



**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA

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

**ACCOUNTING AUTHORITIES OF PUBLIC ENTITIES LISTED IN SCHEDULES 3A AND 3C TO THE PFMA**

**HEAD OFFICIALS OF PROVINCIAL TREASURIES**

**NATIONAL TREASURY SCM INSTRUCTION NO 1 OF 2016/2017**

## **NATIONAL TRAVEL POLICY FRAMEWORK**

### **1. PURPOSE**

- 1.1. The purpose of this *SCM Treasury Instruction* is to prescribe a National Travel Policy Framework for departments, constitutional institutions and public entities listed in Schedule 3A and 3C to the Public Finance Management Act (PFMA), 1999 (Act No. 1 of 1999).

### **2. BACKGROUND**

- 2.1. Section 45(b) and (c) and section 57(b) and (c) of the PFMA places the onus on each employee within organs of state to take responsibility for the effective, efficient, economical and transparent use of financial and other resources within that employee's area of responsibility. In particular, the employee must take effective and appropriate steps to prevent, within that employee's area of responsibility, any unauthorised, irregular, fruitless and wasteful expenditure.
- 2.2. In light of paragraph 2.1 of this *SCM Treasury Instruction*, it is necessary for accounting officers and accounting authorities to ensure that appropriate control measures are instituted to provide reasonable assurance that all employees take effective and appropriate steps to prevent, within that employee's area of responsibility, any unauthorised, irregular, fruitless and wasteful expenditure in the relevant accountability instruments.
- 2.3. The South African Government spends close to R10 billion per annum on travel and subsistence for national and provincial departments only. This is the 5th largest expenditure item after Building & Property Payments, Medical supplies, Contractors and Professional Services. Currently, the service is procured across all organs of state resulting in fragmented procurement, duplication of effort, different cost and pricing models.
- 2.4. The National Treasury, in consultation with relevant stakeholders, developed a National Travel Policy to provide direction to departments, constitutional institutions and public entities listed in Schedule 3 A and C of the PFMA with regard to management of air travel, car hire, transfer services and accommodation for public servants.

**3. NATIONAL TRAVEL POLICY FRAMEWORK**

- 3.1. The National Travel Policy Framework provides for minimum standards for all public officials travelling on official business.
- 3.2. Institutions to which this *SCM Treasury Instruction* applies must ensure that their travel policies and travel arrangements are in accordance with the National Travel Policy Framework.
- 3.3. The National Travel Policy framework is hereby attached as **Annexure A**

**4. COMMENCEMENT DATE**

- 4.1. Departments and public entities listed in Schedule 3A and C to the PFMA must adapt their institutional instructions, policies and standard operating procedures to the National Travel Policy Framework by 30 June 2016.
- 4.2. Institutions are expected to fully implement the National Travel Policy Framework with effect from **1 July 2016**.

**5. APPLICABILITY**

This *SCM Treasury Instruction* applies to all departments, constitutional institutions and public entities listed in Schedule 3A and 3C to the PFMA.

**6. DISSEMINATION OF INFORMATION CONTAINED IN THIS INSTRUCTION**

- 6.1. Accounting officers of departments, constitutional institutions and public entities listed in Schedule 3A and 3C to the PFMA are requested to bring the contents of this *SCM Treasury Instruction* to the attention of :
  - (a) Chief financial officers and the supply chain management officials of their respective departments; and
  - (b) All accounting authorities of public entities reporting to the executive authority of their respective departments, if applicable.
- 6.2. Head Officials of provincial treasuries are requested to bring the contents of this *Treasury Instruction* to the attention of all accounting officers and supply chain management officials of departments in their respective provinces;
- 6.3. Accounting Authorities of public entities are requested to bring the contents of this *Treasury Instruction* to the attention of chief financial officers and the supply chain management officials of their respective public entities.
- 6.4. National Treasury will be conducting road shows in May and June 2016 in order for institutions to gain a better understanding of the National Travel Policy Framework.

**7. NOTIFICATION TO THE AUDITOR-GENERAL**

The Auditor-General will be notified of the contents of this *Treasury Instruction*.

**8. AUTHORITY FOR THIS INSTRUCTION**

This Treasury Instruction is issued in terms of sections 76(4) (b) of the PFMA.

**9. CONTACT INFORMATION**

Enquiries related to this Instruction may be directed to:

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Yours sincerely



**KENNETH BROWN**

**CHIEF PROCUREMENT OFFICER**

**DATE:** 15/4/2016.

**ATTACHMENTS:**

**ANNEXURE A: NATIONAL TRAVEL POLICY FRAMEWORK**