



2026/27

**NATIONAL
TREASURY**

**ANNUAL
PERFORMANCE
PLAN**



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Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

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Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

RP: 70/2026

ISBN: 978-1-83491-760-3

Title of Publications: National Treasury
APP 2026-2027

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2026/27

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EXECUTIVE AUTHORITY STATEMENT

Over several years, National Treasury staff have worked hard to restore the health of public finances and place South Africa on a sound fiscal footing, while driving efforts towards stronger and more durable economic growth. The 2026 Budget marked the achievement of an important milestone. Government debt is stabilising and will begin to decline from 2026/27. I congratulate the staff of the Treasury and other institutions reporting to the Ministry of Finance for their work and contribution to this outcome.

The National Treasury will continue playing a central role in safeguarding the sustainability of the public finances, strengthening the credibility of fiscal policy, and ensuring that public resources are allocated in a manner that supports inclusive growth, social protection, and long-term development. This Annual Performance Plan (APP) sets out the priorities, programmes, and performance targets through which the department will advance these objectives during the 2026/27 financial year.

South Africa continues to confront a complex economic environment marked by global uncertainty, including an increasingly fraught geopolitical outlook, with trade and military conflicts rising, and evidence of correction following the AI-driven boom in major equity markets.

Domestically, the economic outlook has improved moderately, and the public finances are stabilising. Real GDP growth of 1.4 per cent is estimated for 2025, and this is set to rise to 2 per cent in 2028. Nevertheless, government considers that this is still far too modest, and much more needs to be done to address the persistent challenges of unemployment and poverty.

Over the medium term, our strategy will be based on the four pillars of growth and development. We will ensure macro-economic stability through maintaining debt sustainability and low inflation. Secondly, we will accelerate structural reforms through Operation Vulindlela and other growth-enhancing measures. Thirdly, our efforts will target improvements in the capability of the state, including through reforming and revitalising local government, greater efficiency of public spending, and funding critical public services such as crime fighting. Achieving these goals requires sustained fiscal discipline, careful management of fiscal risks, and continued reforms to improve the performance of public institutions. Finally, government will escalate investments in public infrastructure, to provide services and grow the economy.

In this regard, the National Treasury will promote fiscal sustainability through a legislated and principle-based fiscal anchor. We will drive forward with the restructuring of the electricity industry and private sector participation in the logistics and transportation sector. We will also reform the financial sustainability of municipal services for energy, water and environmental health, while considering options to restructure this sphere as part of the White paper review. Over the medium-term, the state will spend more than R1 trillion on infrastructure delivery, and a stronger project pipeline will be maintained through the budget facility for infrastructure (BFI).

The department will also continue to work closely with the South African Revenue Service and other stakeholders to support revenue collection, improve tax administration, and broaden the tax base in a manner that is fair and sustainable.



Importantly, the National Treasury remains committed to modernising public finance management and harnessing data and technology to improve decision-making, transparency, and service delivery. Strengthening institutional capability and fostering a culture of integrity and accountability within the public service will remain central to our work.

This Annual Performance Plan therefore reflects our commitment to prudent fiscal management, effective governance, and responsible leadership of South Africa's public finances. Through the implementation of the targets and initiatives outlined in this plan, the National Treasury will continue to support government's broader objectives of economic growth, job creation, and improved living standards for all South Africans.

I extend my appreciation to the Deputy Ministers of Finance, Cabinet colleagues, and the officials of the National Treasury for their continued dedication to serving the people of South Africa with professionalism and integrity.



ENOCH GODONGWANA, MP
MINISTER OF FINANCE



DEPUTY MINISTER STATEMENT

The 2026/27 Annual Performance Plan of the National Treasury sets out the priorities and activities through which government will continue to strengthen South Africa's public finances, improve the effectiveness of public spending, and support sustainable and inclusive economic growth. The National Treasury and the South African Revenue Service play a central role in achieving these objectives.

Various divisions execute the strategy and manage the operations of the Treasury, and they will remain consistent in their task throughout 2026/27.

The functions of the National Treasury are coordinated through the Corporate Services division, which ensures that the department functions effectively with the appropriate, safe and secure office facilities, human resources and finance management services, and well-established internal audit, monitoring and evaluation functions.

Through the Economic Policy and International Cooperation division, the department will continue to analyse economic developments, support structural reforms, and provide policy advice aimed at strengthening economic growth and macroeconomic stability. At the same time, strong regional and international relations will be maintained, with an emphasis on promoting multilateralism and the interests of the South African people and the global south.

The Budget Office division will coordinate the national budget process and international development finance. Working with other divisions, it will ensure that spending decisions are aligned with government's priorities while maintaining a credible fiscal path.

The Asset and Liability Management division manages government's financing programme and debt portfolio. In this regard, it will ensure alignment with the overall fiscal strategy. This includes implementing the government's borrowing strategy in a transparent manner, managing debt-related risks, and maintaining orderly and efficient government bond markets.

Strengthening financial governance across the public sector remains a critical priority. Various public financial management initiatives will be undertaken through the Public Finance division. Reviews of the social grant system, disaster relief and management, and new approaches to reprioritising spending will form a large part of the division's work in 2026/27. Expenditure reviews will help improve the composition and quality of public spending. The division will also monitor progress and support improvements in governance and accountability.

During the upcoming year, the Intergovernmental Relations division will focus on critical reforms, particularly to the local government sphere. continue to manage the system of fiscal transfers to provinces and municipalities and support improved financial management and service delivery at the subnational level, to ensure that public resources translate into improved outcomes for communities across the country.

The National Treasury will strengthen public procurement systems through the Office of the Chief Procurement Officer, ensuring that procurement processes are fair, transparent, and deliver value for money. Reforms in this area remain critical to improving infrastructure delivery and restoring confidence in public institutions. In this regard, the finalisation of the regulations for the Public Procurement Act will be paramount.



The goals and aspirations behind the Public Financial Management Act (PFMA) and the Municipal Finance Management Act (MFMA) are pursued mainly through the Office of the Accountant General (OAG). In addition, this division provides the main guidance on financial management issues throughout government, including to public entities and state-owned enterprises. Going forward, they will pursue a resuscitation of the project to replace the legacy financial management systems of government. They will also provide special audit services to government, wherein suspicious or irregular financial activities will be subjected to forensic audits.

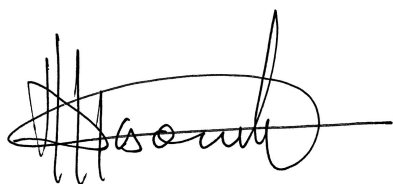
Finally, the department has recently established the Office of the General Counsel, to coordinate the department's legal services and legislation drafting functions.

Meanwhile, the South African Revenue Service (SARS) remains central to the country's fiscal framework by ensuring the effective and efficient collection of revenue. SARS will continue to strengthen tax administration, broaden compliance, and modernise its systems to improve taxpayer services while combating illicit financial flows, tax evasion, and customs fraud. Continued investment in data analytics, digital platforms, and enforcement capabilities will support SARS in sustaining revenue collection and protecting the integrity of the tax system.

I congratulate the departing Commissioner of SARS, Mr. Edward Kieswetter, for this excellent stewardship of the institution.

Across all these areas, government remains committed to improving transparency, strengthening oversight, and enhancing the professionalism and capability of public institutions. The work outlined in this Annual Performance Plan reflects the collective effort of the National Treasury and SARS to ensure that public resources are managed responsibly and in a manner that supports South Africa's long-term development.

I wish to thank the officials of the National Treasury and the South African Revenue Service for their continued dedication and professionalism in serving the people of South Africa.



DR. DAVID MASONDO, MP
DEPUTY MINISTER OF FINANCE



DEPUTY MINISTER STATEMENT

The Annual Performance Plan of the National Treasury provides an opportunity to reflect on the fundamental challenge facing South Africa, and that requires sustained higher levels of economic growth to create jobs and lift people out of poverty.

As the department plays a key role in shaping the economic policy discourse that should contribute to this goal, inclusive growth and job creation has been identified as the apex priority of the GNU. We must play a leading role in achieving this at a time of great opportunity, as well as a time of significant contradictions.

We are contending with major geopolitical changes that are reshaping trade relationships across the world, with the phenomenon of reshoring and near-shoring changing global supply chains. Similarly, domestically, we are seeing the GNU resisting fiscal populism and staying on the path of fiscal consolidation, which supports the Treasury's goals of debt stabilisation underpinned by sustained primary budget surpluses, which has contributed to renewed confidence in our economic trajectory.

The task before us is clear. We must maintain macroeconomic stability and make rational budget choices based on technical assessments that demonstrate the impact of expenditure. The implementation of the Targeted and Responsible Savings (TARS) initiative has already begun to yield early results, and over the medium term we must accelerate the process of maximising expenditure that produces positive results for society at large and curtail expenditure that produces net-negative economic results.

Our priorities are anchored in three pillars:

Resilience: Strengthening our fiscal framework to withstand external shocks and ensuring that our debt levels remain sustainable.

Opportunity: Creating an enabling environment, through a set of stable policies, reliable infrastructure and efficient institutions that enable firms to invest, grow and hire with confidence.

Integrity: Upholding the highest standards of governance and accountability in the management of public finances.

As highlighted at the Global SME Finance Forum, building resilience and creating opportunities for growth is not only a theme but a necessity. Small businesses, entrepreneurs, innovators are the lifeblood of the economy. The department's role is to ensure that these stakeholders have access to the financial systems and support they required to thrive in their endeavours.

This 2026/27 Annual Performance Plan continues the roadmap for fiscal consolidation and structural reform to create the enabling environment for faster growth. As we execute this plan, we must navigate the global and domestic headwinds, chart a course towards a South Africa anchored on fiscal discipline and economic stability.



The National Treasury's APP underscores our commitment to building a capable, accountable state that supports economic growth and job creation. All stakeholders, from government departments, private sector partners, civil society, and citizens are invited to engage with this plan, hold us accountable, and join us in the effort to contribute towards a prosperous future.



ASHOR SARUPEN, MP

DEPUTY MINISTER OF FINANCE



ACCOUNTING OFFICER STATEMENT

It is difficult to predict the future as we stand at the junction between steady improvement nationally and increasing tension globally. In a world that is increasingly volatile, ambiguous and isolationist furthering our domestic reform and stabilisation agenda has become more urgent. It is this impetus that has guided the National Treasury's Annual Performance Plan 2026/27, an ambitious commitment to supporting faster growth and safeguarding the future sustainability of our highly redistributive fiscal framework.

Our efforts to promote accelerated economic growth remain anchored in maintaining macroeconomic stability, implementing structural reforms, investing in growth -enhancing infrastructure and building state capacity. This will be aided by our continued efforts to ensure prudent fiscal management that advances our socio-economic obligations by accelerating public investment, improve the efficiency of public spending, improve the composition of spending by containing the public-service wage bill while increasing capital investment and entrenching sustainable public finances with a principles-led fiscal anchor.

As we enter into the 6th term of local government the urgency to resolve pervasive and persistent system challenges has informed our work on local government reform. Our annual programme will focus on the conditional grant policy review, introduction of local government as a key priority under Phase II of Operation Vulindela, Metro Trading Services reform, review of the funding model and amendments to the PFMA and MFMA as well as the Public Procurement Regulations.

Modernising and automating financial management processes remains a strategic imperative for the department. This along with an increased obligatory publication of information is intended to enhance efficiency, advance transparency and strengthen accountability. The department's digitisation initiatives will include the development of a government-wide digital data exchange platform that will allow secure sharing and data verification in real time enhancing cyber security and expediting service, modernisation of the PERSAL system and the modernisation of the public procurement system by completing the end-to-end tendering solution.

This annual performance plan is testimony to our continued commitment to building stable and sustainable public finances. Key to this is maintaining a primary budget surplus that in turn preserves confidence, strengthens credibility and ensures sustainability of public finances. In keeping with NT's reform agenda, a review of the intergovernmental fiscal framework will be completed, and the municipal PPP regulations will be amended. Critically TARS (Targeted and Responsible Savings) system will be ongoing and entrenched into the budget process with every programme and every allocation having to demonstrate value, efficiency and accountability.

Central to our efforts is the National Treasury team. Institution building continues to be foundational to the department's activities. In this year the outcomes of the organisational review process will be completed with the new structure implemented, strengthening institutional coherence, improving operational efficiency and supporting greater collaboration. Concurrently a programme has been established to accelerate recruitment. This should expand the capabilities profile of the department and address long standing capacity constraints. Pivotal to the achievement of the APP 2026/27 is the successful delivery of the training and development programme including the bespoke Leadership and Management development programme conducted in partnership with Stellenbosch University intended to enhance management



capabilities throughout the organisation. While gender targets are being exceeded, further measures are being put into place to increased representation of people with disabilities.

ICT modernisation and automation is central to the optimisation of organisational efficiency and effectiveness. A review of the department's ICT capabilities, and value for money has been completed with the findings informing the development of a future roadmap. The department is introducing strategic initiatives to further reinforce the alignment between planning and budgeting. This includes a rigorous annual evaluation, under the auspices of the Budget committee, of programmes and projects outcomes to ensure alignment to the department's strategic outcomes and prioritisation in respect of allocating financial resources given the continued constraint budgets.

As part of our efforts to improve working conditions, the department will welcome the 2026/27 financial year in by taking up occupancy of our new accommodation in the first quarter. The new offices are expected to result in savings in rental, bulk services and building maintenance costs and most importantly to provide for a modern, conducive safe workspace.

I wish to thank the Minister Enoch Godongwana, Deputy Minister David Masondo and Deputy Minister Ashor Sarupen for their continued guidance, leadership and support. I am especially grateful for the National Treasury team without whom achieving the APP 2026/27 performance targets will not be possible.



DR DUNCAN PIETERSE

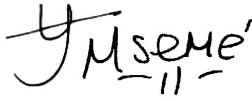
DIRECTOR-GENERAL: NATIONAL TREASURY



OFFICIAL SIGN-OFF

It is hereby certified that this Annual Performance Plan:

- Was developed by the management of the National Treasury under the guidance of the Honorable Minister of Finance, Mr E Godongwana;
- Takes into account all the relevant policies, legislation and other mandates for which the National Treasury is responsible;
- Accurately reflects the outcomes and outputs which the National Treasury will endeavor to achieve over the 2026/27 period.



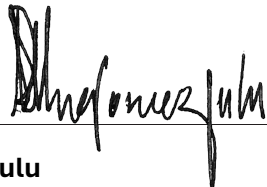
Signature: _____

Laura Mseme
Chief Director: Strategic Management and Oversight



Signature: _____

Unathi Ngwenya
Chief Financial Officer



Signature: _____

Stadi Mngomezulu
Deputy Director-General: Corporate Services



Signature: _____

Dr Duncan Pieterse
Accounting Officer: National Treasury

Approved by:



Signature: _____

Enoch Godongwana
Minister of Finance, MP





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PART A: OUR MANDATE

2026/27

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1. UPDATES TO THE RELEVANT LEGISLATIVE AND POLICY MANDATES

1.1 Constitutional mandate

The National Treasury's legislative mandate arises from Chapter 13, Section 216(1) of the Constitution, which calls for the establishment of a national treasury to ensure transparency, accountability and sound financial controls in the management of the country's public finances.

1.2 Legislative and policy mandate

This role is further elaborated in the Public Finance Management Act (PFMA) (1999). The department is mandated to promote the national government's fiscal policy and the coordination of macroeconomic policy; ensure the stability and soundness of the financial system and financial services; coordinate intergovernmental financial and fiscal relations; manage the budget preparation process; and enforce transparency and effective management in respect of revenue and expenditure, assets and liabilities, public entities and constitutional institutions. Accordingly, for the period under review, the National Treasury's legislative and other mandates remain applicable.

The National Treasury mandate is further elaborated in the Municipal Financial Management Act (MFMA) (2023), Section 5(2), monitoring of municipal budgets, promote good budgets and fiscal management by municipalities, accounting and reporting, monitor, support and assess compliance and investigate any system of financial management and internal control in municipalities and municipal entities. The mandate extends to issuance of regulations on all aspects of the Municipal Financial Management Act, which includes investments, borrowing, budgeting, accounting, assets, reporting, competencies, expenditure and cost containment, supply chain, public private partnerships, financial misconduct and criminal procedures, amongst others.

2. UPDATES TO INSTITUTIONAL POLICIES AND STRATEGIES

2.1 Institutional policies

Tax Administration Laws Amendment Act 2012 (Act 21 of 2012)

Taxation Laws Amendment Act 2012 (Act 22 of 2012)

The Adjustments Appropriation Act 2012 (Act 17 of 2012)

The Appropriation Act 2012 (Act 7 of 2012)

The Credit Rating Services Act 2012 (Act 24 of 2012)



The Development Bank of Southern Africa Act 1997 (Act 13 of 1997)

The Division of Revenue Act

The Division of Revenue Amendment Act

The Intergovernmental Fiscal Relations Act, 1997 (No. 97 of 1997)

The Provincial Tax Regulation Process Act, 2001 (No. 53 of 2001)

The Borrowing Powers of Provincial Governments Act, 1996 (No. 48 of 1996)

The Municipal Fiscal Powers and Functions Act, 2007 (No. 12 of 2007)

The Municipal Fiscal Powers and Functions Amendment Act, 2024 (No 4. of 2024)

The Financial Intelligent Centre Act 2001 (Act 38 of 2001)

The Financial Advisory and Intermediaries (FAIS) Act 2002 (Act 37 of 2002)

The Financial Markets Act 2012 (Act 19 of 2012)

The Financial Sector Regulation Act 2017 (Act 9 of 2017)

The Land and Agricultural Development Bank Act 2002 (Act 15 of 2002)

The Lotteries Act 1997 (Act 57 of 1997)

The Lotteries Amendment Act 2013 (Act 32 of 2013)

The Municipal Finance Management Act 2003 (Act 56 of 2003)

The National Credit Act (NCA) 2005 (Act 34 of 2005)

The National Gambling Act 2004 (Act 7 of 2004)

The Public Investment Corporation Act 2004 (Act 23 of 2004)

The Public Procurement Act 2024 (Act 28 of 2024)

The Public Finance Management Act 1999 (Act 1 of 1999)

The Rates and Monetary Amounts and Amendment of Revenue Laws Act 2012 (Act 13 of 2012)

The South African Revenue Service Act 1997 (Act 34 of 1997)

The South African Reserve Bank (SARB) Act 1989 (Act 90 of 1989)

The Tax Administration Act 2011 (Act 28 of 2011)



3. UPDATES TO RELEVANT COURT RULINGS

The department has two court rulings that have a significant, ongoing impact on its operations and service delivery obligations:

1. An order was granted by the Gauteng Division of the High Court, Pretoria on 13 October 2025 in an application brought by Astral Operations Limited and the Meadow Feeds Standerton (Pty) Ltd against the Government of the Republic of South Africa, the Minister of Finance, and the Lekwa Municipality, among others. The order requires the Minister of Finance to provide the applicants with all historic quarterly reports under the Financial Recovery Plan (“FRP”), and to continue submitting quarterly reports in terms of section 147 of the MFMA for as long as the National Intervention in the Lekwa Municipality persists. It further obliges the Minister to update the FRP timelines, oversee its implementation, exercise intervention powers where necessary, and to hold quarterly meetings with the applicants to report on the implementation of the FRP.
2. A similar order was granted by the North-West Division of the High Court on 6 November 2025 in an application brought by Sakeliga NPC, Centre for Good Governance and Social Justice and Barend Lourens Snyman against the Ditsobotla Local Municipality and the Minister of Finance among others. The order directs the Minister of Finance to serve, within 14 days of receipt thereof, all quarterly reports contemplated in section 147 of the MFMA on the Applicants’ attorneys and to file such reports with the Court. It further requires the Minister of Finance, together with COGTA to engage with the applicants at least once every three months regarding the financial recovery of the Ditsobotla Local Municipality.

These judgments have significant operational implications for the National Treasury due to the ongoing mandatory reporting, monitoring and engagement requirements, for which the National Treasury needs to divert resources to ensure the above orders are carried out.





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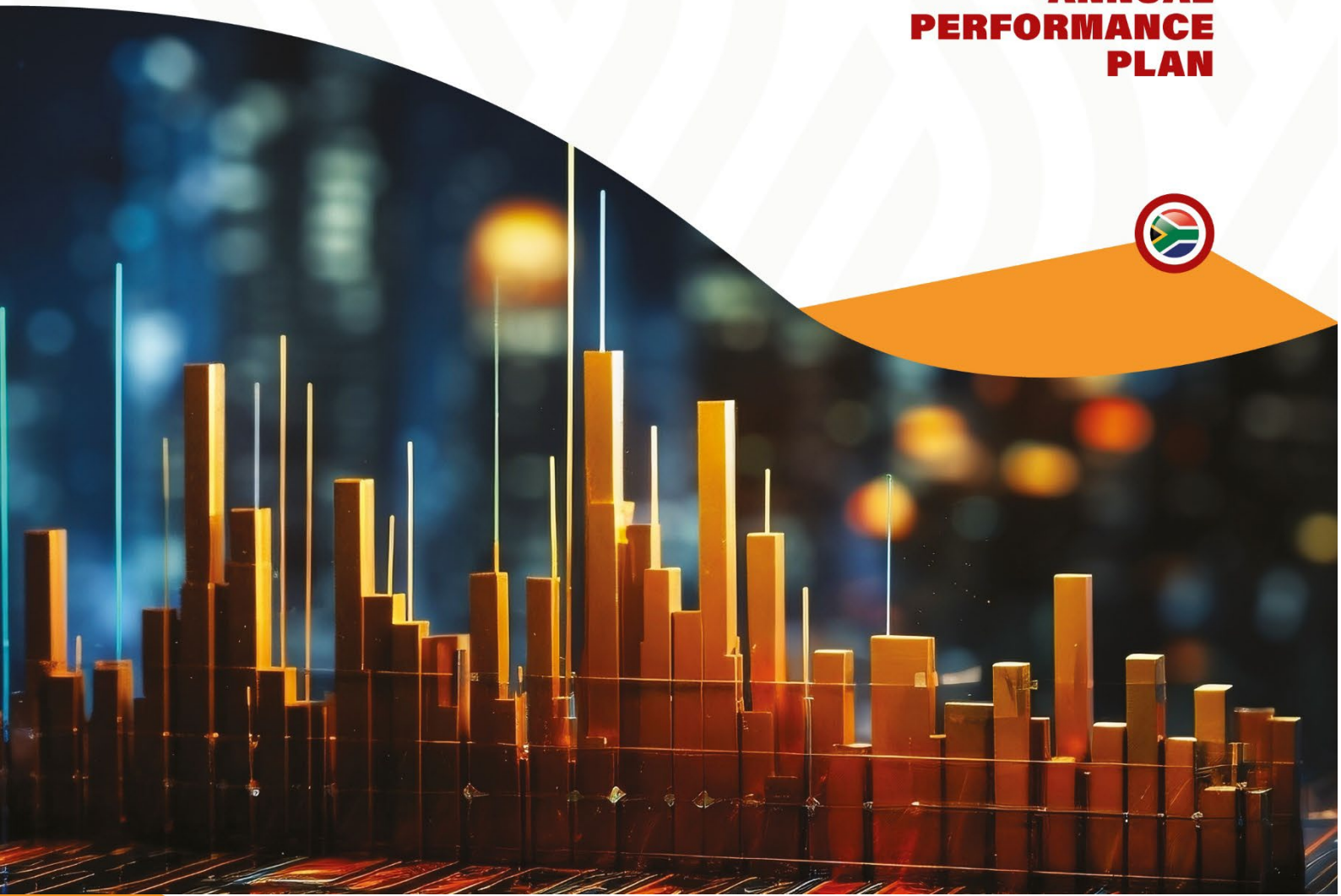
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PART B: OUR STRATEGIC FOCUS

2026/27

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4. SITUATIONAL ANALYSIS

4.1 Updated External Environment Analysis

External and Domestic Economic Environment

Over the medium term, South Africa's external environment is characterised by heightened global policy uncertainty and a more fragmented trade landscape, alongside a domestic reform and stabilisation agenda that supports improved credibility and gradually strengthening economic activity. Geo-political tensions and shifts in trade policy continue to influence global supply chains, commodity prices and investment decisions. While global inflation has moderated and financial conditions remain broadly supportive, trade growth has slowed, and policy uncertainty remains elevated relative to earlier periods.

