

REPUBLIC OF SOUTH AFRICA

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# ADJUSTMENTS APPROPRIATION BILL

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*(As introduced in the National Assembly (proposed section 77))  
(The English text is the official text of the Bill)*

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(MINISTER OF FINANCE)

[B 16—2019]

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# BILL

**To effect adjustments to the appropriation of money from the National Revenue Fund for the requirements of the State in respect of the 2019/20 financial year; and to provide for matters incidental thereto.**

## PREAMBLE

**WHEREAS** section 213(2) of the Constitution of the Republic of South Africa, 1996, provides that money may be withdrawn from the National Revenue Fund only in terms of an appropriation by an Act of Parliament or as a direct charge against that Fund, when it is provided for in the Constitution of the Republic of South Africa, 1996, or an Act of Parliament;

**WHEREAS** the Appropriation Act, 2019 (Act No. 24 of 2019), provides for the appropriation of money from the National Revenue Fund to provide for the requirements of the State in respect of the 2019/20 financial year;

**AND WHEREAS** section 12(1) and (2) of the Money Bills and Related Matters Act, 2009 (Act No. 9 of 2009), provides for the tabling of a national adjustments budget, as envisaged in section 30 of the Public Finance Management Act, 1999 (Act No. 1 of 1999), with an adjustments appropriation Bill, to make adjustments to the appropriations in an Appropriation Act,

**B** E IT THEREFORE ENACTED by the Parliament of the Republic of South Africa, as follows:—

### Interpretation

**1.** In this Act, unless the context indicates otherwise, any word or expression to which a meaning has been assigned in section 1 of the Appropriation Act, 2019 (Act No. 24 of 2019), or section 1 of the Public Finance Management Act, 1999 (Act No. 1 of 1999), must bear the meaning so assigned. 5

### Adjustments to appropriations of money for requirements of State

**2.** (1) Adjustments to appropriations by Parliament of money from the National Revenue Fund for the requirements of the State in the 2019/20 financial year to votes and the main divisions within a vote, and amendments to the purposes that are specified, are set out in Schedules 1 and 2. 10

(2) The spending of appropriations envisaged in subsection (1) is subject to this Act, the Public Finance Management Act and the Division of Revenue Act, 2019 (Act No. 16 of 2019). 15

(3) (a) For a national department within a vote each segment of its transfer and subsidy in Schedule 1 to this Act is set out in Schedule 2.

(b) Each segment set out in Schedule 2 and referred to in paragraph (a) is regarded as a main division of a vote for the purposes of this Act and the Public Finance Management Act.

(4) An amount in Schedule 2 must be spent according to the purpose specified in that Schedule. 5

(5) If a national department referred to in subsection (3)—

(a) overspends the total amount of the transfer and subsidy it receives or the total amount for a segment regarded as a main division; or

(b) spends an amount not in accordance with its purpose, it constitutes unauthorised expenditure in terms of the Public Finance Management Act. 10

(6) The head of the department that receives the transfer and subsidy is accountable for any unauthorised expenditure referred to in subsection (5).

### **Amounts listed as specifically and exclusively appropriated**

3. An amount that is marked specifically and exclusively in Schedule 1 or 2 may be used only for the purpose indicated, unless the amount or purpose is amended by, or in terms of, an Act of Parliament. 15

### **Conditions for appropriations**

4. (1) The Minister may, in writing—

(a) impose conditions on an amount in Schedule 1 or 2, other than a conditional allocation, in order to promote transparency and accountability and the effective management of the appropriation; and 20

(b) stop the use of an amount in respect of which conditions imposed in terms of paragraph (a) are not met.

(2) The stoppage of an amount in terms of subsection (1)(b) must be disclosed in the National Treasury's next quarterly report to the relevant Parliamentary Committees. 25

### **Use of unspent funds**

5. (1) Despite section 3 of this Act, section 3 of the Appropriation Act, 2019, and section 43(4) of the Public Finance Management Act, the Minister may, for purposes of service delivery, approve that unspent funds in an amount in Schedule 1 or 2 appropriated for— 30

(a) compensation of employees, be used within the same national department for transfers and subsidies for the payment of severance or exit packages;

(b) goods and services, be used within the same national department for compensation of employees;

(c) transfers and subsidies to other institutions, be used elsewhere within the same main division; or 35

(d) payments for capital assets, be used elsewhere within any main division within the same national department.

(2) The Minister may not approve the use of unspent funds in terms of subsection (1)(c) or (d) for compensation of employees. 40

(3) The sum of the unspent funds in a main division of a national department approved for defrayment to another main division during the 2019/20 financial year, in terms of this section and section 43(1) of the Public Finance Management Act, may not exceed eight per cent of the amount under that main division for the financial year.

