 793 211	–	89 016	–	–	224 224	313 240	5 106 451
Total	751 834 780	–	–	–	(179 359)	1 847 130	1 667 771	753 502 551

**Programme 1: Administration**

Subprogramme		2019/20						
		Adjustments appropriation						
		Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand	Appropriation							
Ministry	4 434	–	–	–	–	–	–	4 434
Departmental Management	63 335	–	(944)	–	(6 581)	–	(7 525)	55 810
Corporate Services	155 258	–	(1 006)	–	(1 257)	–	(2 263)	152 995
Enterprise Wide Risk Management	32 625	–	1 950	–	–	–	1 950	34 575
Financial Administration	84 452	–	(36 512)	–	–	–	(36 512)	47 940
Legal Services	22 903	–	–	–	–	–	–	22 903
Internal Audit	30 241	–	–	–	–	–	–	30 241
Communications	11 339	–	–	–	–	–	–	11 339
Office Accommodation	151 133	–	–	–	–	–	–	151 133
<b>Total</b>	<b>555 720</b>	–	<b>(36 512)</b>	–	<b>(7 838)</b>	–	<b>(44 350)</b>	<b>511 370</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>533 428</b>	–	<b>(43 734)</b>	–	<b>(7 838)</b>	–	<b>(51 572)</b>	<b>481 856</b>
Compensation of employees	219 343	–	–	–	(7 838)	–	(7 838)	211 505
Goods and services	314 085	–	(43 734)	–	–	–	(43 734)	270 351
<b>Transfers and subsidies</b>	<b>4 104</b>	–	<b>1 129</b>	–	–	–	<b>1 129</b>	<b>5 233</b>
Departmental agencies and accounts	2 161	–	–	–	–	–	–	2 161
Households	1 943	–	1 129	–	–	–	1 129	3 072
<b>Payments for capital assets</b>	<b>18 188</b>	–	<b>6 093</b>	–	–	–	<b>6 093</b>	<b>24 281</b>
Machinery and equipment	15 588	–	6 093	–	–	–	6 093	21 681
Software and other intangible assets	2 600	–	–	–	–	–	–	2 600
<b>Total</b>	<b>555 720</b>	–	<b>(36 512)</b>	–	<b>(7 838)</b>	–	<b>(44 350)</b>	<b>511 370</b>

**Programme 2: Economic Policy, Tax, Financial Regulation and Research**

Subprogramme		2019/20						
R thousand	Appropriation	Adjustments appropriation					Adjusted appropriation	
		Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		Total adjustments appropriation
Programme Management for Economic Policy, Tax, Financial Regulation and Research	45 207	—	(4 743)	—	—	—	(4 743)	40 464
Financial Sector Policy	24 859	—	(800)	—	(879)	—	(1 679)	23 180
Tax Policy	31 406	—	1 120	—	—	—	1 120	32 526
Economic Policy	27 482	—	(543)	—	(743)	—	(1 286)	26 196
Cooperative Banks Development Agency	20 759	—	—	—	—	—	—	20 759
<b>Total</b>	<b>149 713</b>	<b>—</b>	<b>(4 966)</b>	<b>—</b>	<b>(1 622)</b>	<b>—</b>	<b>(6 588)</b>	<b>143 125</b>

**Programme 2: Economic Policy, Tax, Financial Regulation and Research (continued)**

Economic classification		2019/20						
R thousand	Appropriation	Adjustments appropriation					Adjusted appropriation	
		Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		Total adjustments appropriation
Current payments	128 059	—	(5 192)	—	(1 622)	—	(6 814)	121 245
Compensation of employees	82 127	—	—	—	(1 622)	—	(1 622)	80 505
Goods and services	45 932	—	(5 192)	—	—	—	(5 192)	40 740
Transfers and subsidies	20 759	—	226	—	—	—	226	20 985
Departmental agencies and accounts	20 759	—	—	—	—	—	—	20 759
Households	—	—	226	—	—	—	226	226
Payments for capital assets	895	—	—	—	—	—	—	895
Machinery and equipment	895	—	—	—	—	—	—	895
Total	149 713	—	(4 966)	—	(1 622)	—	(6 588)	143 125

