

NATIONAL TREASURY

NO. 5548

15 November 2024

PUBLIC FINANCE MANAGEMENT ACT, 1999
(ACT NO 1 OF 1999 AS AMENDED)BORROWING POWERS OF PUBLIC ENTITIES LISTED UNDER SCHEDULE 3 PART A OF
THE ACT

I, ENOCH GODOGWANA, MINISTER OF FINANCE, acting in terms of section 66(3)(b) of the Public Finance Management Act, 1999 (Act No 1 of 1999), hereby authorise the accounting authority of the Council for Scientific and Industrial Research (the CSIR) to issue guarantee instruments as follows:

CSIR: AUTHORISATION TO ISSUE GUARANTEE INSTRUMENTS	
FINANCIAL YEAR	ANNUAL LIMIT
Ending 31 March 2025	R110.24 million
Ending 31 March 2026	R690.14 million
Ending 31 March 2027	R699.04 million

The proposed annual limits represent the maximum exposure that the CSIR may have in relation to the issued guarantee instruments on the last day of each financial year. For as long as the CSIR has issued guarantee instruments, it will need to adhere to these requirements i.e. the limits on its issued guarantee instruments. The authorisation to issue guarantee instruments is set to expire on 31 March 2027.

The CSIR is required adhere to the following conditions during the abovementioned period:

- The CSIR must submit quarterly reports (within 30 days after the end of each quarter) to its executive authority and the Deputy Director-General: Asset and Liability Management on the National Treasury on (i) the guarantee instruments that have been issued by the entity, (ii) the counterparties to those guarantee instruments, (iii) the purpose of the guarantee instruments and (iv) detailed information on the progress and implementation of the projects for which the guarantee instruments have been issued;
- The CSIR's liquid assets (i.e., cash and/or marketable securities) may not fall below R1.47 billion, at any point in time, while the approval is in effect; and
- The CSIR is to report to its executive authority and the Deputy Director-General: Asset and Liability Management of the National Treasury any disputes and/or contraventions with any of its contracts with project owners to which an authorised guarantee is attached.



ENOCH GODOGWANA
MINISTER OF FINANCE
Date: 28/10/2024