PARLIAMENT
OF THE REPUBLIC OF SOUTH AFRICA

2026 BUDGET

FINANCE AND PUBLIC ACCOUNTS CLUSTER

HIGHLIGHTS OF THE 2026 BUDGET: FINANCE AND PUBLIC ACCOUNTS CLUSTER

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HIGHLIGHTS OF THE 2026 BUDGET

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1. 2026 BUDGET HIGHLIGHTS

The National Treasury (NT) is under general public services which focuses on building a capable, ethical and developmental state. 65.4 per cent of the function is public administration and fiscal affairs. R285.3 million is allocated to enhance cross-government bulk purchasing systems designed to save costs, starting with the modernisation of the government payroll system.

The NT will also shift R98.9 million from other programmes within its budget, over the medium term to the Office of the Chief Procurement Officer to implement a national e-government platform. This will digitise the procurement value chain using secure technology.

This Bulletin reviews the budget allocations of two Departments under the Finance and Public Accounts purview. Table 1 shows the 2025/26 main and adjusted appropriation[1], the 2026/27 main appropriation allocation[2] and percentage increase.

Table 1: Departments within the Finance and Public Accounts Cluster

Vote	Department R million	2025/26 Main Appropriation	2025/26 Adjusted Appropriation	2026 /27 Appropriation	2025/26-2026/27[3] Percentage Increase/ Decrease	2026/27 Percentage Share of Total Appropriated Funds per Vote
2	Parliament	3 067.8	5 545.9	2 801.9	-8.7	0.2%
8	National Treasury	27 972.9	34 840.3	37 952.2	8.9%	3.1%

2. VOTE 2: PARLIAMENT

Parliament received R3.1 billion as its 2025/26 main appropriation. The 2025 Special Appropriation Bill appropriated R2.1 billion to provide the support services required by Parliament to fulfil its constitutional functions, assist political parties represented in Parliament to secure administrative support and service constituents, and provide members of Parliament with the necessary facilities.

In 2026/27, Parliament receives R2.8 billion as its main appropriation budget, which is a reduction of R265.9 million (8.7 per cent) from the 2025/26 adjusted budget of R3.1 billion.

2.1. ALIGNMENT TO THE 2026 SONA FOCUS AREAS AND MTEF PRIORITIES

There is no mention of Parliament in SONA.

2.2 CRITICAL ISSUES FOR OVERSIGHT

Parliament Restoration Project: It is expected to be completed December 2026, with a total budget of R4.6 billion. The Development Bank of Southern Africa (DBSA) is the implementing agent of the project, which includes rebuilding of the National Assembly and Old Assembly buildings. The National Assembly reconstruction is estimated to cost R2.27 billion. The Old Assembly reconstruction is estimated to cost R1.3 billion. As of September 2025, R1 billion has been spent, with a remaining budget of R3.3 billion). The restoration project includes refurbishing of offices at 90 Plein Street. The project must not be delayed in order to avoid cost escalations.

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[1] An adjusted appropriation is a modification to a government's main budget, increasing or decreasing funds during a financial year through an Adjustments Appropriation Bill.
[2] ENE, 2026
[3] Based on the adjusted allocations

The Organisational Re-alignment Project (ORP) seeks to convert the South African Parliament into a dynamic and efficient institution. Emphasizing inclusivity and accessibility, it promotes public engagement, particularly from rural and marginalized populations, and improves representation of at-risk groups. Strategic operational changes encompass restructuring parliamentary initiatives, enhancing oversight processes, and prioritizing results rather than actions.

The project includes a digital transformation to update procedures and enhance responsibility. Centred on Ubuntu, the initiative encourages a spirit of collaboration and significant involvement of stakeholders. By 2026, continuous evaluations seek to guarantee that the Parliament tackles national concerns efficiently, aiding in the restoration of public trust.

3. VOTE 8: NATIONAL TREASURY

The National Treasury (NT) receives R37.9 billion as its main appropriation in 2026/27 which is an increase of 35.7% when compared to the 2025/26 adjusted budget of R27.9 billion. Thereafter, estimated budget increases to R39.9 billion in 2027/28 and R43.4 billion in 2028/29, respectively.

Schedule 1 of the Special Appropriations Bill[4] allocated R1.8 billion to Programme 4 in order to manage government's annual funding programme in a manner that ensures prudent cash management and an optimal portfolio of debt and other fiscal obligations. This allocation was for the Credit Guarantee Vehicle to promote and enforce the prudent financial management of state-owned entities through financial analysis and oversight.

Schedule 2 of the Special Appropriations Bill exclusively appropriated R1 billion for the purchase of shares in International Finance Corporation at the World Bank. This was allocated to Programme 6.