In this context, South Africa faces a more demanding export and financing environment. Export performance remains sensitive to global demand conditions and commodity price volatility, while capital flows are influenced by shifts in global risk appetite. Disruptions to global supply chains and transport routes continue to pose risks to trade-dependent sectors. This environment reinforces the need for trade diversification, improved competitiveness in network industries, and accelerated domestic reforms to reduce the cost of doing business and strengthen resilience to external shocks.

Economic Outlook

Against this backdrop, domestic economic activity is expected to gradually strengthen over the medium term. In the 2026 Budget Review, real GDP growth is forecast to rise from 1.4 per cent in 2025 to 1.6 per cent in 2026, 1.8 per cent in 2027 and 2.0 per cent in 2028. Although this reflects an improvement from recent low levels of growth, the projected growth path remains below the level required to materially reduce unemployment or significantly raise per capita incomes. Growth remains constrained primarily by domestic structural factors. Electricity supply has stabilised relative to prior years; however, energy costs remain elevated, and inefficiencies in freight logistics and municipal service delivery continue to weigh on investment and the tradable sectors. Private fixed investment has begun to respond to regulatory reforms and improved energy availability, but overall investment levels remain subdued relative to historical norms.



Table 1: Macroeconomic performance and projections

Percentage change	2024	2025	2026	2027	2028
	Actual	Estimate	Forecast		
Final household consumption	1.0	3.1	1.8	2.0	2.2
Final government consumption	-0.1	0.3	2.4	0.0	0.3
Gross fixed-capital formation	-3.9	-2.0	2.4	3.3	3.9
Gross domestic expenditure	-0.6	2.2	2.0	1.9	2.1
Exports	-2.8	-2.0	1.6	2.4	2.9
Imports	-6.4	1.0	3.0	2.9	3.1
Real GDP growth	0.5	1.4	1.6	1.8	2.0
GDP inflation	3.9	2.5	4.1	3.4	3.3
GDP at current prices (R billion)	7,352	7,642	8,085	8,506	8,965
CPI inflation	4.4	3.2	3.4	3.3	3.2
Current account balance (% of GDP)	-0.7	-0.9	-1.0	-1.2	-1.3

Sources: National Treasury, Reserve Bank and Statistics South Africa

On the bright side, consumer price inflation has moderated and is projected to stabilise near the 3 per cent target announced at the time of the MTBPS, over the medium term. The formal adoption of the 3 per cent inflation target strengthens the credibility of the macroeconomic policy framework and aligns the inflation objective more closely with South Africa's major trading partners. A lower and clearer target is expected to anchor inflation expectations lower, reduce the inflation risk premium embedded in borrowing costs and support more predictable macroeconomic conditions. Over time, improved credibility may contribute to lower real interest rates, provided fiscal consolidation remains on track.

Fiscal Landscape

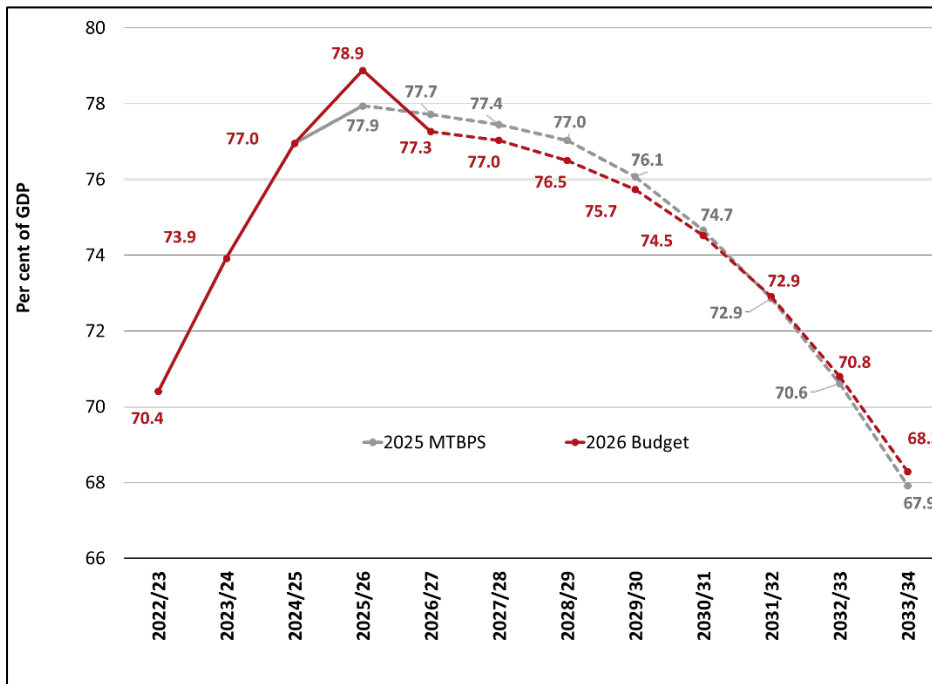
The fiscal framework outlined in both the 2025 MTBPS and the Budget 2026 remains focused on stabilising debt, investing in infrastructure and improving the efficiency and composition of public spending. Within this framework, the consolidated deficit is projected to narrow steadily over the medium term, supported by expenditure restraint and improved revenue performance. The primary balance remains in surplus, anchoring the debt trajectory, with gross loan debt projected to stabilise in 2025/26 and then gradually moderate as a share of GDP.

Infrastructure allocations will surpass R1 trillion over the medium term, with transport, energy, and water benefiting from the largest shares, aimed at alleviating network constraints and supporting medium-term growth. Spending efficiency measures have identified approximately R12 billion in savings through targeted reductions in underperforming programmes and improved grant management.

Despite the progress made thus far, fiscal space remains constrained. Debt-service costs continue to absorb a significant share of revenue, constraining flexibility and reinforcing the need for sustained primary surpluses. The proposed principles-based fiscal anchor, to be advanced in the forthcoming MTBPS, is intended to entrench fiscal credibility and provide greater clarity on the long-term trajectory of debt. In a context of high global sovereign issuance and elevated term premia, maintaining a credible consolidation path is central to containing South Africa's risk premium.

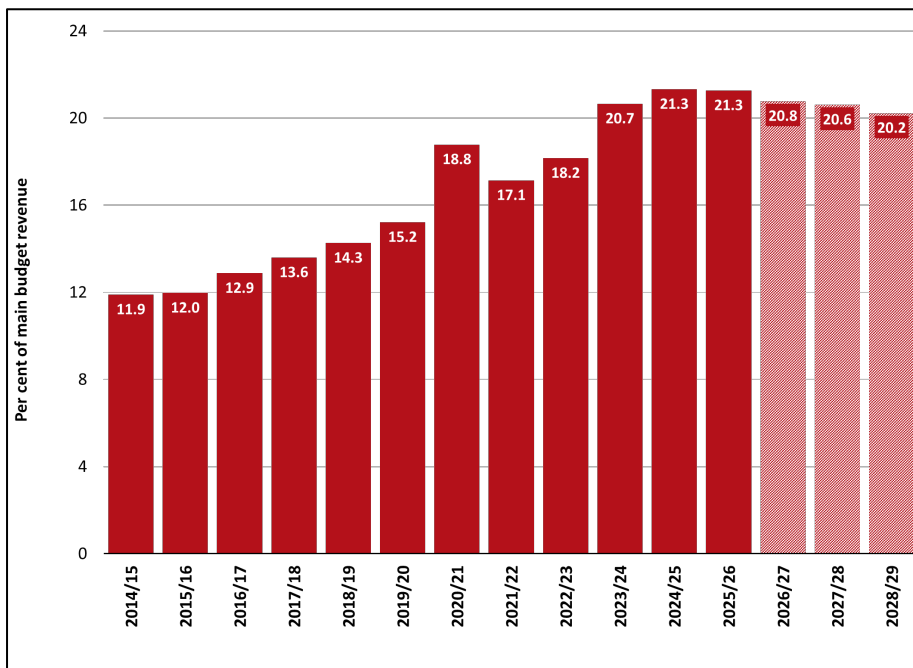


Figure 1: Gross debt-to-GDP outlook



Source: National Treasury

Figure 2: Debt-service cost to revenue



Source: National Treasury

Furthermore, South Africa’s removal from the Financial Action Task Force (FATF) grey list supports the fiscal and macroeconomic consolidation narrative outlined above. Grey listing had elevated perceptions of institutional and regulatory risk, increasing due diligence costs for cross-border



transactions and reinforcing South Africa's sovereign risk premium at a time when debt levels and borrowing needs remain high.

South Africa's exit from the grey list indicates tangible improvements in anti-money laundering and counter-terrorism financing frameworks, enforcement capacity and supervisory effectiveness. In the context of a constrained fiscal envelope and elevated debt-service costs, this institutional credibility matters. Lower compliance frictions and increased confidence in the integrity of the financial system can support more stable capital flows, deepen domestic financial markets and help contain borrowing costs over time.

Debt stabilisation relies not only on primary surpluses and expenditure restraint, but also on maintaining investor confidence in South Africa's governance architecture. Removal from the grey list reduces a structural source of reputational risk and reinforces the broader objective of anchoring risk premia. While the macroeconomic benefits are unlikely to be immediate, the institutional signal complements fiscal consolidation and the shift to a 3 per cent inflation target as part of a coherent stabilisation strategy.

Labour market dynamics

Labour market outcomes continue to reflect the structural weakness of the growth trajectory, with the official unemployment rate declining from 31.9 per cent in the third quarter of 2025 to 31.4 per cent in the fourth quarter, total employment increasing from 17.055 million to 17.099 million, and the number of unemployed persons falling from 8.0 million to 7.8 million over the same period.

Although these movements indicate some cyclical improvement, unemployment remains exceptionally high by both historical and international standards, the expanded unemployment rate remains above 40 per cent, and youth labour market exclusion is particularly acute, with roughly one-third of young people not in employment, education or training. The projected increase in GDP growth is expected to support gradual employment gains; however, at this pace of expansion, labour absorption is likely to remain insufficient to achieve a material and sustained decline in unemployment, and durable improvements in labour market outcomes will depend on higher investment growth, improved infrastructure performance and stronger productivity gains across tradable sectors.

Government employment support measures continue to provide income relief and temporary work opportunities, particularly for vulnerable groups. Programmes such as the Expanded Public Works Programme, Community Works Programme and the Presidential Employment Initiative have collectively created or facilitated hundreds of thousands of work opportunities and temporary earning placements. The Jobs Fund has leveraged substantial private co-funding to support job creation and internships, while the Social Relief of Distress grant continues to provide income support to millions of beneficiaries.



Progress on structural reforms

Operation Vulindlela Phase II continues to advance the implementation of priority structural reforms across electricity, freight logistics, water, visa administration, local government and digital public infrastructure.

In electricity:

- More than 23,000 MW of generation projects are currently in the grid connection pipeline, with over 5,700 MW in advanced stages of execution. Regulatory approvals for electricity trading and grid capacity allocation have been finalised, supporting the transition toward a more competitive wholesale market.
- The establishment of the National Transmission Company has advanced the unbundling process and is intended to accelerate investment in transmission infrastructure, a binding constraint on new generation capacity.

In freight logistics:

- Rail volumes have improved, and a 25-year concession agreement for Durban Container Terminal Pier 2 has unlocked more than R11 billion in investment, while open-access rail reforms are progressing toward private train operations.

In water infrastructure:

- Preparations for the establishment of the National Water Resources Infrastructure Agency (NWRIA) have advanced, including completion of the national infrastructure asset register and development of transitional governance arrangements, with commencement targeted for April 2026 pending Board and management appointments. The Water Services Amendment Bill has been tabled in Parliament to clarify the separation between Water Service Authorities and Water Service Providers and to introduce a licensing framework to strengthen regulation and accountability in the water sector.

Visa and immigration reforms are beginning to yield measurable economic benefits, particularly in tourism and related employment. The rollout of the Electronic Travel Authorisation system and the Trusted Tour Operator Scheme has streamlined visa processing and expanded access to key source markets, contributing to a marked increase in international arrivals during 2025. Tourism reached over 10 million visitors for the year, supporting approximately 1.8 million direct and indirect jobs across the economy. By reducing administrative bottlenecks and improving processing efficiency, visa reform is strengthening South Africa's competitiveness as a destination for tourism, skills and investment, with positive spillovers for employment and service-sector activity.

4.2 Internal Situational Analysis

The National Treasury remains committed to fostering a culture of performance excellence, decisive actions, continuous employee development, and constructive engagement with all partners and stakeholders.



Following the Minister's approval of the organisational review, the National Treasury implemented a revised budget programme structure aligned with the reorganisation of its business units as outlined in the approved organogram. In line with this commitment, the implementation of the new organisational structure is intended to enhance the working environment by realigning departmental programmes and promoting greater synergy, collaboration, and integration across all functions. This realignment seeks to strengthen institutional coherence, improve operational efficiency, and ensure that the organisation remains well-positioned to deliver on its service delivery priorities and strategic targets effectively. The department's programmes structure has been reduced from nine to five programmes, namely:

- Programme 1: Administration.
- Programme 2: Economic Policy and International Cooperation, Tax, Financial Regulation and Research.
- Programme 3: Public Finance and Budget Management.
- Programme 4: Asset and Liability Management.
- Programme 5: Financial Governance, Reporting and Supply Chain Management Systems.

The budget programme structure is designed to be results- and outcomes-oriented, in accordance with the department's legislative mandate, and organised to ensure efficient and effective delivery of these outcomes. The configuration of budget programmes is aligned with the organisational structure at the level of programmes and subprogrammes. The department will comprise of eleven branches, each consisting of various chief directorates responsible for performing interrelated functions and fulfilling complementary responsibilities. The branches are Office of the Director General, Office of the General Counsel; Corporate Services; Tax and Financial Sector Policy; Economic Policy and International Cooperation; Budget Office; Public Finance; Intergovernmental Relations; Asset and Liability Management; Office of the Accountant General and Office of the Chief Procurement Officer.

Key highlights of the significant changes to the departmental programme structure include the following:

- The creation of the Office of the General Counsel, a new division that will encompass the Legislation Unit, Legal Services, and the Public Entities Governance Unit (PEGU).
- The formation of a new division, Economic Policy and International Cooperation, resulting from the merger of Economic Policy (EP) and International and Regional Economic Policy (IREP).
- In accordance with applicable regulatory requirements, the Finance and Supply Chain Management (SCM) functions, under the leadership of the CFO, now report directly to the Office of the Director-General.
- Consistent with government norms, the Communications Unit has been moved to Corporate Services.
- The establishment of a new Chief Directorate: Infrastructure Regulation and Assessment Unit within the Budget Office, tasked with driving the department's infrastructure reform agenda, including the revision of the Municipal Public-Private Partnership (PPP) framework and the implementation of the new Budget Facility for Infrastructure.



Pursuant to the comprehensive review of the organisational structure and the budget programme structure, a systematic staff placement process has commenced to ensure optimal alignment with the department's human resources arrangements supporting its strategic objectives. The exercise aimed to position personnel in roles that correspond with their qualifications, competencies, and professional experience, thereby enhancing institutional efficiency and service delivery.

The placement process is being conducted in a transparent, equitable, and consultative manner, guided by established human resource policies and principles of fairness and merit. This initiative seeks to promote effective utilisation of human capital, strengthen organisational performance, and support the achievement of the organisation's long-term goals and mandate.

In respect of human resources, according to the PERSAL report, National Treasury currently has 1059 filled positions and 132 vacancies as of 30 September 2025. The department has introduced several measures to enhance the efficiency and effectiveness of the recruitment process with the intention to fill 212 positions in the near term. This will significantly enhance the capabilities profile of the department and address the long-standing capacity constraints experienced by the organisation.

The National Treasury places strong emphasis on human resource development. In line with the implementation of the Talent Management Framework, the department continues its strategic partnership with Stellenbosch University to advance the training and professional development of middle management. The Leadership and Management Development Programme (LMDP) is a specialised series of programmes specifically design for National Treasury to enhance the leadership and management capabilities of entry, middle and senior level managers. The programme focuses on developing strategic thinking, effective decision-making, people management, financial acumen, and organisational performance skills. Through a combination of academic insights and practical applications, participants are equipped to translate organisational strategy into operational results while fostering teamwork and innovation. The programme promotes self-awareness, accountability, and ethical leadership, empowering managers to contribute meaningfully to institutional goals and long-term sustainability.

As part of the Talent Management Framework, the Mentorship and Coaching initiatives are implemented to support employee growth, strengthen leadership capabilities, and promote a culture of continuous learning and professional development across the department. Furthermore, the department promotes job rotation as a strategic approach to enhance continuous professional development, broaden skills exposure, and support employee retention.

In respect of women, youth, and people with disabilities, National Treasury has a total of 606 women employed permanently on the establishment, with 133 as senior managers (SMS) at 52 per cent, this is above the national target of 50 per cent. In terms of youth, 26 per cent of the staff compliment is comprised of young employees who are below the age of 35. The department continues to ensure a high percentage of representation of women at SMS level and overall, the department's gender representation has improved to 57 per cent as of September 2025. The recruitment of people with disabilities with the required skills remains a challenge with the gap still higher than the actual filled positions. Addressing this failure is a key focus area for the department.

National Treasury will continue to collate and monitor data through the CSD on the procurement spend on Women, Youth and Persons with disabilities by public institutions. The department



reports procurement statistics on a quarterly basis by gender, youth and persons with disabilities. Additionally, the department reports on the implementation of the action plan on the mainstreaming of women, youth and persons with disabilities, this is in line with performance indicator 1.1.6 in the 2026/27 annual performance plan.

Regarding Gender Responsive Planning, Budgeting, Monitoring, Evaluation, and Auditing, the National Treasury established a Gender Responsive Budgeting Task Team. This team collaborates with the Department of Women, Youth and Persons with Disabilities (DWYPD) and Department of Planning, Monitoring and Evaluation (DPME) in rolling out the Framework for Gender Responsive Budgeting (GRB) across government departments. An Inter-departmental Task Team that meets monthly has been set up to advance the GRB roadmap.

The Gender Budget Statement (GBS) is included in the 2025 budget publication as a review of how gender disparities in the economy and society are being addressed within government's overall budget policy. The GBS sets out government gender equality priorities, the observed gender gaps/inequalities and their associated trends, and information on the government's policies and resource allocations proposed in the budget to address gender gaps/inequalities. This is a pilot effort that will form the basis for a full GBS in a future budget cycle.

The gender expenditure tagging pilot launched during the 2024 budget process focuses on the Women Economic Empowerment (WEE) gap as a start to reflect government's commitment to advance gender equality. The WEE measures the capacity of women to participate in, contribute to, and benefit from the economy in ways that recognise the value of their contributions, respect their dignity, and make it possible to negotiate a fairer distribution of the benefits of growth.

This includes the Closing Gender Gaps in economic opportunities, such as lifting constraints to increase the quantity and quality of jobs of women and closing gender earnings gaps; improving women's access and ownership in respect of businesses, property, among others.

Government's Gender Series Report of 2024 revealed that women are more likely to face unemployment and less likely to participate in the labor market compared to men. Nevertheless, the report highlights that the country continues to make some progress in this area. Between 2014 and 2024, male labor force participation rates increased by 1,7 percentage points, while female rates saw a 4,9-percentage point rise in the same period.

Additionally, through legislative instruments, the National Treasury contributes to the advancement of gender-responsive budgeting. The Procurement Act 28 of 2024 in section 17 requires that procuring institution must set aside in preference of a category of persons previously disadvantaged including women.

In terms of the pillars of the National Strategic Plan (NSP), NT will continue to build on the work done in line with the following pillars:

- Pillar 4: Response, Care, Support, and Healing (Therapeutic counselling) - Implementation of psychosocial services and other support systems required to assist victims/survivors of gender-based violence and femicide.
- Pillar 5: Economic Power - Women empowerment by continuing to improve employment of women on all levels with focus on Senior Management Service (SMS).
- Pillar 6: Research and Information Management - Create awareness on the GBVF and adoption of GBV Policies. The Anti-Harassment in the workplace policy was reviewed and approved and



is aligned with the Code of Good Practice on the prevention and elimination of harassment in the workplace.

With regards to Employee Health and Wellness Programme; National Treasury has a comprehensive worksite programme designed to assist employees in identifying and resolving personal concerns, including, but not limited to, health, marital, family, financial, alcohol, drug, legal, emotional, stress, gender-based violence or other personal issues that may affect job performance. The SIYAPHILA Employee Health and Wellness Programme is driven by Professionals registered social workers, psychologists, nurses and a medical practitioner who are bound by ethical codes from their respective statutory regulatory bodies. The programme is aligned to the Public Service Employee Health and Wellness Programme.

Information and Communication Technology (ICT) is crucial for the delivery of services across the National Treasury and it is imperative that systems are constantly updated and resources upskilled. The critical functions reliant on these services include providing consistent ICT services for the Asset and Liability Management business operations enabling it to operate as a modern bank. In this regard, it ensures high availability, business continuity and disaster recovery capabilities. Support the Office of the Chief Procurement Officer with modernising public procurement by enhancing faster and transparent procurement through various applications such as the Central Supplier Database, eTenders system. Support the Budget Office and the Public Finance unit to efficiently coordinate the government budgeting process through automating integrated and secure budgeting applications. Given the importance in ICT, a review is underway to ensure that the departments ICT services, systems, capacity and capabilities are effective, efficient and value for money is received.

National Treasury has developed an extensive portfolio of support programmes to help provincial and local governments improve their finances, public financial management services, and service delivery outcomes. A review has been undertaken to assess the appropriateness, effectiveness, and efficiency of all National Treasury programmes that offer support to provincial and local government. The outcomes of which will inform the future National Treasury support measures ecosystem.

This assessment is one of several reviews that have been completed or are currently underway, which includes Public Entities Board remuneration review; Infrastructure Conditional Grant Review; Conditional Grant Review and the review of the Active Labour Market Participation Programmes.

National Treasury intends to fully digitise the public procurement system over the medium term. During the 2025-2030 planning period, National Treasury adopted modernising public procurement as a strategic intervention aimed at creating a more efficient, transparent, and accountable procurement system that delivers better value for taxpayers' money while promoting fair competition and supporting economic development.

The digitisation initiative includes the development of a government-wide digital data exchange platform, which has become known as MzansiXchange, that will be implemented to enable secure and efficient data sharing across government institutions to support improved service delivery, strengthen verification processes, and enhance the integrity and efficiency of government programmes, including Government-to-Person payment systems. It will be designed to allow different government departments to securely share and verify data with each other in real time, automate identity verification with Department of Home Affairs, income verification



with South African Revenue Service and social grant status with South African Social Security Agency.

With regards to modernising financial systems; the department will advance the development and implementation of a Government-to-Person (G2P) payment system to enable efficient, secure and transparent transfers of public funds to eligible beneficiaries. The initiative aims to strengthen beneficiary management, improve payment processing, and enhance accountability in the delivery of government transfers such as grants, subsidies and relief payments. The system will leverage digital platforms, including MzansiXchange, to facilitate secure data sharing and verification across government institutions, thereby improving eligibility validation, reducing fraud and duplication, and ensuring timely payments to beneficiaries. To enhance governance of the digitisation initiatives, National Treasury established a DG's Committee on Digitisation which will monitor and report progress made and unblock project implementation challenges.

The Office of the Accountant General will be working on modernising the PERSAL system to enhance governance, transparency, and efficiency in public resource management. This will be done in different phases commencing with Phase 1 of the modernisation system.

This aligns with the Medium-Term Development Priority 3: Building a capable, ethical and developmental state, in reference to the strategic intervention on strengthening the public procurement system, in line with the Public Procurement Act, for efficiencies and effectiveness and to stimulate demand.

Over the medium-term, key focal areas of the procurement automation process include implementation of a fully automated end to end open tendering solution which entails piloting of the automated process of handling requests for quotations by 2026/27 financial year; and the development of a government marketplace completed by 2026/27 financial year.

Regarding the Service Delivery Improvement Plan (SDIP), as required by the Department of Public Service and Administration (DPSA), the Minister approved the 2025-2030 National Treasury SDIP, which has been published on the website and submitted to DPSA in compliance with the guidelines. Through the Service Delivery Improvement Plan, National Treasury identified three key priorities to advance the modernisation of government services: the implementation of a government-wide data exchange platform, the introduction of an end-to-end Government-to-Person (G2P) digital payment system, and the rollout of an automated procurement system for the public sector.

