



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

**TO ALL: HEADS OF DEPARTMENTS
HEAD OFFICIALS OF PROVINCIAL TREASURIES
PROVINCIAL ACCOUNTANTS-GENERAL**

CIRCULAR 2 of 2025/2026

**THE IMPLEMENTATION OF A NEW STANDARD CHART OF ACCOUNTS (SCOA V6)
AND BAS DATABASE AND TECHNICAL ENVIRONMENTS FOR ALL DEPARTMENTS**

On 1 April 2025, the National Treasury implemented a new version of the Standard Chart of Accounts (SCOA V6), replacing the previous version (SCOA V5) that had been in place since 2017. As part of this process, a complete refresh of the BAS technical environment was undertaken, which required the development of new databases for all departments.

This modernisation was informed by an extensive review that was conducted in the financial year of 2024/2025, which was aimed at improving financial data classification, aligning budget structures with reporting requirements, and enhancing overall system performance. The review also introduced enhancements to support gender-responsive budgeting, climate budget tagging, and transparency in ICT-related expenditure.

Despite extensive preparation ahead of the changeover, the concurrent transition to SCOA V6 and the closure of the 2024/2025 financial year has resulted in increased pressure on the system and support teams. These challenges, while not unexpected during a dual-transition period of this magnitude, have, however, had an impact on the system performance and service responsiveness in some areas with the following key issues encountered –

- (a) Delays in the generation of reports and processing of payments due to strain on mainframe capacity;
- (b) Performance issues with the new BAS V6 batch processing environment;
- (c) Interface disruptions affecting transactions with systems such as PERSAL, LOGIS, and the Central Supplier Database (CSD);
- (d) Temporary unavailability or inaccuracy of certain bank reconciliation statements.

To address these issues, the National Treasury has taken a number of targeted interventions. In partnership with SITA, additional mainframe capacity is being provisioned to alleviate performance constraints and improve the turnaround time for report generation. A sustained programme of database and batch run optimisation has been initiated to address system slowdowns and ensure more efficient processing of transactions. Technical support capacity has been expanded through the re-engagement of experienced resources, and overtime has been approved to allow for after-hours resolution of priority incidents without disrupting core business operations. Engagements are ongoing with key stakeholders, including commercial

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banks and transversal system partners, to resolve outstanding interface issues and ensure the integrity of payment and reconciliation processes. Regular communication with departments has also been introduced to keep users informed of progress and maintain transparency in issue resolution.

Looking ahead, the new SCOA and the refreshed BAS environment offer significant long-term benefits. These include improved performance and processing speeds for financial transactions, a cleaner and more efficient classification structure, and better alignment between budget and reporting frameworks.

In addition, a project will be undertaken to improve the processing of BAS reports by assigning a “superuser” in each department to manage report requests, thereby relieving pressure on the mainframe. Once the 2024/25 financial year-end process is concluded, debt and general ledger balance conversions will be undertaken to complete the full transition to BAS V6. These initiatives are expected to further stabilise the environment and position departments to benefit more fully from the capabilities of the upgraded system.

We appreciate the patience and cooperation of departments during this transition. The BAS Support team remains committed to resolving outstanding issues promptly and will continue to communicate progress updates on a regular basis. Departments are encouraged to log issues timeously and remain engaged with the support process.

Should you have any questions or require specific assistance, please do not hesitate to contact the BAS support team.

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CONTACT PERSON

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Yours Sincerely,

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Date: