



2025 MTEF

# MEDIUM TERM EXPENDITURE FRAMEWORK

Technical Guidelines



**national treasury**

Department:  
National Treasury  
**REPUBLIC OF SOUTH AFRICA**



# CONTENTS

1	INTRODUCTION .....	1
2	BUDGETING FRAMEWORK.....	4
3	PRINCIPLES FOR THE 2025 MTEF .....	6
4	BUDGET SUBMISSION .....	7
5	COMPONENTS OF THE SUBMISSION .....	7
6	CRITICAL DATES.....	11
7	COMPOSITION OF TECHNICAL AND FUNCTIONAL GROUP .....	12

# 1. INTRODUCTION

## Context

South Africa finds itself at a critical juncture as it celebrates 30 years of democracy, a milestone that reflects both significant progress and enduring challenges. The end of the sixth administration marks a pivotal moment in the nation's political landscape, transitioning towards an unprecedented era with the formation of a Government of National Unity (GNU). This historic shift will define the hallmark of the seventh administration, potentially reshaping the country's governance and policy direction.

While it is anticipated that the incoming administration will bring its own perspectives and policies, the exact nature of these changes remains to be seen. In the interim, it is crucial to maintain the balanced fiscal stance, which sets out to stabilise public finances and reduce fiscal and economic risks, while promoting economic growth and supporting the most vulnerable members of society.

These guidelines are not intended to pre-empt the policies of the next political administration. Instead, they are issued in accordance with the provisions of the PFMA and are essential for the smooth functioning of the budget process.

## Purpose of the guidelines

Section 27(3) of the Public Finance Management Act (PFMA), Act No-1 of 1999 provides that National Treasury must prescribe the format in which an annual budget must be prepared. The Medium-Term Expenditure Framework (MTEF) Technical Guidelines 2025 are issued to make such prescriptions and provide national government departments and other public institutions with guidance on how to prepare their medium-term estimates for the 2025 Budget. These guidelines are primarily intended for national government departments and national public institutions.<sup>1</sup> However, these guidelines are also designed to support the budgeting process in the provinces. All submissions must be aligned to the national budget process to ensure effective function group discussions and the consolidation of budget data within the Intergovernmental Fiscal Relations system.

The guidelines outline the economic environment under which this MTEF is formulated. They also provide a summary of the fiscal strategy for the 2025 MTEF and guidance on the data required to inform budget deliberations. The outcome of the deliberations will be recommended first to the various committees, before the allocations are ultimately approved by Cabinet.

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<sup>1</sup> Public institutions include public entities, trading entities, government components and constitutional institutions. They need to provide budget information to National departments and National Treasury. Constitutional institutions may also approach the National Treasury directly regarding their budget submission.

### Comprehensive Review of the Budget Process

The National Treasury has recognised the need for a comprehensive review of the budget process with the objective to identify and implement reforms that will enhance the efficiency, transparency, and effectiveness of the budget process.

To achieve this, the National Treasury has requested technical support from the Government Technical Advisory Centre (GTAC). The project will leverage GTAC's expertise to gather data, analyse the current process, and propose actionable reforms. The review will encompass several key components, including:

- **Review of MTEC process:** Evaluating the efficiency and effectiveness of the current MTEC processes including budgeting within the intergovernmental fiscal relations system and proposing necessary reforms and capacity building.
- **Infrastructure budgeting and financing:** Separating the decision to invest and the financing decision for large infrastructure projects. This will include separating the project evaluation from the budget process to align various fiscal support measures (guarantees, borrowing approval and on budget subsidies) in a more effective manner.
- **Legal framework:** Analysing the legislative environment to ensure it supports an effective budget process.
- **Automation and technological innovations:** Exploring opportunities to automate processes and integrate technological innovations to improve the budget process.
- **Data management:** Assessing the accessibility and usefulness of budget data for accurate projections and decision-making.
- **Risk assessment:** Identifying and evaluating risks impacting the budget process and proposing mitigation strategies.
- **International benchmarking:** Comparing South Africa's budget processes with international good practices to identify potential improvements and innovations.

