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GOVERNMENT GAZETTE

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PRESIDENT'S OFFICE

KANTOOR VAN DIE PRESIDENT

No. 1600.

4 October 1996

No. 1600.

4 Oktober 1996

It is hereby notified that the President has assented to the following Act which is hereby published for general information:—

Hierby word bekend gemaak dat die President sy goedkeuring geheg het aan die onderstaande Wet wat hierby ter algemene inligting gepubliseer word:—

No. 48 of 1996: Borrowing Powers of Provincial Governments Act, 1996.

No. 48 van 1996: Wet op Leningsbevoegdheids van Provinsiale Regerings, 1996.

ACT

To provide for norms and conditions in respect of the borrowing powers of provincial governments and for matters incidental thereto.

PREAMBLE

WHEREAS section 157(1) of the Constitution provides that a province shall not be competent to raise loans for current expenditure, but shall be competent to raise loans for capital expenditure, provided it does so within the framework of reasonable norms and conditions prescribed by an Act of Parliament;

AND WHEREAS section 157(2) of the Constitution provides that loans for current expenditure may be raised by means of bridging finance during a fiscal year, subject to the condition that they shall be redeemed within 12 months and subject to such further, reasonable conditions as may be prescribed by an Act of Parliament;

*(English text signed by the President.)
(Assented to 27 September 1996.)*

BE IT THEREFORE ENACTED by the Parliament of the Republic of South Africa, as follows:—

Definitions

1. In this Act, unless the context otherwise indicates—

- (i) “bridging finance” means funds raised during a financial year in the Republic and denominated in rand to finance current expenditure in anticipation of the receipt of current revenue during that particular financial year, and includes an overdraft on a bank account which the provincial government concerned has opened in terms of its Exchequer Act; (xii) 5
- (ii) “capital expenditure” means any payment by a provincial government for the procurement of new or existing tangible or intangible assets with a value higher than a prescribed value and with a normal life expectancy of more than one year, and includes— 10
 - (a) payment for the acquisition of goods and services for the purpose of improving, prolonging the expected working life of, and rebuilding or reconstructing an existing fixed asset; 15
 - (b) a capital transfer to another person or body;
 - (c) the granting and payment of a money loan of which the proceeds will be used by the recipient of such a loan for capital expenditure;
 - (d) any other expenditure which is from time to time classified by regulation as a capital expenditure; 20
 - (e) the repayment of an outstanding loan which is due for redemption or conversion, provided that the proceeds of such conversion shall be used for the financing of expenditures contemplated in subparagraphs (a), (b), (c) and (d), 25
 but excludes a payment by a provincial government in connection with the normal maintenance of a capital asset intended to keep such asset in its original state of repair; (v)
- (iii) “capital revenue” means all income of a provincial government, other than a loan, intended for the financing of capital expenditure and includes proceeds from the sale of capital assets; (iii) 30

WET

Om voorsiening te maak vir norme en voorwaardes ten opsigte van die leningsbevoegdhede van provinsiale regerings en vir aangeleenthede wat daarmee in verband staan.

AANHEF

AANGESIEN artikel 157(1) van die Grondwet bepaal dat 'n provinsie nie bevoeg is om lenings vir lopende uitgawes aan te gaan nie, maar wel bevoeg is om lenings vir kapitaaluitgawes aan te gaan, mits dit gedoen word binne die raamwerk van redelike norme en voorwaardes deur 'n Parlements wet voorgeskryf;

EN AANGESIEN artikel 157(2) van die Grondwet bepaal dat lenings vir lopende uitgawes by wyse van oorbruggingsfinansiering in die loop van 'n fiskale jaar aangegaan kan word onderworpe aan die voorwaarde dat dit binne 12 maande afgelos moet word en onderworpe aan die verdere, redelike voorwaardes wat by 'n Parlements wet voorgeskryf mag word;

*(Engelse teks deur die President geteken.)
(Goedgekeur op 27 September 1996.)*

WORD DAAR DERHALWE BEPAAL deur die Parlement van die Republiek van Suid-Afrika, soos volg:—

Woordomskrywing

1. In hierdie Wet, tensy uit die samehang anders blyk, beteken—
- 5 (i) “boekjaar” die tydperk wat strek vanaf 1 April in 'n jaar tot 31 Maart in die daaropvolgende jaar; (ix)
- (ii) “hierdie Wet” ook die regulasies; (xv)
- (iii) “kapitaalinkomste” alle inkomste van 'n provinsiale regering, anders as 'n lening, bestem vir die finansiering van kapitaaluitgawes en ook die opbrengs uit die verkoop van kapitaalbates; (iii)
- 10 (iv) “kapitaaloordrag” 'n nie-terugbetaalbare betaling sonder teenprestasie aan, deur middel van of deur 'n provinsiale regering met die doel om kapitaaluitgawes te finansier; (iv)
- (v) “kapitaaluitgawe” enige betaling deur 'n provinsiale regering vir die verkryging van nuwe of bestaande tasbare of ontasbare bates met 'n waarde hoër as 'n voorgeskrewe waarde en met 'n normale lewensduur van meer as een jaar, en ook—
- (a) betaling vir die verkryging van goedere en dienste met die oog op die verbetering, verlenging van die verwagte werkleeftyd en herbouing of
- 20 rekonstruksie van 'n bestaande vaste bate;
- (b) 'n kapitaaloordrag aan 'n ander persoon of liggaam;
- (c) die toestaan en betaling van 'n geldlening waarvan die opbrengs deur die ontvanger van sodanige lening vir kapitaaluitgawes aangewend sal word;
- 25 (d) enige ander uitgawe wat van tyd tot tyd by regulasie as 'n kapitaaluitgawe geklassifiseer word;
- (e) die terugbetaling van 'n uitstaande lening wat afgelos of omgeset staan te word, mits die opbrengs van sodanige omsetting vir die finansiering van uitgawes beoog in subparagrafe (a), (b), (c) en (d) aangewend
- 30 word,

- (iv) "capital transfer" means a non-repayable, unrequited payment to, through or by a provincial government for the purpose of financing capital expenditure; (iv)
- (v) "Commission" means the Financial and Fiscal Commission established by section 198 of the Constitution; (vii) 5
- (vi) "Committee" means the Loan Co-ordinating Committee referred to in section 2; (vi)
- (vii) "current expenditure" means any payment by a provincial government which is not a capital expenditure; (x)
- (viii) "current revenue" means all income of a provincial government, other than— 10
(a) receipts from bridging finance and loans;
(b) receipts of capital revenue; and
(c) receipts of capital transfers; (ix)
- (ix) "financial year" means the period from 1 April in any year to 31 March in the next succeeding year; (i) 15
- (x) "interest incurred during a financial year" includes the gross amount of any finance charges, discounts or premiums attributable to that financial year, irrespective of whether such interest is deferred, paid in advance, or is calculated with reference to a fixed or variable rate of interest or in any other manner; (xiii) 20
- (xi) "loan" means money borrowed to finance a capital expenditure; (viii)
- (xii) "Minister" means the Minister of Finance; (xi)
- (xiii) "prescribed" means prescribed by regulation; (xv)
- (xiv) "responsible member" means the member of the Executive Council of a provincial government who is responsible for the financial affairs of the province concerned and who acts, for purposes of this Act, on behalf of that government; (xiv) 25
- (xv) "this Act" includes the regulations. (ii)

Loan Co-ordinating Committee

2. There is hereby established a Loan Co-ordinating Committee— 30
(a) which shall consist of the Minister, as chairperson, and the responsible member of each province, or his or her duly authorised representative; and
(b) which shall during a financial year co-ordinate the borrowing requirements of provincial governments, after taking into account estimates of the aggregate demand for capital market funds during that year; and 35
(c) which shall in its deliberations take account of the total debt of each provincial government and the bodies controlled by it and of their contingent liabilities, risks, and ability to service their debt, and which shall report thereon to the Commission in a manner which will allow the Commission to effectively fulfil its functions in terms of section 157(3) of the Constitution. 40

Borrowing powers of provinces

3. (1) No person or body other than the responsible member may borrow moneys on behalf of a provincial government.
- (2) A department of or a body established by a provincial government may only with the written approval of the responsible member accept financial assistance from any person, other than the national government. 45
- (3) A provincial government shall not commit itself to any financial product, other than bridging finance, loans or such other product as may be prescribed, which creates an interest or any other exposure of a financial or equivalent kind.
- (4) Bridging finance shall not be raised by a provincial government as a continuous and unlimited revolving credit. 50
- (5) The responsible member shall not obtain loans denominated in a foreign currency by the issue of marketable financial instruments or incur a liability or risk payable in a foreign currency otherwise than in terms of subsection (6)(d).
- (6) The responsible member may during a financial year raise loans to finance an expected loan requirement which shall be determined in accordance with section 4(b)(vi): Provided that— 55

