



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

CLASSIFICATION CIRCULAR

BUDGETING AND SPENDING FOR RESPONSE TO NATIONAL DISASTER DECLARED BY GOVERNMENT NOTICE NO. R. 2029 OF 18 APRIL

PURPOSE

1. The purpose of this circular is to advise all government financial practitioners on how to use the Fund and the Project Segments in the chart of accounts to record the Disaster response expenditure.

DISCUSSION

2. To track spending related to Disaster Response, changes to the Fund and Project segments have been implemented in the Basic Accounting System (BAS).
3. The Fund and Project segments codes have been centralised to allow for consistency in reporting and Departments are requested to immediately use the newly created codes and to journalise any disaster response related expenditure already incurred.
4. Spending in the Item segment is recorded against the various appropriate categories depending on the nature of the transactions.

FUND SEGMENT

5. Section 56 of the Disaster Management Act requires government to reprioritise funds to respond to disasters. In line with this approach, the public financial management and budgeting system provides the following measures that can be implemented in the budget.

DEPARTMENTAL VOTE

6. A Disaster Response Fund has been created under Departmental Specific category. The fund is part of the departmental vote.

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Chart Illustration of the created fund code

1	2	3	4	5	SEGMENT DETAIL NO	POST LEVEL
				EXPENDITURE:VOTED	1	N
				DEPARTMENTAL APPROPRIATION	2	N
				VOTED FUNDS DISCRETIONARY	21	N
				DEPARTMENTAL VOTE	37	N
				VOTED FUNDS	38	Y
				DISASTER RESPONSE FUNDS	1850	Y

EARMARKED, SPECIFIC AND EXCLUSIVELY APPROPRIATED FUNDS

7. Specific indirect grants have been created as part of specific and exclusively appropriated funds for Disaster Response.

Chart illustration of the created fund codes

1	2	3	4	5	6	7	8	SEGMENT DETAIL NO	POST LEVEL
				EXPENDITURE:VOTED				1	N
				DEPARTMENTAL APPROPRIATION				2	N
				EARMARKD,S&E FND&OTH APPR TRNSFS				22	N
				E,S&E FNDS&OTH APPR TRNSF:NATNAL				41	N
				E,S&E F&OAT:BASIC EDUCATION				72	N
				DBE:SPEC & EXCL APPROPRIATE				156	N
				SCHOOL INFRA BACK:INDIRECT GRANT				1052	N
				DIS RESP SCHL INFR BCK:INDI GRNT				1863	Y
				E,S&E F&OAT:HEALTH				80	N
				DOH:SPEC & EXCL APPROPRIATE				143	N
				NHI INDIRECT GRANT				378	N
				DISASTER RESP NHI INDIRECT GRANT				1864	Y
				E,S&E F&OAT:MINERALS RES&ENERGY				51	N
				DMR:SPEC & EXCL APPROPRIATE				1640	N
				DIS RES INEP-ESKOM INDIRECT GRNT				1865	Y
				E,S&E F&OAT:NATIONAL TREASURY				52	N
				DNT:SPEC & EXCL APPROPRIATE				121	N
				DIS RES NGH DEV PAR GRN-IND(NAT)				1866	Y
				E,S&E F&OAT:WATER AND SANITATION				68	N
				DWS:SPEC & EXCL APPROPRIATE				109	N
				DIS RES REG BLK INF GRNT:IND GRN				1867	Y
				DIS RES WTR SER INFR GR:IND GRNT				1868	Y

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CONDITIONAL GRANTS

8. Specific conditional grants have been created for Disaster Response. Spending must be accordance with the conditional grants framework.

Chart illustration of the created fund codes

1	2	3	4	5	6	7	8	SEGMENT DETAIL NO	POST LEVEL
EXPENDITURE:VOTED								1	N
DEPARTMENTAL APPROPRIATION								2	N
CONDITIONAL GRANT PAYMENTS								468	N
CONDITIONAL GRANTS: ALL DEPTS								469	N
AGRIC, LAND REFORM&RURAL DEV								1473	N
COMPREHENSIVE AGRICULT SUP GRANT								1503	N
CASP:INFRASTRUCTURE								1507	N
CASP: DISASTER RESPONSE GRANT								1851	Y
GEN ACC:CASP:DISASTER RESPN GRNT								1852	Y
BASIC EDUCATION								472	N
EARLY CHILDHOOD DEVELOPMNT GRANT								1842	N
ECD CENTRE MAINTENANCE GRANT								1843	N
DISASTER RESPN ECD CENTRE MNT								1869	Y
GEN ACC:DIS RESPN ECD CENTRE MNT								1870	Y
EDUCATION INFRASTRUCTURE GRANT								515	N
DISASTER RESPN:EDUCATN INFR GRNT								1853	Y
GEN ACC:DIS RESPN:EDUC INFR GRNT								1854	Y
COOPERATIVE GOVERNANCE								473	N
MUNICIPAL DISASTER RESPONSE GRNT								1817	N
MUNICIPAL DISASTER RESPONSE GRNT								1818	Y
GEN ACC:MUN DISASTER RSPNS GRNT								1819	Y
MUNICIPAL DISASTER RECOVERY GRNT								1820	N
MUNICIPAL DISASTER RECOVERY GRNT								1821	Y
GEN ACC:MUN DISASTER RECVRY GRNT								1822	Y
MUNICIPAL INFRASTRUCTURE GRANT								522	N
DISASTER RES MUNIC INFRA GRANT								1871	Y
GEN ACC:DISA RES MUN INFRA GRANT								1872	Y
PROVINCIAL DISASTER RESPNSE GRNT								1823	N
PROVINCL DISASTER RESPONSE GRANT								1824	Y
GEN ACC:PROV DISASTER RSPNS GRNT								1825	Y
HEALTH								475	N
HEALTH FACILITY REVITALIST GRANT								489	N
DIS RESPN HEALTH FAC REVIT GRNT								1873	Y
GEN ACC:DIS RES HLTH FAC REV COM								1874	Y