The National Treasury will target the implementation of these reforms in time for the 2026 MTEF cycle. This may affect certain components of the outer years of the current MTEF.

### Fiscal strategy

The balanced fiscal stance set out in the 2024 Budget aimed to stabilise the public finances and reduce fiscal and economic risks, while promoting economic growth and supporting vulnerable members of society taking into consideration gender and climate change implications. In this regard, the 2025 Budget will see a conclusion of the fiscal consolidation strategy announced in the 2020 MTBPS, with debt-stabilising primary surplus achieved in 2025/26, a reduction in the fiscal deficit to pre-COVID levels and a stabilisation of debt-service costs as a percentage of revenue.

The fiscal risks are largely unchanged since the 2024 Budget. They include weaker-than-expected economic growth, which would slow revenue growth, widen the budget deficit, and increase borrowing costs. At the same time, the wage increase in 2025/26 will continue to place significant pressure on national and provincial budgets. Furthermore, the sustained deterioration in the balance sheet of major public-sector institutions pose a risk to the fiscus.

## Economic and Fiscal Outlook

GDP growth in 2023 was modest at 0.6 per cent, considerably less than population growth, with a slight expansion of 0.1 per cent in the fourth quarter following a contraction of 0.2 per cent in the third quarter. Moreover in 2024, GDP growth experienced a slight contraction of 0.1 per cent in the first quarter. The negative impact of power cuts, the poor state of ports and freight rail, subdued global growth, political uncertainty and inflationary pressures have taken a toll. To accelerate economic growth, spur job creation and promote a broad improvement in livelihoods, structural reforms and increased collaboration between the state and private sector are needed to address binding constraints to growth. Such reforms remain central to government's medium-term plans, with the focus on creating a competitive electricity market and efficient port and rail logistics systems through Operation Vulindlela. In this regard, the outlook shows moderate improvement, but it will take time for growth to accelerate and to generate additional tax revenues.

Rapid growth in debt-service costs chokes the economy and the public finances. Debt-service costs now consume one of every five rands of government revenue and absorb a larger share of the budget than basic education, social protection, or health. Beyond the crowding-out effect of debt-service costs on service delivery, high and rising public debt hinders economic recovery. The ratio of gross debt-to-GDP is about 16 percentage points higher than the median emerging market level. Investors who lend to South Africa demand a premium to compensate them for the risks of investing in the country due to its rapidly rising debt. This in turn raises borrowing costs across the economy. The National Treasury has assessed that a fiscal trajectory must be addressed through a combination of active debt management strategies and spending restraint that improves the primary fiscal balance. In this context, the fiscal strategy will reduce the risk premium and bolster confidence, providing an incentive for investment and job creation. Preliminary outcomes show that government achieved a primary budget surplus in 2023/24. Barring the materialisation of fiscal risks, government remains on course to stabilise debt as a proportion of GDP in 2025/26.

### Fiscal credibility and fiscal anchors

South Africa is dedicated to enhancing the predictability and transparency of fiscal policy, offering greater economic certainty. Concurrently, the government aims to foster consensus on the crucial role of fiscal sustainability in achieving growth, employment, and redistribution objectives. South Africa has a strong record of fiscal transparency and consistently ranks among the top five countries worldwide for transparency, according to the International Budget Partnership. A predictable and transparent fiscal policy underpins macroeconomic stability. The International Monetary Fund's Fiscal Transparency Evaluation report published on 15 April 2024 notes a strong performance in fiscal reporting and budget transparency, and suggests improvements in three areas:

- Fiscal reporting: Expand and align fiscal reporting to international best practice by including other spheres of the public sector, strengthening tax expenditure disclosure, and improving adherence to audit timelines for published financial statements,
- Forecasting and budgeting: Implement precise, time-bound, and stable fiscal rules,

- Fiscal risk analysis: Enhance analysis of risks in the fiscal risk statement, publish public-private partnership financial data regularly, consolidate transfers to state-owned companies to show fiscal impact and set limits on government guarantees.

Government is committed to addressing these areas to enhance fiscal credibility and ensure continued transparency and accountability in the management of public finances.

