



provincial treasury

MPUMALANGA PROVINCE  
REPUBLIC OF SOUTH AFRICA

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## PROVINCIAL TREASURY CIRCULAR NO. 38 OF 2019

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TO:

**ACTING DIRECTOR-GENERAL: OFFICE OF THE PREMIER OF MPUMALANGA: VOTE 1: (MR KM MOHLASEDI)**

**SECRETARY: PROVINCIAL LEGISLATURE OF MPUMALANGA: VOTE 2: (MR L MWALE)**

**ACTING HEAD: PROVINCIAL TREASURY: VOTE 3: (MS GM MASHITENG)**

**HEAD: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS: VOTE 4: (MR TP NYONI)**

**ACTING HEAD: AGRICULTURE, RURAL DEVELOPMENT, LAND AND ENVIRONMENTAL AFFAIRS:  
VOTE 5: (MR LS MONARENG)**

**ACTING HEAD: ECONOMIC DEVELOPMENT AND TOURISM: VOTE 6: (MR NM SEBITSO)**

**ACTING HEAD: EDUCATION: VOTE 7: (MR JR NKOSI)**

**ACTING HEAD: PUBLIC WORKS, ROADS AND TRANSPORT: VOTE 8: (MS SP XULU)**

**HEAD: COMMUNITY SAFETY, SECURITY AND LIAISON: VOTE 9: (MR W MTHOMBOHI)**

**HEAD: HEALTH: VOTE 10: (DR S MOHANGI)**

**HEAD: CULTURE, SPORT AND RECREATION: VOTE 11: (MR GS NTOMBELA)**

**HEAD: SOCIAL DEVELOPMENT: VOTE 12: (MR MV MAHLALELA)**

**HEAD: HUMAN SETTLEMENTS: VOTE 13: (MR K MASANGE)**

**THE CHIEF FINANCIAL OFFICER: VOTE 1 (ACTING): OFFICE OF THE PREMIER (MR B DLALISA)**

**TREASURY: VOTE 2: PROVINCIAL LEGISLATURE (MR C MABUNDA)**

**THE CHIEF FINANCIAL OFFICER: VOTE 3: PROVINCIAL TREASURY (MR MA KHOZA)**

**THE CHIEF FINANCIAL OFFICER: VOTE 4: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS  
(MR SEB MATSEBULA)**

**THE CHIEF FINANCIAL OFFICER: VOTE 5: AGRICULTURE, RURAL DEVELOPMENT, LAND AND  
ENVIRONMENT AFFAIRS (MR MA LETSWALO)**

**THE CHIEF FINANCIAL OFFICER: VOTE 6 (ACTING): ECONOMIC DEVELOPMENT AND TOURISM  
(MS H THRUSH)**

**THE CHIEF FINANCIAL OFFICER: VOTE 7 (ACTING): EDUCATION (MR A THELA)**

**THE CHIEF FINANCIAL OFFICER: VOTE 8: PUBLIC WORKS, ROADS AND TRANSPORT  
(MS H MDAKA)**

**THE CHIEF FINANCIAL OFFICER: VOTE 9: COMMUNITY SAFETY, SECURITY AND LIAISON  
(MS S SEFALA)**

**THE CHIEF FINANCIAL OFFICER: VOTE 10: HEALTH (MR PP MAMOGALE)**

**THE CHIEF FINANCIAL OFFICER: VOTE 11 (ACTING): CULTURE, SPORT AND RECREATION  
(MR M THOBELA)**

**THE CHIEF FINANCIAL OFFICER: VOTE 12: SOCIAL DEVELOPMENT (MS B MOJAPELO)**

**THE CHIEF FINANCIAL OFFICER (ACTING): VOTE 13: HUMAN SETTLEMENTS (MR N NYOKA)**

**PROVINCIAL TREASURY CIRCULAR NO. 38 OF 2019**

**SUBMISSION OF FIRST DRAFT OF BUDGET DOCUMENTS FOR 2020 MTEF PERIOD**

In terms of Treasury Regulation 5.1, the Accounting Officer of an institution must prepare a plan that is consistent with the period covered by the Medium Term Expenditure Framework for approval by the executive authority.