**Programme 3: Public Finance and Budget Management**

Programme of Public Finance and Budget Management								
Subprogramme		2019/20						
R thousand	Appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		
Programme Management for Public Finance and Budget Management	26 446	–	8 040	–	–	–	8 040	34 486
Public Finance	61 252	–	–	–	–	–	–	61 252
Budget Office and Coordination	62 998	–	(63)	–	–	–	(63)	62 935
Intergovernmental Relations	114 991	–	575	–	–	–	575	115 566
Financial and Fiscal Commission	54 319	–	–	–	–	–	–	54 319
<b>Total</b>	<b>320 006</b>	–	<b>8 552</b>	–	–	–	<b>8 552</b>	<b>328 558</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>263 317</b>	–	<b>8 378</b>	–	–	–	<b>8 378</b>	<b>271 695</b>
Compensation of employees	219 184	–	–	–	–	–	–	219 184
Goods and services	44 133	–	8 378	–	–	–	8 378	52 511
<b>Transfers and subsidies</b>	<b>54 319</b>	–	<b>174</b>	–	–	–	<b>174</b>	<b>54 493</b>
Departmental agencies and accounts	54 319	–	–	–	–	–	–	54 319
Households	–	–	174	–	–	–	174	174
<b>Payments for capital assets</b>	<b>2 370</b>	–	–	–	–	–	–	<b>2 370</b>
Machinery and equipment	2 370	–	–	–	–	–	–	2 370
<b>Total</b>	<b>320 006</b>	–	<b>8 552</b>	–	–	–	<b>8 552</b>	<b>328 558</b>

**Programme 4: Asset and Liability Management**

Subprogramme		2019/20						
		Adjustments appropriation						
R thousand	Appropriation	Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
Programme Management for Asset and Liability Management	10 200	—	(2 203)	—	—	—	(2 203)	7 997
State Owned Entity Financial Management and Governance	36 659	—	(250)	—	—	—	(250)	36 409
Government Debt Management	20 777	—	(150)	—	—	—	(150)	20 627
Financial Operations	28 515	—	(3 300)	—	—	—	(3 300)	25 215
Strategy and Risk Management	12 277	—	(100)	—	(996)	—	(1 096)	11 181
<b>Total</b>	<b>108 428</b>	—	<b>(6 003)</b>	—	<b>(996)</b>	—	<b>(6 999)</b>	<b>101 429</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>107 685</b>	—	<b>(7 401)</b>	—	<b>(996)</b>	—	<b>(8 397)</b>	<b>99 288</b>
Compensation of employees	84 553	—	—	—	(996)	—	(996)	83 557
Goods and services	23 132	—	(7 401)	—	—	—	(7 401)	15 731
<b>Transfers and subsidies</b>	<b>—</b>	—	<b>1 398</b>	—	—	—	<b>1 398</b>	<b>1 398</b>
Households	—	—	1 398	—	—	—	1 398	1 398
<b>Payments for capital assets</b>	<b>743</b>	—	—	—	—	—	—	<b>743</b>
Machinery and equipment	743	—	—	—	—	—	—	743
<b>Total</b>	<b>108 428</b>	—	<b>(6 003)</b>	—	<b>(996)</b>	—	<b>(6 999)</b>	<b>101 429</b>

**Programme 5: Financial Accounting and Supply Chain Management Systems**

Subprogramme		2019/20						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand	Appropriation	Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		
Programme Management for Financial Accounting and Supply Chain Management Systems	143 164	–	(43 134)	–	–	–	(43 134)	100 030
Office of the Chief Procurement Officer	73 024	–	(44)	–	–	–	(44)	72 980
Financial Systems	554 463	–	(12 431)	–	–	–	(12 431)	542 032
Financial Reporting for National Accounts	107 430	–	746	–	–	–	746	108 176
Financial Management Policy and Compliance Improvement	164 791	–	(229)	–	(6 737)	–	(6 966)	157 825
Audit Statutory Bodies	50 411	–	12 431	–	–	–	12 431	62 842
Service Charges: Commercial Banks	303	–	–	–	–	–	–	303
<b>Total</b>	<b>1 093 586</b>	<b>–</b>	<b>(42 661)</b>	<b>–</b>	<b>(6 737)</b>	<b>–</b>	<b>(49 398)</b>	<b>1 044 188</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>970 030</b>	<b>–</b>	<b>(56 809)</b>	<b>–</b>	<b>(6 737)</b>	<b>–</b>	<b>(63 546)</b>	<b>906 484</b>
Compensation of employees	223 701	–	–	–	(6 737)	–	(6 737)	216 964
Goods and services	746 329	–	(56 809)	–	–	–	(56 809)	689 520
<b>Transfers and subsidies</b>	<b>109 682</b>	<b>–</b>	<b>14 148</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>14 148</b>	<b>123 830</b>
Departmental agencies and accounts	107 914	–	12 431	–	–	–	12 431	120 345
Households	1 768	–	1 717	–	–	–	1 717	3 485
<b>Payments for capital assets</b>	<b>13 874</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>13 874</b>
Machinery and equipment	8 999	–	–	–	–	–	–	8 999
Software and other intangible assets	4 875	–	–	–	–	–	–	4 875
<b>Total</b>	<b>1 093 586</b>	<b>–</b>	<b>(42 661)</b>	<b>–</b>	<b>(6 737)</b>	<b>–</b>	<b>(49 398)</b>	<b>1 044 188</b>

