TO: OFFICE OF THE MEC  
ALL DDG’S  
ALL CHIEF DIRECTORS  
ALL DIRECTORS  
ALL OFFICIALS  

FROM: SUPERINTENDENT GENERAL  

RE: INTRODUCTION OF AUSTERITY MEASURES  

The COVID-19 outbreak has led to a sharp economic contraction and significant new financing needs in South Africa. In this regard, the Department has been severely hit by the COVID-19 crisis which resulted in budget cuts exercised by Provincial Treasury to the value of R1.3 billion in order to fund COVID-19 procurement activities. It is important to note that a severe health crisis was caused by this pandemic and continues to cause human suffering and financial distress, hence budget cuts had to be exercised throughout all Departments. Funds that were allocated for programme implementation, including activities and projects that needed to be performed as informed by the revised Annual Performance Plan (APP) had to be redirected for COVID-19 related activities resulting in some planned activities being placed on hold.

Due to the accruals that needed to be paid, utilising the 2020/21 financial year budget and current commitments (contractual obligations) that the Department had already entered into prior to the budget cuts that were exercised, stringent austerity measures are imposed with immediate effect. The protracted bureaucratic procedure for the procurement authorisation process will therefore now be implemented.
The stringent austerity measures being implemented with immediate effect, is crucial as its aim is lowering the budget deficit as well as avoiding any overspending on the budget vote or division of the vote (unauthorized expenditure).

Therefore, all procurement activities are put on hold with the exception of activities that relate to the Grade 12 examination and the preparation of school opening for January 2021. This will also include the acquisition of textbooks and scholastic stationery for the 2021 Academic Year.

Chief Directors and DDGs are requested to monitor this process closely. Anything that is urgent must be discussed with the Acting CFO.

Your cooperation and understanding with this regard is highly appreciated.

Yours in education,

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Mr. T.S Kojana
Superintendent General

Date: 04/11/20