(4) The approval of the use of unspent funds in terms of subsection (1) must be disclosed in the National Treasury's next quarterly report to the relevant Parliamentary Committees. 45

### **Delegations and authorisations**

6. (1) The Minister may—

(a) delegate to an employee of the National Treasury any power conferred on the Minister in terms of this Act, except section 7; and 50

(b) authorise an employee of the National Treasury to perform any duty imposed on the Minister in terms of this Act.

(2) A delegation or an authorisation in terms of subsection (1)—

(a) must be in writing; 55

- (b) is subject to any limitations or conditions that the Minister may impose;
- (c) may authorise the employee to sub-delegate, in writing, the delegated power or authorised duty to another suitable employee of the National Treasury;
- (d) does not divest the Minister of the responsibility concerning the exercise of the delegated power or the performance of the authorised duty; and 5
- (e) may be withdrawn by the Minister in writing.

(3) The Minister may vary or revoke any decision taken by an employee as a result of a delegation or authorisation in terms of subsection (1), subject to any rights that may have vested as a result of the decision.

### **Regulations** 10

7. The Minister may, by notice in the *Gazette*, make regulations regarding any ancillary or incidental administrative or procedural matter that it is necessary to prescribe for the proper implementation or administration of this Act.

### **Short title**

8. This Act is called the Adjustments Appropriation Act, 2019. 15

## SCHEDULE 1

Vote	Main Division	Current Payments			Transfers and Subsidies	Payments for Capital Assets	Payments for Financial Assets
		Compensation of Employees	Goods and Services	Interest and Rent on Land			
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
<b>1</b>	<b>The Presidency</b> Purpose: <i>Facilitate a common programme towards the achievement of the electoral mandate and the enhanced integrity of the state through considered planning, coordination, oversight, mobilisation and support.</i>		<b>(2 500)*</b>		<b>2 500</b>		
	1 Administration	9 450	(1 000)	8 000	2 450		
	2 Executive Support	(9 450)	(1 500)	(8 000)	50		
<b>3</b>	<b>Communications</b> Purpose: <i>Create an enabling environment for the provision of inclusive communication services to all South Africans in a manner that promotes socioeconomic development and investment through broadcasting, new media, print media and other new technologies. Brand the country locally and internationally.</i>	<b>3 197 000</b>	<b>(891)*</b>		<b>(2 109)</b>		<b>3 200 000</b>
	1 Administration	(3 114)	(2 036)	(1 718)	640		
	2 Communications Policy, Research and Development	(2 000)		(2 000)			
	3 Industry and Capacity Development	(10 000)	(3 251)	(7 000)	251		
	4 Entity Oversight Of which * – South African Broadcasting Corporation: Debt obligations Departmental agencies and accounts * – Government Communication and Information System: Operations	3 212 114	4 396	10 718	(3 000)		3 200 000 3 200 000
					(3 000)		
<b>4</b>	<b>Cooperative Governance and Traditional Affairs</b> Purpose: <i>Improve cooperative governance across the three spheres of government, in partnership with institutions of traditional leadership, to ensure that provinces and municipalities carry out their service delivery and development functions effectively.</i>	<b>(371 233)</b>	<b>(39 000)*</b>	<b>(295 970)</b>	<b>(42 274)</b>	<b>6 011</b>	
	1 Administration	4 936	(8 000)	8 000	4 936		
	2 Regional and Urban Development and Legislative Support Of which Departmental agencies and accounts * – Municipal Demarcation Board: Operations	3 394	(4 000)	(360)	7 754 7 700		
	3 Institutional Development Of which Allocation-in-kind to local government * – Municipal Systems Improvement Grant Departmental agencies and accounts * – Department of Traditional Affairs: Operations	500	(2 000)	(2 511)	5 000 5 000	11	
	4 National Disaster Management Centre Of which Conditional allocation to local government * – Municipal Disaster Recovery Grant	(64 933)	(4 500)	(99)	(60 334) (60 733)		
	5 Local Government Support and Intervention Management	49 860	(5 500)	55 000	360		
	6 Community Work Programme	(364 990)	(15 000)	(356 000)	10	6 000	
<b>5</b>	<b>Home Affairs</b> Purpose: <i>Efficiently determine and safeguard the identity and status of citizens. Regulate immigration to ensure security, promote development and fulfil South Africa's international obligations.</i>	<b>1 188 000</b>		<b>1 188 000</b>			
	1 Administration	200 300		200 300			
	2 Citizen Affairs	956 200		956 200			
	3 Immigration Affairs	31 500		31 500			
<b>6</b>	<b>International Relations and Cooperation</b> Purpose: <i>Formulate, coordinate, implement and manage South Africa's foreign policy and international relations programmes.</i>			<b>(13 100)</b>	<b>13 100</b>		
	1 Administration Of which Households – Employee Social Benefits: Leave gratuities	4 680	(24 800)	14 125	13 100 2 255 2 255		

\* Specifically and Exclusively Appropriated