

Reference: RCS/C.6

TREASURY CIRCULAR NO. 16/2018

THE PREMIER
 THE MINISTER OF ECONOMIC OPPORTUNITIES
 THE MINISTER OF COMMUNITY SAFETY
 THE MINISTER OF CULTURAL AFFAIRS AND SPORT
 THE MINISTER OF EDUCATION
 THE MINISTER OF FINANCE
 THE MINISTER OF HEALTH
 THE MINISTER OF HUMAN SETTLEMENTS
 THE MINISTER OF LOCAL GOVERNMENT, ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING
 THE MINISTER OF SOCIAL DEVELOPMENT
 THE MINISTER OF TRANSPORT AND PUBLIC WORKS
 THE SPEAKER: PROVINCIAL PARLIAMENT
 THE DEPUTY SPEAKER: PROVINCIAL PARLIAMENT
 THE EXECUTIVE AUTHORITY: WESTERN CAPE GAMBLING AND RACING BOARD (MINISTER IH MEYER)
 THE EXECUTIVE AUTHORITY: WESTERN CAPE NATURE CONSERVATION BOARD (MINISTER A BREDELL)
 THE EXECUTIVE AUTHORITY: WESTERN CAPE INVESTMENTS AND TRADE PROMOTION AGENCY (MINISTER A WINDE)
 THE EXECUTIVE AUTHORITY: SALDANHA BAY IDZ LICENCING COMPANY (MINISTER A WINDE)
 THE EXECUTIVE AUTHORITY: WESTERN CAPE CULTURAL COMMISSION (MINISTER A MARAIS)
 THE EXECUTIVE AUTHORITY: WESTERN CAPE LANGUAGE COMMITTEE (MINISTER A MARAIS)
 THE EXECUTIVE AUTHORITY: WESTERN CAPE HERITAGE (MINISTER A MARAIS)
 THE EXECUTIVE AUTHORITY: CASIDRA (MINISTER A WINDE)
 THE EXECUTIVE AUTHORITY: WESTERN CAPE LIQUOR AUTHORITY (MINISTER D PLATO)
 THE ACCOUNTING OFFICER: VOTE 1: PREMIER (ADV B GERBER)
 THE ACCOUNTING OFFICER: VOTE 2: PROVINCIAL PARLIAMENT (DR G LAWRENCE)
 THE ACCOUNTING OFFICER: VOTE 3: PROVINCIAL TREASURY (MR Z HOOSAIN)
 THE ACCOUNTING OFFICER: VOTE 4: COMMUNITY SAFETY (MR G MORRIS)
 THE ACCOUNTING OFFICER: VOTE 5: EDUCATION (MR BK SCHREUDER)
 THE ACCOUNTING OFFICER: VOTE 6: HEALTH (DR B ENGELBRECHT)
 THE ACCOUNTING OFFICER: VOTE 7: SOCIAL DEVELOPMENT (DR R MACDONALD)
 THE ACCOUNTING OFFICER: VOTE 8: HUMAN SETTLEMENTS (MR T MGULI)
 THE ACCOUNTING OFFICER: VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING (MR P VAN ZYL)
 THE ACCOUNTING OFFICER: VOTE 10: TRANSPORT AND PUBLIC WORKS (MS J GOOCH)
 THE ACCOUNTING OFFICER: VOTE 11: AGRICULTURE (MS J ISAACS)
 THE ACCOUNTING OFFICER: VOTE 12: ECONOMIC DEVELOPMENT AND TOURISM (MR S FOURIE)
 THE ACCOUNTING OFFICER: VOTE 13: CULTURAL AFFAIRS AND SPORT (MR B WALTERS)
 THE ACCOUNTING OFFICER: VOTE 14: LOCAL GOVERNMENT (MR G PAULSE)
 THE CHIEF FINANCIAL OFFICER: VOTE 1: PREMIER (MR D BASSON)
 THE CHIEF FINANCIAL OFFICER: VOTE 2: PROVINCIAL PARLIAMENT (MS N PETERSEN)
 THE CHIEF FINANCIAL OFFICER: VOTE 3: PROVINCIAL TREASURY (MS A SMIT)
 THE CHIEF FINANCIAL OFFICER: VOTE 4: COMMUNITY SAFETY (MR M FRIZLAR)
 THE CHIEF FINANCIAL OFFICER: VOTE 5: EDUCATION (MR L ELY)
 THE CHIEF FINANCIAL OFFICER: VOTE 6: HEALTH (MR A VAN NIEKERK)
 THE CHIEF FINANCIAL OFFICER: VOTE 7: SOCIAL DEVELOPMENT (MR JO SMITH)
 THE CHIEF FINANCIAL OFFICER: VOTE 8: HUMAN SETTLEMENTS (MR F DE WET)
 THE CHIEF FINANCIAL OFFICER: VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING (MR T GILDENHUY)
 THE CHIEF FINANCIAL OFFICER: VOTE 10: TRANSPORT AND PUBLIC WORKS (ADV C SMITH)
 THE CHIEF FINANCIAL OFFICER: VOTE 11: AGRICULTURE (MR F HUYSAMER)
 THE CHIEF FINANCIAL OFFICER: VOTE 12: ECONOMIC DEVELOPMENT AND TOURISM (MS M ABRAHAMS)
 THE CHIEF FINANCIAL OFFICER: VOTE 13: CULTURAL AFFAIRS AND SPORT (MS BG RUTGERS)
 THE CHIEF FINANCIAL OFFICER: VOTE 14: LOCAL GOVERNMENT (MS B SEWLALL-SINGH)

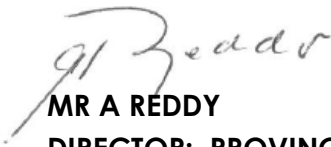
For information

THE ACCOUNTING AUTHORITY: WESTERN CAPE GAMBLING AND RACING BOARD (MR T ARENDSE)
 THE ACCOUNTING AUTHORITY: WESTERN CAPE NATURE CONSERVATION BOARD (PROF G MANEVELDT)
 THE ACCOUNTING AUTHORITY: WESTERN CAPE INVESTMENTS AND TRADE PROMOTION AGENCY (MR B FIGAJI)
 THE ACCOUNTING AUTHORITY: SALDANHA BAY IDZ LICENCING COMPANY (DR J STEGMANN)
 THE ACCOUNTING AUTHORITY: WESTERN CAPE CULTURAL COMMISSION (MS J MOLELEKI)
 THE ACCOUNTING AUTHORITY: WESTERN CAPE LANGUAGE COMMITTEE (MS J MOLELEKI)
 THE ACCOUNTING AUTHORITY: WESTERN CAPE HERITAGE (MR M DLAMUKA)
 THE ACCOUNTING AUTHORITY: CASIDRA (DR L COETZEE)
 THE ACCOUNTING AUTHORITY: WESTERN CAPE LIQUOR AUTHORITY (MR M JONES)
 THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE GAMBLING AND RACING BOARD (MR P ABRAHAMS)
 THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE NATURE CONSERVATION BOARD (DR R OMAR)
 THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE INVESTMENTS AND TRADE PROMOTION AGENCY (MR T HARRIS)
 THE CHIEF EXECUTIVE OFFICER: SALDANHA BAY IDZ LICENCING COMPANY (MR D SOUTHGATE) (ACTING)
 THE CHIEF EXECUTIVE OFFICER: CASIDRA (MR M BRINKHUIS)
 THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE LIQUOR AUTHORITY (DR L MDUNYELWA)
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE GAMBLING AND RACING BOARD (MS Z SIWA)
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE NATURE CONSERVATION BOARD (MR M BHAYAT)
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE INVESTMENTS AND TRADE PROMOTION AGENCY (MS K ZAMA)
 THE CHIEF FINANCIAL OFFICER: SALDANHA BAY IDZ LICENCING COMPANY (MR H BONESCHANS)
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE CULTURAL COMMISSION (MS B RUTGERS)
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE LANGUAGE COMMITTEE (MS B RUTGERS)
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE HERITAGE (MS B RUTGERS)
 THE CHIEF FINANCIAL OFFICER: CASIDRA (MR F VAN ZYL)
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE LIQUOR AUTHORITY (MS V LETSWALO)
 THE DIRECTOR: GOVERNMENT MOTOR TRANSPORT (MR R WIGGILL)
 THE HEAD OFFICIAL: PROVINCIAL TREASURY (MR Z HOOSAIN)
 THE DEPUTY DIRECTOR GENERAL: FISCAL AND ECONOMIC SERVICES (MR H MALILA)
 THE DEPUTY DIRECTOR GENERAL: GOVERNANCE AND ASSET MANAGEMENT (MR IG SMITH) (ACTING)
 THE CHIEF DIRECTOR: PUBLIC POLICY SERVICES (MS M KORSTEN)
 THE CHIEF DIRECTOR: PROVINCIAL GOVERNMENT PUBLIC FINANCE (MS JD GANTANA)
 THE CHIEF DIRECTOR: LOCAL GOVERNMENT PUBLIC FINANCE (VACANT)
 THE CHIEF DIRECTOR: ASSET MANAGEMENT (MS N EBRAHIM) (ACTING)
 THE CHIEF DIRECTOR: FINANCIAL GOVERNANCE AND ACCOUNTING (MR A HARDIEN)
 THE CHIEF FINANCIAL OFFICER (MS A SMIT)
 THE HEAD: OFFICE OF THE FINANCE MINISTRY (ADV E PRETORIUS)
 THE DIRECTOR: BUSINESS INFORMATION AND DATA MANAGEMENT (MR PP PIENAAR)
 THE DIRECTOR: FINANCIAL GOVERNANCE (MS N PALMER) (ACTING)
 THE DIRECTOR: FISCAL POLICY (DR N NLEYA)
 THE DIRECTOR: INFRASTRUCTURE (MR K LANGENHOVEN)
 THE DIRECTOR: LOCAL GOVERNMENT ACCOUNTING (MR L BRINDERS)
 THE DIRECTOR: LOCAL GOVERNMENT BUDGET OFFICE (MR ML BOOYSEN)
 THE DIRECTOR: LOCAL GOVERNMENT REVENUE AND EXPENDITURE (GROUP ONE) (VACANT)
 THE DIRECTOR: LOCAL GOVERNMENT REVENUE AND EXPENDITURE (GROUP TWO) (MR M SIGABI)
 THE DIRECTOR: LOCAL GOVERNMENT SUPPLY CHAIN MANAGEMENT (MR R MOOLMAN)
 THE DIRECTOR: PROVINCIAL GOVERNMENT ACCOUNTING (MR A REDDY)
 THE DIRECTOR: PROVINCIAL GOVERNMENT BUDGET OFFICE (MS RH SLINGER)
 THE DIRECTOR: PROVINCIAL GOVERNMENT FINANCE (EXPENDITURE MANAGEMENT) (MS A PICK)
 THE DIRECTOR: PROVINCIAL GOVERNMENT SUPPLY CHAIN MANAGEMENT (MS T RAKIEP) (ACTING)
 THE DIRECTOR: STRATEGIC AND OPERATIONAL MANAGEMENT SUPPORT (VACANT)
 THE DIRECTOR: SUPPORTING AND INTERLINKED FINANCIAL SYSTEMS (MR A MAZOMBA)
 THE PROVINCIAL AUDITOR
 MASTER RECORDS OFFICIAL: BUSINESS INFORMATION AND DATA MANAGEMENT
 THE DEPUTY DIRECTOR GENERAL: CORPORATE ASSURANCE, DEPARTMENT OF THE PREMIER (MS H ROBSON)

NATIONAL TREASURY CIRCULAR ON THE TIMEOUS PAYMENT OF INVOICES AND CLAIMS

1. The Accounting Officers (AOs), Accounting Authorities (AAs) and Chief Financial Officers (CFOs) of departments and public entities to take note of the content of the attached National Treasury Circular dated 26 March 2018 on the Timeous Payment of Invoices and claims.

