REPUBLIC OF SOUTH AFRICA

SECOND SPECIAL APPROPRIATION (2025/26 FINANCIAL YEAR) BILL

(As introduced in the National Assembly (proposed section 77); explanatory summary of Bill and prior notice of its introduction published in Government Gazette No. 55071 of 27 July 2026)
(The English text is the official text of the Bill)

(MINISTER OF FINANCE)

[B 20—2026]

ISBN 978-1-4850-1101-9

BILL

To appropriate an additional amount of money for the requirements of the vote of Mineral and Petroleum Resources for the Equalisation Fund in the Central Energy Fund, authorised in terms of section 16 of the Public Finance Management Act, 1999, for the 2025/26 financial year; and to provide for matters connected therewith.

BE IT ENACTED by the Parliament of the Republic of South Africa, as follows:—

Appropriation of additional amount of money for requirements of vote of Mineral and Petroleum Resources

1. (1) An amount of R10 billion is hereby appropriated from the National Revenue Fund for expenditure authorised in terms of section 16(1) of the Public Finance Management Act, 1999 (Act No. 1 of 1999), for the 2025/26 financial year, and attributed to the vote of Mineral and Petroleum Resources.

(2) The main division, and the purpose, of the appropriation to the vote of Mineral and Petroleum Resources, envisaged in subsection (1), are set out in the Schedule to this Act.

(3) The Appropriation Act, 2025 (Act No. 3 of 2025), applies to the appropriation envisaged in subsection (1) with the necessary changes.

Short title

2. This Act is called the Second Special Appropriation (2025/26 financial year) Act, 2026.

SCHEDULE

Vote		Main Division	Current Payments: Compensation of Employees	Current Payments: Goods and Services	Current Payments: Interest and Rent on Land	Transfers and Subsidies	Payments for Capital Assets	Payments for Financial Assets
		R'000	R'000	R'000	R'000	R'000	R'000	R'000
34	**Mineral and Petroleum Resources**	**10 000 000**				**10 000 000**		
	Purpose: *Regulate the minerals, mining and petroleum sectors for transformation, growth and development to ensure that all South Africans derive sustainable benefits from the country's mineral wealth.*							
	2 Minerals and Petroleum Regulation	10 000 000				10 000 000		
	Regulate the mining, minerals and petroleum sectors to promote economic growth, employment, transformation and sustainable development.							
	Of which							
	Public corporations							
	– Central Energy Fund					10 000 000		

MEMORANDUM ON OBJECTS OF SECOND SPECIAL APPROPRIATION (2025/26 FINANCIAL YEAR) BILL, 2026

1. PURPOSE OF BILL

The Second Special Appropriation Bill (2025/26 financial year), 2026 (''Bill''), appropriates an additional amount of money for the vote of Mineral and Petroleum Resources for the Equalisation Fund in the Central Energy Fund.

2. CLAUSE BY CLAUSE SUMMARY

2.1 Clause 1 provides for appropriation of an amount of R10 billion from the National Revenue Fund, authorised in terms of section 16(1) of the Public Finance Management Act, 1999 (Act No. 1 of 1999), for the 2025/26 financial year, and attributed to the vote of Mineral and Petroleum Resources. Upon authorisation by the Minister of Finance in March 2026, funds were attributed to the vote of Mineral and Petroleum Resources for the Equalisation Fund in the Central Energy Fund. Geopolitical tensions in the Middle East have intensified following coordinated military strikes involving the United States of America and the State of Israel against the Islamic Republic of Iran, and subsequent retaliatory actions across the Gulf region. The consequent war in the Middle East disrupted oil supply through key maritime transport routes, thereby increasing global crude oil prices. By providing budgetary support to the Equalisation Fund, funds can be used to buffer the continuous volatility in prices in the short term, providing fiscal flexibility in responding to the current situation. The Equalisation Fund, established in terms of the Central Energy Fund Act, 1977 (Act No. 38 of 1977), is used to finance the purchasing of crude oil or petroleum products. Its name reflects its role in ''equalising'' or stabilising the cost of fuel to consumers, essentially acting as a buffer against volatile international oil prices. It may mean that future general fuel levy relief may not be required, as the buffer in the Equalisation Fund will be able to cover any relief provided to the basic fuel price. This clause also provides that the appropriations are subject to the Appropriation Act, 2025 (Act No. 3 of 2025)

2.2 Clause 2 provides for the short title.

3. ORGANISATIONS AND INSTITUTIONS CONSULTED

The National Department of Mineral and Petroleum Resources.

4. FINANCIAL IMPLICATIONS FOR STATE

An amount of R10 billion is appropriated from the National Revenue Fund.

5. PARLIAMENTARY PROCEDURE

5.1 Section 44 of the Constitution of the Republic of South Africa, 1996 (''Constitution'') deals with the national legislative authority. Section 44(1) of the Constitution provides that the national legislative authority is vested in Parliament. The National Assembly has the power to amend the Constitution, to pass legislation regarding any matter, including a matter listed in Schedule 4 to the Constitution, but excluding, subject to section 44(2) of the Constitution, a matter listed in Schedule 5 to the Constitution.

