

PROVINSIALE TESOURIE • PROVINCIAL TREASURY •
UNONDYEBO WEPHONDO



Verwysing
Reference
Isalathiso

T 16 R

Navrae
Enquiries
Imibuzo

NB Langenhoven

TREASURY CIRCULAR, NO. 12/2009

THE PREMIER

THE MINISTER OF AGRICULTURE
THE MINISTER OF COMMUNITY SAFETY
THE MINISTER OF CULTURAL AFFAIRS AND SPORT
THE MINISTER OF EDUCATION
THE MINISTER OF FINANCE, ECONOMIC DEVELOPMENT AND TOURISM
THE MINISTER OF HEALTH
THE MINISTER OF HOUSING
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

For information

ALL OTHER MEMBERS OF PARLIAMENT

THE ACCOUNTING OFFICER: VOTE 1: PREMIER (MS V PETERSEN)
THE ACCOUNTING OFFICER: VOTE 2: PROVINCIAL PARLIAMENT (MR P WILLIAMS)
THE ACCOUNTING OFFICER: VOTE 3: PROVINCIAL TREASURY (DR JC STEGMANN)
THE ACCOUNTING OFFICER: VOTE 4: COMMUNITY SAFETY (DR GA LAWRENCE)
THE ACCOUNTING OFFICER: VOTE 5: EDUCATION (MR RB SWARTZ)
THE ACCOUNTING OFFICER: VOTE 6: HEALTH (PROF KG HOUSEHAM)
THE ACCOUNTING OFFICER: VOTE 7: SOCIAL DEVELOPMENT (MS S FOLLENTINE) (ACTING)
THE ACCOUNTING OFFICER: VOTE 8: LOCAL GOVERNMENT AND HOUSING (MS S MAJIET)
THE ACCOUNTING OFFICER: VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING (MR R ELLIS) (ACTING)
THE ACCOUNTING OFFICER: VOTE 10: TRANSPORT AND PUBLIC WORKS (MR T MANYATHI)
THE ACCOUNTING OFFICER: VOTE 11: AGRICULTURE (MS J ISAACS)
THE ACCOUNTING OFFICER: VOTE 12: ECONOMIC DEVELOPMENT AND TOURISM (MR B ROBERTS)
THE ACCOUNTING OFFICER: VOTE 13: CULTURAL AFFAIRS AND SPORT (MR B WALTERS) (ACTING)

THE CHIEF FINANCIAL OFFICER: VOTE 1: PREMIER (MR H ARENDSE)
THE CHIEF FINANCIAL OFFICER: VOTE 2: PROVINCIAL PARLIAMENT (MS A SMIT)
THE CHIEF FINANCIAL OFFICER: VOTE 3: PROVINCIAL TREASURY (MR A GILDENHUYS)
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: LOCAL GOVERNMENT AND HOUSING (MR D BASSON)
THE CHIEF FINANCIAL OFFICER: VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING (MR AA GAFFOOR)
THE CHIEF FINANCIAL OFFICER: VOTE 10: TRANSPORT AND PUBLIC WORKS (MR OR ISMAY)
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 HEAD OFFICIAL: PROVINCIAL TREASURY (DR JC STEGMANN)
THE HEAD: BRANCH FISCAL AND ECONOMIC SERVICES (MR H MALILA)
THE HEAD: BRANCH GOVERNANCE AND ASSET MANAGEMENT (MR TC ARENDSE) (ACTING)
THE HEAD: PUBLIC POLICY SERVICES (MR A PHILLIPS)
THE HEAD: PUBLIC FINANCE (MR H MALILA) (PRO TEM)
THE HEAD: FINANCIAL GOVERNANCE (MR A REDDY) (ACTING)
THE HEAD: ASSET MANAGEMENT (MR TD PILLAY)
THE CHIEF AUDIT EXECUTIVE (MS H ROBSON)
THE CHIEF FINANCIAL OFFICER (MR A GILDENHUYS)
THE SENIOR MANAGER: HUMAN RESOURCE MANAGEMENT (MS PG PIEDT)
THE SENIOR MANAGER: ACCOUNTING SERVICES: PROVINCIAL GOVERNMENT (MR H DU TOIT) (ACTING)
THE SENIOR MANAGER: ACCOUNTING SERVICES: LOCAL GOVERNMENT (MS N OLIPHANT)
THE SENIOR MANAGER: CORPORATE GOVERNANCE (MR B VINK)
THE SENIOR MANAGER: INTERNAL AUDIT: GOVERNANCE AND ADMINISTRATION CLUSTER (MS B CAIRNCROSS)
THE SENIOR MANAGER: INTERNAL AUDIT: SOCIAL CLUSTER (MR M MALULEKA)
THE SENIOR MANAGER: INTERNAL AUDIT: ECONOMIC CLUSTER (MR J RADEBE)
THE SENIOR MANAGER: BUDGET MANAGEMENT: PROVINCIAL GOVERNMENT (MR PP PIENAAR) (ACTING)
THE SENIOR MANAGER: BUDGET MANAGEMENT: LOCAL GOVERNMENT (MS S DE VISSER) (ACTING)
THE SENIOR MANAGER: PROVINCIAL GOVERNMENT FINANCE (MS A PICK)
THE SENIOR MANAGER: LOCAL GOVERNMENT FINANCE (GROUP ONE) (MR G PAULSE)
THE SENIOR MANAGER: LOCAL GOVERNMENT FINANCE (GROUP TWO) (MS N VAN WYK) (ACTING)
THE SENIOR MANAGER: PUBLIC FINANCE POLICY RESEARCH AND MODELLING (MS A PICK) (PRO TEM)
THE SENIOR MANAGER: IMMOVEABLE ASSET MANAGEMENT (MR NB LANGENHOVEN)
THE SENIOR MANAGER: MOVEABLE ASSET MANAGEMENT (MS N EBRAHIM)
THE SENIOR MANAGER: SUPPORTING AND INTERLINKED FINANCIAL SYSTEMS (MR A BASTIAANSE)
THE HEAD: OFFICE OF THE MINISTRY (MS J DAVIDS)