**Programme 6: International Financial Relations**

Subprogramme		2019/20						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand	Appropriation	Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		
Programme Management for International Financial Relations	12 063	–	(100)	–	(1 490)	–	(1 590)	10 473
International Economic Cooperation	54 221	–	11 941	–	(3 451)	–	8 490	62 711
African Integration and Support	862 560	–	(7 664)	–	–	–	(7 664)	854 896
International Development Funding Institutions	4 801 643	–	77 592	–	–	–	77 592	4 879 235
International Projects	20 995	–	(179)	–	–	–	(179)	20 816
<b>Total</b>	<b>5 751 482</b>	<b>–</b>	<b>81 590</b>	<b>–</b>	<b>(4 941)</b>	<b>–</b>	<b>76 649</b>	<b>5 828 131</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>65 579</b>	<b>–</b>	<b>11 741</b>	<b>–</b>	<b>(4 941)</b>	<b>–</b>	<b>6 800</b>	<b>72 379</b>
Compensation of employees	40 431	–	–	–	(4 941)	–	(4 941)	35 490
Goods and services	25 148	–	11 741	–	–	–	11 741	36 889
<b>Transfers and subsidies</b>	<b>1 027 298</b>	<b>–</b>	<b>(19 167)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(19 167)</b>	<b>1 008 131</b>
Foreign governments and international organisations	1 027 298	–	(19 267)	–	–	–	(19 267)	1 008 031
Households	–	–	100	–	–	–	100	100
<b>Payments for capital assets</b>	<b>705</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>705</b>
Machinery and equipment	705	–	–	–	–	–	–	705
<b>Payments for financial assets</b>	<b>4 657 900</b>	<b>–</b>	<b>89 016</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>89 016</b>	<b>4 746 916</b>
<b>Total</b>	<b>5 751 482</b>	<b>–</b>	<b>81 590</b>	<b>–</b>	<b>(4 941)</b>	<b>–</b>	<b>76 649</b>	<b>5 828 131</b>

**Programme 7: Civil and Military Pensions, Contributions to Funds and Other Benefits**

Subprogramme		2019/20						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand	Appropriation	Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		
Government Pensions	72 712	–	–	–	–	–	–	72 712
Administration Agency								
Civil Pensions and Contributions to Funds	4 496 771	–	14 667	–	–	–	14 667	4 511 438
Military Pensions and Other Benefits	1 005 020	–	(14 667)	–	–	–	(14 667)	990 353
<b>Total</b>	<b>5 574 503</b>	–	–	–	–	–	–	<b>5 574 503</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>72 712</b>	–	–	–	–	–	–	<b>72 712</b>
Goods and services	72 712	–	–	–	–	–	–	72 712
<b>Transfers and subsidies</b>	<b>5 501 791</b>	–	–	–	–	–	–	<b>5 501 791</b>
Foreign governments and international organisations	2 846	–	(1 686)	–	–	–	(1 686)	1 160
Households	5 498 945	–	1 686	–	–	–	1 686	5 500 631
<b>Total</b>	<b>5 574 503</b>	–	–	–	–	–	–	<b>5 574 503</b>