In terms of financial management, the National Treasury has consistently demonstrated exemplary financial management, having achieved consecutive unqualified audit outcome with no material findings. Given the complexity of the department's operating environment and the wide span of functions a remarkable milestone reflecting the department's unwavering commitment to transparency, accountability, and adherence to sound financial governance practices. This underscores the department's dedication to maintaining the highest standards of public sector financial management with consistent "clean audit" a key indicator of good governance and prudent financial management.

The department has embarked on a strategic initiative to reinforce the alignment between planning and budgeting processes, with the objective of improving operational efficiency, resource optimisation, and overall organisational performance. This approach ensures that resources are allocated effectively in support of strategic priorities and service delivery



objectives. By strengthening the integration of planning and budgeting, the department also enhances transparency, accountability, and the ability to monitor and evaluate programme outcomes more effectively. To this end, a Planning and Budgeting Committee has been established to oversee the annual budget process by reviewing budget submissions from divisions and ensuring their alignment with the priorities and outcomes outlined in the Strategic Plan.

Over the Medium-Term Expenditure Framework (MTEF) period, the budget prioritisation and allocation process will be enhanced by ensuring comprehensive justifications are provided for each budget request. This enables the Executive Committee (EXCO) to make informed decisions and support efficient resource allocation. The alignment of budget submissions with the department's strategic priorities will be institutionalised and seamlessly integrated into the financial planning and resource allocation processes. This fundamentally entails a rigorous annual evaluation of programmes, projects, and deliverables to ensure continued alignment with departmental strategic objectives and prioritisation in respect of allocating financial resources given the continued budget constraint.

Regarding the Broad-Based Black Economic Empowerment (B-BBEE) verification status, the National Treasury was awarded a Level 8 B-BBEE Certificate in 2024/25 financial year and is currently awaiting finalisation of the 2025/26 verification process to confirm compliance with the Code of Good Practice under the B-BBEE Act of 2003. This certification affirms that the department conducts its procurement activities in alignment with the Broad-Based Black Economic Empowerment policy framework.

With regards to the relocation to the new office accommodation, the Department vacated the 240 Madiba Street building during the budget preparation period and at the close of the 2024/25 financial year. The National Treasury will soon relocate to new office accommodation as part of its ongoing efforts to improve conditions of work, enhance organisational culture improve operational efficiency and reduce overhead costs. The move is expected to result in savings through lower rental charges and reduced service fees supporting the department's commitment to prudent financial management while not compromising on ensuring that staff are provided with a functional, modern and safe working environment. The DPWI has finalised the lease on the new accommodation at 41 Matroosberg Street, Ashley Gardens in Pretoria. The process of taking occupation of the new offices has commenced in earnest.





national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

PART C: MEASURING OUR PERFORMANCE

2026/27

**NATIONAL
TREASURY**

**ANNUAL
PERFORMANCE
PLAN**



5. PROGRAMME 1: ADMINISTRATION

Purpose: Provide strategic leadership, management and support services to the department.

5.1 Sub-Programmes

Ministry

Provides strategic direction and leadership to the National Treasury. This sub-programme supports the Minister and Deputy Ministers by providing executive and administrative services. It is responsible for the development of systems and mechanisms that deal with parliamentary questions and replies, Cabinet matters, media liaison, correspondence, submissions and memoranda.

Departmental Management

This sub-programme provides strategic leadership, management and support services to the department.

Office of the Director-General

The Director-General supports the Minister of Finance in providing strategic direction and leadership to the National Treasury. The Director-General is also responsible for departmental ODG and implementation as well as all responsibilities conferred by being the department's accounting officer.

Strategy Management and Oversight is tasked with embedding planning into National Treasury including facilitating the department's short, medium and long-term strategic planning processes and ensuring that plans are aligned to legislative mandates and broader government imperatives. The unit develops and administers systems and processes that entrench effective and efficient monitoring, evaluation and reporting on departmental performance delivery and facilitates the development and implementation of service delivery improvement. Facilitate Knowledge Management systems and process and manage learning and innovation initiatives. The Learning and Innovation unit facilitates the implementation of the Knowledge Management system as a central repository to enhance institutional knowledge capture, management, and sharing. The system consolidates data, research, policy documents, and procedural guidelines, ensuring that Treasury officials have timely access to accurate and relevant information. This system supports evidence-based decision-making, strengthens policy formulation, and promotes efficiency across all departmental operations. Furthermore, the unit provides efficient executive and administrative support services to the Director-General, ensuring effective coordination of schedules, correspondence, and management meetings to facilitate timely decision-making and strategic leadership.



Internal Audit contributes to the strengthening of National Treasury's accountability and enhancing public stewardship by evaluating and improving the adequacy and effectiveness of governance, risk management and control processes. The unit provides robust and practical strategic advice and recommendations founded on aligning the business with best practice. By acting as a frame of reference, the unit also supports the Office of the Accountant-General in providing guidance and support to internal audit functions in government.

Risk, Anti-corruption and Integrity Management improves organisational risk communication and knowledge sharing, developing a common risk language that ensures that a risk management culture is embedded in National Treasury. The unit supports proactive decision-making by coordinating the identification, assessment and management of risks. This is realised through robust application of the risk management system. Fraud prevention is an integral part of the strategy, operations and administration function. The unit ensures that National Treasury has a strategic risk profile register that enables coordination and alignment of strategic initiatives across the department.

Financial Management administers compliance with all relevant financial statutes and regulations, the most important of which is the PFMA. In ensuring a cohesive compliant service delivery environment, the unit strives to attain this balance of achieving service excellence and maintaining an agile internal control environment to instill fiscal discipline within National Treasury.

Corporate Services

Corporate Services delivers and oversees shared services in alignment with National Treasury's needs. It does so by proactively identifying requirements, monitoring and maintaining service levels and setting standards aligned with compliance and best practices, including reporting on delivery.

Human Resources Management is responsible for planning, acquisition and managing the department's personnel. It oversees the implementation of performance evaluation systems, supports employee development, and facilitate organisational development, employee health and wellness, diversity programmes and employee relations services.

Information and Communication Technology improve National Treasury's operational efficiency, optimises costs, drives innovation and accelerates the delivery of services. The unit provides long-term planning and day-to-day support with respect to ICT-enabled delivery using ICT services and systems. Records management focuses on the preservation of tangible knowledge so that it can be easily retrieved and be compliance with the National Archives Act, 2003 (Act No. 629 of 2003). The unit also provides members of the public access to information in terms of the Promotion of Access to Information Act (PAIA) and also assists in ensuring compliance with the Protection of Personal Information Act (POPIA).

Communication enhances the National Treasury's transparency and credibility by fostering effective communication with stakeholders, ensuring broad access to and understanding of economic policies and the Budget.

Facilities and Security Management ensures continuous stringent physical and information security and provides, maintains and services available facilities.



The Office of the General Counsel

Manages the provision of legal and legislative services to the department. It oversees the implementation of the appropriate corporate governance policies, practices and legislative prescripts for public entities. It consists of Legal Services, Legislative Services, Tax Legislative Drafting and the Public Entities Governance Unit.

Legal Services is responsible for providing a comprehensive legal advisory service to enable National Treasury to carry out its mandate effectively within the law.

Legislation Services provides legislative services which include managing the National Treasury's legislative programme, drafting or checking draft fiscal and intergovernmental and financial sector regulation legislation, and commenting on other legislation as well as advising on the interpretation of legislation.

Tax Legislative Drafting manages the provision of legal tax design services by drafting tax legislation, regulatory notices, gazetting, coordination of the legislative process and editing of draft legislation.

Public Entities Governance Unit is responsible for the implementation of the appropriate governance policies, practices and legislative prescripts for public entities.





5.2 Outcomes, Outputs, Output Indicators and Targets

No.	Outcomes	Outputs	Output Indicators	Annual Targets							
				Audited / Actual Performance			Estimated Performance	Planned Performance Current Year	MTEF Period		
				2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
1.1.1	Sound financial controls and management of public finances	Reports on the implementation of the Corporate Governance of Information Communication Technology (CGICT)	Number of reports on the implementation of the CGICT	#	#	#	4	4	4	4	4
1.1.2		Progress reports on the implementation of the audit action plan	Number of progress reports on the implementation of the audit action plan	#	#	#	4	4	4	4	4
1.1.3		Reports on the implementation of Business Continuity Management plan	Number of reports on the implementation of Business Continuity Management plan	#	#	#	2	2	2	4	4
1.1.4		Data exchange platform	Data exchange platform piloted	#	#	#	#	Data exchange platform piloted	Data exchange platform implemented for 20 databases	Data exchange platform implemented for 30 databases	Data exchange platform implemented across government
1.1.5		Management and leadership development programmes	Number of management and leadership development programmes implemented	#	#	#	4	2	N/A	N/A	N/A
1.1.6		Quarterly reports	Number of quarterly reports on the implementation of the action plan on the mainstreaming of women, youth and persons with disabilities produced	#	4	4	4	4	4	4	4

5.3 Output Indicators: Annual and Quarterly Targets

No.	Output Indicators	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
1.1.1	Number of reports on the implementation of the CGICT	4	1	1	1	1
1.1.2	Number of progress reports on the implementation of the audit action plan	4	1	1	1	1
1.1.3	Number of reports on the implementation of Business Continuity Management plan	2	N/A	1	N/A	1
1.1.4	Data exchange platform piloted	Data exchange platform piloted	N/A	N/A	N/A	Data exchange platform piloted
1.1.5	Number of management and leadership development programmes implemented	2	N/A	1	N/A	1
1.1.6	Number of quarterly reports on the implementation of the action plan on the mainstreaming of women, youth and persons with disabilities produced	4	1	1	1	1



Explanation of planned performance over the medium-term period

Number of reports on the implementation of the CGICT

The ICT unit serves as the custodian of the Corporate Governance Information Communication Technology (CGICT) framework and compiles quarterly reports to track progress and ensure compliance. The ICT portfolio of work includes supporting the Office of the Chief Procurement Officer to modernise public procurement through systems such as the Central Supplier Database and eTenders. It also supports the Budget Office and Public Finance in streamlining the government budgeting process through automated, integrated, and secure budgeting systems.

Number of progress reports on the implementation of the audit action plan

Reports on the implementation of audit action plans are essential for ensuring that audit recommendations lead to tangible improvements in public financial management. Through these reports, management track progress towards addressing internal control weaknesses identified during the previous audit, thus ensuring accountability, and improving public financial management.

Number of reports on the implementation of Business Continuity Management plan

Business continuity is a crucial pillar of risk management that outlines step-by-step procedures for responding to disruptions, including communication protocols and escalation processes. The Business Continuity Strategy identifies measures the NT can put in place to enhance resilience. The annual implementation plan operationalises the Business Continuity Strategy and creates a channel to bring the NT to desired levels of resilience, agility and efficiency. Through bi-annual Business Continuity Management plan reports, the department ensures that business continuity initiatives are progressing as planned, remain responsive to change, and are aligned with the organisation's strategic goals.

Data exchange platform piloted

The department's digitisation initiatives include the development of a government-wide digital data exchange platform, designed to allow different government departments to securely share and verify data in real time. The government data sharing capability will enhance data security, expedite service delivery, ensure credible and efficient execution of government-to-person (G2P) payment system.

Number of management and leadership development programmes implemented

The National Treasury will continue with the leadership and management development training programme provided by the Stellenbosch University for officials in levels 8 to 15. These programmes seek to enhance employees' career opportunities and ensure a structured way of building a leadership pipeline for the department. Programmes offered include women in leadership and negotiation skills.

Number of quarterly reports on the implementation of the action plan on the mainstreaming of women, youth and persons with disabilities produced

The National Treasury prepares quarterly reports on the implementation of action plans for mainstreaming women, youth, and persons with disabilities. These reports document efforts to



integrate the needs and perspectives of these groups into all aspects of governance, planning, and service delivery. Public procurement spending through the Central Supplier Database; internal monthly procurement expenditure incurred to companies owned by women, youth, and persons with disabilities are also reported. Additionally, the report includes progress made against targets set for recruitment, employment equity, training and development targets for these special groups.

Programme 1 outputs contribute to the National Treasury institutional outcome: Sound financial controls and management of public finances.





5.4 Programme Resource Considerations

5.4.1 Expenditure trends and estimates

Table 8.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	R million	2022/23	2023/24				2024/25	2025/26	2022/23 - 2025/26		
Ministry	4.0	4.1	5.6	7.4	22.8%	0.9%	7.7	8.0	8.3	4.0%	1.1%
Departmental Management	45.6	48.0	73.3	60.5	9.9%	9.5%	67.4	70.9	73.1	6.5%	9.5%
Strategic Management and Oversight	7.2	7.9	8.2	8.5	5.8%	1.3%	9.1	9.5	9.8	4.8%	1.3%
Risk, Anti-corruption and Integrity Man	33.1	36.4	40.6	45.6	11.3%	6.5%	48.2	50.2	51.7	4.3%	6.8%
Financial Management	54.6	58.8	62.7	76.2	11.8%	10.5%	76.2	70.3	69.3	-3.1%	9.7%
Office of General Council	37.9	42.5	37.8	40.8	2.5%	6.6%	43.0	45.2	46.6	4.5%	6.1%
Internal Audit	19.7	19.4	24.2	28.2	12.7%	3.8%	29.4	30.6	31.6	3.9%	4.1%
Corporate Services	172.2	142.9	311.0	281.3	17.8%	37.9%	214.3	322.0	367.2	9.3%	40.7%
Office Accommodation	117.0	129.7	137.9	163.7	11.9%	22.9%	149.4	154.1	158.9	-1.0%	20.8%
Total	491.2	489.6	701.4	712.2	13.2%	100.0%	644.8	760.9	816.5	4.7%	100.0%
Change to 2025 Budget estimate				-			8.2	108.4	134.6		
Economic classification											
Current payments	456.2	477.6	576.2	678.7	14.2%	91.4%	621.4	736.0	793.9	5.4%	96.8%
Compensation of employees	213.0	223.4	244.8	274.0	8.8%	39.9%	294.9	307.0	316.6	4.9%	41.3%
Goods and services	243.2	254.3	331.3	404.7	18.5%	51.5%	326.5	429.0	477.3	5.7%	55.5%
<i>of which:</i>							-				
Computer services	59.4	41.3	98.5	153.2	37.1%	14.7%	75.6	178.5	219.6	12.7%	21.3%
Legal services	13.5	20.5	15.8	16.4	6.5%	2.8%	16.9	18.0	18.5	4.2%	2.4%
Contractors	15.5	17.1	18.7	23.0	14.0%	3.1%	19.2	19.9	19.9	-4.7%	2.7%

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	R million	2022/23	2023/24				2024/25	2025/26	2022/23 - 2025/26		
Operating leases	72.7	84.6	90.9	92.7	8.4%	14.2%	91.8	95.9	99.2	2.3%	12.9%
Property payments	23.1	24.1	23.8	24.7	2.3%	4.0%	28.5	29.2	30.1	6.8%	3.9%
Travel and subsistence	15.0	19.7	23.5	15.3	0.8%	3.1%	15.4	16.1	16.6	2.8%	2.2%
Transfers and subsidies	11.0	5.7	9.7	5.3	-21.8%	1.3%	5.3	5.2	5.4	0.7%	0.7%
Departmental agencies and accounts	2.3	2.3	2.8	2.8	6.9%	0.4%	2.7	2.5	2.6	-2.5%	0.3%
Public corporations and private enterprises	-	-	0.0	-	-	0.0%	-	-	-	-	-
Households	8.8	3.4	6.9	2.5	-34.1%	0.9%	2.6	2.7	2.8	4.0%	0.4%
Payments for capital assets	23.8	5.7	115.2	28.3	5.9%	7.2%	18.1	19.7	17.2	-15.3%	2.5%
Machinery and equipment	23.7	5.7	115.2	28.2	6.0%	7.2%	18.0	19.6	17.1	-15.4%	2.5%
Software and other intangible assets	0.1	-	-	0.1	-9.8%	0.0%	0.1	0.1	0.1	4.0%	0.0%
Payments for financial assets	0.1	0.6	0.2	-	-100.0%	0.0%	-	-	-	-	-
Total	491.2	489.6	701.4	712.2	13.2%	100.0%	644.8	760.9	816.5	4.7%	100.0%
Proportion of total programme expenditure to vote expenditure	1.6%	1.8%	2.8%	2.0%	-	-	1.7%	1.9%	1.9%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	7.3	2.2	6.4	-	-100.0%	0.7%	-	-	-	-	-
Employee social benefits	7.3	2.2	1.6	-	-100.0%	0.5%	-	-	-	-	-
Claims against the state	-	-	4.8	-	-	0.2%	-	-	-	-	-
Other transfers to households											
Current	1.5	1.2	0.5	2.5	19.5%	0.2%	2.6	2.7	2.8	4.0%	0.4%





Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	R million	2022/23	2023/24				2024/25	2025/26	2022/23 - 2025/26		
Bursaries for non-employees	1.5	1.2	0.5	2.5	19.5%	0.2%	2.6	2.7	2.8	4.0%	0.4%
Donations and gifts	-	0.0	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	2.3	2.3	2.8	2.8	6.9%	0.4%	2.7	2.5	2.6	-2.5%	0.3%
Finance and Accounting Services Sector Education and Training Authority	2.3	2.3	2.8	2.8	6.9%	0.4%	2.4	2.5	2.6	-2.5%	0.3%
Government Pensions Administration Agency	-	-	-	-	-	-	0.3	-	-	-	0.0%
Public corporations and private enterprises											
Other transfers to public corporations											
Current	-	-	0.0	-	-	-	-	-	-	-	-
Communication licences	-	-	0.0	-	-	-	-	-	-	-	-

5.4.2 Personnel Information

Table 8.7 Administration personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2026			Number and cost ² of personnel posts filled/planned for on funded establishment															Number			
Salary level	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Average: Salary level/ Total (%)		
			2024/25			2025/26			2026/27			2027/28			2028/29					2025/26-2028/29	
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				
Administration			360	244.8	0.7	374	261.2	0.7	392	294.9	0.8	386	307.0	0.8	380	316.6	0.8	0.5%	100.0%		
1 – 6	85	45	114	37.8	0.3	118	41.9	0.4	118	44.0	0.4	118	46.4	0.4	118	49.0	0.4	-	30.6%		
7 – 10	144	2	139	76.6	0.6	149	87.8	0.6	155	95.9	0.6	149	97.3	0.7	149	102.7	0.7	0.1%	39.1%		
11 – 12	74	1	62	55.6	0.9	72	69.0	1.0	75	75.5	1.0	75	79.6	1.1	69	78.3	1.1	-1.0%	18.9%		
13 – 16	58	11	47	74.9	1.6	36	62.6	1.7	44	79.4	1.8	44	83.7	1.9	43	86.6	2.0	6.6%	11.4%		

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.



6. PROGRAMME 2: ECONOMIC POLICY AND INTERNATIONAL COOPERATION, TAX, FINANCIAL REGULATION AND RESEARCH

Purpose: Provide specialist policy research, analysis and advisory services in the areas of macroeconomics, microeconomics, the financial sector, taxation and regulatory reform and advocate for South Africa's financial, economic and developmental interests in forums regionally and globally. Ensure the efficient transfer of funds to the South African Revenue Service for the administration of an efficient tax system and for the provision of tax education to the public. Ensure the efficient transfer of funds to the Financial Intelligence Centre and State Security Agency to enhance the state's ability to combat financial crime, including money laundering and terror financing activities.

6.1 Sub-Programmes

Programme Management for Economic Policy and International Cooperation, Tax, Financial Regulation and Research

This sub-programme provides overall programme management and policy advice to the government on the promotion of economic growth, employment, microeconomic and macroeconomic stability.

Economic Policy and International Cooperation

Provides macro and microeconomic policy analysis, forecasts that inform the budget and Medium-Term Budget Policy Statement (MTBPS), scenario modelling and advocate for South Africa's financial, economic and developmental interests in forums regionally and globally.

Macroeconomic Policy provides macroeconomic policy analysis, economic forecasts. The sound policy advice helps to improve South Africa's economic frameworks. Advocate for economic policy development in relation to the objectives of growth and job creation.

Microeconomic Policy provides microeconomic policy analysis, economic forecasts. The sound policy advice helps to improve South Africa's economic frameworks. Advocate for economic policy development in relation to the objectives of growth and job creation.

Economic Reforms analyse and advise on South Africa's economic reform agenda and implementation thereof.

Modelling and Forecasting provides economic forecasts and scenarios that inform the Budget Review and Medium-Term Budget Policy Statement (MTBPS). To conduct econometric modelling



in support of evidence-based policy making and to maintain and further develop the institution's econometric modelling capabilities.

Multilateral Development Banks and Concessional Finance manages the South African National Treasury relationship with the Multilateral Development Institutions in terms of policy development and policy research, sectoral development corporation and Governance Oversight to advance South Africa's development interest.

Global and Emerging Market plan implement and monitor programmes that advance national and regional economic and financial interest through SA's engagement in BRICs, G20 and the International Financial Architecture.

Africa Economic Integration to advance South Africa's national interest by fostering economic and financial integration, development cooperation and institutional governance to achieve an integrated and prosperous African continent.

Country and Thematic Analysis analyse and support the development of capabilities for engagement with international organisations, caucus process and countries of interest within the broader context of evolving plurilateral and multilateral debate.

Tax and Financial Sector Policy

Responsible for researching, developing and providing advice on tax and financial sector policies and implementation of those policies.

Indirect Taxes responsible for the provision of indirect tax design services through economic analysis, review of value added taxes, excise duties and sub national taxes, environmental and fuel tax analysis.

Direct Taxes responsible for research and provision of advice on direct taxes. Provide economic analysis on personal income tax system, business tax system, international taxes and property taxes and corporate income taxes. Provide advice on proposals to change the design of personal income tax system, the business income tax system and provide advice on property taxes, international tax design and tax treaties.

Tax Revenue and Policy Costing provide tax revenue modelling, forecasting and tax policy costing.

Market Conduct and Inclusion manage the programme to mitigate poor customer outcomes and foster trust in the financial sector through the promotion of appropriate market conduct, transformation, customer education and inclusion with respect to banking, insurance, investment and retirement funds.

Financial Markets Prudential and Stability Policy manage the development of prudential regulations, analysis of financial markets and competitiveness, analysis of financial integrity and stability.





6.2 Outcomes, Outputs, Output Indicators and Targets

No.	Outcomes	Outputs	Output Indicators	Annual Targets							
				Audited / Actual Performance			Estimated Performance	Planned Performance Current Year	MTEF Period		
				2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
2.1.1	Coherent economic policy advocated	Research papers	Number of research papers completed	15	30	45	30	8	8	8	8
2.1.2		Financial sector legislation	Financial sector legislation drafted	Financial sector legislation submitted for tabling in Parliament	Financial sector legislation submitted for tabling in Parliament	Financial sector legislation not submitted to Cabinet	Financial sector legislation submitted to Cabinet	Financial sector legislation submitted to Cabinet	Financial sector legislation submitted to Cabinet	Financial sector legislation submitted to Cabinet	Financial sector legislation submitted to Cabinet
2.1.3		Tax legislation	Legislation to give effect to tax proposals from the Budget drafted	Tax legislation submitted for tabling in Parliament	Tax legislation submitted for tabling in Parliament	Tax legislation submitted to Parliament	Tax legislation submitted to Parliament	Tax legislation submitted to Parliament	Tax legislation submitted to Parliament	Tax legislation submitted to Parliament	Tax legislation submitted to Parliament
2.1.4	Sustainable public finances	Economic forecasts	Number of economic forecasts developed	4	4	5	4	4	4	4	4
2.1.5	Coherent economic policy advocated	Analysis and advice	Number of economic policy analysis reports produced	#	#	#	#	8	8	8	8
2.1.6		Outcomes of South Africa's engagements in regional	Number of analysis reports on the outcomes of	1	1	10	3	3	3	3	3

No.	Outcomes	Outputs	Output Indicators	Annual Targets								
				Audited / Actual Performance			Estimated Performance	Planned Performance Current Year	MTEF Period			
				2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	
		and global forums analysis reports	South Africa's engagements in regional and global forums produced									





6.3 Output Indicators: Annual and Quarterly Targets

No.	Output Indicators	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
2.1.1	Number of research papers completed	8	N/A	N/A	N/A	8
2.1.2	Financial sector legislation drafted	Financial sector legislation submitted to Cabinet	N/A	N/A	N/A	Financial sector legislation submitted to Cabinet
2.1.3	Legislation to give effect to tax proposals from the Budget drafted	Tax legislation submitted to Parliament	N/A	Draft tax legislation published	Tax legislation submitted to Parliament	N/A
2.1.4	Number of economic forecasts developed	4	1	1	1	1
2.1.5	Number of economic policy analysis reports produced	8	N/A	N/A	N/A	8
2.1.6	Number of analysis reports on the outcomes of South Africa's engagements in regional and global forums produced	3	1	1	N/A	1

Explanation of planned performance over the medium-term period

Number of research papers completed

During the 2026/27 financial year, the Economic Policy and International Cooperation division plans to produce 8 economic research papers, quarterly economic forecasts and compile 8 economic policy analysis reports. These economic research papers will be developed through National Treasury programs and in collaboration with research partners, including academic institutions and policy think tanks. This research is vital for informing policies that promote inclusive growth and economic transformation in the Southern Africa region.