Work is underway to propose a binding fiscal anchor to chart a sustainable long-term path for the public finances. The proposed fiscal anchor will build on the successful achievement of a primary surplus and secure the stabilisation of government debt into the future. It will be designed to help avoid painful fiscal adjustments by preventing factors within government's control from reasserting the deficit bias of the post-2008 crisis period, while making provision for the impact of unavoidable and unforeseeable external economic events.

## **2. BUDGETING FRAMEWORK**

### **2.1 Medium Term Expenditure Framework**

- 2.1.1 In 2000, South Africa introduced the Medium-Term Expenditure Framework to facilitate a more effective medium-term planning and budgeting, and, in particular, to provide glide paths for spending departments that were expending or contracting particular services. This meant budgeting was done incrementally by growing the baseline outer year.
- 2.1.2 In recent times, poor economic growth, power cuts and the wage bill have exerted further constraints on the budget. This means that incremental budgeting can no longer be generally applied; instead, targeted re-prioritisation and efficiency gains in alignment with government priorities has become increasingly necessary.

### **2.2 Departments' Baselines**

#### **2.2.1 Spending reviews**

Funding has been shrinking while government commitments have been growing. This requires a different approach to analysing budget baselines.

Spending Reviews were introduced in 2020 to facilitate collaborative efforts between departments and the National Treasury to reassess the baselines for critical programmes, identify potential savings, achieve efficiency gains, and make necessary adjustments or cuts where required.

The findings and recommendations from spending reviews are designed to enable government to make better decisions about how economically and efficiently public resources are used and the ability of programmes to achieve cost-effective outcomes .

When done well, spending reviews can examine expenditure baselines to identify efficiency gains and savings. In this way, spending reviews can not only free up additional resources for priorities but allow for a more efficient allocation of resources. Spending reviews can also

measure whether the programmes are still relevant and responsive to the current economic landscape.

To date, government has completed several spending reviews. Collectively, these spending reviews provide useful insights for departments on how to better allocate resources and reprioritise budgets. In developing their budget estimates, departments are advised to:

- Act on the findings and recommendations from past spending reviews on their specific programmes to find savings or efficiency gains.
- Incorporate the findings and recommendations from cross-cutting spending reviews<sup>2</sup> (e.g. security services, ICT spending, fleet services etc.) in preparing their budgets.
- Over the course of the 2025 MTEF, the National Treasury will collaborate with departments to initiate a new series of spending reviews focused on critical programmes.
- These reviews will be comprehensive and rigorous, covering a significant portion of the budget. Programmes included in the review process will be subject to Cabinet approval. This will ensure thorough oversight and alignment with national priorities.

### 2.2.2 Detailed baseline analysis

In addition to the outlined methodology above, departments and analysts are encouraged to:

- Conduct detailed baseline analysis for the programmes that will not be included in the spending reviews to inform budget decisions.
- Also, the departments and entities should examine and identify efficiency gains on programmes to identify additional resources.
- Use the findings from the analysis to inform reprioritisation decisions.

### 2.2.3 Cost Saving initiative

Departments and entities are encouraged to investigate ways to share services to cut costs and identify savings, particularly where they have similar operating and service delivery models and include proposals where they have identified potential savings as part of their budget submission.

The National Treasury has commissioned work on a shared services framework. At the conclusion of a consultation process, a final framework will be made available. Nevertheless, where simple arrangements can be proposed, this may be submitted.

### 2.2.4 Transversal Contracting

The number of contracts as well as spending should enable government to use procurement as an enabler for transformation of economic activities to meet government objectives of targeting inclusion of historically disadvantaged individuals in the procurement value chain, namely: blacks, women, youth, persons living with disability, the military veterans as well as upliftment of locally based suppliers in disadvantaged communities.

<sup>2</sup> All spending reviews are published and available online.

The Office of the Chief Procurement Officer (OCPO) is intensifying its efforts to promote central procurement to benefit from economies of scale and reduce procurement efforts on common goods and services. Organs of state are encouraged to participate in Transversal Term Contracts to achieve economies of scale and savings from bulk negotiations. There are currently 71 transversal contracts arranged by National Treasury with an estimated spend of R75 billion across all three spheres of government including the state entities. The list of transversal contracts is available on the National Treasury website on the link provided.