The following policy guidance should be taken into account when preparing the budget submission:

There are **NO** additional resources available for allocation over the 2020 Medium Term Expenditure Framework (MTEF) period within the expenditure ceiling set in the 2019 Budget. This means that additional allocations to a programme will need to be funded through reductions of funds in another programme. This may involve the scaling down of non-priority programmes and projects, changing service delivery models, using technology more effectively, etc.

All votes are required to submit a database to Provincial Treasury, a scenario reflecting a 5 percent; 6 percent and 7 percent reduction over 2020 MTEF period. This should be accompanied by a comprehensive narrative report providing details of where cuts were made and the impact thereof.

This is also applicable to Public Entities and should be submitted on the set date.

The following is a table that reflect estimated amounts to be reduced from departments based on the percentage deduction over MTEF period.

<b>Scenario - All Departments</b>								
	2019/20	2020/21			2021/22		2022/23	
	2019 MTEF Baseline	2019 MTEF Baseline	NT Scenario Reduction	2020 MTEF Baseline	2019 MTEF Baseline	NT Scenario Reduction	2020 MTEF Baseline	2020 MTEF Baseline
Equitable Share per Vote								
1. Office of the Premier	293 712	309 866	(15 733)	294 133	326 909	(20 077)	306 832	318 054
2. Provincial Legislature	329 577	326 604	(16 583)	310 021	344 567	(21 161)	323 406	335 233
3. Provincial Treasury	355 833	374 871	(19 034)	355 837	395 141	(24 267)	370 874	384 437
4. Co-operative Governance and Traditional Affairs	500 279	527 795	(26 798)	500 997	556 824	(34 197)	522 627	541 740
5. Agriculture, Rural Development, Land and Environmental Affairs	993 505	1 048 148	(53 218)	994 930	1 105 796	(67 912)	1 037 884	1 075 840
6. Economic Development and Tourism	1 257 471	1 326 632	(67 358)	1 259 274	1 399 597	(85 955)	1 313 642	1 361 683
7. Education	20 096 266	21 392 931	(1 086 200)	20 306 731	22 516 792	(1 382 856)	21 133 936	21 906 826
8. Public Works, Roads and Transport	3 037 745	2 994 471	(152 041)	2 842 430	2 969 267	(182 356)	2 786 911	2 888 832
9. Community Safety, Security and Liaison	1 249 258	1 298 545	(65 932)	1 232 613	1 370 782	(84 186)	1 286 596	1 333 649
10. Health	11 053 945	11 830 262	(600 667)	11 229 595	12 784 786	(785 170)	11 999 616	12 438 454
11. Culture, Sport and Recreation	325 373	343 269	(17 429)	325 840	362 149	(22 241)	339 908	352 338
12. Social Development	1 595 939	1 717 505	(87 204)	1 630 301	1 842 361	(113 148)	1 729 213	1 792 452
13. Human Settlements	323 173	305 964	(15 535)	290 429	322 792	(19 824)	302 968	314 048
<b>Total</b>	<b>41 412 076</b>	<b>43 796 863</b>	<b>(2 223 732)</b>	<b>41 573 131</b>	<b>46 297 763</b>	<b>(2 843 351)</b>	<b>43 454 412</b>	<b>45 043 587</b>

This scenario is required for discussion at the national government to estimate the impact of the reductions, if this could be implemented.

The **database** will be forwarded to you electronically and can be collected from your programme officers.

**Departments that have Public Entities are required to ensure that their databases documents for those entities are submitted on the same day.**

Technical guidelines have been emailed to your Department for your easy reference. This guideline provides CPIX indications and exchange rates as well as guides for budgeting for Compensation for Employees.

**Submission date**

All votes are requested to submit the **2020 MTEF** Database and explanatory narrative report on or before **25 July 2019**.

Your co-operation in this regard is highly appreciated.

Kind regards,

  
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**MS GUGU MASHITENG**  
**ACTING HEAD: PROVINCIAL TREASURY**

DATE: 22/07/2019