Financial sector legislation drafted

As part of its efforts to boost economic growth, the department will focus on initiatives that promote financial stability and enhance access to the financial sector for all South Africans and businesses operating in the country. A key aspect of this is the regulation of the financial sector to ensure safety and improve customer service which is done through the development of the appropriate financial sector legislation.

Legislation to give effect to tax proposals from the Budget drafted

The division will continue supporting the Minister to develop tax proposals and tax legislation. As part of the annual budget process, the program will continue to advise the Minister of Finance on changes to tax rates and thresholds linked to the annual budget. This involves formulating tax proposals and the technical work necessary to draft the legislative amendments needed to implement these proposals. These initiatives play a crucial role in achieving the institutional goal of promoting a coherent economic policy.

Number of economic forecasts developed

Over the medium term, the division will focus on several key initiatives to enhance the fiscal framework. This includes preparing macroeconomic forecasts, developing and maintaining economic models, and strengthening modelling capabilities. Additionally, the program will prioritise formulating and assessing structural reforms while conducting research to inform economic policy decisions.

Number of economic policy analysis reports produced

To achieve the National Treasury's goal of advocating coherent economic policy, the department will conduct both macro and microeconomic policy analysis and provide relevant advice. Over the medium-term, NT will continue ensuring macroeconomic policy and a sustainable fiscal trajectory in support of growth and employment is implemented. The economic policy will be reviewed and published as committed in the National Treasury Strategic Plan 2025-2030.



Number of analysis reports on the outcomes of South Africa’s engagements in regional and global forums produced

The National Treasury will strengthen its oversight of the implementation of country partnership programs that facilitate the flow of development finance to South Africa from institutions like the African Development Bank Group (AfDB), the World Bank Group (WBG), and the New Development Bank (NDB). By systematically analysing and reporting on these engagements, National Treasury enables South Africa to advocate for policies that align with its economic goals and regional commitments.



6.4 Programme Resource Considerations

6.4.1 Expenditure trends and estimates

Table 8.8 Economic Policy and International Cooperation, Tax, Financial Regulation and Research expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure Total (%)
	2022/23	2023/24	2024/25				2025/26	2026/27	2027/28		
R million					2022/23 - 2025/26					2025/26 -2028/29 2026/27-2028/29	
Programme Management for Economic Policy and International Cooperation, Tax, Financial Regulation and Research	31.1	36.9	40.9	68.8	30.3%	0.2%	69.3	72.0	74.2	2.6%	0.3%
Tax and Financial Sector Policy	50.6	55.8	48.8	57.5	4.4%	0.2%	66.2	69.3	71.4	7.5%	0.3%
Economic Policy and International Cooperation	57.3	63.6	76.5	177.8	45.9%	0.4%	111.7	116.1	120.1	-12.3%	0.5%
South African Revenue Service	11 635.8	13 280.7	12 388.6	15 409.6	9.8%	60.9%	14 818.4	15 297.9	15 773.3	0.8%	62.2%
Financial Intelligence Centre	316.8	385.7	400.9	481.0	14.9%	1.8%	499.6	521.2	537.4	3.8%	2.1%
Secret Services	5 078.7	5 038.7	4 864.7	5 117.5	0.3%	23.2%	5 324.3	5 537.7	5 709.8	3.7%	22.5%
African Integration and Support	1 664.2	1 505.5	1 240.5	1 642.5	-0.4%	7.0%	1 737.0	1 819.9	1 876.4	4.5%	7.4%
International Development Funding Institutions	1 119.3	1 126.6	992.4	1 982.4	21.0%	6.0%	1 119.9	1 164.6	1 200.8	-15.4%	4.7%
International Projects	24.5	25.9	25.5	28.2	4.9%	0.1%	29.2	30.4	31.4	3.6%	0.1%
Total	19 978.2	21 519.4	20 078.8	24 965.4	7.7%	100.0%	23 775.7	24 629.0	25 394.8	0.6%	100.0%
Change to 2025 Budget estimate				-			(123.9)	(254.0)	(605.3)		





Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure Total (%)
	R million	2022/23	2023/24				2024/25	2025/26	2022/23 - 2025/26		
Economic classification											
Current payments	135.7	147.2	165.0	303.8	30.8%	0.9%	245.2	255.3	263.6	-4.6%	1.0%
Compensation of employees	109.7	113.5	126.3	143.7	9.4%	0.6%	158.7	165.3	170.5	5.9%	0.7%
Goods and services	26.0	33.7	38.7	160.1	83.3%	0.3%	86.5	90.0	93.1	-16.5%	0.4%
<i>of which:</i>											
Bursaries: Employees	0.2	0.1	0.7	1.0	59.6%	0.0%	1.4	1.4	1.3	9.6%	0.0%
Consultants: Business and advisory services	12.9	14.1	14.0	36.9	41.8%	0.1%	34.7	35.9	36.9	-	0.1%
Consumables: Stationery, printing and office supplies	1.2	1.4	1.5	2.8	35.2%	0.0%	2.5	2.5	2.6	-3.0%	0.0%
Travel and subsistence	7.7	11.9	14.9	19.9	37.4%	0.1%	19.4	20.0	20.6	1.1%	0.1%
Operating payments	2.8	4.5	2.6	6.1	29.5%	0.0%	6.2	6.5	6.7	2.8%	0.0%
Venues and facilities	0.0	0.2	3.7	90.4	1285.5%	0.1%	19.5	20.7	21.7	-37.8%	0.1%
Transfers and subsidies	18 880.1	20 421.1	19 096.3	22 867.6	6.6%	93.9%	22 604.9	23 411.2	24 138.8	1.8%	95.1%
Departmental agencies and accounts	17 031.3	18 713.2	17 654.2	21 008.2	7.2%	86.0%	20 642.3	21 356.8	22 020.5	1.6%	86.7%
Foreign governments and international organisations	1 847.9	1 707.0	1 441.6	1 859.4	0.2%	7.9%	1 962.6	2 054.4	2 118.3	4.4%	8.3%
Households	1.0	0.9	0.6	0.0	-68.9%	0.0%	-	-	-	-100.0%	-
Payments for capital assets	2.2	0.2	0.7	0.3	-47.1%	0.0%	2.0	2.1	2.1	88.1%	0.0%
Machinery and equipment	2.2	0.2	0.7	0.3	-47.1%	0.0%	2.0	2.1	2.1	88.1%	0.0%
Payment for financial assets	960.2	950.9	816.9	1 793.7	23.2%	5.2%	923.6	960.5	990.3	-18.0%	3.9%
Total	19 978.2	21 519.4	20 078.8	24 965.4	7.7%	100.0%	23 775.7	24 629.0	25 394.8	0.6%	100.0%
Proportion of total programme expenditure to vote expenditure	64.9%	78.4%	79.3%	71.7%	-	-	62.6%	61.7%	58.4%	-	-

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure Total (%)
	R million	2022/23	2023/24				2024/25	2025/26	2022/23 - 2025/26		
Details of transfers and subsidies											
Households											
Social benefits											
Current	1.0	0.9	0.6	0.0	-68.9%	-	-	-	-	-100.0%	-
Employee social benefits	1.0	0.9	0.6	0.0	-68.9%	-	-	-	-	-100.0%	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	16 080.0	17 827.9	16 809.1	19 249.7	6.2%	80.8%	19 352.4	20 083.3	20 709.6	2.5%	81.5%
Financial Sector Conduct Authority	-	8.0	-	-	-	-	-	-	-	-	-
South African Revenue Service: Operations	11 039.3	12 729.5	11 892.5	14 015.9	8.3%	57.4%	13 754.4	14 258.5	14 701.6	1.6%	57.9%
South African Revenue Service: Office of the Tax Ombud	46.5	51.2	53.5	55.9	6.3%	0.2%	58.2	60.5	62.4	3.7%	0.2%
Financial Intelligence Centre: Operations	292.3	366.4	380.6	459.8	16.3%	1.7%	477.6	498.3	513.8	3.8%	2.0%
Secret Services: Operations	4 701.9	4 672.9	4 482.4	4 718.1	0.1%	21.5%	5 062.2	5 265.9	5 431.8	4.8%	21.4%
Capital	951.3	885.3	845.1	1 758.4	22.7%	5.1%	1 290.0	1 273.5	1 310.9	-9.3%	5.2%
South African Revenue Service: Machinery and equipment	550.0	500.0	442.5	1 337.8	34.5%	3.3%	1 005.8	978.8	1 009.3	-9.0%	4.1%
Financial Intelligence Centre: Machinery and equipment	24.6	19.4	20.2	21.2	-4.9%	0.1%	22.0	22.9	23.6	3.7%	0.1%
Secret Services: Machinery and equipment	376.8	365.9	382.3	399.5	2.0%	1.8%	262.1	271.8	278.0	-11.4%	1.1%





Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure Total (%)
	R million	2022/23	2023/24				2024/25	2025/26	2022/23 - 2025/26		
Foreign governments and international organisations											
Current	1 668.6	1 476.7	1 266.0	1 670.7	–	7.0%	1 766.3	1 850.3	1 907.8	4.5%	7.5%
Common Monetary Area compensation	1 622.1	1 445.6	1 235.5	1 636.8	0.3%	6.9%	1 731.1	1 813.7	1 870.1	4.5%	7.3%
Collaborative Africa Budget Reform Initiative	2.6	2.8	2.7	2.7	1.5%	–	2.8	2.9	3.0	3.7%	0.0%
Commonwealth Fund for Technical Cooperation	6.4	7.0	6.3	6.6	1.0%	–	6.9	7.2	7.5	3.9%	0.0%
International Finance Facility for Immunisation	18.0	18.9	19.2	21.6	6.2%	0.1%	22.3	23.2	23.9	3.4%	0.1%
African Institute for Economic Development and Planning	1.3	1.5	1.5	1.5	6.0%	–	1.6	1.6	1.7	3.7%	0.0%
African Regional Technical Assistance Centre for Southern Africa	–	1.0	0.9	1.5	–	–	1.5	1.6	1.7	4.5%	0.0%
New Development Bank Project Preparation Fund	18.2	–	–	–	-100.0%	–	–	–	–	–	–
Capital	179.2	230.4	175.5	188.7	1.7%	0.9%	196.3	204.2	210.5	3.7%	0.8%
African Development Fund	77.7	109.4	109.2	119.4	15.4%	0.5%	123.9	128.4	131.4	3.2%	0.5%
World Bank Group	63.3	66.3	66.3	69.3	3.1%	0.3%	72.5	75.8	79.2	4.5%	0.3%
Financial Intermediary Fund	38.3	54.7	–	–	-100.0%	0.1%	–	–	–	–	–

6.4.2 Personnel Information

Table 8.9 Economic Policy and International Cooperation, Tax, Financial Regulation and Research personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2026			Number and cost ² of personnel posts filled/planned for on funded establishment															Number	
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Average: Salary level/ Total (%)
			2024/25			2025/26			2026/27			2027/28			2028/29				
Economic Policy and International Cooperation, Tax, Financial Regulation and Research			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	138	6	136	126.3	0.9	141	138.8	1.0	154	158.7	1.0	151	165.3	1.1	148	170.5	1.2	1.6%	100.0%
1 – 6	3	3	3	1.1	0.4	3	1.2	0.4	4	1.6	0.4	4	1.7	0.4	3	1.4	0.5	-	2.4%
7 – 10	30	-	34	21.8	0.6	37	25.3	0.7	41	30.1	0.7	36	27.4	0.8	36	28.9	0.8	-0.7%	24.9%
11 – 12	41	-	38	36.8	1.0	40	40.5	1.0	47	50.6	1.1	48	54.5	1.1	48	57.5	1.2	6.7%	31.5%
13 – 16	64	3	61	66.6	1.1	62	71.8	1.2	62	76.4	1.2	63	81.8	1.3	61	82.7	1.4	-0.6%	41.1%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.



7. PROGRAMME 3: PUBLIC FINANCE AND BUDGET MANAGEMENT

Purpose: Provide analysis and advice on fiscal policy and public finances, intergovernmental financial relations, expenditure planning and priorities. Manage government's annual budget process and provide public finance management support. Facilitate high-impact government initiatives including employment creation and strengthening infrastructure planning and delivery. Supports effective administration of pensions, retirement, and other benefits.

7.1 Sub-Programmes

Programme Management for Public Finance and Budget Management

This sub-programme provides support to the programme's planning, monitoring and delivery functions. Key activities include oversight and managing the processes related to the annual publication of the Medium-term Budget Policy Statement (MTBPS), the coordination of the annual budget and the production of the Division of Revenue Bill for the three spheres of government.

Budget Office

The Budget Office is responsible for providing fiscal policy advice by monitoring economic and fiscal trends and advising on policy options and the budget framework. The Budget Office coordinates the national budgeting process which includes coordinating resource allocation to meet priorities set by government. The Budget Office oversees expenditure planning, leads the budget reform programme, coordinates international development cooperation, provides advice on public service remuneration and pension arrangements and compiles public finance statistics, ensures effective administration of pension, retirement, and other benefits.

Fiscal Policy manages the fiscal policy and development of the frameworks and conducts fiscal research.

Budget Planning and Reform manages the coordination of the national budget and ensures the budget reforms and transparency services.

International Development Corporation manages the coordination of Official Development Assistance (ODA) from Asia, PAC America; Commonwealth and Europe Bilateral.

Public Finance Statistics provides statistical data services in support of the budget process and maintains a consistent reporting framework, ensuring data integrity and compliance to local and international statistical standards.

Infrastructure Regulation and Assessment manage the implementation of the Public Private Partnership infrastructure procurement in compliance with PFMA and MFMA regulations and guidelines. Ensure compliance with the capital projects approval and evaluation framework.



Public Sector Remuneration and Forecasting provides public sector remuneration and forecasting services, through the review and analysis of the financial implication of the public sector personnel policy, research, guidance and oversight over the public sector pensions, medical and other benefits.

Public Finance

Public Finance provides financial and budgetary analysis, advises on policy and manages National Treasury's relations with other national departments as well as its own analytical work. The division monitors the use of scarce public resources by national spending agencies, engaging where necessary with accounting officers and other officials to promote efficient and effective use of these resources. Based on engagements with departments, the Public Finance team provides recommendations annually to the Technical Committee on Budget (TCB). Public Finance is coordinated in terms of the following Chief Directorates:

- Administrative Services
- Economic Services
- Education and Related Departments
- Health and Social Development
- Justice and Protection Services
- Urban Development and Infrastructure

Intergovernmental Relations

Intergovernmental Relations coordinates fiscal relations between national, provincial and local government, promotes sound provincial and municipal budgetary planning, monitor implementation through periodic reporting and assists in building capacity that enables efficient and effective financial management practices. The division monitors the use of scarce public resources by provincial and local government, regularly engaging with a range of stakeholders to promote efficient and effective use of these resources. It also provides technical assistance to government departments to promote improved planning and management of infrastructure delivery and assists Provinces with the preparation of mandatory financial recovery plans for municipalities placed under mandatory intervention.

Intergovernmental Policy administers the provision of Provincial and Local Government Fiscal Policy and Financial Policy services. Coordinate intergovernmental fiscal consultations on the provincial and local government budget allocations. Develop financial policy for accelerating infrastructure development and provide advice on intergovernmental fiscal and financial matters.

Local Government Budget Analysis manages the provision of Local Government Budget Reform services. Oversee the municipal financial improvement programme (MFIP); monitoring and reporting on the implementation of Conditional Grants for municipalities; revenue improvement; provide financial and data management services for local government oversight and support.



Provincial Budget Analysis provides provincial budget analysis; monitoring and reporting on the Intergovernmental grant for Provincial Government, maintaining the provincial financial databases.

Provincial and Local Government Infrastructure administers capital budget in national, provincial and local government towards improved infrastructure planning, implementation and reporting. Monitor the implementation of the capital budgets and oversee infrastructure delivery management systems in national, provincial and local government.

Neighbourhood Development Partnership Programme manages the Neighbourhood Development Partnership grant to support municipalities in identifying, selecting, prioritising, planning and investing in targeted locations with economic potential.

Municipal Financial Recovery Services manages the preparation of financial recovery plans as per the requirements of Section 139 of the Constitution and Chapter 13 of the MFMA.

Municipal Finance Management Act manages the implementation of the provisions of the MFMA in the local government sphere through monitoring of compliance, regulatory oversight services; dispute resolution; oversee the implementation of the Local Government Financial Management Grant.



7.2 Outcomes, Outputs, Output Indicators and Targets

No.	Outcomes	Outputs	Output Indicators	Annual Targets							
				Audited / Actual Performance			Estimated Performance	Planned Performance Current Year	MTEF Period		
				2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
3.1.1	Sustainable public finances	Primary budget surplus	Primary budget surplus maintained	#	#	#	Primary budget surplus maintained	Primary budget surplus maintained	Primary budget surplus maintained	Primary budget surplus maintained	Primary budget surplus maintained
3.1.2		Municipal guide for disaster insurance	National Disaster Risk Financing Strategy implemented	#	#	#	#	Municipal guide for disaster insurance published	National Disaster Risk Financing Strategy reviewed	National Disaster Risk Financing Strategy review implemented	National Disaster Risk Financing Strategy review implemented
3.1.3		Education component of the provincial equitable share formula updated	Intergovernmental fiscal framework reviewed	#	#	#	Poverty and education components of the provincial equitable share formula updated	Education component of the provincial equitable share formula updated	N/A	N/A	N/A
		Phase 2 of the review of the local government fiscal framework completed					Phase 1 of the review of the local government fiscal framework completed	Phase 2 of the review of the local government fiscal framework completed			
3.1.4	Revised Public Private Partnership	Public Private Partnership Regulations	#	#	#	Revised Public Private Partnership	Revised Public Private Partnership	N/A	N/A	N/A	





No.	Outcomes	Outputs	Output Indicators	Annual Targets							
				Audited / Actual Performance			Estimated Performance	Planned Performance Current Year	MTEF Period		
				2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
		Regulations	amended				Regulations gazetted	Regulations gazetted			
3.1.5	Increased public infrastructure investment	Infrastructure plans review reports	Percentage of infrastructure plans reviewed	100%	100%	100%	100%	100%	100%	100%	100%
3.1.6	Sustainable public finances	Financial affordability assessment	Financial affordability of the social security system assessed	#	#	#	Research on Financial affordability of the social security system conducted	Report on Financial affordability of the social security system completed	N/A	N/A	N/A
3.1.7		Financial recovery plans	Percentage of requests to prepare mandatory financial recovery plans responded to within 90 days from date of submission of the status quo assessment	#	#	#	100%	100%	100%	100%	100%
3.1.8	Sound financial controls and management of public finances	Amendments to the MFMA	Amendments to the MFMA drafted	#	#	#	#	MFMA amendments submitted to Cabinet	MFMA amendments submitted to Parliament	N/A	N/A
3.1.9	Sustainable public finances	Functional budget group reports	Percentage of functional budget group reports produced	#	#	#	#	100%	100%	100%	100%

No.	Outcomes	Outputs	Output Indicators	Annual Targets							
				Audited / Actual Performance			Estimated Performance	Planned Performance Current Year	MTEF Period		
				2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
3.1.10		SCOA reports	Number of quarterly expenditure reports submitted to the Standing Committee on Appropriations	4	4	4	4	4	4	4	4





7.3 Output Indicators: Annual and Quarterly Targets

No.	Output Indicators	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
3.1.1	Primary budget surplus maintained	Primary budget surplus maintained	N/A	N/A	N/A	Primary budget surplus maintained
3.1.2	National Disaster Risk Financing Strategy implemented	Municipal guide for disaster insurance published	N/A	N/A	N/A	Municipal guide for disaster insurance published
3.1.3	Intergovernmental fiscal framework reviewed	Education component of the provincial equitable share formula updated	N/A	Draft proposals on education component of the formula developed	N/A	Education component of the provincial equitable share formula updated
		Phase 2 of the review of the local government fiscal framework completed	Expenditure analysis completed	Literature review completed	Revenue analysis completed	Phase 2 of the review of the local government fiscal framework completed
3.1.4	Public Private Partnership Regulations amended	Revised Public Private Partnership Regulations gazetted	N/A	N/A	Revised Public Private Partnership Regulations gazetted	N/A
3.1.5	Percentage of infrastructure plans reviewed	100%	N/A	N/A	100%	N/A
3.1.6	Financial affordability of the social security system assessed	Report on financial affordability of the social security system completed	N/A	N/A	N/A	Report on financial affordability of the social security system completed
3.1.7	Percentage of requests to prepare mandatory financial recovery plans responded to within 90 days from date of submission of the status quo assessment	100%	100%	100%	100%	100%
3.1.8	Amendments to the MFMA drafted	MFMA amendments submitted to Cabinet	Draft Bill submitted to Presidency and	Draft Bill submitted to Cabinet for approval to publish	N/A	MFMA amendments submitted to Cabinet

No.	Output Indicators	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
			Chief State Law Advisor	for public comment		
3.1.9	Percentage of functional budget group reports produced	100%	N/A	N/A	100%	N/A
3.1.10	Number of quarterly expenditure reports submitted to the Standing Committee on Appropriations	4	1	1	1	1



Explanation of planned performance over the medium-term period

Primary budget surplus maintained

National Treasury remains committed to maintaining a primary budget surplus to preserve investor confidence, strengthen fiscal credibility, and ensure the sustainability of public finances. The focus is on maintaining a primary surplus that contributes to stabilising or gradually reducing the public debt-to-GDP ratio by ensuring that government finances its non-interest expenditure without resorting to additional borrowing.

National Disaster Risk Financing Strategy implemented

The National Treasury will ensure that the grant frameworks are amended to integrate disaster risk management and financing instruments that respond to disasters are designed in the short-term to medium-term period. This contributes towards achieving the Medium-Term Development Plan Strategic Priority 1: Outcome for improved capability for disaster management at the local government level.

Intergovernmental fiscal framework reviewed

During the 2026/27 financial year, National Treasury will ensure that the Intergovernmental fiscal framework is reviewed. Phase 2 of the review of the local government fiscal framework will be completed during the 2026/27 financial year. This entails conducting a literature review, analysing municipal expenditure and revenue trends, and developing a purposeful framework for local government. The priority will be reviewing the remaining components and weightings assigned to components in the equitable share formula with the education component of the provincial equitable share formula targeted to be completed in the 2026/27 financial year.

Public Private Partnership Regulations amended

Regarding the review of the Public Private Partnership, the MTDP strategic intervention is to simplify the regulations on public-private partnerships to enable greater investment in both social and economic infrastructure development. National Treasury plans to have the National Treasury Regulations 16 (NTR 16) on Public Private Partnerships, related Municipal Regulations gazetted in the 2026/27 financial year.

Percentage of infrastructure plans reviewed

The National Treasury supports and monitors the ability of provincial departments to improve their infrastructure planning and implementation of their planned infrastructure programmes through the Infrastructure Delivery Management System (IDMS). To this end, asset management plans, infrastructure programme management plans and infrastructure progress reports from provincial departments are reviewed and assessed to enhance infrastructure planning, integrated development and implementation of infrastructure programmes.

Financial affordability of the social security system assessed

In respect of social security reform, National Treasury plans to complete a report on financial affordability of the social security system including active labour market instruments, social insurance and social assistance by 2027. During the 2026/27 financial year, the unit will complete a report on the financial affordability of the social security system.