Contracts: <https://www.treasury.gov.za/divisions/ocpo/ostb/contracts/default.aspx>.

### 3. PRINCIPLES FOR THE 2025 MTEF

**Due to slow economic growth the budget is again formulated within a tight fiscal environment and the following policy guidance should be taken into consideration when preparing the budget submission:**

- 3.1 The 2025 MTEF process will be underpinned by the announced goal of stabilising and then reducing the government debt as a percentage of economic output. To achieve this, government must run a primary surplus, which means that non-interest spending must be lower than the projected revenues by a margin sufficient to prevent a further increase in government debt.
- 3.2 In light of this, the total spending envelope will be maintained within the parameters set out in the 2024 MTEF.
- 3.3 Resources will only be available within the parameters required to meet the objectives of the medium-term fiscal strategy as outlined in the 2024 Budget Review. In this regard, should the economic outlook remain the same, no additions will be made to the overall envelope. In instances where spending may be accommodated by unforeseen or higher-than-expected revenues, permanent increases to spending will be avoided.
- 3.4 Any spending pressures must first be funded from current baselines and programmes that have not delivered their expected outcomes.
- 3.5 Any funding pressure to a programme will need to be funded through reprioritisation, either within the department's or public entity's budget, or from other departments' or public entities' budgets.
- 3.6 The 2025 Budget process will maintain the compensation ceilings of departments within the existing limits, implying a trade-off between the unit cost of labour and the total size of the staff establishment in each department. Only extreme and critical exceptions to this will be considered, and only if there are resources available, including from other sources within the spending envelope.
- 3.7 Moreover, government will be engaging with labour as part of the upcoming negotiation processes with the aim introducing a new dispensation that will allow for older employees in higher notches of various salary levels who wish to exit the public service earlier to do so with added incentives and without being penalised. The new dispensation will help in



assisting departments to free up some positions and allow for recruitment of employees in entry levels and entry notches of various levels.

- 3.8 Public institutions salary adjustments must be guided by the public service wage bill management strategy. Institutions should consider the implications of their remuneration adjustments on future budgets.

## 4. BUDGET SUBMISSION

- 4.1 The primary budget submission of a national department must be submitted by the Accounting Officer of the department and accompanied by a signed covering letter confirming that the submission is the expression of the department's strategic direction with regards to any budget baseline changes that have resulted from budget deliberations of its executive management.
- 4.2 A comprehensive submission, covering all the expenditure proposed for appropriation for a vote, including transfers to institutions and other spheres of government within the budget vote, is required.
- 4.3 In cases where a department makes a transfer to or plays an oversight role of other government institutions, the submissions of these institutions should be prepared under the guidance of the accounting officer of the national department, in collaboration with all institutions that report to that executive authority. Where applicable an endorsement letter from the accounting officer of the executive department must be submitted.
- 4.4 Departments selected to participate in the Gender Responsive Budgeting (GRB) and Climate Budget Tagging pilots must include in their submission, a paragraph of the reallocation to these priorities and the policy imperative being addressed. (This is only applicable to selected pilot departments)

## 5. COMPONENTS OF THE SUBMISSION

For each public institution, the budget submission consists of:

### 5.1 Narrative report

A narrative report explains the context for the budget, provides costing of mandates and policies, indicates where expenditure reprioritisation has been implemented and the impact of this on service delivery indicators. The report should provide the department's rationale for expenditure recommendations over the medium term. It must be a comprehensive report that includes the following elements:

- A detailed budget baseline analysis and/or spending reviews efficiency gains which: must provide an explanation of the rate of efficiency realization that informed the budget impact contained in the excel workbook; and identify the action plans, and the associated timelines that must be implemented to ensure that these efficiency gains are indeed realized.