2. The National Treasury is reiterating the importance of settling invoices within 30 days from receipt of invoice. This NT Circular must be read in conjunction with NT Instruction Note 34 dated 30 November 2011 as was issued to departments and entities under cover of the latest Provincial Treasury Circular 35/2014 dated 27 August 2014.
3. AOs, AAs and CFOs are requested to take note of the attached NT Circular and institute steps to ensure that all invoices are settled within 30 days of receipt.
4. Your co-operation in this regard will be highly appreciated.



MR A REDDY

DIRECTOR: PROVINCIAL GOVERNMENT ACCOUNTING AND COMPLIANCE

DATE: 8 May 2018



**TO ALL: ACCOUNTING OFFICERS OF DEPARTMENTS AND
CONSTITUTIONAL INSTITUTIONS**

ACCOUNTING AUTHORITIES OF PUBLIC ENTITIES

HEAD OFFICIALS OF PROVINCIAL TREASURIES

**ACCOUNTING OFFICERS OF MUNICIPALITIES AND MUNICIPAL
ENTITIES**

**NATIONAL TREASURY CIRCULAR ON THE TIMEOUS PAYMENT OF INVOICES
AND CLAIMS**

1. The purpose of this Circular is to remind institutions to pay for services and claims within the required period, and accounting officers and accounting authorities to monitor compliance thereof. The Budget Speech of the Minister of Finance on 21 February 2018 underlined this imperative.
2. I refer to previous correspondence of the National Treasury concerning the late or non-payment for services and claims by institutions, i.e.
 - (a) National Treasury circular of 31 May 2010 and Instruction Note No 34 of 30 November 2011; and
 - (b) MFMA Circular No 49 of 29 June 2009.
3. The late or non-payment of valid invoices and claims has dire consequences for both the public and private sectors. Business, in particular small business have raised concerns regarding the delays and non-timeous payment for services rendered, which results in negative impacts on job creation and the economy.
4. Accounting officers and accounting authorities of institutions falling under the scope of the PFMA or the MFMA must ensure that measures are in place to pay valid invoices and claims within 30 days as required by legislation or, where applicable, within the period contractually agreed with suppliers. This includes strengthening internal controls and monitoring of implementation as well as reviewing and, where appropriate, updating the system of delegation.
5. Officials responsible for the late or non-payment of invoices and claims commit financial misconduct or ordinary misconduct. The relevant authorities must institute disciplinary steps against those employees in accordance with

the applicable disciplinary procedures. A failure by the relevant authority to take such steps in itself constitutes non-compliance. Where justified, the National Treasury will utilise available powers including reporting to Parliament or, through Provincial Treasuries, to Provincial Legislatures on the late or non-payment of creditors and, in the case of serious or persistent breaches of measures in the PFMA or the MFMA, the stoppage of funds in terms of section 216 of the Constitution and other applicable legislation.

6. Where a dispute arises, the relevant creditor must be informed in writing within 30 days of receipt of the invoice, or the contractually agreed period of payment, to enable the matter to be resolved amicably between the contracting parties. Facilitation of such disputes may be referred to the National Treasury or the relevant provincial treasury, if another organ of state is party to the dispute.
7. Accounting officers of national departments must please bring the contents of this circular to the attention of all-
 - (a) accounting officers of constitutional institutions that receive transfers and subsidies from their respective votes; and
 - (b) accounting authorities of public entities reporting to their respective executive authorities.
8. Head Officials of Provincial Treasuries are requested to please bring the contents of this circular to the attention of all-
 - (a) accounting officers of departments and accounting authorities of public entities in their respective provinces; and
 - (b) accounting officers of municipalities and municipal entities in their respective provinces.



DONDO MOGAJANE
DIRECTOR-GENERAL

Date: 26/3/2018