**Programme 8: Technical Support and Development Finance**

Subprogramme		2019/20						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand	Appropriation	Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		
Local Government Financial Management Support	681 399	–	–	–	–	–	–	681 399
Urban Development and Support	962 220	–	–	–	–	–	–	962 220
Employment Creation Facilitation	800 073	–	–	–	(157 225)	–	(157 225)	642 848
Government Technical Advisory Centre	61 734	–	–	–	–	–	–	61 734
Infrastructure Development Support	232 131	–	–	–	–	100 000	100 000	332 131
<b>Total</b>	<b>2 737 557</b>	–	–	–	(157 225)	100 000	(57 225)	<b>2 680 332</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>365 289</b>	–	19 500	–	–	–	19 500	<b>384 789</b>
Goods and services	365 289	–	19 500	–	–	–	19 500	384 789
<b>Transfers and subsidies</b>	<b>2 372 268</b>	–	(19 500)	–	(157 225)	100 000	(76 725)	<b>2 295 543</b>
Provinces and municipalities	1 613 461	–	(19 500)	–	–	–	(19 500)	1 593 961
Departmental agencies and accounts	758 807	–	–	–	(157 225)	100 000	(57 225)	701 582
<b>Total</b>	<b>2 737 557</b>	–	–	–	(157 225)	100 000	(57 225)	<b>2 680 332</b>

**Direct charge against the National Revenue Fund**

		2019/20						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand	Appropriation	Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		
Provincial equitable share	505 553 753	–	–	–	–	–	–	505 553 753
Debt-service costs	202 207 844	–	–	–	–	1 522 906	1 522 906	203 730 750
General fuel levy sharing with metropolitan municipalities	13 166 793	–	–	–	–	–	–	13 166 793
National Revenue Fund payments	135 311	–	–	–	–	224 224	224 224	359 535
<b>Total</b>	<b>721 063 701</b>	–	–	–	–	1 747 130	1 747 130	<b>722 810 831</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>202 207 844</b>	–	–	–	–	1 522 906	1 522 906	<b>203 730 750</b>
Interest and rent on land	202 207 844	–	–	–	–	1 522 906	1 522 906	203 730 750
<b>Transfers and subsidies</b>	<b>518 720 546</b>	–	–	–	–	–	–	<b>518 720 546</b>
Provinces and municipalities	518 720 546	–	–	–	–	–	–	518 720 546
<b>Payments for financial assets</b>	<b>135 311</b>	–	–	–	–	224 224	224 224	<b>359 535</b>
<b>Total</b>	<b>721 063 701</b>	–	–	–	–	1 747 130	1 747 130	<b>722 810 831</b>

## Details of adjustments to the 2019 Estimates of National Expenditure

### Virements and shifts within the vote

<b>Programmes</b>					
1. Administration					
2. Economic Policy, Tax, Financial Regulation and Research					
3. Public Finance and Budget Management					
4. Asset and Liability Management					
5. Financial Accounting and Supply Chain Management Systems					
6. International Financial Relations					
7. Civil and Military Pensions, Contributions to Funds and Other Benefits					
8. Technical Support and Development Finance					
9. Revenue Administration					
10. Financial Intelligence and State Security					
<b>From:</b>			<b>To:</b>		
<b>Programme by economic classification</b>	<b>Motivation</b>	<b>R thousand</b>	<b>Programme by economic classification</b>	<b>Motivation</b>	<b>R thousand</b>
<b>Programme 1</b>		<b>(43 734)</b>	<b>Programme 1</b>		<b>7 222</b>
Goods and services	Communication	(1 129)	Households	Leave gratuities	1 129
	Property payments	(6 093)	Machinery and equipment	Security system upgrade, equipment and machinery	6 093
	Consultants	(36 512)	<b>Programme 6</b>		<b>36 512</b>
			Payments for financial assets	Transfer to New Development Bank due to currency fluctuations <sup>1</sup>	36 512
Shifts within the programme as a percentage of the programme budget		1.3%			
Virements to other programmes as a percentage of the programme budget		6.6%			
<b>Programme 2</b>		<b>(5 192)</b>	<b>Programme 2</b>		<b>226</b>
Goods and services	Travel and subsistence	(226)	Households	Leave gratuities	226
	Consultants and operating payments	(4 966)	<b>Programme 3</b>		<b>4 966</b>
			Goods and services	Consultants	4 966
Shifts within the programme as a percentage of the programme budget		0.2%			
Virements to other programmes as a percentage of the programme budget		3.3%			
<b>Programme 3</b>		<b>(174)</b>	<b>Programme 3</b>		<b>174</b>
Goods and services	Stationery, printing and office supplies	(174)	Households	Leave gratuities	174
Shifts within the programme as a percentage of the programme budget		0.1%			
Virements to other programmes as a percentage of the programme budget		0.0%			
<b>Programme 4</b>		<b>(7 401)</b>	<b>Programme 3</b>		<b>3 586</b>
Goods and services	Computer services	(3 586)	Goods and services	Consultants and computer services	3 586
	Consultants	(1 398)	<b>Programme 4</b>		<b>1 398</b>
	Computer services, bursaries and travel and subsistence	(2 417)	Households	Leave gratuities and retirement benefits	1 398
			<b>Programme 6</b>		<b>2 417</b>
			Payments for financial assets	Transfer to New Development Bank due to currency fluctuations <sup>1</sup>	2 417
Shifts within the programme as a percentage of the programme budget		1.3%			
Virements to other programmes as a percentage of the programme budget		5.5%			
<b>Programme 5</b>		<b>(56 809)</b>	<b>Programme 5</b>		<b>14 148</b>
Goods and services	Computer services, and travel and subsistence	(1 717)	Households	Leave gratuities and retirement benefits	1 717
	Bursaries, and travel and subsistence	(183)	Departmental agencies and accounts	Transfer to Auditor-General of South Africa for audit fees <sup>1</sup>	183
	Computer services and Vulindlela system	(12 248)	Departmental agencies and accounts	Transfer to Auditor-General of South Africa for audit fees <sup>1</sup>	12 248
	Consultants	(42 661)	<b>Programme 6</b>		<b>42 661</b>
			Payments for financial assets	Transfer to New Development Bank due to currency fluctuations <sup>1</sup>	42 661
Shifts within the programme as a percentage of the programme budget		1.3%			
Virements to other programmes as a percentage of the programme budget		3.9%			