- **Composition of spending:** discuss trends, issues, challenges and where feasible, potential savings per programme and economic classification over the seven-year period, i.e., in respect of compensation of employees, capital spending, goods and services, transfers and subsidies and other relevant elements of the budget defined by economic classification.
- **Strategic reallocations:** must provide an explanation of the proposals to reallocate spending between programmes or economic classifications with a view of addressing cost pressures.
- **Cross-cutting priorities:** discuss reprioritisation towards gender and climate change related interventions and intended policy outcome. **(This is only applicable to selected pilot departments)**

## Human resources

- The human resources narrative must be in respect of the information that will be contained in the Human Resource Budget Plan (HRBP), which forms part of the data submissions. It should explain the departments' plans and intentions regarding the management of the department headcount, recruitment plans and human resource development plans within the compensation of employees' expenditure ceilings over the 2025 Medium Term Expenditure Framework (MTEF). Moreover, it should be noted that there is a wage negotiation underway which will have implications on current baselines. It is envisaged that the negotiations will be finalised by the time the Medium-Term Budget Policy Statement is tabled. Further communication on the wage negotiations will be communicated through the National Treasury's Guidelines for the Costing and Budgeting for Compensation of Employees, will outline the requirements for human resource detailed assessments and must be used for the preparation of expenditure estimates for the 2024 MTEF when costing compensation of employees.
- All National Treasury guidelines can be found at:  
<http://www.treasury.gov.za/publications/guidelines/>.
- Over and above the points mentioned earlier, the HRBP will require the inclusion of information on key changes effected and envisaged on the department's personnel profile, including the related department's personnel expenditure and headcount.

## Public Institutions

- Public Institutions including schedule 2 public entities are required to:
  - adhere to the principles of the 2025 MTEF as articulated in section 3 above.
  - provide narration of functions performed by the institution, financial commitments, and the human resource plan. They must give a summary of the financial status and policy imperatives of the public institutions.
  - demonstrate how they will address any cost pressures within existing baselines - given that there are no additional funds available for allocation.
  - submit their budget templates in the formats provided.

- seek National Treasury approval in instances where the institution intends spending from reserves as per the relevant instruction note on surplus retention.

## 5.2 Excel workbooks for data submissions

Information contained in the department’s budget explanatory narrative report in the section above, must be supported by relevant data workbooks. The following are the three workbooks:

- 2025 MTEF workbook for the national government departments,
- 2025 Human Resource Budget Plan workbook,
- 2025 MTEF Budget Planning Baseline tool for public institutions
- 2025 MTEF Tagging workbook (where applicable)

When working with the workbooks, note that:

- The 2025 Medium-Term Expenditure Framework: Departments and entities must conduct baseline assessments to achieve efficiency gains that can be used to fund key government priorities.
- The outcomes of the efficiency gains identified through the spending reviews and detailed baseline analysis must be included in the department’s MTEF workbooks. This must be done at the lowest economic classification level (SCOA item level 4) to allow for analysis.
- For estimation and planning purposes, the 2027/28 baseline (outer year of the 2025 MTEF) has been calculated and pre-populated in the departments’ MTEF workbooks. To calculate the 2027/28 baseline, non-recurrent allocations ending in 2026/27 were excluded from the 2026/27 baseline calculation purposes, and technical adjustments were also applied where applicable.
- A separate communication on the GRB and Climate Change pilot workbooks will be sent to the selected departments.

## 5.3 Other submissions

Separate submissions in respect of the following elements will also be considered in the 2025 Budget process:

### Infrastructure Reforms

The National Treasury intends to reconfigure the Budget Facility for Infrastructure (BFI) mechanism to further expand the pipeline of projects to test alternative financing and funding models separate from the normal budget process. The intention is to use government’s resources more efficiently to leverage financing and funding from sources other than fiscal resources. This includes private sector financiers and funders, Development Finance Institutions (DFIs), and International Finance Institutions (IFI’s). The goal is to leverage the limited public resources to catalyse more funding, capacity and capability to fast-track infrastructure provision and improve its effectiveness.

The evaluation process will include a pilot for enhanced development of infrastructure project pipelines. In this regard, some projects will be funded through concessional bilateral financing arrangements from non-governmental sources.