The Vote has five Programmes:

- Administration
- Economic Policy and International Cooperation, Tax, Financial Regulation and Research
- Public Finance and Budget Management
- Asset and Liability Management
- Financial Accounting and Supply Chain Management Systems
- International Financial Relations
- Revenue Administration
- Financial Intelligence and State Security

3.1. MTEF FOCUS AREAS[5]

National Treasury will focus on the following areas over the MTEF:

- Enforcing a responsive tax system
- Supporting infrastructure development and enhancing municipal service delivery
- Managing future spending growth, fiscal risk and government's assets and liabilities
- Strengthening financial management in government
- Automating systems to streamline procurement
- Enhancing international and regional economic advocacy

[4] NT, 2026, Special Appropriations Bill
[5] ENE, 2026

3.2. ALIGNMENT TO THE 2026 SONA FOCUS AREAS AND MTEF PRIORITIES

The SONA of 2026 outlined the following areas:

- Operation Vulindlela is a joint initiative by National Treasury and Presidency to accelerate the implementation of structural reforms supporting economic recovery. A similar approach to establish a hard-hitting new criminal justice reform initiative will be adopted.
- The finalisation of regulations to implement the Public Procurement Act will be completed by mid-2026.
- Improvements in South Africa's system to combat money laundering and terror financing with further legislative and system upgrades. The establishment of a national illicit economy disruption programme that brings together key state agencies and other stakeholders, including the private sector. Key agencies include the South Africa Revenue Service (SARS), South African Police Service (SAPS), Prudential Authority (PA), National Prosecuting Authority (NPA), South African Anti-Money Laundering Integrated Taskforce (SAMLIT)[6] and Financial Intelligence Centre (FIC).
- Ministers of Finance and Higher Education to work on a proposal to build more universities and TVET colleges with specialised areas of focus.

Table 2: SONA[7] and MTEF priorities for Vote 8 and funds allocated to the priorities

SONA PRIORITIES	MTEF PRIORITIES	ALLOCATED BUDGET[8]
•	• Urban development zone tax incentive- government will explore targeting the incentive to better support affordable housing developments in areas that are close to jobs, public transport and essential services. • Unlocking economic growth (Funds under Presidency - Vote 1)	• Tabling proposals and legislation in the 2027 Budget • Support Services to the President subprogramme's allocation of R373.5 million over the medium term • the Support Services to the Deputy President subprogramme's allocation of R243 million over the medium term, both in the Administration programme.
• The finalisation of regulations to implement the Public Procurement Act will be completed by mid-2026	• Automating systems to streamline procurement	Chief Procurement Office sub-programme R92.9 million (2026/27) R96.5 million (2027/28) R99.6 million (2028/29)
• White Paper on Local Government.	• Supporting infrastructure development and enhancing municipal service delivery	Inter-Governmental Relation programme: R291.4 million (2026/27, R302.4 million (2027/28 R341.4 million (2028/29)

[6] A public-private partnership aimed at collaboration between authorities and banks
[7] SONA, 2026
[8] Figures from the ENE

• The establishment of a national illicit economy disruption programme that brings together key state agencies and other stakeholders, including the private sector. Key agencies include the South Africa Revenue Service (SARS	• SARS-strengthening enforcement against illicit trade, base erosion and profit shifting, and aggressive tax planning.	Targeted efforts across SARS and other entities. Funds in various programmes and entities
• Just Energy Transition Investment Plan now stands at approximately R250 billion. This is financing large-scale investment in manufacturing, infrastructure and skills	• Development Bank of Southern Africa to host the project management office for the just energy transition investment plan and manage procurement, monitoring and evaluation	R184,2 million MTEF (Just energy) R40 million – (procurement)

3.3. CRITICAL ISSUES FOR OVERSIGHT

The following issues must be considered by the Committee:

- **Financial Performance and Audit Outcomes:** While improvements have been made, oversight committees are focused on addressing remaining audit findings for both National Treasury on fruitless and wasteful expenditure and SARS on irregular expenditure of R78 million. Key concerns include management of expenditure and consequence management.
- **Illicit Trade and Financial Flows:** Combating illicit trade, particularly in tobacco, alcohol, and counterfeit goods, is a major focus, as it significantly erodes the tax base.
- Over the next 3 years, the Department through SARS plans to strengthen enforcement against illicit trade, base erosion and profit shifting, and aggressive tax planning.
- Plans are in place over the proposed municipal reforms are rooted in the revised White Paper on Local Government and the local government fiscal framework review. The White Paper's proposals include a more differentiated system in which functions are assigned according to demonstrated capacity.
- The Office of the Chief Procurement must ensure compliance with supply chain regulations in departments and entities as this has remain the main area of non-compliance in the public service raised by the AG consistently
- The NT is supporting infrastructure development and improving municipal service delivery, managing future spending growth. These will done through various local grants. The conditional grants must be closely monitored in order to ensure that they are utilised for the intended purpose.

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