## 2019 Adjusted Estimates of National Expenditure

From:			To:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 6</b>		<b>(19 367)</b>	<b>Programme 6</b>		<b>19 367</b>
Goods and services	Operating payments	(100)	Households	Leave gratuities	100
Foreign governments and international organisations	Transfer to World Bank Group <sup>1</sup>	(7 426)	Payments for financial assets	Transfer to New Development Bank due to currency fluctuations <sup>1</sup>	7 426
	Transfer to Africa Risk Capacity <sup>1</sup>	(11 841)	Goods and services	African Investment Forum	11 841
Shifts within the programme as a percentage of the programme budget		0.3%			
Virements to other programmes as a percentage of the programme budget		0.0%			
<b>Programme 7</b>		<b>(1 686)</b>	<b>Programme 7</b>		<b>1 686</b>
Foreign governments and international organisations	Transfer to United Kingdom Tax	(1 686)	Households	Transfer to Post-Retirement Medical Scheme	1 686
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		0.0%			
<b>Programme 8</b>		<b>(19 500)</b>	<b>Programme 8</b>		<b>19 500</b>
Provinces and municipalities	Reclassification of neighbourhood development partnership grant due to non-compliance	(19 500)	Goods and services	Reclassification of neighbourhood development partnership grant due to non-compliance	19 500
Shifts within the programme as a percentage of the programme budget		0.7%			
Virements to other programmes as a percentage of the programme budget		0.0%			
<b>Total</b>		<b>(153 863)</b>			<b>153 863</b>

1. National Treasury approval has been obtained.

### Declared unspent funds – R179.359 million

#### Programme 8: Technical Support and Development Finance

R157.225 million in unspent funds was declared on the Jobs Fund due to the alignment of approved projects with project partners to match funding requirements.

#### Compensation of employees

R22.134 million in unspent funds was declared across various programmes on compensation of employees due to recently vacated positions and a longer than anticipated recruitment process to fill vacancies.

### Other adjustments – R100 million

#### *Appropriation of expenditure earmarked in the 2019 Budget speech for future allocation*

#### Programme 8: Technical Support and Development Finance

R100 million for project preparation for the Infrastructure Fund implementation unit to assist public sector institutions with project planning and appraisal.