These projects may be subject to specific or unique reporting and performance criteria. The National Treasury will administer both the financing arrangements and partner with financing agencies to ensure that reporting and performance requirements are met. In the event of non-performance, additional monitoring measures may be enforced, as well as possible withholding of disbursement of funds, in line with any provisions of legislation.

All National Treasury guidelines can be found at:

<http://www.treasury.gov.za/publications/guidelines/>.

## **Conditional grant change proposals**

To propose any changes to the structure of conditional grants, a submission must be made to the National Treasury by 19 July 2024 as part of the budget narrative. The proposal must include detailed descriptions and motivations for any changes in purpose, components, scheduling, or implementation models, as well as considerations for any new grant proposals that can be funded within the department's baseline. Before submitting the proposal, it is important to consult with analysts from the Public Finance unit of the National Treasury and the relevant official of the Intergovernmental Policy and Planning unit (DoRA). Any proposal that does not meet these requirements will not be considered during the grant framework meetings.

As the conditional grant system undergoes a comprehensive review, we anticipate significant improvements in grant structures that will ultimately benefit all stakeholders. A detailed report outlining the review's findings and recommendations will be presented to sector departments in June 2024. To foster a collaborative environment, we will then embark on a series of bilateral engagements to discuss the report's implications. Following these consultations, only changes aligned with the review's vision will be proposed and implemented in the 2025 Budget.

While we acknowledge the potential of indirect grants, their introduction must align with legal frameworks. Due to concerns regarding the constitutionality of such grants, the introduction of new indirect grants will not be possible in this budget while we seek a legal opinion.

It is crucial for departments proposing changes to the structure of conditional grants to consider the necessary resources and capacity required to manage and support grant implementation, including monitoring and oversight of transferred funds and providing support for provinces and municipalities in implementing grant-funded projects.

According to Section 26(2)(c) of the Division of Revenue Act, 2024, the allocation criteria for conditional grants must be approved by the National Treasury before provisional allocations and draft frameworks are submitted. Section 26(2)(a) requires the submission of all draft conditional grant frameworks and allocations to the National Treasury by October 1, 2024, irrespective of any proposed changes to grant structures. Final grant frameworks and

allocations must be submitted by December 2, 2024, signed by the accounting officer or a delegated official in accordance with Section 26(2)(e).

In the event of new legislation or amendments resulting in changes to funding arrangements, requests for rescheduling or changes to funding must be presented as part of the budget submission to the National Treasury. The budget process will determine the acceptance of such submissions, and it is essential to consult relevant officials within the Public Finance and Intergovernmental Relations divisions before submission. These procedures are critical, as changes to funding arrangements will only be considered through the official budgeting process.

## Budget programme structure change proposals

Where a department is considering revising budget programme structures and activity descriptions, these budget programme structure changes should be discussed with the relevant Treasury budget analyst before submitting a formal request for approval of the change. The Budget Programmes Structure Guidelines must be consulted. All National Treasury guidelines can be found at:

<http://www.treasury.gov.za/publications/guidelines/>. If a department also wants to create new transfer items, it should be discussed with the relevant Treasury budget analyst.

A formal request for budget programme structure changes, as well as any requests to create new transfer items, must then be submitted to the National Treasury by **05 July 2024**, together with an update to the 2024 ENE database, in the structure of the new proposed budget programme structure.

On approval of the budget structure change, the National Treasury will provide the department with an updated and customised 2025 MTEF Submission workbook to complete.

The new workbook template will be in the format of the newly approved budget programme structure, in line with the updated 2024 ENE database submitted with the application.

