



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

**PFMA INSTRUCTION NO. 4 of 2026/27
PUBLIC FINANCE MANAGEMENT ACT
(ACT 1 OF 1999)**

CERTIFICATION AND VERIFICATION OF PAYROLL RECIPIENTS

TO ALL:

ACCOUNTING OFFICERS OF NATIONAL AND PROVINCIAL DEPARTMENTS

1. PURPOSE

The purpose of this National Treasury Instruction (herein referred to as this 'Instruction') is to provide for the verification of recipients of payments from the payroll system (PERSAL) as part of the ghost worker audit of national and provincial departments.

2. DEFINITION

In this Instruction, unless the context indicates otherwise, any word or expression bears the meaning assigned in the Public Finance Management Act, 1999 (Act No. 1 of 1999 – 'PFMA').

3. BACKGROUND

- 3.1 In the 2025 March Budget Speech, the Minister of Finance announced that a data-driven audit of ghost workers, starting with national and provincial departments, will be undertaken. Since then, the National Treasury and the Department of Public Service and Administration (DPSA), collaborating with other government institutions including South African Revenue Service (SARS) and the Department of Home Affairs (DHA), have initiated processes to analyse and verify the data of persons on the PERSAL payroll receiving payments from the State.
- 3.2 On 7 September 2025, the DPSA issued Circular 36 of 2025 requiring heads of department to undertake a mandatory physical verification of employees.
- 3.3 It is necessary that the physical verification of persons receiving remuneration from the State be supplemented by the processes outlined in this Instruction. These processes aim to address the following categories of persons in respect of whom identified anomalies require further investigation and verification:

- (a) Persons whose details cannot be verified against the national population register due to having a low-quality photograph on record, not having a smart identity card;
 - (b) Persons who are not on the national population register;
 - (c) Persons who received more than one basic salary payment into different bank accounts in the same month;
 - (d) Persons who were linked to bank accounts receiving basic salary payments from more than one PERSAL number in the same month (i.e. payments from at least two individuals); and
 - (e) Persons who changed their bank accounts at least three times during the calendar year (January to December);
- 3.4 These identified cases require further investigation and verification to make a proper determination on whether the payments relate to ghost workers.

4. ACCOUNTABILITY OF ACCOUNTING OFFICERS

- 4.1 The appointment of persons, in whatever capacity, is a decentralised responsibility placed on each department in terms of the Public Service Act and other applicable legislation. Accounting officers must comply with the requirements of regulation 8.3 of the Treasury Regulations, 2005 (TR) which, amongst others, requires that-
- (a) for all employees, the person in charge at the respective paypoints must certify, on the date of payment, that all persons listed on the payroll report are entitled to payment;
 - (b) within ten days of being certified, the payroll report must be returned to the chief financial officer; and
 - (c) the accounting officer must ensure that all paypoint certificates have been received on a monthly basis.
- 4.2 Accounting officers are responsible and accountable for the expenditure of their respective departments against Compensation of Employees (CoE) and the verification of employees.
- 4.3 Accounting officers are reminded of the condition communicated in the national departmental allocation letters pertaining to the proposed allocations for CoE which requires that a department must physically verify all high-risk PERSAL numbers identified and submitted to its accounting officer by the National Treasury. Departments must report to the National Treasury on the outcomes of the physical verifications and corrective actions taken.

- 4.4 This Instruction facilitates a verification process for national and provincial departments. To guide this process:
- (a) A person whose verification is required will receive a unique QR code on their payslips. They will be able to access the relevant portal to verify themselves using their cell phones or other devices. Accounting officers must ensure that employees who are unable to gain access to the relevant portal on their own must be supported to complete the verification process.
 - (b) The online verification platform will be open from 15 June 2026 for two months.
 - (c) After the completion of the online verification, National Treasury will, by 31 August 2026, provide accounting officers with the information on identified anomalies that require further physical verification.
 - (d) Departments must, by 31 October 2026-
 - (i) physically verify the persons identified by the National Treasury in terms of paragraph (c); and
 - (ii) submit a consolidated report to the National Treasury, in the format to be determined by the National Treasury, by email to verification@treasury.gov.za detailing the outcomes of the verification and corrective actions taken, if any.
- 4.5 Accounting officers remain responsible to ensure the elimination of ghost workers from their payrolls.

5. CRIMINAL ACCOUNTABILITY AND STATUTORY REPORTING OBLIGATIONS

- 5.1 Ghost worker schemes constitute systemic fraud against the State and undermine fiscal integrity.
- 5.2 If any improper or unlawful activity or conduct in the payment of compensation is identified or if there is a reasonable suspicion of such activity or conduct, the accounting officer must ensure that the matter is dealt with in accordance with the following:
- (a) Non-compliance with this Instruction is financial misconduct in terms of section 81 of the PFMA and must be managed in terms of TR 4.1;
 - (b) if such activity or conduct by an official constitutes an offence under the PFMA, the matter must immediately be reported to the South African Police Service (SAPS) in terms of section 86 of the PFMA, read with TR 4.2;
 - (c) if such activity or conduct by a person constitutes an offence, the matter must immediately be reported to the SAPS; and
 - (d) the Prevention and Combating of Corrupt Activities Act, 2004 (Act 12 of 2004), provides that persons in positions of authority bear a statutory duty to report

known or suspected corrupt transactions to law enforcement authorities, and failure to discharge this duty constitutes a criminal offence.

- 5.3 Accounting officers and officials must cooperate fully with disciplinary and criminal investigations and other related processes.
- 5.4 Accounting officers must-
- (a) ensure that any wrongly granted payments to officials on the payroll must be corrected, and any overpayments must be managed in terms of section 38 of the Public Service Act, 1994;
 - (b) recover any losses or damages resulting from unauthorised, irregular or fruitless and wasteful expenditure in accordance with TR 12;
 - (c) initiate disciplinary proceedings against any official who has committed misconduct; and
 - (d) provide the relevant reports in terms of section 85(1)(a) and (e) of the PFMA, read with TR 4.3.

6. **APPLICABILITY**

This Instruction applies to all national and provincial departments and government components.

7. **EFFECTIVE DATE**

This Instruction takes effect on 15 June 2026.

8. **AUTHORITY**

This Instruction is issued in terms of section 76(4)(b) of the PFMA.

9. **CONTACT INFORMATION**

Enquiries pertaining to the contents of this Instruction may be directed to:

Email: verification@treasury.gov.za.



DUNCAN PIETERSE
DIRECTOR-GENERAL

DATE: 26/05/26

CC: Auditor-General