Percentage of requests to prepare mandatory financial recovery plans responded to within 90 days from date of submission of the status quo assessment

As part of the local government portfolio, the National Treasury is required to prepare mandatory financial recovery plans for all municipalities placed under mandatory intervention either in terms of Section 139(5) or Section 139(7) of the Constitution. This is to enable municipalities to recover from financial crises, maintain solvency, and continue with service delivery. The department commits to respond within 90 days from date of submission of the status quo assessment for compilation of mandatory financial recovery plans as per the requirements of the MFMA. Financial recovery plans include an evaluation of the status quo in the municipality, including an assessment of the municipality's overall financial health, revenue streams, expenditures, debt levels, operational inefficiencies, governance, institutional arrangements and service delivery to identify the root causes of the crisis in the municipality. Plans are thereafter developed to respond to the specific issues identified in the status quo assessment. Regular progress reports are required to track the municipality's adherence to the plan and its financial improvement.

Amendments to the MFMA drafted

The work on drafting the amendments to the Municipal Finance Management Act (MFMA) will be completed during the 2026/27 financial year. These legislative and regulatory reforms aim to streamline financial legislation, enhancing transparency, efficiency, and accountability in public sector financial management. They will also simplify processes and strengthen accountability and enforcement for institutions required to comply with the MFMA.

Percentage of functional budget group reports produced

The Public Finance unit coordinates both technical and functional budget group engagements and produces reports for presentation to the TCB. These engagements involve institutions within each function group and serve as a platform to assess policy priorities, review spending performance, and evaluate the alignment of budget allocations with strategic objectives. The goal is to ensure that limited public resources are optimally allocated to support key policy outcomes. These reports enable the TCB to make budgetary decisions for recommendation to the Ministers' Committee on Budget and ultimately Cabinet.

Number of quarterly expenditure reports submitted to the Standing Committee on Appropriations

The National Treasury submits quarterly expenditure reports to the Standing Committee on Appropriations to provide a detailed account of how funds were spent during each quarter. These reports are essential for promoting transparency, accountability, and effective oversight of public finances. Through comparison of actual expenditures against budgeted amounts, with explanations for any significant variances, the reports contribute to the achievement of the National Treasury's institutional outcome: sustainable public finance.

National Spatial Development Framework

The National Treasury does not lead projects implementing the National Spatial Development Framework (NSDF); however, NT's role is to provide financial support, policy frameworks, and give guidance to ensure that the NSDF and its agendas are effectively implemented by other government entities and municipalities. The National Treasury is responsible for ensuring that sufficient financial resources are allocated to support the implementation of the NSDF and



National Spatial Action Areas (NSAA). This includes budgeting for infrastructure development, urban planning, and other spatial transformation initiatives. The National Treasury provides guidance and support to municipalities in implementing the NSDF and NSAA. This includes technical assistance, capacity building, and sharing best practices for spatial planning and land use management. Through the intergovernmental fiscal system and policy environment National Treasury ensures that spatial development initiatives are integrated into broader government planning and budgeting frameworks. To this end, the NT supports the government's efforts to align national, provincial, and local government infrastructure planning, funding and project implementation processes in the various NSAA.



7.4 Programme Resource Considerations

7.4.1 Expenditure trends and estimates

Table 8.10 Public Finance and Budget Management expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2022/23	2023/24	2024/25				2025/26	2026/27	2027/28		
R million	2022/23	2023/24	2024/25	2025/26	2022/23 - 2025/26		2026/27	2027/28	2028/29	2025/26 - 2028/29	2026/27-2028/29
Programme Management for Public Finance and Budget Management	18.5	19.9	17.9	44.2	33.8%	0.5%	49.4	51.0	55.8	8.1%	0.4%
Public Finance	74.4	76.1	79.5	79.8	2.3%	1.7%	82.1	85.3	88.0	3.3%	0.6%
Budget Office and Coordination	123.4	129.7	134.2	134.3	2.9%	2.8%	147.9	154.5	153.5	4.6%	1.1%
Intergovernmental Relations	181.2	143.8	184.3	251.2	11.5%	4.1%	291.4	302.4	314.4	7.8%	2.2%
Financial and Fiscal Commission	63.8	59.1	60.3	63.0	-0.5%	1.3%	65.5	68.1	70.2	3.7%	0.5%
Facilitation of Conditional Grants	2 379.6	2 384.6	2 424.0	4 395.9	22.7%	62.9%	10 245.6	11 065.3	13 562.7	45.6%	83.4%
Catalytic Infrastructure and Development Support Programme	741.5	567.2	628.7	987.7	10.0%	15.9%	1 103.9	1 204.7	1 229.6	7.6%	8.5%
Government Technical Advisory Centre	765.6	653.7	120.7	432.4	-17.3%	10.7%	452.4	470.5	485.1	3.9%	3.4%
Total	4 248.1	4 034.1	3 649.4	6 388.4	13.7%	100.0%	12 438.2	13 401.8	15 959.4	35.7%	100.0%
Changes to 2025 Budget estimate		-					7 633.1	8 465.4	10 801.4		
Economic classification											
Current payments	899.2	799.0	1 090.0	1 512.9	18.9%	23.3%	1 597.8	1 764.4	1 818.7	6.3%	12.4%
Compensation of employees	229.0	251.2	263.7	281.1	7.1%	5.6%	293.1	306.2	315.8	4.0%	2.2%





Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	R million	2022/23	2023/24				2024/25	2025/26	2022/23 - 2025/26		
Goods and services	670.2	547.8	826.3	1 231.8	22.5%	17.8%	1 304.8	1 458.2	1 503.0	6.9%	10.2%
of which:											
Bursaries: Employees	1.1	0.8	1.1	1.6	14.1%	0.0%	2.1	2.3	2.4	14.8%	0.0%
Computer services	1.3	4.2	3.8	4.3	48.6%	0.1%	4.7	2.0	5.3	6.9%	0.0%
Consultants: Business and advisory services	658.3	532.0	311.4	560.6	-5.2%	11.2%	484.1	607.5	622.7	3.6%	4.1%
Inventory: Other suppliers	-	-	500.0	650.0	-	6.2%	795.9	827.6	853.1	9.5%	5.9%
Travel and subsistence	5.6	5.8	5.8	8.7	15.8%	0.1%	10.1	11.1	11.6	10.0%	0.1%
Operating payments	2.1	1.1	1.2	1.7	-8.1%	0.0%	2.3	1.9	1.9	5.3%	0.0%
Transfers and subsidies	3 445.0	3 233.0	2 558.0	4 874.9	12.3%	76.6%	10 838.5	11 635.4	14 138.5	42.6%	87.6%
Provinces and municipalities	2 379.6	2 384.6	2 424.0	4 395.9	22.7%	62.9%	10 245.6	11 065.3	13 562.7	45.6%	83.4%
Departmental agencies and accounts	139.5	135.3	133.0	138.1	-0.3%	3.0%	143.9	149.3	153.1	3.5%	1.1%
Public corporations and private enterprises	924.6	712.8	-	340.6	-28.3%	10.7%	448.8	420.4	422.5	7.4%	3.1%
Households	1.4	0.4	1.0	0.3	-43.0%	0.0%	0.3	0.3	0.3	3.7%	0.0%
Payments for capital assets	3.9	2.0	1.4	0.6	-45.7%	0.0%	1.9	2.0	2.1	50.3%	0.0%
Machinery and equipment	3.9	2.0	1.4	0.6	-45.7%	0.0%	1.9	2.0	2.1	50.3%	0.0%
Payments for financial assets	0.0	0.1	0.0	-	-100.0%	0.0%	-	-	-	-	-
Total	4 348.1	4 034.1	3 649.4	6 388.4	13.7%	100.0%	12 438.2	13 401.8	15 959.4	35.7%	100.0%
Proportion of total programme expenditure to vote expenditure	14.1%	14.7%	14.4%	18.3%	-	-	32.8%	33.6%	36.7%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	1.1	0.4	1.0	0.3	-38.9%	-	0.3	0.3	0.3	3.7%	0.0%
Employee social benefits	1.1	0.4	1.0	0.3	-38.9%	-	0.3	0.3	0.3	3.7%	0.0%
Other transfers to households											

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	R million	2022/23	2023/24				2024/25	2025/26	2022/23 - 2025/26		
Current	0.3	-	-	-	-100.0%	-	-	-	-	-	-
Employee social benefits	0.3	-	-	-	-100.0%	-	-	-	-	-	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	139.5	135.3	133.0	138.1	-0.3%	3.0%	143.9	149.3	153.1	3.5%	1.1%
Financial and Fiscal Commission	63.8	59.1	60.3	63.0	-0.5%	1.3%	65.5	68.1	70.2	3.7%	0.5%
Government Technical Advisory Centre	52.9	52.7	-	53.5	0.3%	0.9%	55.5	57.3	57.9	2.7%	0.4%
Government Technical Advisory Centre: Support on infrastructure planning	22.7	23.5	72.7	21.7	-1.4%	0.8%	22.8	23.9	25.0	4.7%	0.2%
Provinces and municipalities											
Municipal bank accounts											
Current	566.4	568.6	582.2	589.7	1.4%	12.5%	613.5	638.0	657.8	3.7%	4.6%
Local government financial management grant	566.4	568.6	582.2	589.7	1.4%	12.5%	613.5	638.0	657.8	3.7%	4.6%
Public corporations and private enterprises											
Current	635.8	514.0	-	300.6	-22.1%	7.9%	314.9	329.2	339.5	4.1%	2.4%
Various institutions: Jobs Fund	635.8	514.0	-	300.6	-22.1%	7.9%	314.9	329.2	339.5	4.1%	2.4%
Capital	1 813.20	1 816.10	1 841.80	3 806.30	-122%	51%	9 632.20	10 427.30	12 904.80	-79%	79%
Programme and project preparation support grant	360.9	318.7	385.8	-	-100.0%	5.8%	-	-	-	-	-
Neighbourhood development partnership grant	1 293.1	1 346.0	1 290.6	542.4	-25.1%	24.3%	428.0	262.7	66.4	-50.3%	1.8%
Urban development financing grant	-	-	-	3 091.10	0%	17%	9 024.40	9 977.70	12 645.70	-32%	76%





Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	R million	2022/23	2023/24				2024/25	2025/26	2026/27		
Infrastructure skills development grant	159.2	151.4	165.4	172.8	2.8%	3.5%	179.8	186.9	192.7	3.7%	1.3%
Public corporations and private enterprises											
Other transfers to public corporations											
Current	288.8	198.8	0	40	-202%	3%	133.9	91.2	83	2%	1%
Development Bank of Southern Africa	95.0	-	-	-	-100.0%	0.5%	-	-	-	-	-
Development Bank of Southern Africa: Support to the Infrastructure Fund operations	41.8	46.3	-	40.0	-1.5%	0.7%	39.8	41.4	42.7	2.2%	0.3%
Development Bank of Southern Africa: Support to the Infrastructure Fund social housing programme	152.0	152.5	-	-	-100.0%	1.7%	-	-	-	-	-
Development Bank of Southern Africa: Just energy transition investment plan	-	-	-	-	-	-	40.0	-	-	-	0.1%
Development Bank of Southern Africa: Support to the Infrastructure Fund operations - eThekweni Non-Revenue Water (NRW) Project	-	-	-	-	-	-	54.1	49.8	40.3	-	0.3%

7.4.2 Personnel information

Table 8.11 Public Finance and Budget Management personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2026			Number and cost ² of personnel posts filled/planned for on funded establishment															Number	
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Average: Salary level/ Total (%)
			2024/25			2025/26			2026/27			2027/28			2028/29				
Public Finance and Budget Management			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	244	10	245	234.9	1.0	248	248.8	1.0	236	251.5	1.1	232	262.6	1.1	230	274.6	1.2	-2.4%	100.0%
1 – 6	6	5	9	2.7	0.3	9	2.9	0.3	9	3.1	0.3	9	3.2	0.4	9	3.4	0.4	-	3.5%
7 – 10	83	1	77	47.7	0.6	77	50.7	0.7	81	57.0	0.7	80	59.7	0.8	78	62.2	0.8	0.4%	31.0%
11 – 12	105	-	98	106.7	1.1	100	115.5	1.2	95	115.6	1.2	95	121.9	1.3	90	122.1	1.4	-3.3%	36.4%
13 – 16	88	-	76	106.5	1.4	75	110.9	1.5	76	117.3	1.6	74	121.4	1.6	74	128.0	1.7	-0.5%	29.1%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.



8. PROGRAMME 4: ASSET AND LIABILITY MANAGEMENT

Purpose: Manage government's annual funding programme in a manner that ensures prudent cash management and an optimal portfolio of debt and other fiscal obligations. Promote and enforce the prudent financial management of state-owned entities through financial analysis and oversight.

8.1 Sub-Programmes:

Programme Management for Asset and Liability Management

This sub-programme provides support for planning, monitoring and delivering the programme's activities.

State-owned Entities Oversight

This sub-programme manages the provision of asset management. Oversee and enables state-owned entities to meet government's policy objectives in a financially and fiscally sustainable manner and promote sound corporate governance.

Liability Management

This sub-programme manages the provision of liability management services. It manages domestic and foreign debt, contributes to the development of financial markets, and maintains sound investor relations.

Financial Operations

This sub-programme provides for government's short-term funding needs, the prudent management of cash, investment surplus cash, account of debt, servicing of debt obligation, supply of reliable systems, and provision of quality information. It also invests government's surplus cash and supplies reliable computer systems to service government's debt portfolio and cash operations.

Strategy and Risk Management

This sub-programme develops and maintains a risk management framework for the debt and contingent liabilities of government and monitors the implementation of strategies to ensure that risks remain within tolerance thresholds and that the risk of an adverse sovereign credit rating is mitigated.

Public Entity Shareholder Oversight

This sub-programme manages the provision of public entities oversight governance.



8.2 Outcomes, Outputs, Output Indicators and Targets

No.	Outcomes	Outputs	Output Indicators	Annual Targets							
				Audited / Actual Performance			Estimated Performance	Planned Performance Current Year	MTEF Period		
				2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
4.1.1	Sound financial controls and management of public finances	Reviewed planning and performance documents	Percentage of complete Corporate Plans received from Schedule 2 and 3B public entities and Annual Performance Plans received from Schedule 3A public entities reporting to the Minister of Finance reviewed	#	#	#	#	100%	100%	100%	100%
4.1.2			Percentage of Annual Reports received from Schedule 2 and 3B public entities and Schedule 3A public entities reporting to the Minister of Finance reviewed	#	#	#	#	100%	100%	100%	100%
4.1.3		Reviewed complete applications	Percentage of complete guarantee applications received from Schedule 2 and 3B public entities reviewed	100%	100%	100%	100%	100%	100%	100%	100%
4.1.4		Annual gross borrowing requirement and refinancing risks benchmarks reports	Percentage of annual gross borrowing requirement met in compliance to the risk benchmarks	#	100%	100%	100%	100%	100%	100%	100%





8.3 Output Indicators: Annual and Quarterly Targets

No.	Output Indicators	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
4.1.1	Percentage of complete Corporate Plans received from Schedule 2 and 3B public entities and Annual Performance Plans received from Schedule 3A public entities reporting to the Minister of Finance reviewed	100%	100%	100%	100%	100%
4.1.2	Percentage of Annual Reports received from Schedule 2 and 3B public entities and Schedule 3A public entities reporting to the Minister of Finance reviewed	100%	100%	100%	100%	100%
4.1.3	Percentage of complete guarantee applications received from Schedule 2 and 3B public entities reviewed	100%	100%	100%	100%	100%
4.1.4	Percentage of annual gross borrowing requirement met in compliance to the risk benchmarks	100%	100%	100%	100%	100%

Explanation of planned performance over the medium-term period

Percentage of complete Corporate Plans received from Schedule 2 and 3B public entities and Annual Performance Plans received from Schedule 3A entities reporting to the Minister of Finance reviewed

The assessment of the Corporate Plans from Schedule 2 and 3B public entities and Annual Performance Plans of public entities reporting to the Minister of Finance is critical to ensuring transparency, accountability, and oversight over the public entities. These plans are essential for aligning the entity's activities with government priorities, ensuring efficient use of public resources, promoting transparency and accountability.

Percentage of Annual Reports received from Schedule 2 and 3B public entities and Schedule 3A public entities reporting to the Minister of Finance reviewed

National Treasury has a responsibility to examine the Annual Reports submitted by public entities classified under Schedule 2 and Schedule 3B and Schedule 3A public entities reporting to the Minister of Finance to ensure that the reports are accurate, complete, and compliant with relevant laws and standards. The review of Annual Reports is a key part of ensuring good governance and financial accountability in public entities.

Percentage of complete guarantee applications received from Schedule 2 and 3B public entities reviewed

National Treasury will continue to ensure efficient and effective implementation and monitoring of the Approved Minimum Criteria for new or additional guarantee requests. These collective efforts aim to enhance the outlook and credit ratings of the sovereign, further supporting the institutional outcome of sound financial controls and management of public finances.

Percentage of annual gross borrowing requirement met in compliance to the risk benchmarks

National Treasury will enhance the implementation of the gross borrowing strategy aimed at maintaining fiscal stability and ensuring that the government can meet its financial obligations without imposing undue burdens on the economy. This entails stringent adherence to the annual borrowing framework as well as conducting continuous monitoring of the economic conditions, adjustments on the borrowing strategy as required by the changing circumstances.





8.4 Programme Resource Considerations

8.4.1 Expenditure trends and estimates

Table 8.12 Asset and Liability Management expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	R million	2022/23	2023/24				2024/25	2025/26	2022/23 - 2025/26		
Programme Management for Asset and Liability Management	18.8	51.5	27.6	50.5	39.1%	1.9%	48.3	45.7	48.9	-1.1%	25.8%
State-owned Entity Financial Management and Governance	5 148.8	540.1	42.0	1 845.1	-29.0%	94.7%	47.0	48.0	49.5	-70.1%	26.1%
Government Debt Management	20.5	23.1	25.2	25.3	7.2%	1.2%	27.4	29.0	29.9	5.7%	15.6%
Financial Operations	27.9	31.3	31.6	30.9	3.5%	1.5%	38.0	36.4	40.0	9.0%	20.6%
Strategy and Risk Management	9.5	10.4	11.5	14.5	15.4%	0.6%	16.3	17.6	18.1	7.5%	9.4%
Public Entities Shareholder Oversight	1.7	2.6	2.7	4.8	39.9%	0.1%	4.7	4.8	4.9	1.0%	2.6%
Total	5 227.2	658.9	140.7	1 971.1	-27.8%	100.0%	181.6	181.3	191.2	-54.0%	100.0%
Change to 2025 Budget estimate				-			10.9	13.8	16.2		
Economic classification											
Current payments	114.5	157.6	138.8	170.9	14.3%	7.3%	181.2	180.9	190.8	3.7%	99.8%
Compensation of employees	85.6	91.6	99.3	109.6	8.6%	4.8%	117.3	124.1	128.0	5.3%	66.7%
Goods and services	28.9	66.0	39.5	61.3	28.5%	2.4%	63.8	56.7	62.8	0.8%	33.1%
<i>of which:</i>							-				-
Audit costs: External	1.3	1.2	1.4	1.7	7.8%	0.1%	1.6	1.6	1.7	0.7%	0.9%

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	R million	2022/23	2023/24				2024/25	2025/26	2022/23 - 2025/26		
Bursaries: Employees	1.2	1.1	1.2	1.4	5.1%	0.1%	1.4	1.1	1.1	-8.8%	0.7%
Computer services	10.8	13.4	12.6	9.1	-5.8%	0.6%	14.2	11.0	13.9	15.4%	7.1%
Consultants: Business and advisory services	12.8	46.5	20.9	44.2	51.3%	1.6%	41.2	38.2	41.2	-2.4%	21.7%
Operating leases	0.2	0.2	0.2	0.5	35.5%	0.0%	0.4	0.4	0.4	-4.9%	0.2%
Travel and subsistence	1.7	3.0	2.6	3.1	21.0%	0.1%	3.6	3.0	3.1	0.2%	1.7%
Transfers and subsidies	0.7	0.2	0.4	0.2	-29.7%	0.0%	-	-	-	-100.0%	-
Households	0.7	0.2	0.4	0.2	-29.7%	0.0%	-	-	-	-100.0%	-
Payments for capital assets	1.1	1.0	1.4	-	-100.0%	0.0%	0.4	0.5	0.5	-	0.2%
Machinery and equipment	1.1	1.0	1.4	-	-100.0%	0.0%	0.4	0.5	0.5	-	0.2%
Payments for financial assets	5 110.9	500.1	-	1 800.0	-29.4%	92.7%	-	-	-	-100.0%	-
Total	5 227.2	658.9	140.7	1 971.1	-27.8%	100.0%	181.6	181.3	191.2	-54.0%	100.0%
Proportion of total programme expenditure to vote expenditure	17.0%	2.4%	0.6%	5.7%	-	-	0.5%	0.5%	0.4%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	0.7	0.2	0.4	0.2	-29.7%	-	-	-	-	-100.0%	-
Employee social benefits	0.7	0.2	0.4	0.2	-29.7%	-	-	-	-	-100.0%	-





8.4.2 Personnel information

Table 8.13 Asset and Liability Management personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2026			Number and cost ² of personnel posts filled/planned for on funded establishment															Number		
Asset and Liability Management	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Average: Salary level/ Total (%)	
			2024/25			2025/26			2026/27			2027/28			2028/29					2025/26 -2028/29
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	108	3	107	99.3	0.9	111	109.0	1.0	115	117.3	1.0	115	124.1	1.1	112	128.0	1.1	0.3%	100.0%	
1 – 6	3	3	5	1.5	0.3	5	1.6	0.3	5	1.7	0.3	5	1.8	0.4	5	1.9	0.4	–	4.4%	
7 – 10	43	–	43	26.9	0.6	46	30.8	0.7	49	34.5	0.7	50	36.8	0.7	48	37.2	0.8	1.1%	42.9%	
11 – 12	38	–	35	36.9	1.1	35	39.3	1.1	35	41.3	1.2	35	43.5	1.2	34	44.6	1.3	-1.0%	30.4%	
13 – 16	24	–	24	34.0	1.4	25	37.3	1.5	26	39.9	1.6	26	42.0	1.6	26	44.4	1.7	0.7%	22.3%	

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

9. PROGRAMME 5: FINANCIAL GOVERNANCE, REPORTING AND SUPPLY CHAIN MANAGEMENT SYSTEMS

Purpose: To promote sound financial governance and accountability across all spheres of government by setting and enforcing norms and standards for the transparent, economic, efficient and effective management of public resources. This includes developing financial management, procurement, and reporting frameworks; modernising and supporting financial systems; strengthening internal audit and risk management practices; and building capacity to improve compliance, oversight and service delivery.

9.1 Sub-Programmes

Programme Management for Financial Governance, Reporting and Supply Chain Management Systems

This sub-programme supports the planning, coordination and monitoring of the programme's deliverables, including the modernisation and automation of financial management systems. It facilitates improved governance, accountability, financial reporting, procurement oversight and system functionality across the public sector.

Office of Accountant-General

The purpose of this sub-programme is to promote accountability, governance and oversight by setting and enforcing norms and standards for the transparent, economic, efficient and effective management of revenue, expenditure, assets and liabilities across all spheres of government.

- **Financial Systems:** maintain and improve existing financial management, supply chain and human resources systems and develops and implements modern, automated systems to replace outdated systems across national and provincial departments.
- **Financial Reporting for National Accounts:** provide accounting for the National Revenue Fund and the Reconstruction and Development Programme Fund, providing banking services to national government.
- **Financial Management Policy and Compliance Improvement:** improve financial management and develop financial management regulatory frameworks with local and international best practice; develops and implements accounting policies; and improves government's financial management, risk management and internal audit capacity.
- **Audit Statutory Bodies:** provides for transfer payments to the Auditor-General of South Africa to support the implementation of the Public Audit Act (1995).



- **Service Charges:** provides for the transfer payments to cover bank charges associated with the deposit accounts of government departments maintained at commercial banks.

Chief Procurement Office

The purpose of this sub-programme is to manage policy and legislative formulation for procurement systems in government, reduce wasteful expenditure and bring about efficient and cost-effective procurement across government. The office aims to enable the efficient, economic, effective and transparent use of financial and other resources, including state assets, for improved service delivery; that supports and enforces transparent and effective management of state procurement and sound stewardship of government assets and resources.