## 6. CRITICAL DATES

ITEM	DATE
2025 MTEF guidelines issued	21 June 2024
2025 MTEF submission workbooks issued to departments	24 June 2024
Institutions submit requests for budget programme structure revision	05 July 2024
Institutions submit requests to create new transfer items for the 2025 MTEF	05 July 2024
Conditional Grant change proposal submission	19 July 2024
2025 MTEF Submission from institutions submissions	19 July 2024
MTEF process concludes: Recommendations tabled to MINCOMBUD	Sep/Oct 2024
Budget Council and Budget Forum (after MINCOMBUD and before Cabinet)	October 2024

ITEM	DATE
MINCOMBUD and Cabinet approval of 2025 MTEF	October 2024
Tabling of the Medium-Term Budget Policy Statement (MTBPS)	October 2024
Preliminary allocation letters issued to departments (2 days after tabling of the MTBPS)	October 2024
Cabinet approved allocations letters distributed to departments (3 days after Cabinet approval)	December 2024
Budget tabled in Parliament	February 2025

## 7. COMPOSITION OF TECHNICAL AND FUNCTIONAL GROUP

FUNCTION GROUP	TECHNICAL GROUP (FUNCTION SUB-GROUP)	KEY DEPARTMENTS AND OTHER INSTITUTIONS
Learning and culture	Basic education	Basic Education, Provincial Education departments
	Post-school education and training	Higher Education and Training, Sector Education and Training Authorities, National Skills Fund, National Student Financial Aid Scheme, Quality Council for Trades and Occupations, Council for Higher Education, South African Qualifications Authority
	Arts, culture, sport, and recreation	Sport, Arts and Culture, and Provincial Arts, Culture, Sport, and Recreation
Health	Health	Health, Provincial Health departments, National Health Laboratory Service

FUNCTION GROUP	TECHNICAL GROUP (FUNCTION SUB-GROUP)	KEY DEPARTMENTS AND OTHER INSTITUTIONS
Social development	Social protection	National Social Development, South African Social Security Agency, National Development Agency, Provincial Social Developments, Women, Youth and Persons with Disabilities, National Youth Development Agency, Commission for Gender Equality, National Treasury (Programme 7)
	Social security funds	Road Accident Fund, Unemployment Insurance Fund, Compensation Fund
Community development	Community development	Cooperative Governance (limited to conditional grant and urban development programmes), Human Settlements, Water and Sanitation (water services), Public Transport, Mineral Resources and Energy (electricity distribution functions), Provincial Human Settlements, Provincial Public Transport, Local Governments, National Treasury (limited to conditional grants)
Economic development	Industrialisation and exports	Trade, Industry and Competition, Mineral Resources and Energy (mineral resources functions), Tourism, Small Business Development, Public Works and infrastructure (Programme 4) provincial economic development
	Agriculture and rural development	Forestry, Fisheries and the Environment, Agriculture, Land Reform and Rural Development
	Job creation and labour affairs	Employment and Labour, Public Works and Infrastructure (Programme 3), Expanded Public Works Programmes, Cooperative Governance, Employment Creation Facilitation Fund
	Economic regulation and infrastructure	Mineral Resources and Energy (remaining Energy functions), Transport, Forestry, Fisheries, and the Environment (environmental regulation), Communications and Digital Technologies, Water and Sanitation (water services), Provincial (Roads only) and Local Governments
	Innovation, science, and technology	Science and Innovation

FUNCTION GROUP	TECHNICAL GROUP (FUNCTION SUB-GROUP)	KEY DEPARTMENTS AND OTHER INSTITUTIONS
Peace and security	Defence and state security	Defence, Military Veterans, Financial Intelligence Centre, State Security, Armscor, and the Castle Control Board
	Police services	Police, Independent Police Investigative Directorate, Civilian Secretariat for the Police Service, Private Security Industry Regulatory Authority
	Law courts and prisons	Justice and Constitutional Development, Correctional Services, Office of the Chief Justice, Legal Aid South Africa, Public Protector of South Africa, South African Human Rights Commission
	Home affairs	Home Affairs
	Health	Military Health Services
General public services	Executive and legislative organs	Presidency, Government Communications and Information System, Parliament, Provincial Legislatures, Planning, Monitoring and Evaluation
	Public administration and fiscal affairs	Public service and Administration, National Treasury, Public Enterprises, National School of Government, Statistics South Africa, Cooperative Governance, Public Works, and infrastructure (programmes 1,2 and 5), Traditional Affairs, Public Service Commission, Centre for Public Service Innovation
	External affairs	International Relations and Cooperation, National Treasury (programme 6)





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