## Expenditure outcome for 2018/19 and actual expenditure for 2019/20

Programme	2018/19					2019/20			
	Adjusted appropriation	Outcome				Adjusted appropriation	Adjusted appropriation/Total (%)	Actual expenditure	
		Apr 18 - Sep 18	Apr 18 - Sep 18 % of adjusted appropriation	Apr 18 - Mar 19	Apr 18 - Mar 19 % of adjusted appropriation			Apr 19 - Sep 19	Apr 19 - Sep 19 % of adjusted appropriation
R thousand									
Administration	473 819	177 465	37.5	424 274	89.5	511 370	0.1	204 869	40.1
Economic Policy, Tax, Financial Regulation and Research	152 770	72 802	47.7	138 756	90.8	143 125	0.0	59 897	41.8
Public Finance and Budget Management	298 047	145 394	48.8	295 370	99.1	328 558	0.0	151 399	46.1
Asset and Liability Management	101 585	42 328	41.7	91 185	89.8	101 429	0.0	44 742	44.1
Financial Accounting and Supply Chain Management Systems	1 194 148	425 693	35.6	869 104	72.8	1 044 188	0.1	386 612	37.0
International Financial Relations	5 542 776	30 164	0.5	5 807 686	104.8	5 828 131	0.8	25 392	0.4
Civil and Military Pensions, Contributions to Funds and Other Benefits	5 163 796	2 100 208	40.7	5 020 100	97.2	5 574 503	0.7	2 279 713	40.9
Technical Support and Development Finance	3 012 542	1 376 483	45.7	2 235 067	74.2	2 680 332	0.4	1 267 320	47.3
Revenue	9 007 217	4 503 617	50.0	9 007 217	100.0	9 529 031	1.3	4 764 516	50.0
Administration Financial Intelligence and State Security	4 763 533	2 258 055	47.4	4 763 533	100.0	4 951 053	0.7	2 344 081	47.3
<b>Subtotal</b>	<b>29 710 233</b>	<b>11 132 209</b>	<b>37.5</b>	<b>28 652 292</b>	<b>96.4</b>	<b>30 691 720</b>	<b>4.1</b>	<b>11 528 541</b>	<b>37.6</b>
<b>Direct charge against the National Revenue Fund</b>	<b>664 004 032</b>	<b>326 734 008</b>	<b>49.2</b>	<b>664 765 762</b>	<b>100.1</b>	<b>722 810 831</b>	<b>95.9</b>	<b>357 041 744</b>	<b>49.4</b>
Provincial equitable share	470 286 510	235 143 271	50.0	470 286 510	100.0	505 553 753	67.1	252 776 890	50.0
Debt-service costs	181 099 034	87 284 619	48.2	181 849 082	100.4	203 730 750	27.0	99 516 713	48.8
General fuel levy sharing with metropolitan municipalities	12 468 554	4 156 184	33.3	12 468 554	100.0	13 166 793	1.7	4 388 928	33.3
National Revenue Fund payments	149 934	149 934	100.0	161 616	107.8	359 535	0.0	359 213	99.9
<b>Total</b>	<b>693 714 265</b>	<b>337 866 217</b>	<b>48.7</b>	<b>693 418 054</b>	<b>100.0</b>	<b>753 502 551</b>	<b>100.0</b>	<b>368 570 285</b>	<b>48.9</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>183 997 500</b>	<b>88 262 996</b>	<b>48.0</b>	<b>183 920 339</b>	<b>100.0</b>	<b>206 141 198</b>	<b>27.4</b>	<b>100 418 970</b>	<b>48.7</b>
Compensation of employees	807 760	407 017	50.4	790 344	97.8	847 205	0.1	409 050	48.3
Goods and services	2 090 706	571 360	27.3	1 280 913	61.3	1 563 243	0.2	493 207	31.6
Interest and rent on land	181 099 034	87 284 619	48.2	181 849 082	100.4	203 730 750	27.0	99 516 713	48.8
<b>Transfers and subsidies</b>	<b>505 171 218</b>	<b>249 444 624</b>	<b>49.4</b>	<b>504 717 908</b>	<b>99.9</b>	<b>542 212 034</b>	<b>72.0</b>	<b>267 783 963</b>	<b>49.4</b>
Provinces and municipalities	484 296 598	240 265 193	49.6	484 263 848	100.0	520 314 507	69.1	258 073 605	49.6
Departmental agencies and accounts	14 624 059	7 102 848	48.6	14 327 243	98.0	15 379 250	2.0	7 424 315	48.3
Foreign governments and international organisations	1 137 905	727	0.1	1 159 123	101.9	1 009 191	0.1	692	0.1
Public corporations and private enterprises	13 316	–	–	–	–	–	–	–	–
Households	5 099 340	2 075 856	40.7	4 967 694	97.4	5 509 086	0.7	2 285 351	41.5
<b>Payments for capital assets</b>	<b>42 606</b>	<b>8 522</b>	<b>20.0</b>	<b>23 448</b>	<b>55.0</b>	<b>42 868</b>	<b>0.0</b>	<b>8 061</b>	<b>18.8</b>
Machinery and equipment	31 849	7 844	24.6	20 466	64.3	35 393	0.0	8 061	22.8
Software and other intangible assets	10 757	678	6.3	2 982	27.7	7 475	0.0	–	–
<b>Payments for financial assets</b>	<b>4 502 941</b>	<b>150 075</b>	<b>3.3</b>	<b>4 756 359</b>	<b>105.6</b>	<b>5 106 451</b>	<b>0.7</b>	<b>359 291</b>	<b>7.0</b>
<b>Total</b>	<b>693 714 265</b>	<b>337 866 217</b>	<b>48.7</b>	<b>693 418 054</b>	<b>100.0</b>	<b>753 502 551</b>	<b>100.0</b>	<b>368 570 285</b>	<b>48.9</b>

## Expenditure trends for the first half of 2019/20

Total expenditure in 2018/19 was R693.4 billion, 100 per cent of the adjusted appropriation for the year. Mid-year expenditure in 2018/19 was R337.9 billion, 48.7 per cent of the 2018/19 adjusted appropriation, whereas expenditure in the first half of 2019/20 was R368.6 billion, 48.9 per cent of the adjusted appropriation of R753.5 billion for the year. Compared to the first half of 2018/19, expenditure over the same period in 2019/20 increased by R30.7 billion, 9.1 per cent. This was mainly due to increased direct charges against the National Revenue Fund.

## Departmental receipts

R thousand	2018/19					2019/20				
	Adjusted estimate	Outcome			Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Actual receipts		
		Apr 18 - Sep 18	Apr 18 - Sep 18 % of adjusted estimate	Apr 18 - Mar 19				Apr 18 - Mar 19 % of adjusted estimate	Apr 19 - Sep 19	Apr 19 - Sep 19 % of adjusted estimate
Departmental receipts	3 640 640	1 555 518	42.7	7 113 723	195.4	4 161 122	4 260 766	30.1	1 549 001	36.4
Sales of goods and services produced by department	119 323	119 122	99.8	125 191	104.9	14 363	14 377	0.1	5 504	38.3
Sales of scrap, waste, arms and other used current goods	56	41	73.2	188	335.7	24	24	0.0	2	8.3
Interest, dividends and rent on land	3 260 761	1 302 955	40.0	6 830 187	209.5	3 871 805	3 971 305	28.1	1 292 660	32.6
Transactions in financial assets and liabilities	260 500	133 400	51.2	158 157	60.7	274 930	275 060	1.9	250 835	91.2
National Revenue Fund receipts	10 367 392	4 697 392	45.3	11 999 374	115.7	4 488 000	9 886 593	69.9	7 990 578	80.8
Of which:										
Revaluation of profits on foreign currency transactions	9 346 228	4 126 228	44.1	10 390 835	111.2	4 488 000	7 507 431	53.1	5 875 426	78.3
Premiums on loan transactions	900 888	450 888	50.0	1 161 388	128.9	—	1 998 508	14.1	1 735 786	86.9
Other (mainly penalties on retail bonds and profit on script lending)	7	7	100.0	2 546	36 371.4	—	2 576	0.0	1 288	50.0
Premiums on debt portfolio restructuring (switches)	120 269	120 269	100.0	444 598	369.7	—	378 078	2.7	378 078	100.0
IMF revaluation of profits	—	—	—	7	—	—	—	—	—	—
Total	14 008 032	6 252 910	44.6	19 113 097	136.4	8 649 122	14 147 359	100.0	9 539 579	67.4

## Revenue trends for the first half of 2019/20

Mid-year departmental revenue in 2018/19 was R1.6 billion, 42.7 per cent of the 2018/19 adjusted estimate, whereas revenue in the first half of 2019/20, excluding receipts from the National Revenue Fund, was R1.5 billion, 36.4 per cent of the adjusted estimate of R4.3 billion for the year. Compared to the first half of 2018/19, revenue over the same period in 2019/20 decreased by R6.5 million, 0.4 per cent. This was mainly due to lower cash balances on tax and loan investment in commercial banks related to revenue received from the South African Revenue Service.