- **Public Procurement:** develop uniform norms and standards for all procuring institutions to regulate compliance with the SCM legislative frameworks. Determine the preferential procurement framework for all procuring institutions. Develop norms and standards for infrastructure procurement in all spheres of government.
- **Strategic Procurement:** research, develop and maintain the strategic procurement framework for all spheres of government. Develop infrastructure, procurement policies and standards.
- **Transversal Contracting:** manage the provision and management of various transversal term contracts.
- **SCM Governance, Monitoring and Compliance:** rendering of governance, monitoring and compliance for all spheres of government and public entities. Oversee deviations from procurement processes and regulatory frameworks. Publish data on governance, monitoring and compliance.
- **SCM Information, Communication and Technology:** design, develop, implement and maintain e-tendering functionality in the state procurement system; e-commerce and the central supplier database for all spheres of government.



9.2 Outcomes, Outputs, Output Indicators and Targets

No.	Outcomes	Outputs	Output Indicators	Annual Targets							
				Audited / Actual Performance			Estimated Performance	Planned Performance Current Year	MTEF Period		
				2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
5.1.1	Sound financial controls and management of public finances	Public Finance Norms and Standards	Number of norms and standards developed	#	#	#	6	6	6	6	6
5.1.2		Amendments to the PFMA	Amendments to the PFMA drafted	#	#	#	#	PFMA amendments submitted to Cabinet	PFMA amendments submitted to Parliament	N/A	N/A
5.1.3		Report on Public Finance Management support initiatives	Number of reports on Public Finance Management support initiatives produced	#	#	#	1	1	1	1	1
5.1.4		Financial Management Systems	Financial management systems modernised	#	#	#	#	Phase 1 of PERSAL modernisation completed	Phase 2 of PERSAL modernisation completed	Phase 3 of PERSAL modernisation completed	N/A
5.1.5		Draft SCM Professionalisation Framework	SCM Professionalisation Framework developed	#	#	#	Draft SCM Professionalisation Framework developed	Draft SCM Professionalisation Framework published	SCM Professionalisation Framework implemented	N/A	N/A
5.1.6		Automation of public procurement	Government procurement automated	#	#	#	Automated process for handling requests for quotations implemented	End-to-end open tendering solution completed	Implementation of Government electronic marketplace completed	Automated end-to-end open tendering solution imple-	N/A





No.	Outcomes	Outputs	Output Indicators	Annual Targets							
				Audited / Actual Performance			Estimated Performance	Planned Performance Current Year	MTEF Period		
				2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
5.1.7		Transversal term contracts	Number of transversal term contracts implemented	27	40	33	14	26	27	22	17
5.1.8		Procurement legislation	Procurement legislation developed	Public Procurement Bill submitted to Cabinet	Draft Public Procurement Regulations not produced	Draft Public Procurement Regulations not produced	#	Regulations to the Public Procurement Act promulgated	Public Procurement Act reviewed	Implementation of the Public Procurement Act	Implementation of the Public Procurement Act

9.3 Output Indicators: Annual and Quarterly Targets

Output Indicators		Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
5.1.1	Number of norms and standards developed	6	N/A	3	N/A	3
5.1.2	Amendments to the PFMA drafted	PFMA amendments submitted to Cabinet	Draft Bill submitted to Presidency and Chief State Law Advisor	Draft Bill submitted to Cabinet for approval to publish for public comment	N/A	PFMA amendments submitted to Cabinet
5.1.3	Number of reports on Public Finance Management support initiatives produced	1	N/A	N/A	N/A	1
5.1.4	Financial management systems modernised	Phase 1 of PERSAL modernisation completed	Assessment and design completed	Proof of Concept modern User Interface developed	Testing of User Interface completed	Phase 1 of PERSAL modernisation completed
5.1.5	SCM Professionalisation Framework developed	Draft SCM Professionalisation Framework published	N/A	N/A	N/A	Draft SCM Professionalisation Framework published
5.1.6	Government procurement automated	End-to-end open tendering solution completed	Development of evaluations functionality completed	Development of adjudications functionality completed	Functionality for the end-to-end open tendering solution piloted	End-to-end open tendering solution completed
5.1.7	Number of transversal term contracts implemented	26	9	7	6	4
5.1.8	Procurement legislation developed	Regulations to the Public Procurement Act promulgated	N/A	N/A	N/A	Regulations to the Public Procurement Act promulgated



Explanation of planned performance over the medium-term period

Number of norms and standards developed

The Office of the Accountant General will develop six norms and standards during the 2026/27 financial year. The priority is to enhance compliance with financial regulations and prevent fraud and mismanagement; maximise the value of public spending, minimise waste; and support long term fiscal stability. Essentially, these financial norms and standards will ensure transparency, comparability, and reliability of financial information. This output contributes to the National Treasury's institutional outcome: sound financial controls and management of public finances.

Amendments to the PFMA drafted

The work on the drafting of the amendments to the Public Finance Management Act (PFMA) and the Treasury Regulations will be completed during the 2026/27 financial year. These legislative and regulatory reforms aim to streamline financial legislation, enhancing transparency, efficiency, and accountability in public sector financial management. They will also simplify processes and strengthen accountability and enforcement for institutions required to comply with the PFMA.

Number of reports on Public Finance Management support initiatives produced

The Office of the Accountant General implements key Public Financial Management (PFM) capacity-building and support initiatives to enhance governance, transparency, and efficiency in public resource management. These initiatives strengthen budgeting, accounting, auditing, revenue collection, and expenditure management across government institutions. In the 2026/27 financial year, the OAG will produce a comprehensive report on the implementation of these initiatives.

Financial management systems modernised

The Office of the Accountant General will be working on modernising the PERSAL system to enhance governance, transparency, and efficiency in public resource management. This will be done in different phases commencing with Phase 1 of the modernisation system in 2026/27.

SCM Professionalisation Framework developed

The Office of the Chief Procurement Officer will continue with the development of the Draft SCM Professionalisation Framework aimed at increasing the cohorts of supply chain management practitioners in public service. The framework will define competency requirements, professional standards, career pathways, and training requirements for SCM officials across government. It will also promote ethical conduct, continuous professional development, and alignment with international best practices in public procurement. The draft framework will be published for stakeholder consultation to obtain inputs from government institutions, professional bodies, academic institutions, and other relevant stakeholders before finalisation and implementation.

Government procurement automated

As part of the strengthening of public procurement, National Treasury prioritised the automation of the public procurement system over the medium term. During the 2026/27 financial year, the



OCPO will prioritise the completion of the end-to-end open tendering solution. The digitalisation of procurement processes will enhance efficiency, transparency, compliance and accountability.

Number of transversal term contracts implemented

The National Treasury, facilitates and manages 64 transversal term contracts with an estimated expenditure of R72,5 billion across all three spheres of government inclusive of state-owned entities. In alignment with its procurement optimisation agenda, National Treasury has scheduled the implementation of 26 transversal contracts during the 2026/27 financial year.

Procurement legislation developed

The Public Procurement Act was approved as an Act of parliament in 2024 as a single overarching national procurement regulatory framework. It provides for, among others, measures to strengthen transparency and integrity of the procurement system, people automatically prohibited from submitting bids to government, preferential procurement, localisation and industrialisation and public procurement tribunal. During 2026/27, the National Treasury will work on the establishment of the Public Procurement Office, public procurement tribunal and implementation of the Act.





9.4 Programme Resource Considerations

9.4.1 Expenditure trends and estimates

Table 8.14 Financial Governance, Reporting and Supply Chain Management Systems expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2022/23	2023/24	2024/25				2025/26	2022/23 - 2025/26	2026/27		
R million											
Programme Management for Financial Governance, Reporting and Supply Chain Systems Management	41.8	58.3	60.7	66.7	16.9%	7.6%	139.6	122.1	114.4	19.7%	12.6%
Chief Procurement Office	73.6	79.2	86.8	88.4	6.3%	10.9%	92.9	96.5	99.6	4.0%	9.7%
Financial Systems	317.6	333.8	347.1	370.8	5.3%	45.5%	385.7	409.3	603.0	17.6%	46.9%
Financial Reporting for National Accounts	111.3	114.4	116.7	140.2	8.0%	16.0%	148.2	155.8	160.6	4.6%	15.6%
Financial Management Policy and Compliance Improvement	122.2	118.9	122.8	136.5	3.8%	16.6%	145.1	151.3	155.7	4.5%	15.2%
Audit Statutory Bodies	50.0	50.0	-	-	-100.0%	3.3%	-	-	-	-	-
Service Charges: Commercial Banks	0.2	0.3	0.3	0.4	14.6%	0.0%	0.4	0.4	0.4	3.7%	0.0%
Total	16.7	754.9	734.4	803.1	3.9%	100.0%	911.9	935.3	1 133.7	12.2%	100.0%
Change to 2025 Budget estimate				-		81.4	54.7	213.5			
Economic classification											
Current payments	597.2	633.2	665.5	732.2	7.0%	87.3%	837.1	855.0	1 048.0	12.7%	91.9%
Compensation of employees	213.1	225.9	236.5	265.9	7.7%	31.3%	283.8	297.4	306.7	4.9%	29.8%
Goods and services	384.1	407.3	429.1	466.3	6.7%	56.1%	553.3	557.5	741.3	16.7%	62.1%

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	R million	2022/23	2023/24				2024/25	2025/26	2022/23 - 2025/26		
<i>of which:</i>						-					-
<i>Audit costs: External</i>	5.1	6.7	6.7	10.4	26.6%	1.0%	10.8	11.3	11.6	3.7%	1.1%
<i>Bursaries: Employees</i>	1.2	1.9	1.4	3.5	41.5%	0.3%	3.5	3.8	3.7	1.8%	0.4%
<i>Computer services</i>	292.3	303.8	322.8	341.3	5.3%	41.9%	350.2	369.4	559.3	17.9%	42.9%
<i>Consultants: Business and advisory services</i>	75.4	86.3	88.2	93.3	7.4%	11.4%	167.2	150.4	143.8	15.5%	15.5%
<i>Travel and subsistence</i>	5.4	3.1	3.7	7.6	11.6%	0.7%	9.8	10.6	10.6	12.0%	1.0%
<i>Operating payments</i>	0.9	1.5	1.3	1.7	20.5%	0.2%	1.9	1.9	2.0	5.7%	0.2%
Transfers and subsidies	112.5	112.4	64.2	67.3	-15.8%	11.8%	70.6	73.4	75.7	4.0%	7.4%
Departmental agencies and accounts	110.3	110.5	62.2	65.0	-16.1%	11.6%	68.6	71.3	73.5	4.2%	7.2%
Households	2.3	1.9	2.0	2.2	-0.3%	0.3%	2.0	2.1	2.2	-1.2%	0.2%
Payments for capital assets	6.9	9.2	4.6	3.6	-19.7%	0.8%	4.1	7.0	10.0	40.8%	0.7%
Machinery and equipment	6.9	9.2	4.1	3.6	-19.7%	0.8%	4.1	7.0	10.0	40.8%	0.7%
Software and other intangible assets	-	-	0.4	-	-	0.0%	-	-	-	-	-
Payments for financial assets	0.0	0.1	0.0	-	-100%	0.0%	-	-	-	-	-
Total	716.7	754.9	734.4	803.1	3.9%	100%	911.9	935.3	1133.7	12.2%	100.0%
Proportion of total programme expenditure to vote expenditure	2.3%	2.7%	2.9%	2.3%	-	-	2.4%	2.3%	2.6%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	1.6	1.9	2.0	2.1	10.3%	0.3%	2.0	2.1	2.2	0.9%	0.2%
Employee social benefits	1.6	1.9	2.0	2.1	10.3%	0.3%	2.0	2.1	2.2	0.9%	0.2%
Other transfers to households											





Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	R million	2022/23	2023/24				2024/25	2025/26	2022/23 - 2025/26		
Current	0.7	-	-	0.1	-41.3%	-	-	-	-	-100.0%	-
Bursaries for non-employees	0.7	-	-	0.1	-41.3%	-	-	-	-	-100.0%	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	110.3	110.5	62.2	65.0	-16.1%	11.6%	68.6	71.3	73.5	4.2%	7.2%
Accounting Standards Board	14.6	14.6	14.8	15.5	2.1%	2.0%	17.1	17.8	18.3	5.7%	1.8%
Independent Regulatory Board for Auditors	45.7	45.9	47.4	49.5	2.7%	6.3%	51.5	53.6	55.2	3.7%	5.4%
Auditor-General of South Africa	50.0	50.0	-	-	-100.0%	3.3%	-	-	-	-	-

9.4.2 Personnel information

Table 8.15 Financial Governance, Reporting and Supply Chain Management Systems personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2026			Number and cost ² of personnel posts filled/planned for on funded establishment															Number		
Salary level	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Average: Salary level/ Total (%)	
			2024/25			2025/26			2026/27			2027/28			2028/29					2025/26 -2028/29
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
FGRSCMS																				
Salary level	265	34	253	236.5	0.9	269	262.0	1.0	276	283.8	1.0	276	297.4	1.1	270	306.7	1.1	0.1%	100.0%	
1 – 6	8	2	12	4.2	0.4	12	4.5	0.4	11	4.4	0.4	11	4.7	0.4	11	4.9	0.4	-2.9%	4.0%	
7 – 10	105	32	107	59.0	0.6	119	69.2	0.6	121	73.6	0.6	121	77.6	0.6	120	81.1	0.7	0.1%	44.1%	
11 – 12	75	–	68	76.7	1.1	68	80.7	1.2	74	92.7	1.3	78	103.9	1.3	74	103.3	1.4	3.0%	27.5%	
13 – 16	77	–	66	96.5	1.5	70	107.6	1.5	70	113.1	1.6	65	111.2	1.7	65	117.3	1.8	-2.2%	24.4%	

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.



10. EXPENDITURE OVERVIEW

The department's budget over the medium term is R3.6 trillion, of which 96.7 per cent (R3.5 trillion) constitutes direct charges against the National Revenue Fund. Over the next 3 years, transfers to provincial governments for the provincial equitable share amount to an estimated 57.3 per cent (R2.1 trillion) of direct charges, debt-service costs account for an estimated 37.1 per cent (R1.4 trillion), while public sector-related pension, post-retirement medical and other benefits in terms of statutory and collective agreements account for an estimated 0.8 per cent (R27.6 billion).

The increase on the department's baseline amounts to R20.8 billion over the MTEF period. These funds are to be allocated mostly to the provincial equitable share, of which R14.8 billion is for compensation of employees in the provincial education and health sectors; R4 billion is for goods and services shortfalls in the health sector, the early retirement programme and the presidential employment programme; and R341.7 million is to provide equitable remuneration for grade R teachers. A further R1.5 billion is to be allocated to the National Revenue Fund for payments for foreign exchange losses; and R184.2 million is for the Development Bank of Southern Africa to host the project management office for the just energy transition investment plan and manage procurement, monitoring and evaluation (R40 million), and the eThekweni non-revenue water project (R144.2 million).

The budget allocation per economic classification over the medium term is as follows: R3.6 billion on compensation of employees; R7.8 billion on goods and services; R2.3 trillion on transfers and subsidies; R89.605 million on payment of capital assets; and R4.359 billion on payment for financial assets.

Compensation of employees

The budget allocation for compensation of employees in 2026/27 financial year is R1.1 billion which is earmarked for the headcount averaging 1 274 per annum. In the period between 2024/25 and 2025/26 there has been an increase of 1.7 per cent from 1 031 to 1 048 on the headcount.

Goods and services

Over the medium term, expenditure on goods and services is projected to be R7.8 billion with the amount of R2.3 billion allocated for the 2026/27 financial year. These funds are budgeted for various line items which cover the day-to-day spending on the operations of the department. However, a significant part of the spending on goods and services is on consultancy services, computer services and inventory: other supplies. These three-line items are the main cost drivers of the department on goods and services spending, with consultancy services projected to spend R2.4 billion over the medium term, inventory: other supplies amount to R2.5 billion whilst the computer services are budgeted at R1.8 billion.

Expenditure on inventory: other supplies as the largest cost driver, is mainly on Intergovernmental Relations which provides capital and operational subsidies to implement and co-fund smart metering systems on behalf of municipalities. The consultancy services spending is the second largest cost driver largely within the catalytic infrastructure and development support programme



which comprises of the Municipal Finance Improvement Programme (MFIP), Infrastructure Delivery Improvement Programme (IDIP), Cities Support Programme (CSP), Neighbourhood Development Partnership Grant-indirect (NDPG) as well as the Municipal Revenue Management Improvement Programme (MRMIP). Expenditure on computer services as the third largest cost driver is mainly on the financial systems which comprises of the maintenance and support of the legacy systems – basic accounting system (BAS), personal and salaries management system (PERSAL), logistical information system (LOGIS), and Vulindlela.

Transfers and subsidies

The transfers and subsidies are allocated a budget amount of R2.3 trillion over the medium term. This constitutes the largest spending component for the department. This expenditure item comprises of different categories of transfers i.e., department agencies account largely for public entities reporting to the Minister of Finance, the conditional grants to municipalities, the civil and military pensions as well as the foreign governments and international organisations. For the 2026/27 financial year, the transfer and subsidies are allocated R730.1 billion.

Transfers or allocations to the public entities reporting under the department consist of the Financial Intelligence Centre (FIC), Accounting Standards Board (ASB), Independent Regulatory Board of Auditors (IRBA), Financial and Fiscal Commission (FFC) and South African Revenue Service (SARS) amongst others. SARS constituted 1.97 per cent or R37.3 billion of the transfers total spending of R1.9 trillion over the three previous financial years. This trend continues over the medium term with 2 per cent or R45.9 billion allocated to SARS of the R2.3 trillion total transfers budget. The Conditional Grants to various municipalities in line with the Division of Revenue Act (DORA) comprise of the Neighbourhood Development Partnership Grant (NDPG), Infrastructure Skills Development Grant (ISDG), Local Government Financial Management Grant (LGFMG) and Urban Development Financing Grant (UDFG). Included in the expenditure was also spending towards job creation on the Jobs Fund projects, the transfer payment to the Government Technical Advisory Centre (GTAC).

These constituted approximately 0.24 per cent or R7.2 billion in spending for the past three financial years. Over the medium term, the budget allocation for Conditional Grants is R34.9 billion, with R10.2 billion budgeted for the 2026/27 financial year. For the 2026/27 financial year, the NDPG is budgeted R428 million, LGFMG is budgeted R613.5 million; the ISDG is budgeted with R179.8 million and Urban Development Financing Grant (UDFG) is budgeted with R9 billion.

The public sector related pension, post-retirement medical and other benefits in terms of statutory and collective agreement obligations also comprise a significant portion of the department's spending. The major contributors to the spending on this area are mainly the transfer payments to the Post-Retirement Medical Benefits (PRMB), the Special Pensions, Injury on Duty and the SA Citizen Forces to the Government Pensions Administration Agency (GPAA).

These constituted approximately 1.1 per cent or R20.606 billion in spending for the past three financial years. Over the medium term, the budget allocation for the Civil Pensions and Contributions to Funds is R27.752 billion. International commitments are also part of the large spending on transfers as it constituted approximately 0.3 per cent or R5 billion in spending for the past three financial years. These commitments are under the Common Monetary Area (CMA) compensation, the Collaborative Africa Budget Reform Initiative (CABRI), Commonwealth Fund for Technical Cooperation (CFTC), International Finance Facility for Immunisation (IFFI), African Development Bank and Fund (AfDB) and the World Bank (WB).



Over the medium term, the international commitments include budget allocation for the International Development Funding Institutions with the total amount of R3.485 billion allocated for the next three years, Africa Integration and Support with the total budget allocation of R5.433 billion. The impact of the foreign exchange rate poses ongoing risk on budget allocation. There is high volatility on the Rand exchange rate against the US Dollar.

The budgeted amount most often tends to be lesser than the actual payments, therefore resulting in a significant budget shortfall. Due to tight fiscal constraints, the department is unable to budget at the highest forecasted exchange rate. For the Africa Integration and Support, 99.7 per cent or R5.415 billion of the total budget allocation of R5.433 billion over the medium term is budgeted for Common Monetary Area compensation, with the Collaborative Africa Budget Reform Initiative allocated R8.638 million, the African Regional Technical Centre for Southern Africa budgeted with R4.634 million and the Africa Institute for Development and Economic Planning allocated R4.844 million. Similarly for the 2026/27 financial year, the Common Monetary Area compensation is budgeted with R1.731 billion from the total budget allocation of R1.737 billion.

Payment for capital assets

The payment for capital assets is budgeted at R89.605 million over the medium term, with R26.523 million budgeted for the 2026/27 financial year. There is an average increase of 48.2 per cent from R37.9 million to R123.4 million in the past 3 years compared to the medium term.

Payment for financial assets

The payment for financial assets is also one of the biggest cost drivers within the department over the medium term. Over the medium term, the department has allocated a budget amount of R4.359 billion on payment for financial assets, with R2.409 billion budgeted for the 2026/27 financial year. Over the medium term, the spending priorities for the department are consistent with the past 3 financial years. The spending drivers for the department have not changed and the spending configuration and composition is still more aligned and relevant to the department's mandate.



11. NATIONAL TREASURY KEY RISKS TABLE

OUTCOME	KEY RISKS	RISK MITIGATION
Sustainable public finances	Incorrect data published in the national budget	<p>In-depth comprehensive analysis to allow an opportunity to question data from stakeholders</p> <p>Highly integrated and consultative budget process involving stakeholders at various levels</p> <p>Regular monitoring of data submissions for information credibility and data integrity</p> <p>ICT strategies and platforms to improve data integrity across government</p> <p>Formal technical training and on the job training for employees in place to ensure improved data quality</p> <p>All budget processes conducted on the SQL server environment, thereby improving data security</p> <p>Rigorous number checking process is conducted before the publication of budget documentation</p> <p>MinComBud, BCC, budget Coordinating committee, MTEC and number consolidation processes</p> <p>Peer reviews of research by academic experts outside NT</p> <p>Ensure transparency and credibility of assumptions and forecast process</p>
Sound financial controls and management of public finances	NT Organisation not optimised for effective, efficient and economical service delivery	<p>Strengthen the adequacy and effectiveness of governance, risk management and control processes</p> <p>Improve ICT support by implementing innovative solutions</p> <p>Provide governance and legal support to ensure that the NT's mandate is carried out within the legal framework</p> <p>Implement Business Continuity Management solutions to minimise and eliminate business disruptions</p> <p>Provide a safe and secure environment for all employees</p> <p>Conduct an Organisational review to ensure that human resource allocation and utilisation supports the NT Strategy</p>



OUTCOME	KEY RISKS	RISK MITIGATION
	Fraud, corruption and unethical behaviour	Implementation of fraud prevention strategies Advocate for whistleblowing measures Implement measures to advocate an ethical culture Implement consequence management
	Cyberattacks and leakage of sensitive information	Implementation of ICT data leakage protection, firewalls and encryption solutions Embargoing of sensitive budget information prior to delivery of the budget speech Conduct education and awareness programmes for employees and stakeholders on measures to prevent cyberattacks, loss and leakage of sensitive information Implement document classification systems



12. PUBLIC ENTITIES

NAME OF PUBLIC ENTITY	MANDATE	KEY OUTPUTS	ANNUAL BUDGET 2026/27
Accounting Standards Board (ASB)	To develop uniform standards of Generally Recognised Accounting Practice (GRAP) for all spheres of government in terms of Section 216(1) (a) of the Constitution and the Public Finance Management Act, 1999 (Act No. 1 of 1999), as amended.	Standards of GRAP developed. Research that ensures Standards of GRAP respond to broader financial reporting needs Development of international standards influenced	R17.2 million
Development Bank of Southern Africa (DBSA)	The DBSA is a development finance institution (DFI) that is wholly owned by the government of the Republic of South Africa. The DBSA has a mandate to promote inclusive and sustainable economic development and growth, human resources and institutional capacity development, support development projects and programmes in the region, and promote regional integration through infrastructure development that improves the quality of life for people in Africa.	To advance development impact in the region, by expanding access to development finance, and effectively integrate and implement sustainable development solutions Ensure Financial Sustainability Promoting an Inclusive Economic Recovery in South Africa	R10.281 billion
Financial and Fiscal Commission (FFC)	To make recommendations to Parliament, provincial legislatures, organised local government and other organs of state on financial and fiscal matters as envisaged in the Constitution and other national legislation. Financial and Fiscal Commission Act No. 99 of 1997 as amended	Annual submissions, policy briefs, technical reports, and reports on financial and fiscal matters	R67.7 million
Financial Intelligence Centre (FIC)	To identify the proceeds of crime, combat money laundering and terror financing.	Awareness of the FIC Act Supervision of the FIC Act Enforcement of the FIC Act	R528.2 million
Financial Sector Conduct Authority (FSCA)	To enhance the efficiency and integrity of financial markets; promote fair customer treatment by financial institutions; provide financial education and promote financial literacy; and assist in maintaining financial stability	Invoiced levies collected Penalties from regulated entities collected License applications completed within 90 days Implemented Consumer Education initiatives	R1.231 billion