5.2 The National Council of Provinces has the power to participate in the amendment of the Constitution, to pass legislation in accordance with section 76 of the Constitution and to consider, in accordance with section 75 of the Constitution, any other legislation passed by the National Assembly.

5.3 The Constitution distinguishes between four categories of Bills, as follows:
- *(a)* Bills amending the Constitution (section 74);
- *(b)* ordinary Bills not affecting the provinces (section 75);

(c) ordinary Bills affecting the provinces (section 76); and
(d) money Bills (section 77).

5.4 Section 77 of the Constitution deals with the legislative process that relates to Money Bills. In terms of section 77(1), the Constitution states that a Bill is a money Bill if it—
(a) appropriates money;
(b) imposes national taxes, levies, duties or surcharges;
(c) abolishes or reduces, or grants exemptions from, any national taxes, levies, duties or surcharges; or
(d) authorises direct charges against the National Revenue Fund.

5.5 In terms of section 77(1)(a), read with section 77(2)(d), of the Constitution, a Bill is a money Bill if it appropriates money and authorises direct charges against the National Revenue Fund. Consequently, we are of the view that the Bill is a money Bill as envisaged in section 77 of the Constitution. In this regard, section 77 of the Constitution that deals with money Bills provides as follows:

''**Money Bills**

77. (1) **A Bill is money Bill if it—**
(a) **appropriate money;**
(b) impose national taxes, levies, duties or surcharges;
(c) abolishes or reduces, or grants exemptions from, any national taxes, levies, duties or surcharges; or
(d) **authorises direct charges against the National Revenue Funds,** except a Bill envisaged in section 214 authorising direct charges.
(2) **A money Bill may not deal with any other matter except—**
(a) a subordinate matter incidental to the appropriation of money;
(b) the imposition, abolition or reduction of national taxes, levies duties or surcharges;
(c) the granting of exemption from national taxes, levies, duties or surcharges; or
(d) **the authorisation of direct charges against the National Revenue Fund.**
(3) **All money Bills must be considered in accordance with the procedure established by section 75.** An Act of Parliament must provide for a procedure to amend money Bills before Parliament.'' (Our emphasis.)

5.6 The Constitutional Court in the matter between the *South African Reserve Bank and Other v Mark Shuttleworth*[1] considered the meaning of the term ''money Bill'' and held as follows:

''[40] A Bill before the National Assembly is a Money Bill if it imposes ''national taxes, levies, duties or surcharges''. **However, the term "money Bill" covers more than just the raising of taxes, levies, duties or surcharges. It includes a Bill that appropriates money, or that abolishes, reduces or grants exemptions from taxes, or that authorizes direct charges against the National Revenue Fund. A money Bill must be passed by the National Assembly, and only on the manner required by section 75 of the Constitution.** The National Assembly may not initiate or prepare a money Bill. Only the Minister of Finance may. And a money Bill must not deal with any other matter except the prescribed subject matters of a money Bill.'' (Our emphasis.)

5.7 The State Law Advisers and the National Treasury are of the opinion that the Bill must be dealt with in accordance with the procedure established by section 75 of the Constitution, since it is a money Bill as contemplated in section 77 of the Constitution, processed in accordance with the procedure

1. [2015] ZACC 17; 2015 (5) SA 146 (CC); 2015 (8) BCLR 959 (CC).

prescribed in section 75 of the Constitution. The provisions of the Bill seek to appropriate money from the National Revenue Fund for the requirements of Vote 34: Mineral and Petroleum Resources for the Equalisation Fund in the Central Energy Fund, authorised in terms of section 16(1) of the Public Finance Management Act, 1999, for the 2025/26 financial year, and to provide for matters connected thereto.[2]

6. REFERRAL OF BILL TO NATIONAL HOUSE OF TRADITIONAL AND KHOI-SAN LEADERS

6.1 Section 39(1)*(a)* of the Traditional and Khoi-San Leadership Act, 2019 (Act No. 3 of 2019), provides for the referral of Bills to the National House of Traditional and Khoi-San Leaders (''National House''), and states as follows:

''**Referral of Bills to National House**

39. (1) *(a)* Any Parliamentary Bill—

(i) which directly affects traditional or Khoi-San communities or pertaining to customary law or customs of traditional or Khoi-San communities; or

(ii) pertaining to any matter referred to in section 154(2) of the Constitution,

must, in the case of a Bill contemplated in subparagraph (i) and **may**, in the case of a Bill contemplated in subparagraph (ii), before it is passed by the house of Parliament where it was introduced, be referred by the Secretary to Parliament to the National House for its comments.'' (Our emphasis.)

6.2 It is our view that the Bill does not contain provisions pertaining to traditional or Khoi-San communities or to customary law or customs of traditional or Khoi-San communities, nor any matter referred to in section 154(2) of the Constitution and, therefore, the Bill does not need to be referred to the National House for comments.

2. See long title of the Bill.

Printed by Creda Communications

ISBN 978-1-4850-1101-9