



## **national treasury**

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National Treasury  
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**TO: Accounting Officers  
Chief Financial Officers  
Heads of Infrastructure**

### **Provincial Government Infrastructure Circular 1 of 2016**

#### **STANDARDISED APPROACH IN REPORTING PROVINCIAL INFRASTRUCTURE PROJECTS**

1. The purpose of this circular is to prescribe the standardized approach that provincial departments should adhere to in reporting provincial government infrastructure projects effective from the 2016/17 financial year.
2. National Treasury will publish provincial government infrastructure financial and non-financial information from the 2016/17 financial year. This information will be published on a quarterly basis for the current year. Monthly publication will be considered from the 2017/18 financial year and beyond. The quality of information to be published is critical and requires departments to provide credible data when capturing information on reporting systems.
3. The system that is used to capture financial information is Basic Accounting System (BAS) while the format to report provincial infrastructure information is the Infrastructure Reporting Model (IRM). It is also noted that there are project management systems that exists within sector departments to report infrastructure. The data that currently exists in these various systems does not correlate, leading to different systems reflecting different financial and non-financial data. This is mostly contributed by the absence of a standardized guide on how departments should capture project information in these systems.
4. A circular on changes to Standard Chart Of Accounting (SCOA) was issued on 9 December 2015 and makes provision for a standardized approach to capture infrastructure projects on BAS segments. Detailed information to guide departments is attached on **ANNEXURE A** of this circular (**Provincial Infrastructure Circular 1 of 2016**).
5. The planning and budgeting process requires provincial departments to submit prioritized project lists (B5 format) to Provincial Treasuries for tabling. Section 13 (1) (b) of the Division of Revenue Act requires Provincial Treasuries to make public the project lists within 7 days after the tabling. Departments should exercise diligence in the selection of projects to be tabled in order to ensure that credible information is published and reported. Detailed information to guide departments is attached on **ANNEXURE A** of this circular (**Provincial Infrastructure Circular 1 of 2016**).
6. The tabled project list must then be captured on the IRM with the approved budget. This budget will be monitored on a monthly basis and performance information will be

published quarterly. Detailed information to guide departments on reporting requirements is attached on **ANNEXURE A** of this circular. **ANNEXURE B** provides information on how to cater for emergency/disaster projects that may occur in year.

We trust that you will find the above in order.

Kind regards



**WENDY FANOE**

**ACTING DEPUTY DIRECTOR GENERAL: INTERGOVERNMENTAL RELATIONS**

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