NAME OF PUBLIC ENTITY	MANDATE	KEY OUTPUTS	ANNUAL BUDGET 2026/27
Government Pensions Administration Agency (GPAA)	Administering pensions on behalf of GEPF in terms of the Government Employees Pension (GEP) Law of 1996 on behalf of GEPF's Board of Trustees.	Reduced unclaimed benefits National Treasury death benefits paid within 60 days after duly completed documents are received National Treasury membership certificates issued within 30 days of admission	R1.705 billion
Government Technical Advisory Centre (GTAC)	To assist organs of state to build their capacity for efficient, effective, and transparent financial management.	Capital appraisal report completed Knowledge products produced Institutional development support provided	R295 million
Independent Regulatory Board for Auditors (IRBA)	To protect the sections of the public that rely on the services of registered auditors, and to provide support to registered auditors. It is required to ensure that only suitably qualified individuals are admitted to the auditing profession, and that registered auditors deliver services of the highest quality and adhere to the highest ethical standards.	Issued auditing pronouncements, auditor reports and comment letters Issued additional guidance on ethical issues, comment letters and Code amendments Disciplinary strategy developed, adopted, and implemented	R237.5 million
Land and Agricultural Development Bank of South Africa (Land Bank)	Provide finance for emerging farmers in pursuit of the equitable ownership of land, agrarian reform, and land distribution. Remove the legacy of past racial and gender discrimination. Promote food security and support commercial agriculture.	Developed solutions for balance sheet challenges Profit optimisation Client value proposition and product offering	R1.982 billion
Office of the Ombud for Financial Services Providers (FAIS Ombud)	To resolve complaints in an economical, informal, and expeditious manner flows from Section 20 of the FAIS Act. A further mandate is derived from the Financial Services Ombud Schemes Act, 2004 (Act No. 37 of 2004).	Report on complaints closed within 9 months of date of receipts Report on complaints closed within 8 months of date of receipts Property syndication report	R99.1 million
Ombud Council (OC)	To oversee ombud schemes and to ensure adequate coverage of complaints against financial product	Participation in and/or facilitation of ombud scheme consumer	R30.2 million



NAME OF PUBLIC ENTITY	MANDATE	KEY OUTPUTS	ANNUAL BUDGET 2026/27
	and service providers by appropriate ombud schemes.	<p>education programmes or initiatives</p> <p>Action plan to address jurisdiction issues and resolve overlaps</p> <p>Resolved complaints</p>	
Office of the Pension Funds Adjudicator (OPFA)	To ensure a procedurally fair, economical and expeditious resolution of complaints in terms of the Act by ensuring that its services are accessible to all; investigating complaints in a procedurally fair manner; reaching a just and expeditious resolution of complaints in accordance with the law; being innovative and proactive in thought and in action; and supporting, encouraging and providing opportunities for individual growth.	<p>Receipt of complaints acknowledged within 2 working days</p> <p>Premature complaints referred to respondents for resolution directly with the complainant within 5 working days of receipt</p> <p>Closed complaints allocated for closure within 2 working days as: abandoned, withdrawn, duplicates, out of jurisdiction</p>	R121.1 million
Office of the Tax Ombud (OTO)	To review and address any complaint by a taxpayer regarding a service matter, or a procedural or administrative matter arising from the application of the provisions of a Tax Act by SARS; and review, at the request of the Minister or at the initiative of the Tax Ombud with the approval of the Minister, any systematic and emerging issues related to a service matter or the application of the provisions of this Act or procedural or administrative provisions of a tax Act.	<p>Reviewed and addressed complaints by taxpayers against SARS</p> <p>Stakeholder engagements and collaboration promoted</p> <p>Agile organisation that can scale efficiently to meet taxpayers demand created</p>	R58.2 million
Public Investment Corporation	The PIC's mandate is centred on investing funds received or held by, for or on behalf of the Government of South Africa and certain bodies, councils, funds, and accounts. The clients of the PIC are mainly pension, provident, social security and guardian funds. Therefore, the PIC's mandate is to invest funds on behalf of these clients, based on investment mandates agreed with each client, and are approved and regulated by the Financial Sector Conduct Authority (FSCA).	<p>Client benchmark portfolio returns exceeded and compliance with client risk parameters</p> <p>Contribution towards the growth and transformation of the economy through unlisted investments</p>	R2.079 billion



NAME OF PUBLIC ENTITY	MANDATE	KEY OUTPUTS	ANNUAL BUDGET 2026/27
South African Revenue Service (SARS)	To collect all revenue due to the state and to support government in meeting its key growth and developmental objectives by facilitating legitimate trade, protecting South African ports of entry and eliminating illegal trade and tax evasion.	Collection of revenue as agreed with the Minister Revenue collected from identified compliance initiatives Reduced number of disputes lodged with SARS	R15.528 billion
South African Special Risks Insurance Association (SASRIA)	Sasria operates under a dual mandate, which focuses on offering short-term insurance coverage against specific risks such as civil commotion, public disorder, strikes, riots, terrorism, and matters connected therewith. Legislatively, as a short-term insurance company, Sasria is mandated to provide coverage for special risk events in terms of the Re-insurance of Material Damages Act and is regulated by the Financial Sector Conduct Authority. In terms of the entity's strategic mandate, Sasria is required to make a positive contribution to transforming the financial services industry in line with the National Development Plan (NDP), to create a sustainable economic environment.	Fast-tracked claims turnaround time Value-add delivered to the customer	R8.040 billion



13. INFRASTRUCTURE PROJECTS

The department does not have any long-term infrastructure or capital projects or plans.

14. PUBLIC PRIVATE PARTNERSHIPS

The department provides advisory services to municipal, provincial and national departments in terms of public private partnerships. The department does not have any public private partnerships.

15. ENDNOTES

Applicable to all Programmes

The department has developed new indicators or revised its indicators and/or targets to ensure compliance with the revised framework for Strategic Plans and Annual Performance Plan. Please refer to these endnotes for information

- No historical information.

N/A – No target set for the period.





national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

PART D: TECHNICAL INDICATOR DESCRIPTION (TID)

2026/27

**NATIONAL
TREASURY**

**ANNUAL
PERFORMANCE
PLAN**



PROGRAMME 1

Output Indicator no 1.1.1	
Indicator Title	Number of reports on the implementation of the CGICT
Definition	To ensure adherence to IT governance framework and unlocking the value that ICT could contribute to business enablement. To ensure that the acquisition, management and use of information technology by departments improves: <ul style="list-style-type: none"> • direct or indirect service delivery to the public, including but not limited to, equal access by the public to services delivered by the department • productivity of the department • cost-efficiency of the department
Source of data	Reports on the implementation of the CGICT
Method of Calculation / Assessment	Simple count of reports on the implementation of the CGICT
Means of verification	Reports on the implementation of the CGICT
Assumptions	The department will have an action plan on the implementation of the CGICT
Disaggregation of Beneficiaries (where applicable)	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	Reflect on contribution to spatial transformation priorities: N/A Reflect on the spatial impact area: N/A
Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired performance	4 reports on the implementation of the CGICT
Indicator responsibility	Chief Directorate: Information & Communication Technology

Output Indicator no 1.1.2	
Indicator Title	Number of progress reports on the implementation of the audit action plan
Definition	The audit action plan consists of audit findings raised in the audit report, management report and the information systems audit findings. Reports are produced on the implementation of audit action plan to address identified internal control deficiencies
Source of data	Progress reports on the implementation of the audit action plan
Method of Calculation / Assessment	Simple count of reports on the implementation of the audit action plan
Means of verification	Progress reports on the implementation of the audit action plan
Assumptions	That the department will have the audit action plan
Disaggregation of Beneficiaries (where applicable)	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	Reflect on contribution to spatial transformation priorities: N/A Reflect on the spatial impact area: N/A
Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired performance	4 progress reports on the implementation of the audit action plan
Indicator responsibility	Chief Directorate: Internal Audit (Chief Audit Executive)



Output Indicator no 1.1.3	
Indicator Title	Number of reports on the implementation of Business Continuity Management plan
Definition	This refers to the progress made on the implementation of approved interventions to improve Business Continuity Management (BCM) within the department
Source of data	Progress reports on interventions on business continuity management
Method of Calculation / Assessment	Simple count of Business Continuity Management implementation reports produced
Means of verification	Reports produced and approved by CRO and DG respectively
Assumptions	That Business Continuity Management implementation report will be approved by DG
Disaggregation of Beneficiaries (where applicable)	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	Reflect on contribution to spatial transformation priorities: N/A Reflect on the spatial impact area: N/A
Calculation Type	Cumulative (year-end)
Reporting Cycle	Bi-annually
Desired performance	2 reports on the implementation of Business Continuity Management plan
Indicator responsibility	Chief Directorate: Risk Management (Chief Risk Officer)

Output Indicator no 1.1.4	
Indicator title	Data exchange platform piloted
Definition	Data exchange platform refers to a structured system that facilitates the transfer of data between different government entities
Source of data	Project reports
Method of calculation	Verify if data exchange platform is piloted
Means of verification	Reports on the piloting of Data exchange platform
Assumptions	That the data is available for analysis and reporting
Disaggregation of Beneficiaries (where applicable)	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	Reflect on contribution to spatial transformation priorities: N/A Reflect on the spatial impact area: N/A
Calculation type	Non-Cumulative
Reporting cycle	Annually
Desired performance	Data exchange platform piloted
Indicator responsibility	Office of the Director-General



Output Indicator no 1.1.5	
Indicator Title	Number of management and leadership development programmes implemented
Definition	This indicator monitors the implementation of all planned management and leadership development interventions that are rolled out within the department. These interventions are formalised classroom-based management and leadership development courses as well as management and leadership coaching interventions
Source of data	Training reports detailing management and leadership development interventions that have been rolled out
Method of Calculation / Assessment	Simple count of management and leadership development programmes implemented
Means of verification	Reports on the management and leadership development programmes implemented
Assumptions	That the department will have an approved workplace skills plan (WSP) depicting the planned leadership development interventions to be rolled out for the financial year
Disaggregation of Beneficiaries (where applicable)	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	Reflect on contribution to spatial transformation priorities: N/A Reflect on the spatial impact area: N/A
Calculation Type	Cumulative (year-end)
Reporting Cycle	Bi-annually
Desired performance	2 management and leadership development programmes implemented
Indicator responsibility	Chief Directorate: Human Resources Management

Output Indicator no 1.1.6	
Indicator Title	Number of quarterly reports on the implementation of the action plan on the mainstreaming of women, youth and persons with disabilities produced
Definition	This indicator monitors implementation of the department's action plan on the mainstreaming of women, youth and persons with disabilities
Source of data	Progress reports that record actual performance against planned performance
Method of Calculation / Assessment	Simple count of quarterly reports on the implementation of the department's action plan on the mainstreaming of women, youth and persons with disabilities
Means of verification	Quarterly Reports
Assumptions	The department will have an action plan on the mainstreaming of women, youth and persons with disabilities
Disaggregation of Beneficiaries (where applicable)	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	Reflect on contribution to spatial transformation priorities: N/A Reflect on the spatial impact area: N/A
Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired performance	4 quarterly reports on the implementation of the action plan on the mainstreaming of women, youth and persons with disabilities produced
Indicator responsibility	Chief Directorate: Human Resources Management



PROGRAMME 2

Output Indicator no 2.1.1	
Indicator Title	Number of research papers completed
Definition	Number of research papers completed through NT managed research programs and projects
Source of data	Research papers as saved on Economic Policy iDrive
Method of Calculation / Assessment	Simple count of research papers completed
Means of verification	Research papers completed through NT managed research programs and projects
Assumptions	That the funding and staff capacity is available to complete the research papers specified
Disaggregation of Beneficiaries (where applicable)	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	Reflect on contribution to spatial transformation priorities: N/A Reflect on the spatial impact area: N/A
Calculation Type	Non-cumulative
Reporting Cycle	Annually
Desired performance	8 research papers completed
Indicator responsibility	DDG: Economic Policy and International Cooperation

Output Indicator no 2.1.2	
Indicator Title	Financial sector legislation drafted
Definition	Draft financial sector legislation, regulation and standards aim to make the financial sector safer, treat customers more fairly, to be more inclusive and have integrity The financial sector legislation to be submitted to Cabinet is set out in the legislative programme submitted to the Leader of Government Business, as amended. The legislation must be submitted by the end of the financial year and in-year targeted dates are not considered
Source of data	Submission memo by the Minister to Cabinet
Method of Calculation / Assessment	Verify if a memo was submitted by Minister requesting Cabinet to approve the financial sector legislation
Means of verification	Submission memo by the Minister to Cabinet
Assumptions	That the public comment process is completed as planned That the Minister approves the legislation for submission to Cabinet
Disaggregation of Beneficiaries (where applicable)	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	Reflect on contribution to spatial transformation priorities: N/A Reflect on the spatial impact area: N/A
Calculation Type	Non-cumulative
Reporting Cycle	Annually
Desired performance	Financial sector legislation submitted to Cabinet
Indicator responsibility	DDG: Tax and Financial Sector Policy



Output Indicator no 2.1.3	
Indicator Title	Legislation to give effect to tax proposals from the Budget drafted
Definition	Tax legislation refers to Rates and Monetary Amounts Amendment Bill and Taxation Laws Amendment Bill, to enable proposals from the Budget Review and Budget Speech to be implemented by the Treasury
Source of data	Parliamentary papers
Method of Calculation / Assessment	Verify if the tax proposals were introduced in Parliament by the Minister
Means of verification	Parliamentary papers
Assumptions	That the public comment process is completed as planned That the Minister approves the legislation for submission to Parliament
Disaggregation of Beneficiaries (where applicable)	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	Reflect on contribution to spatial transformation priorities: N/A Reflect on the spatial impact area: N/A
Calculation Type	Non-cumulative
Reporting Cycle	Bi-annually
Desired performance	Tax legislation submitted to Parliament
Indicator responsibility	DDG: Tax and Financial Sector Policy

Output Indicator no 2.1.4	
Indicator Title	Number of economic forecasts developed
Definition	Economic forecasts inform the budget and Medium-Term Budget Policy Statement (MTBPS) and scenario modelling.
Source of data	Developed quarterly economic forecasts
Method of Calculation / Assessment	Simple count of economic forecasts developed
Means of verification	Quarterly economic forecasts approved by DDG: Economic Policy
Assumptions	Sufficient resources skilled in using econometric tools
Disaggregation of Beneficiaries (where applicable)	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	Reflect on contribution to spatial transformation priorities: N/A Reflect on the spatial impact area: N/A
Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired performance	4 economic forecasts developed
Indicator responsibility	DDG: Economic Policy and International Cooperation



Output Indicator no 2.1.5	
Indicator Title	Number of economic policy analysis reports produced
Definition	This refers to research outputs approved by the DDG, including research papers, research notes, technical analysis, reviews and assessments of external proposals, reports on key sectors and microeconomic constraints, information reports, reports on the state of the economy and macro- and microeconomic trends and variables. Reports can be in word form or presentation form
Source of data	Analysis reports
Method of Calculation/ Assessment	Simple count of economic policy analysis reports produced
Means of verification	Economic policy analysis reports produced
Assumptions	That there are sufficient resources available to conduct the research
Disaggregation of Beneficiaries (where applicable)	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	Reflect on contribution to spatial transformation priorities: N/A Reflect on the spatial impact area: N/A
Calculation Type	Non-cumulative
Reporting Cycle	Annually
Desired performance	8 economic policy analysis reports produced
Indicator responsibility	DDG: Economic Policy and International Cooperation

Output indicator no. 2.1.6	
Indicator Title	Number of analysis reports on the outcomes of South Africa's engagements in regional and global forums produced
Definition	To measure the total number of analysis reports which assess South Africa's engagement in global forums which includes the G20, BRICS, G24 and IMF, but is not limited to these
Source of data	National Development Plan, Budget report, MTBPS, National Treasury reports
Method of Calculation / Assessment	Simple Count of the number of analysis reports
Means of verification	Analysis reports on the outcomes of South Africa's engagements in regional and global forums produced
Assumptions	This assumes regional and global forums are held This assumes South Africa participates in the regional and global forums held
Disaggregation of Beneficiaries (where applicable)	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	Reflect on contribution to spatial transformation priorities: N/A Reflect on the spatial impact area: N/A
Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired performance	3 analysis reports on the outcomes of South Africa's engagements in regional and global forums produced
Indicator responsibility	Chief Directorate: Global and Emerging Markets



PROGRAMME 3

Output Indicator no 3.1.1	
Indicator title	Primary budget surplus maintained
Definition	This indicator measures improvements in fiscal forecasting and budgeting and focuses on the inclusion of the numerical or time bound fiscal objectives that support fiscal and debt stabilisation The difference between total revenue and non-interest expenditure. When revenue exceeds non-interest expenditure there is a surplus
Source of data	Budget documentation
Method of calculation/Assessment	Verify if primary budget surplus is maintained Calculate the difference between total revenue and non-interest expenditure When revenue exceeds non-interest expenditure there is a surplus
Means of verification	Budget documents published on the National Treasury website
Assumptions	Fiscal transparency evaluation recommendations implemented
Disaggregation of Beneficiaries (where applicable)	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	Reflect on contribution to spatial transformation priorities: N/A Reflect on the spatial impact area: N/A
Calculation type	Non-cumulative
Reporting cycle	Annually
Desired performance	Primary budget surplus maintained
Indicator responsibility	DDG: Budget Office

Output Indicator no 3.1.2	
Indicator Title	National Disaster Risk Financing Strategy implemented
Definition	This indicator monitors the strengthening of the legal and institutional framework as well as instruments for disaster risk financing
Source of data	Published documents on the NT website
Method of Calculation / Assessment	Verify if municipal guide for disaster insurance is published
Means of verification	Municipal guide for disaster insurance published
Assumptions	Disaster risk finance diagnostic recommendations implemented
Disaggregation of Beneficiaries (where applicable)	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	Reflect on contribution to spatial transformation priorities: N/A Reflect on the spatial impact area: N/A
Calculation Type	Non-cumulative
Reporting Cycle	Annually
Desired performance	Municipal guide for disaster insurance published
Indicator responsibility	DDG: Intergovernmental Relations



Output Indicator no 3.1.3	
Indicator Title	Intergovernmental fiscal framework reviewed
Definition	Intergovernmental fiscal framework refers to the financing (taxes, user charges and grants) allocated to provinces and local government. Changes are made to strengthen the system and can include changes to the way equitable share allocations are calculated or changes to conditional grant allocation mechanisms or rules or the introduction of new grants or dissolution of grants. It can also include the introduction of additional own revenue instruments/sources to provinces or local government
Source of data	Explanatory Memorandum to the Division of Revenue Bill (published on the National Treasury website as Annexure W1 to the Budget Review)
Method of Calculation / Assessment	Verify if: <ul style="list-style-type: none"> Education component of the provincial equitable share formula is updated Phase 2 of the review of the local government fiscal framework is completed
Means of verification	Budget documents published on the National Treasury website Completed review of Phase 2 of the local government fiscal framework
Assumptions	The required progressive reforms to the intergovernmental fiscal framework to enhance its efficacy are approved for implementation
Disaggregation of Beneficiaries (where applicable)	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	Reflect on contribution to spatial transformation priorities: N/A Reflect on the spatial impact area: N/A
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired performance	Education component of the provincial equitable share formula updated. Phase 2 of the review of the local government fiscal framework completed.
Indicator responsibility	Chief Directorate: Intergovernmental Policy and Planning

Output Indicator no 3.1.4	
Indicator Title	Public Private Partnership Regulations amended
Definition	Amendments to the National Treasury Regulations 16 and key elements of municipal legislation in line with the recommendations of the completed review of the Public Private Partnerships (PPP) framework are expected to reduce the processes required for planning and procuring of PPPs, resulting in simpler regulations that align with project size and complexity
Source of data	Project reports
Method of Calculation / Assessment	Verify if Revised Public Private Partnership Regulations is gazetted
Means of verification	Revised Public Private Partnership Regulations gazetted
Assumptions	Timely finalisation of the public consultations
Disaggregation of Beneficiaries (where applicable)	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	Reflect on contribution to spatial transformation priorities: N/A Reflect on the spatial impact area: N/A
Calculation Type	Non-cumulative
Reporting Cycle	Annually
Desired performance	Revised Public Private Partnership Regulations gazetted
Indicator responsibility	DDG: Budget Office



Output Indicator no 3.1.5	
Indicator Title	Percentage of infrastructure plans reviewed
Definition	The indicator measures the ability of provincial departments to improve their infrastructure planning and the institutionalisation of the infrastructure delivery management system (IDMS)
Source of data	Assessment documents of the user asset management plans and infrastructure programme management plans
Method of Calculation / Assessment	$\frac{\text{Number of infrastructure plans reviewed}}{\text{Number of infrastructure plans received}} \times 100$
Means of verification	Infrastructure plans review reports
Assumptions	Timeous submission by provincial departments
Disaggregation of Beneficiaries (where applicable)	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	Reflect on contribution to spatial transformation priorities: N/A Reflect on the spatial impact area: N/A
Calculation Type	Non-cumulative
Reporting Cycle	Annually
Desired performance	100% of infrastructure plans reviewed
Indicator responsibility	Chief Directorate: Provincial and Local Government Infrastructure

Output Indicator no 3.1.6	
Indicator Title	Financial affordability of the social security system assessed
Definition	Undertake research on financial affordability of the social security system including active labour market instruments, social insurance and social support
Source of data	Project reports
Method of Calculation / Assessment	Verify if Report on Financial affordability of the social security system is completed
Means of verification	Report on Financial affordability of the social security system
Assumptions	Optimised social protection and coverage
Disaggregation of Beneficiaries (where applicable)	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	Reflect on contribution to spatial transformation priorities: N/A Reflect on the spatial impact area: N/A
Calculation Type	Non-cumulative
Reporting Cycle	Annually
Desired performance	Report on Financial affordability of the social security system completed
Indicator responsibility	DDG: Public Finance

Output Indicator no 3.1.7	
Indicator Title	Percentage of requests to prepare mandatory financial recovery plans responded to within 90 days from date of submission of the status quo assessment
Definition	Mandatory financial recovery plans are prepared for municipalities, whom as a result of a crisis in their financial affairs, are in serious or persistent material breach of their obligations to provide basic services or to meet their financial commitments or admit that they are unable to meet their obligations or financial commitments



Output Indicator no 3.1.7	
	<p>The 90 days required for the preparation of the mandatory Financial Recovery Plans (FRP) commences after the finalisation and submission, as determined by National Treasury of the following legislated processes:</p> <ol style="list-style-type: none"> i. the determination of the reasons for the crisis in the municipality's financial affairs; and ii. the assessment of the municipality's financial state. <p>The determination of finalisation of (i) and (ii), is defined in an approval memo signed by the Deputy Director-General: Intergovernmental Relations (DDG: IGR) or a person delegated by the DDG: IGR: or submission of status quo assessment to the MEC for Finance by the Head: Municipal Financial Recovery Service. A Financial Recovery Plan is considered complete when it is submitted to the MEC for Finance in a provincial mandatory intervention and Minister of Finance in a national intervention for consultation or comment.</p> <p>Requests to amend existing mandatory FRPs are excluded from this indicator</p>
Source of data	<p>Tracking register of new municipalities approved for mandatory FRP assistance</p> <p>Approval memo signed by the DDG: IGR or a person delegated by the DDG: IGR</p> <p>Submission memo of the FRP to the Minister of Finance or email submission of status quo assessment and/or FRP by the Head: Municipal Financial Recovery Service to the MEC for Finance</p>
Method of Calculation / Assessment	<p>$\frac{\text{Number of mandatory financial recovery plans prepared within 90 days}}{\text{Total number of municipalities approved for mandatory FRP assistance}} \times 100$</p>
Means of verification	Mandatory financial recovery plans prepared and submitted within the 90 days from date of submission of the status quo assessment
Assumptions	<p>Timely submission of relevant information by municipalities to commence with the preparation of the financial recovery plans</p> <p>Timeous availability of MEC for Finance and CoGTA for statutory required consultative meetings before finalisation of the FRP</p>
Disaggregation of Beneficiaries (where applicable)	<p>Target for Women: N/A</p> <p>Target for Youth: N/A</p> <p>Target for People with Disabilities: N/A</p>
Spatial Transformation (where applicable)	<p>Reflect on contribution to spatial transformation priorities: N/A</p> <p>Reflect on the spatial impact area: N/A</p>
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired performance	100% of requests to prepare mandatory financial recovery plans responded to within 90 days from date of submission of the status quo assessment
Indicator responsibility	Chief Directorate: Municipal Financial Recovery Service