THE PROVINCIAL AUDITOR

FIFA WORLD CUP 2010™ ENTERING INTO CONTRACTUAL AGREEMENTS WITH FINANCIAL IMPLICATIONS**1. PURPOSE**

- 1.1 The purpose of this circular is to inform accounting officers and departmental officials of the attached letter received from National Treasury (NT).

2. BACKGROUND

- 2.1 It has come to our attention that the 2010 Organising Committee (OC) wanted to enter into a Memorandum of Understanding (MOU) with the Department of Community Safety pertaining to Stewards for the FIFA WORLD CUP 2010™. The MOU would have resulted in financial implications for the Department.
- 2.2 Due to the extremely limited provincial mandate for FIFA WORLD CUP 2010™, the matter was referred to NT. The ruling on this matter is clearly spelled out by NT in their attached letter.

3. REQUEST

- 3.1 Accounting Officers and departmental officials are requested not to enter into any obligations or commitments pertaining to FIFA WORLD CUP 2010™, which may result in financial implications for your Department or the Province, for which there is neither a mandate nor a budget within provincial finances.



SENIOR MANAGER: IMMOVABLE ASSETS AND PPP'S

DATE: 12-03-2009



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Private Bag X115, Pretoria, 0001 - Tel: (+27 12) 315 5 111 Fax (+27 12) 315 5045

Enquiries: Edgar Sishi Tel: (012) 395 6564 Fax: (012) 315 5045 Email:edgar.sishi@treasury.gov.za

Dr JC Stegmann
The Head Official
Western Cape Provincial Treasury
Private Bag X 9165
CAPE TOWN
8000

Dear Dr Stegmann

DRAFT MEMORANDUM OF UNDERSTANDING BETWEEN THE 2010 FIFA WORLD CUP ORGANISING COMMITTEE SOUTH AFRICA (OC) AND PROVINCES

It has come to the attention of National Treasury that a memorandum of agreement (Annexure A) has been prepared for approval by Provincial Departments of Safety which will require provinces to essentially guarantee and fund the provision of stewards for the 2010 Fifa World Cup.

Regarding this, National Treasury wishes to bring a number of issues to the attention of Provincial Treasuries. Firstly, the 2006 Budget Council (meeting held on 5 October 2006) resolved that the nationally-recognised mandate of provinces with respect to the 2010 Fifa World Cup shall be the provision of Emergency Medical Services (EMS). Secondly, services such as policing, general security and personal safety are the responsibility of national government in terms of the Government Guarantees entered into by the Minister of Safety and Security.

Thirdly, stewards and marshal services fall within the bounds of the Stadium Use Agreement (SUA) between the 2010 Organising Committee (OC) and the relevant municipality. In terms of the SUA, access control, security management and other matters related to stadia during the Exclusive Use Period are the sole responsibility of the OC.

Finally, given the above information, please note that funding must be appropriately channelled to relevant functions. Provinces should thus not fund commitments that are currently in place elsewhere. All allocations for the 2009 Budget are based on agreed-upon priorities and are thus fully committed.

MOU BETWEEN 2010 FIFA WORLD CUP ORGANISING COMMITTEE AND PROVINCES

Provincial Treasuries are therefore urged to monitor the situation described in this correspondence closely and to ensure that provincial departments do not enter into any obligation with financial implications for which there is neither a mandate nor a budget within provincial finances.

Kind regards



KENNETH BROWN
ACTING DEPUTY DIRECTOR-GENERAL: INTERGOVERNMENTAL RELATIONS

Date: 19/02/2009