WET OP LENINGSBEVOEGDHEDE VAN PROVINSIALE
REGERINGS, 1996

Wet No. 48, 1996

- maar sluit 'n betaling deur 'n provinsiale regering in verband met die normale instandhouding van 'n kapitaalbate, wat die behoud van sodanige bate in sy oorspronklike toestand ten doel het, uit; (ii)
- (vi) "Komitee" die Leningskoördineringskomitee bedoel in artikel 2; (vi)
- 5 (vii) "Kommissie" die Finansiële en Fiskale Kommissie ingestel by artikel 198 van die Grondwet; (v)
- (viii) "lening" geld geleen om 'n kapitaaluitgawe te finansier; (xi)
- (ix) "lopende inkomste" alle inkomste van 'n provinsiale regering, anders as—
- 10 (a) ontvangste uit oorbruggingsfinansiering en lenings;
- (b) ontvangste van kapitaalinkomste; en
- (c) ontvangste van kapitaaloordragte; (viii)
- (x) "lopende uitgawe" enige betaling deur 'n provinsiale regering wat nie 'n kapitaaluitgawe is nie; (vii)
- (xi) "Minister" die Minister van Finansies; (xii)
- 15 (xii) "oorbruggingsfinansiering" fondse gedurende 'n boekjaar in die Republiek verkry en in rand gedenomineer om lopende uitgawes in afwagting van die ontvangs van lopende inkomste gedurende daardie betrokke boekjaar te finansier, en ook 'n oortrekking op 'n bankrekening wat die betrokke provinsiale regering ingevolge sy Skatkiswet geopen het; (i)
- 20 (xiii) "rente opgeloopt gedurende 'n boekjaar" ook die bruto bedrag van enige finansieringskoste, diskonto's of premies toedeelbaar aan daardie boekjaar, ongeag of sodanige rente uitgestel, vooruitbetaal of met verwysing na 'n vaste of veranderlike rentekoers of op enige ander wyse bereken word; (x)
- (xiv) "verantwoordelike lid" die lid van die Uitvoerende Raad van 'n provinsiale regering wat vir die finansiële sake van die betrokke provinsie verantwoordelik is en wat, vir doeleindes van hierdie Wet, namens daardie regering handel; (xiv)
- 25 (xv) "voorgeskrif" by regulasie voorgeskryf. (xiii)

Leningskoördineringskomitee

- 30 2. Daar word hierby 'n Leningskoördineringskomitee ingestel—
- (a) wat bestaan uit die Minister, as voorsitter, en die verantwoordelike lid van elke provinsie, of sy of haar behoorlik gemagtigde verteenwoordiger; en
- (b) wat gedurende 'n boekjaar die leningsvereistes van provinsiale regerings koördineer, na inagneming van ramings oor die totale vraag na kapitaalmarkfondse gedurende daardie jaar; en
- 35 (c) wat in sy beraadslagings die totale skuld van elke provinsiale regering en die liggame wat deur hom beheer word, en hul voorwaardelike verpligtinge, risiko's en vermoë om hul skuld te vereffen, in ag neem en wat verslag daaroor aan die Kommissie doen op 'n wyse wat die Kommissie in staat sal stel om sy funksies ingevolge artikel 157(3) van die Grondwet doeltreffend te vervul.
- 40

Leningsbevoegdheid van provinsies

3. (1) Geen persoon of liggaam anders as die verantwoordelike lid kan geld namens 'n provinsiale regering leen nie.
- 45 (2) 'n Departement van of 'n liggaam ingestel deur 'n provinsiale regering kan slegs met die skriftelike goedkeuring van die verantwoordelike lid finansiële bystand van 'n persoon, anders as die nasionale regering, aanvaar.
- (3) 'n Provinsiale regering verbind hom nie tot enige finansiële produk, anders as oorbruggingsfinansiering, lenings of die ander produk wat voorgeskryf word, wat 'n
- 50 rente- of enige ander blootstelling van 'n finansiële of gelyksoortige aard skep nie.
- (4) Oorbruggingsfinansiering word nie deur 'n provinsiale regering aangegaan as 'n deurlopende en onbepaalde wentelkrediet nie.
- (5) Die verantwoordelike lid verkry nie lenings gedenomineer in 'n buitelandse geldeenheid deur die uitreiking van bemarkbare finansiële instrumente nie of aanvaar
- 55 nie 'n verpligting of risiko betaalbaar in 'n buitelandse geldeenheid, anders as ingevolge subartikel 6(d) nie.
- (6) Die verantwoordelike lid kan gedurende 'n boekjaar lenings aangaan om 'n verwagte leningsbehoefte, wat bepaal word ooreenkomstig artikel 4(b)(vi), te finansier: Met dien verstande dat—