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Chart illustration (continued)

1	2	3	4	5	6	7	8	SEGMENT DETAIL NO	POST LEVEL
EXPENDITURE:VOTED								1	N
DEPARTMENTAL APPROPRIATION								2	N
CONDITIONAL GRANT PAYMENTS								468	N
CONDITIONAL GRANTS: ALL DEPTS								469	N
HUMAN SETTLEMENTS								476	N
HUMAN SETTLEMENTS DEV GRANT								492	N
DISASTER RESPNS HUM SET DEV GRNT								1855	Y
GEN ACC:DIS RES HUM SET DEV GRNT								1856	Y
INFORM SETTLPART GRNT PROV								1674	N
DIS RES INF SETE UPG PART GRN PR								1857	Y
GEN ACC:DIS RES INF SET UP GRN P								1858	Y
PROVINCIAL EMERGEN HOUSING GRANT								1108	N
DIS RES PROV EMERGEN HOUSNG GRNT								1875	Y
GEN ACC:DIS RES PROV EMR HSN GRN								1876	Y
URBAN SETTLEMENTS DEV GRANT								493	N
DIS RES URBAN SETTLMNT DEV GRANT								1877	Y
GEN ACC:DIS RES URBN SET DEV GRN								1878	Y
MINERAL RESOURCES&ENERGY								1483	N
ENE EFF DEM SIDE MAN GRANT MUN								1484	N
DIS RES ENRGY EF DM SID MAN GRNT								1879	Y
GEN ACC:DIS RES EN EF DE SID MAN								1880	Y
INEP GRANT - MUNICIPALITIES								1487	N
DIS RES INTE NAT ELEC PRG GRNT-M								1881	Y
GEN ACC:DIS RES INT NAT ELEC PRG								1882	Y
NATIONAL TREASURY								477	N
NEIGHBOURH DEV PARTNERSHIP GRANT								497	N
DIS RES NEIGHBR DEV PARTNRS GRNT								1883	Y
GEN ACC:DIS RES NGHBR DEV PAR GRNT								1884	Y
TRANSPORT								481	N
PROV ROAD MAIN GR:DIS REL COMP								505	N
PROV ROAD MAIN GR:DIS REL COMP								530	Y
GEN ACC:PV RD MNT GR:DIS REL COM								505	Y
PUBLIC TRANSPORT NETWORK GRANT								482	N
DIS RES PUBL TRANS NETWORK GRANT								1885	Y
GEN ACC:DIS RES PUB TRNS NET GRNT								1886	Y
RURAL ROADS ASSET MAN SYS GRANT								484	N
DIS RES RURAL RDS ASSET MNG GRNT								1887	Y
GEN ACC:DIS RES RRL RDS ASS MAN GRNT								1888	Y
WATER AND SANITATION								485	N
REGIONAL BULK INFRASTRUCT GRANT								486	N
DIS RESP REGNL BULK INFR GRANT								1859	Y
GEN ACC:DIS RES REG BULK INFR GR								1860	Y
WATER SERVICES INFRASTRUCT GRANT								487	N
DIS RESP WATER SERVS INFRA GRANT								1861	Y
GEN ACC:DIS RESP WAT SER INFR GR								1862	Y

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PROJECT SEGMENT

9. Disaster Response project codes have been created under the DEPARTMENTAL SPECIFIC PROJ LIST and NO PROJECTS respectively.

Chart illustration of the created project codes

1	2	SEGMENT DETAIL NO	POST LEVEL
	PROJECTS	1	N
	DEPARTMENTAL SPECIFIC PROJ LIST	2	N
	PRJ:DISASTER RESPONSE	1240	Y
	NO PROJECTS	17	N
	DISASTER RESPONSE	1241	Y

Contact information

10. Please contact the SCOA project team via the **SCOA call center at (012) 315 5311**, or by sending a concise mail to scoa@treasury.gov.za if further clarity or discussion is required regarding the changes highlighted above.

11. For updated versions of the SCOA COR database and classification circulars please visit <https://scoa.treasury.gov.za/>

Regards,

SCOA Technical Committee

Date: 03 May 2022