Output Indicator no 3.1.8	
Indicator Title	Amendments to the MFMA drafted
Definition	This refers to drafting of amendments to the Municipal Finance Management Act (MFMA) aimed at enhancing the effectiveness and efficiency of financial management legislation by aligning and streamlining processes, strengthening accountability and enforcement measures, within institutions that must comply with the MFMA.
Source of data	Cabinet memo approved by Minister
Method of Calculation / Assessment	Verify if the MFMA amendments were submitted to Cabinet
Means of verification	Cabinet memo approved by Minister
Assumptions	That the public comment process is completed as planned That the Minister approves the amendments for submission to Cabinet
Disaggregation of Beneficiaries (where applicable)	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	Reflect on contribution to spatial transformation priorities: N/A Reflect on the spatial impact area: N/A
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired performance	MFMA amendments submitted to Cabinet
Indicator responsibility	Chief Directorate: MFMA Implementation

Output Indicator no 3.1.9	
Indicator Title	Percentage of functional budget group reports produced
Definition	Budget process technical engagements take place within functional groupings. Functional groups deliberate on policy priorities and outcomes of their respective functional groups and facilitate the reprioritisation of existing budget allocations towards these priorities. Functional budget group reports in the format of presentations are prepared for consideration by the Technical Committee on Budget (TCB)
Source of data	Departments and entities workbooks
Method of Calculation / Assessment	$\frac{\text{Number of functional budget group reports produced}}{\text{Total number of functional budget groups}} \times 100$
Means of verification	Functional budget group presentations
Assumptions	Functional budget group meetings are convened
Disaggregation of Beneficiaries (where applicable)	Target for Women N/A Target for Youth: N/A Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	Reflect on contribution to spatial transformation priorities: N/A Reflect on the spatial impact area: N/A
Calculation Type	Non-cumulative
Reporting Cycle	Annually
Desired performance	100% of functional budget group reports produced
Indicator responsibility	Chief Directorate: Economic Services Chief Directorate: Administrative Services Chief Directorate: Health and Social Development Chief Directorate: Educational and Related Departments and Labour Chief Directorate: Justice and Protection Services Chief Directorate: Urban Development and Infrastructure



Output Indicator no 3.1.10	
Indicator title	Number of quarterly expenditure reports submitted to the Standing Committee on Appropriations
Definition	Provide the Standing Committee on Appropriation with summary of quarterly expenditure for departments
Source of data	Quarterly expenditure reports with financial data extracted from Vulindlela
Method of calculation	Simple count of reports submitted to the Standing Committee on Appropriations
Means of verification	Reports submitted to the Standing Committee on Appropriations
Assumptions	Information on Vulindlela is updated in line with departments' expenditure reports
Disaggregation of Beneficiaries (where applicable)	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	Reflect on contribution to spatial transformation priorities: N/A Reflect on the spatial impact area: N/A
Calculation type	Cumulative (year-end)
Reporting cycle	Quarterly
Desired performance	4 quarterly expenditure reports submitted to the Standing Committee on Appropriations
Indicator responsibility	Chief Directorate: Economic Services Chief Directorate: Administrative Services Chief Directorate: Health and Social Development Chief Directorate: Educational and Related Departments and Labour Chief Directorate: Justice and Protection Services Chief Directorate: Urban Development and Infrastructure



PROGRAMME 4

Output Indicator no 4.1.1	
Indicator Title	Percentage of complete Corporate Plans received from Schedule 2 and 3B public entities and Annual Performance Plans received from Schedule 3A public entities reporting to the Minister of Finance reviewed
Definition	<p>Review the Water Boards' Corporate Plans within four months of 1st of June each year, following receipt of complete submissions by 31st May each year as stipulated in the legislation</p> <p>Review the Corporate Plans within four months of 1st March each year, following receipt of complete submissions by 28 February each year as stipulated in the legislation, for all other operational and non-exempt Schedule 2 and 3 B public entities excluding Water Boards. Corporate Plans are regarded as complete when they follow the format prescribed in the Treasury Instruction Note, have been approved by the Accounting Authority and there is no information requested from the entity that is outstanding</p> <p>Late or revised submissions will be reviewed within four months from the date of submission. Any Corporate Plan (schedule 2 and 3B) submitted past the 30 days will not be considered for a review i.e. 30 March for schedule 2 and 3B entities and 30 June for Water Boards</p> <p>Review the Annual Performance Plans for schedule 3A public entities reporting to the Minister of Finance within four months from 1 February each year to 30 May each year following receipt of complete submissions by 31st January each year as stipulated in the legislation. Annual Performance Plans are regarded as complete when they follow the format prescribed in the Framework of Strategic Plans and Annual Performance Plans and have been approved by the Accounting Authority and there is no information requested from the entity that is outstanding</p> <p>Late or revised submissions will be reviewed within four months from the date of submission. Any Annual Performance Plan (Schedule 3A's reporting to the Minister of Finance) submitted past the 30 days will not be considered for a review i.e. End of February each year</p> <p>Reports are compiled on the reviewed Corporate Plans and Annual Performance Plans</p>
Source of data	Signed-off Corporate Plans and Annual Performance Plans of Schedule 2, 3A and 3B public entities from Accounting Authority
Method of Calculation / Assessment	<p><u>Number of complete Corporate Plans and Annual Performance Plans of schedule 2, 3A and 3B public entities received and reviewed by the division within 4 months of receipt and the cut-off date x100</u></p> <p>Total number of complete Corporate Plans and Annual Performance Plans received from schedule 2, 3A and 3B public entities within the cut-off date</p> <p>The four months for Schedule 2 and 3B public entities (excluding water boards) begins on 01 March of each year; and</p> <p>The four months for water boards begins on 01 June of each year</p> <p>The four months of Schedule 3A public entities reporting to the Minister of Finance begins on 1 February each year</p> <p>Late submission for Water Boards past 30 June in any year will not be considered for review</p>



Output Indicator no 4.1.1	
	<p>Late submissions for Schedule 3A reporting to the Minister of Finance past 28 February in each year will not be considered for review</p> <p>Late submissions past 31 March in any year will not be considered for review (excluding water boards)</p>
Means of verification	<p>Signed-off reports (Director-level) on review of Corporate Plans of Schedule 2 and 3B public entities, DFIs and water boards received</p> <p>Signed off reports (Director -Level) on review of Annual Performance Plans for Schedule 3A reporting to the Minister of Finance received</p>
Assumptions	<p>No late submission of Corporate Plans from public entities and Annual Performance Plans for Schedule 3A public entities reporting to the Minister of Finance</p> <p>No delays due to Accounting Authorities requests to amend Corporate Plans and Annual Performance Plans</p> <p>Incomplete submissions are not considered until all required information is received</p>
Disaggregation of Beneficiaries (where applicable)	<p>Target for Women: N/A</p> <p>Target for Youth: N/A</p> <p>Target for People with Disabilities: N/A</p>
Spatial Transformation (where applicable)	<p>Reflect on contribution to spatial transformation priorities: N/A</p> <p>Reflect on the spatial impact area: N/A</p>
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired performance	100% of complete Corporate Plans received from Schedule 2 and 3B public entities and Annual Performance Plans received from Schedule 3A public entities reporting to the Minister of Finance reviewed within the stipulated timeframe
Indicator responsibility	<p>Chief Directorate: State Owned Entities Oversight</p> <p>Chief Directorate: Public Entities Shareholder Oversight</p>

Output Indicator no 4.1.2	
Indicator Title	Percentage of Annual Reports received from Schedule 2 and 3B public entities and Schedule 3A public entities reporting to the Minister of Finance reviewed
Definition	<p>Review the Water Boards' Annual Reports within four months of 1st of December each year, following complete submissions by the 30th of November each year as stipulated in the legislation</p> <p>Review the Annual Reports for all other operational and non-exempt Schedule 2 and 3B public entities and Schedule 3A public entities reporting to the Minister of Finance excluding Water Boards within four months of 1st September each year, following complete submissions by 31st August each year as stipulated in the legislation. Annual Reports are regarded as complete when they have been signed off by the auditor general/external auditors, executive authority and Board, and there is no information requested from the entity that is outstanding</p> <p>Late submissions will be reviewed within four months from the date of submission, however, documents received later than 31 March each year for Water Boards and later than 31 December for all other Schedule 2 and 3B entities and Schedule 3A public entities reporting to the Minister of Finance</p>



Output Indicator no 4.1.2	
	<p>except Water Boards (as defined above) will not be reviewed after this cut-off date</p> <p>Reports are compiled on the reviewed Annual Reports</p>
Source of data	Signed-off Annual Report of Schedule 2 and 3B of SOCs and Schedule 3A's reporting to the Minister of Finance
Method of Calculation / Assessment	<p><u>Number of complete annual reports of schedule 2, 3A and 3 B public entities received and reviewed by the division within 4 months of receipt and cut-off date</u> x100</p> <p>Total number of complete Annual Reports received from Schedule 2, 3A and 3B public entities within the cut-off date</p> <p>The four months for schedule 2 and 3B entities and Schedule 3A reporting to the Minister of Finance (excluding water boards) begins on 01 September of each year; while the four months for water boards begins on 01 December of each year</p> <p>Late submissions/revised submissions will be reviewed within four months from the date of submission; however, there will be a cut-off date on submissions valid for review of 31 March each year for water boards and 31 December for all other Schedule 2 and 3B entities and Schedule 3A reporting to the Minister of Finance (defined above)</p> <p>Any submissions made post this date will not be reviewed</p>
Means of verification	Signed-off reports (Director-level) on review of Annual Reports of Schedule 2 and 3B SOCs, DFIs, Schedule 3A reporting to the Minister of Finance and water boards received
Assumptions	<p>No late submission of annual reports from SOCs, DFI, Schedule 3A reporting to the Minister of Finance & WBs</p> <p>No requests from Executive Authorities for extensions or to make amendments to Annual Reports which may result in delays</p> <p>Incomplete submissions are not considered until all required information is received</p>
Disaggregation of Beneficiaries (where applicable)	<p>Target for Women: N/A</p> <p>Target for Youth: N/A</p> <p>Target for People with Disabilities: N/A</p>
Spatial Transformation (where applicable)	<p>Reflect on contribution to spatial transformation priorities: N/A</p> <p>Reflect on the spatial impact area: N/A</p>
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired performance	100% of Annual Reports received from Schedule 2 and 3B public entities and Schedule 3A public entities reporting to the Minister of Finance reviewed within the stipulated timeframe
Indicator responsibility	<p>Chief Directorate: State Owned Entities Oversight</p> <p>Chief Directorate: Public Entities Shareholder Oversight</p>



Output Indicator no 4.1.3	
Indicator Title	Percentage of complete guarantee applications received from Schedule 2 and 3B public entities reviewed
Definition	Review the completed guarantee applications The applications must be reviewed within 30 calendar days of receipt from the Ministry of Finance and signed off by the Director starting from the date all information is received from the applicant
Source of data	Signed-off reports at Director-level
Method of Calculation / Assessment	Number of complete applications for guarantees reviewed within 30 calendar days of receipt by ALM division x100 Number of complete applications for guarantees received
Means of verification	Signed-off reports at Director-level
Assumptions	That complete applications will be received from Schedule 2 and 3B public entities That additional information requested from public entities will be responded to
Disaggregation of Beneficiaries (where applicable)	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	Reflect on contribution to spatial transformation priorities: N/A Reflect on the spatial impact area: N/A
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired performance	100% of complete guarantee applications received from Schedule 2 and 3B public entities reviewed within the stipulated timeframe
Indicator responsibility	Chief Directorate: State Owned Entities Oversight Chief Directorate: Public Entities Shareholder Oversight Chief Directorate: Strategy and Risk Management



Output Indicator no 4.1.4	
Indicator Title	Percentage of annual gross borrowing requirement met in compliance to the risk benchmarks
Definition	Finance government's annual gross borrowing requirements through various debt instruments and the change in cash and other balances
Source of data	Annual gross borrowing requirement is sourced from the Budget tabled annually by the Minister of Finance Annual gross borrowing requirement met is sourced from the Statement of the National Revenue, Expenditure and Borrowing document
Method of Calculation / Assessment	Gross borrowing requirement is the sum of revenue, expenditure, debt due for repayment, and the Eskom debt-relief arrangement $\frac{\text{Annual gross borrowing requirement met}}{\text{Annual gross borrowing requirement}} \times 100$
Means of verification	Annual gross borrowing requirement is sourced from the Budget tabled annually by the Minister of Finance" and from "the Statement of the National Revenue, Expenditure and Borrowing" document
Assumptions	Accurate revenue and expenditure forecasts Favourable market conditions.
Disaggregation of Beneficiaries (where applicable)	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	Reflect on contribution to spatial transformation priorities: N/A Reflect on the spatial impact area: N/A
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired performance	100% of annual gross borrowing requirement met in compliance to the risk benchmarks
Indicator responsibility	Chief Directorate: Liability Management



PROGRAMME 5

Output Indicator no 5.1.1	
Indicator Title	Number of norms and standards developed
Definition	Develop and/or maintain (update) the provisions of the PFMA, Treasury Regulations, circulars, guidelines, frameworks and Treasury Instructions for PFMA compliant institutions
Source of data	Existing legislative framework, transversal matters raised by PFMA compliant institutions, matters arising from Provincial Accountant-General forums and any other information related to financial management received from internal divisions within National Treasury
Method of Calculation / Assessment	Simple count of the norms and standards developed
Means of verification	Norms and standards developed and/or maintained(updated)
Assumptions	New norms and standards identified for development
Disaggregation of Beneficiaries (where applicable)	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	Reflect on contribution to spatial transformation priorities: N/A Reflect on the spatial impact area: N/A
Calculation Type	Cumulative (year-end)
Reporting Cycle	Bi-Annually
Desired performance	6 norms and standards developed and/or maintained (updated)
Indicator responsibility	Chief Directorate: Internal Audit and Risk Management Support Chief Directorate: PFMA Implementation Chief Directorate: Technical Support Services Chief Directorate: Accounting Support and Reporting

Output Indicator no 5.1.2	
Indicator Title	Amendments to the PFMA drafted
Definition	This refers to drafting of amendments to the Public Finance Management Act (PFMA) aimed at enhancing the effectiveness and efficiency of financial management legislation by aligning and streamlining processes, strengthening accountability and enforcement measures, within institutions that must comply with the PFMA.
Source of data	Cabinet memo approved by Minister
Method of Calculation / Assessment	Verify if the PFMA amendments were submitted to Cabinet
Means of verification	Cabinet memo approved by Minister
Assumptions	That the public comment process is completed as planned That the Minister approves the amendments for submission to Cabinet
Disaggregation of Beneficiaries (where applicable)	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	Reflect on contribution to spatial transformation priorities: N/A Reflect on the spatial impact area: N/A
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired performance	PFMA amendments submitted to Cabinet
Indicator responsibility	Chief Directorate: PFMA Implementation



Output Indicator no 5.1.3	
Indicator Title	Number of reports on Public Finance Management support initiatives produced
Definition	This refers to the production of an annual report detailing the initiatives and support provided to enhance public finance management capacity across various government institutions
Source of data	The monitoring reports of the delivery of the various public finance management capacity development training programmes being conducted
Method of Calculation / Assessment	Simple count of reports on Public Finance Management support initiatives produced
Means of verification	Reports on Public Finance Management support initiatives produced
Assumptions	Timely collection and compilation of data from all relevant sources
Disaggregation of Beneficiaries (where applicable)	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	Reflect on contribution to spatial transformation priorities: N/A Reflect on the spatial impact area: N/A
Calculation Type	Non-Cumulative
Reporting Cycle	Annually
Desired performance	1 report on Public Finance Management support initiatives produced
Indicator responsibility	Chief Directorate: PFM Capacity Building and Professionalisation

Output Indicator no 5.1.4	
Indicator Title	Financial management systems modernised
Definition	The modernisation of the PERSAL system refers to upgrading and transforming South Africa's government payroll and HR platform to improve efficiency, security, integration, and service delivery
Source of data	Project reports
Method of Calculation / Assessment	Verify if Phase 1 of PERSAL modernisation is completed
Means of verification	Reports on Phase 1 of PERSAL modernisation completed
Assumptions	That the stakeholder consultations are completed as planned
Disaggregation of Beneficiaries (where applicable)	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	Reflect on contribution to spatial transformation priorities: N/A Reflect on the spatial impact area: N/A
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired performance	Phase 1 of PERSAL modernisation completed
Indicator responsibility	Chief Directorate: Financial Management Systems



Output Indicator no 5.1.5	
Indicator Title	SCM Professionalisation Framework developed
Definition	Professionalisation means establishing SCM as a discipline within the South African educational system, defining SCM norms and standards, and developing a framework for career pathing that allows for progression, articulation, portability, transferability and recognition
Source of data	Project reports
Method of Calculation/ Assessment	Verify if Draft SCM Professionalisation Framework is published
Means of verification	Draft SCM Professionalisation Framework published
Assumptions	Recommendations of the diagnostic study on capacity building system implemented
Disaggregation of Beneficiaries (where applicable)	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	Reflect on contribution to spatial transformation priorities: N/A Reflect on the spatial impact area: N/A
Calculation Type	Non-cumulative
Reporting Cycle	Annually
Desired performance	Draft SCM Professionalisation Framework published
Indicator responsibility	Chief Directorate: SCM Governance Monitoring and Compliance

Output Indicator no 5.1.6	
Indicator Title	Government procurement automated
Definition	This refers to operationalising automated procurement in government departments through the deployment, functionality and rollout of the procurement system. It is part of comprehensive reforms designed to ensure that procurement processes are fair, equitable, transparent, competitive, and cost-effective. The intention is to rectify the systemic issues that facilitated corruption and inefficiency in the public sector.
Source of data	Project reports
Method of Calculation / Assessment	Verify if end-to-end open tendering solution is completed
Means of verification	Project reports on the end-to-end open tendering solution completed
Assumptions	Timely finalisation of the consultation processes
Disaggregation of Beneficiaries (where applicable)	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	Reflect on contribution to spatial transformation priorities: N/A Reflect on the spatial impact area: N/A
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired performance	End-to-end open tendering solution completed
Indicator responsibility	Chief Directorate: SCM Information and Communication Technology



Output Indicator no 5.1.7	
Indicator Title	Number of transversal term contracts implemented
Definition	A transversal term contract refers to a contract for common goods or services or ad hoc goods or services in which more than one government institution participates Implemented refers to transversal term contracts that are renewed, effected for the first time or supplementary contract(s) to existing transversal contract(s)
Source of data	List of transversal term contracts implemented A Transversal term contract register is maintained by the Chief Directorate: Transversal Contracting
Method of Calculation / Assessment	Simple count of the number of transversal term contracts implemented
Means of verification	Bid Adjudication Committee reports
Assumptions	There are goods and services that can be procured as a transversal contract
Disaggregation of Beneficiaries (where applicable)	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	Reflect on contribution to spatial transformation priorities: N/A Reflect on the spatial impact area: N/A
Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired performance	26 transversal term contracts implemented
Indicator responsibility	Chief Directorate: Transversal Contracts



Output Indicator 5.1.8	
Indicator Title	Procurement legislation developed
Definition	The Public Procurement Act addresses fragmentation in procurement legislative environment and will include regulatory aspects related to the procurement of Public Private Partnerships (PPPs) and infrastructure. Significant procurement reforms will be supported by greater use of technology and automation including provision of real-time information regarding, among others, tax compliance, and the profile and historical performance of prospective service providers
Source of data	Regulations to the Public Procurement Act promulgated
Method of Calculation / Assessment	Verify if Regulations to the Public Procurement Act are promulgated
Means of verification	Regulations issued under the Public Procurement Act promulgated in the Government gazette
Assumptions	That the public consultation process is concluded That Parliament approves the regulations for promulgation by the Minister
Disaggregation of Beneficiaries (where applicable)	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	Reflect on contribution to spatial transformation priorities: N/A Reflect on the spatial impact area: N/A
Calculation Type	Non-cumulative
Reporting Cycle	Annually
Desired performance	Regulations to the Public Procurement Act promulgated
Indicator responsibility	Chief Directorate: Public Procurement



ANNEXURE A: DISTRICT DEVELOPMENT MODEL

The National Treasury supports the implementation of the District Development Model (DDM) in South Africa. Led by the Department of Cooperative Governance and Traditional Affairs (CoGTA), National Treasury is involved in key aspects of the process, inter alia:

- i. **Joint Planning and Budgeting:** National Treasury collaborates with other government departments to ensure that planning and budgeting processes are integrated across all three spheres of government (national, provincial, and local). This joint approach is essential for the development of the “One Plan” for each district and metropolitan area.
- ii. **Resource Allocation:** National Treasury is responsible for aligning resource allocation and budgeting to support the implementation of the DDM. This ensures that financial resources are directed towards the priorities identified in the One Plans.
- iii. **Monitoring and Reporting:** National Treasury, along with the Presidency, Department of Planning, Monitoring and Evaluation (DPME) and the Department of Cooperative Governance and Traditional Affairs (CoGTA), oversees the monitoring and reporting of the DDM’s progress. This includes evaluating the effectiveness of the model and making necessary adjustments.
- iv. **Capacity Building:** National Treasury supports capacity-building initiatives to enhance the ability of local governments to implement the DDM effectively. This includes training and support for financial management and planning.
- v. **Supporting local government budget process:** National Treasury works closely with CoGTA and other stakeholders to ensure that there is a coordinated approach to the implementation of the DDM which includes enforcing local government financial management practices and tools in the One Plan, in compliance with the due municipal budgeting process.

By playing these crucial roles, National Treasury helps to ensure that the DDM achieves its goal of improving service delivery and promoting socio-economic development across South Africa’s districts and metropolitan areas.



ANNEXURE B: CONDITIONAL GRANT ALLOCATIONS

Name of Grant	Purpose	Outputs	Current Annual Budget	Period of Grant
Urban Development Financing Grant (NDPG, PEP, PPPSG, BFI,MTSR)	<p>To promote spatially transformed cities with financially sustainable trading services that are able to meet their service delivery mandates</p> <p>To support metropolitan municipalities with resilient infrastructure investment, including programme and project preparation to enable them to leverage additional concessionary and commercial loan finance to enhance sustainable infrastructure investment</p>	<p>A credible pipeline of bankable programmes and projects.</p> <p>Improved partnerships between metropolitan municipalities and private sector.</p> <p>Long-term programmes/projects that will attract private investment and assist metropolitan municipality revenue collection.</p>	R3.091 billion	Continues over the medium term
Neighbourhood Development Partnership Grant (NDPG< PPPSG Non-metros)	To provide spatially targeted capital funding of intergovernmental project pipelines, supporting and facilitating economic development opportunities in previously disadvantaged areas	<p>30 targeted infrastructure projects</p> <p>Number of credible pipeline of projects developed by non-metro municipalities</p>	R542 million	To be phased out over the medium term
Infrastructure Skills Development Grant	To recruit unemployed graduates into municipalities to be trained and professionally registered as per the requirements of the relevant statutory councils within the built environment	<p>Number of built environment graduates registered as candidates for training and professional development as per requirements of the relevant statutory councils</p> <p>Number of graduates recognised as registered professionals by the relevant statutory councils</p> <p>Number of graduates employed as registered professionals within the built environment in local government</p>	R172.8 million	Continues over the medium term



Name of Grant	Purpose	Outputs	Current Annual Budget	Period of Grant
Local Government Financial Management Grants	To promote and support reforms in financial management by building capacity in municipalities to implement the Municipal Finance Management Act (MFMA)	Number of financial management interns appointed Number of municipalities that developed audit action plans Number of municipalities that implemented the FMCMM	R590 million	Continues over the medium term
Smart Meters Grant	To enable municipalities to implement bidirectional smart metering systems	Number of smart bidirectional meters installed on behalf of the municipality Reduction of technical distribution losses pertaining to the municipal electricity/water function Percentage and Rand value improvement in revenue collection vs the baseline (collection prior to implementation)	R650 million	Continues over the medium term



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National Treasury
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