

**NATIONAL ASSEMBLY**  
**QUESTION FOR WRITTEN REPLY**  
**QUESTION NUMBER: 1255 [NW1533E]**  
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**1255. Mr N M Hadebe (IFP) to ask the Minister of Finance:**

With reference to the notable increase in the current financial year in the total number of invoices that are not settled within the 30-day stipulated period by government departments, and noting the impact of the delay to small and medium-sized enterprises (SMEs) that provide goods and services to the departments (details furnished), what mechanisms has the National Treasury put in place to (a) assist SMEs when the payments are not settled in time and (b) address the issue related to the Department of Defence that recorded the highest number of invoices paid after 30 days, especially given the challenging economic conditions faced by SMEs? NW1533E

**REPLY**

- a) The Accounting Officer of a department, trading entity or constitutional institution is required in terms of section 38(1)(f) of the Public Finance Management Act (PFMA), 1999 (Act No. 1 of 1999), to settle all contractual obligations and pay all money owing, including intergovernmental claims, within the prescribed or agreed period. Treasury Regulation 8.2.3 prescribes 30 days from receipt of an invoice as the prescribed period or, in the case of civil claims, from the date of settlement or court judgment.

National Treasury issued Treasury Instruction Note Number 34 which requires departments to submit Exception reports to the relevant treasuries, which includes information on the number and rand value of invoices paid after 30 days from the date of receipt, the number and rand value of invoices that are older than 30 days which remained unpaid and the reasons for the late and/or non-payment of the invoices. This Instruction Note is being reviewed to strengthen consequence management in those institutions that are not adhering to Treasury Regulation 8.2.3.

Furthermore, the National Treasury established a central email address ([30daysqueries@treasury.gov.za](mailto:30daysqueries@treasury.gov.za)) to assist suppliers with queries on non-payment of invoices by organs of the state. Queries are followed up with institutions not paying suppliers on time and feedback is provided to suppliers with reasons for the late or non-payment of invoices as well as the possible date for the payment, or any other means to resolve queries. Queries related to provincial institutions are referred to provincial treasuries for intervention and escalated to the Chief Financial Officers of the relevant provincial institutions.

- b) The Department of Defence reported 18 496 invoices paid after 30 days to the rand value of R269 million during the first quarter of the 2024/25 financial year, which included supplier's invoices and medical invoices. Many of the invoices not paid within 30 days by the Department of Defence relate to the payment of medical invoices for outsourced services where medical practitioners are always not registered on the Central Supplier Database. This delays the verification process and the capturing and payment of invoices timeously.