## Changes to transfers and subsidies, including conditional grants

### Summary of changes to transfers and subsidies per programme

R thousand	Appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		
<b>Administration</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	–	–	1 129	–	–	–	1 129	1 129
Employee social benefits	–	–	1 129	–	–	–	1 129	1 129
<b>Economic Policy, Tax, Financial Regulation and Research</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	–	–	226	–	–	–	226	226
Employee social benefits	–	–	226	–	–	–	226	226
<b>Public Finance and Budget Management</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	–	–	174	–	–	–	174	174
Employee social benefits	–	–	174	–	–	–	174	174
<b>Asset and Liability Management</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	–	–	1 398	–	–	–	1 398	1 398
Employee social benefits	–	–	1 398	–	–	–	1 398	1 398
<b>Financial Accounting and Supply Chain Management Systems</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	50 411	–	12 431	–	–	–	12 431	62 842
Auditor-General of South Africa	50 411	–	12 431	–	–	–	12 431	62 842
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	1 768	–	1 717	–	–	–	1 717	3 485
Employee social benefits	1 768	–	1 717	–	–	–	1 717	3 485
<b>International Financial Relations</b>								
<b>Foreign governments and international organisations</b>								
<b>Current</b>	30 909	–	(7 843)	–	–	–	(7 843)	23 066
Collaborative Africa Budget Reform Initiative	1 808	–	442	–	–	–	442	2 250
Commonwealth Fund for Technical Cooperation	6 783	–	(967)	–	–	–	(967)	5 816
International Finance Facility for Immunisation	14 212	–	788	–	–	–	788	15 000
African Risk Capacity	8 106	–	(8 106)	–	–	–	(8 106)	–
<b>Capital</b>	143 743	–	(11 424)	–	–	–	(11 424)	132 319
African Development Fund	37 389	–	41 310	–	–	–	41 310	78 699
World Bank Group	106 354	–	(52 734)	–	–	–	(52 734)	53 620
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	–	–	100	–	–	–	100	100
Employee social benefits	–	–	100	–	–	–	100	100
<b>Civil and Military Pensions, Contributions to Funds and Other Benefits</b>								
<b>Foreign governments and international organisations</b>								
<b>Current</b>	2 846	–	(1 686)	–	–	–	(1 686)	1 160
United Kingdom tax	2 846	–	(1 686)	–	–	–	(1 686)	1 160

**Summary of changes to transfers and subsidies per programme (continued)**

R thousand	Appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	<b>3 923 827</b>	–	<b>1 686</b>	–	–	–	<b>1 686</b>	<b>3 925 513</b>
Post-Retirement medical scheme	2 893 297	–	278 318	–	–	–	278 318	3 171 615
Special pensions	468 000	–	10 167	–	–	–	10 167	478 167
Political Office Bearers Pension Fund	323 224	–	(270 000)	–	–	–	(270 000)	53 224
Pension benefits: President of South Africa	12 894	–	(2 132)	–	–	–	(2 132)	10 762
Military pensions: Ex-servicemen	2 801	–	(1 696)	–	–	–	(1 696)	1 105
South African citizen force	205 293	–	(5 971)	–	–	–	(5 971)	199 322
Other benefits: Ex-servicemen	18 318	–	(7 000)	–	–	–	(7 000)	11 318
<b>Technical Support and Development Finance</b>								
<b>Provinces and municipalities</b>								
<b>Municipalities</b>								
<b>Municipal bank accounts</b>								
<b>Capital</b>	<b>621 172</b>	–	<b>(19 500)</b>	–	–	–	<b>(19 500)</b>	<b>601 672</b>
Neighbourhood development partnership grant	621 172	–	(19 500)	–	–	–	(19 500)	601 672
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	<b>757 978</b>	–	–	–	<b>(157 225)</b>	<b>100 000</b>	<b>(57 225)</b>	<b>700 753</b>
Government Technical Advisory Centre	757 978	–	–	–	(157 225)	–	(157 225)	600 753
Development Bank of Southern Africa	–	–	–	–	–	100 000	100 000	100 000

**Summary of changes to conditional grants: Local government**

R thousand	Appropriation	2019/20 Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		
<b>Technical Support and Development Finance</b>	<b>1 613 461</b>	–	<b>(19 500)</b>	–	–	–	<b>(19 500)</b>	<b>1 593 961</b>
Neighbourhood development partnership grant	621 172	–	(19 500)	–	–	–	(19 500)	601 672