



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

EXPLANATORY NOTE ON COVID-19 RELATED EXPENDITURE FOR NATIONAL AND PROVINCES

FINANCIAL YEAR 2020/21

ISSUED BY THE DIRECTOR-GENERAL: NATIONAL TREASURY

The Government of South Africa announced a R500 billion COVID-19 support package in 2020, the details of which was reported in the June 2020 Supplementary Budget. Direct budget allocations amounted to R142 billion in proposed spending, with the remainder provided through tax measures, a loan guarantee scheme and support provided through the Unemployment Insurance Fund.

This report provides information on direct budget support (R142 billion) provided by national and provincial departments. Spending is reported against the COVID-19 support package announced in the 2020 Supplementary Budget and adjusted in the 2021 2nd Adjustments Budget. Expenditure Information was extracted from the financial systems of government and will be updated as and when final departmental financial statements are published.

National and provincial departments spent R122.5 billion of the R142 billion allocated in the 2020 Supplementary Budget. Included in this expenditure is transfers of R59 billion that will be reported on in the financial reports of the relevant spending agencies.

Table 1: Allocations and expenditure on COVID-19 Response: 2020/21

	2020 Supplementary Budget	2021 2nd Adjustments Budget	Total available	National: Expenditure April to March	Provinces: Expenditure April to March	Total expenditure April to March	Included in existing transfers	Total preliminary outcome April to March
R million								
Support to vulnerable households for 6 months	40 891	6 797	47 688	19 659		19 659	28 029	47 688
Health	21 544		21 544	5 913	19 181	25 094		25 094
Support to municipalities	20 034		20 034			–	20 034	20 034
Other frontline services	13 623		13 623	5 176		5 176		5 176
Basic and higher education*	12 541	6 999	19 540	146	6 155	6 301	5 000	11 301
Support to public entities	5 964		5 964	–		–	5 964	5 964
Other COVID-19 interventions	1 766		1 766	408	3 792	4 200		4 200
National: Employment creation allocation, Small and informal business support, and job protection	6 061	4 116	10 176	1 551		1 551		1 551
Provincial: Employment creation allocation		1 520	1 520		1 520	1 520		1 520
Allocated for COVID-19 fiscal relief package	122 425	19 431	141 856	32 852	30 648	63 500		
Provisional allocations for COVID-19 fiscal relief package	19 575	-19 431	144			–		–
Total	142 000	–	142 000	32 852	30 648	63 500	59 027	122 527

Source: National Treasury. Expenditure data sourced from the Basic Accounting System (BAS)

* Includes Provincial Employment creation allocation

Details of transfer payments are as follows:

- Support to vulnerable households: The Social Relief of Distress grants were paid as part of the existing grant management system by SASSA. The full budget was paid to SASSA by the DSD and details of spending will be provided in the financial statements of SASSA.
- Support to municipalities: The COVID-19 allocation was paid as part of the monthly transfers to local government. Spending by local government on COVID-19 interventions are reported in the Section 71 report for Local Government published on the National Treasury website.
- Basic and higher education: The R5 billion allocated to Higher Education Institutions was paid as part of higher education grants.
- Allocations to support public entities have been paid as part of entity transfers.

A spreadsheet containing monthly spending data for national and provincial departments accompanies this release.

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