- (a) the aggregate amount of loans to be raised by each provincial government during that financial year has been considered and consensus thereon has been reached by the Committee and the Commission has been informed by the Minister in writing of such consensus having been reached;
- (b) if the Committee cannot reach consensus on the aggregate amount contemplated in paragraph (a) within 21 days after being tabled for discussion for the first time at a meeting of the Committee, the Minister, who may request a recommendation from the Commission on the matter, shall determine the aggregate amount that may be borrowed by each provincial government, and he or she shall make public the reasons for such determination;
- (c) the total amount of outstanding loans raised by the responsible member in terms of this section during such financial year shall, notwithstanding paragraphs (a) and (b), at no time exceed the expected loan requirement by more than half a per cent;
- (d) subject to subsection (5), loans denominated in foreign currency may be raised only—
- (i) with the approval of the Minister and subject to the conditions determined by him or her; and
 - (ii) after the reasons for the conclusion of such a loan have been fully motivated by the responsible member to the Minister and to the Commission; and
 - (iii) if the Minister, after recommendations of the Commission on the matter have been considered, is satisfied that the conditions of such a loan comply with the generally accepted principles of loan agreements and the conclusion of the loan is in the public interest;
- (e) loans raised in the Republic and denominated in rand shall, subject to this Act, be obtained by a provincial government—
- (i) through the conclusion of loan agreements with the national government, with the concurrence of the Minister, and the Minister may advise the provincial government to raise a loan in terms of subparagraph (ii) or (iii); or
 - (ii) through an institution established by an Act of Parliament, or an institution approved by the Minister, to conclude loans and make loans to subnational governments; or
 - (iii) by—
 - (aa) entering into loan agreements with banks or financial institutions; or
 - (bb) making issues of public stock and bonds; or
 - (cc) entering into loan agreements through the issue of financial instruments,
 on such terms and conditions as the responsible member may deem fit, and he or she may furnish any security required.
- (7) (a) The total expected amount of interest incurred during a financial year by a provincial government on its expected outstanding debt at the end of that financial year, shall not exceed an amount equal to a percentage—
- (i) of the total budgeted current revenue of that provincial government, recorded in terms of section 4(a)(i); and
 - (ii) annually determined for each provincial government by the Minister, who may request a recommendation in this connection from the Commission.
- (b) The Minister shall make public the reasons for the determination contemplated in paragraph (a).
- (8) Any moneys borrowed by the responsible member, and the interest thereon, shall be the financial obligation of the provincial government concerned and shall be chargeable to and payable from the revenues and assets of that provincial government.

Statements of current and capital transactions

4. Every provincial government shall for each financial year, in respect of all its budgeted and actual transactions, make provision in its books of account for—
- (a) a statement, which shall be called the statement of current transactions, in a prescribed form, which shall on a cash basis record—
 - (i) the amounts of all current revenue received by the provincial government concerned in terms of any law or otherwise;
 - (ii) all amounts—

WET OP LENINGSBEVOEGDHEDE VAN PROVINSIALE
REGERINGS, 1996

Wet No. 48, 1996

- (a) die totale bedrag van lenings wat deur elke provinsiale regering gedurende daardie boekjaar aangegaan staan te word, oorweeg is, en konsensus daarvoor bereik is deur die Komitee, en die Kommissie skriftelik deur die Minister ingelig is dat sodanige konsensus bereik is;
- 5 (b) indien die Komitee nie konsensus kan bereik oor die totale bedrag beoog in paragraaf (a) binne 21 dae nadat dit vir die eerste keer vir bespreking tydens 'n vergadering van die Komitee ter tafel gelê is nie, bepaal die Minister, wat 'n aanbeveling van die Kommissie oor die aangeleentheid kan aanvra, die totale bedrag wat deur elke provinsiale regering geleen kan word, en hy of sy maak die redes vir sodanige bepaling openbaar;
- 10 (c) die totale bedrag van uitstaande lenings wat deur die verantwoordelike lid ingevolge hierdie artikel gedurende sodanige boekjaar aangegaan is, ondanks paragrawe (a) en (b), op geen tydstip die verwagte leningsbehoefte met meer as 'n halwe persent oorskry nie;
- 15 (d) behoudens subartikel (5), lenings gedenomineer in 'n buitelandse geldeenheid aangegaan kan word slegs—
- (i) met die goedkeuring van die Minister en behoudens die voorwaardes wat hy of sy bepaal; en
- (ii) nadat die redes vir die sluiting van sodanige lening ten volle deur die verantwoordelike lid aan die Minister en aan die Kommissie gemotiveer is; en
- 20 (iii) indien die Minister, nadat aanbevelings van die Kommissie oor die aangeleentheid oorweeg is, oortuig is dat die voorwaardes van sodanige lening voldoen aan die algemeen aanvaarde beginsels van lenings-ooreenkomste en die sluiting van die lening in die openbare belang is;
- 25 (e) lenings aangegaan in die Republiek en gedenomineer in rand, behoudens hierdie Wet, deur 'n provinsiale regering verkry word—
- (i) deur middel van die sluiting van leningsooreenkomste met die nasionale regering met die instemming van die Minister, en die Minister kan die provinsiale regering adviseer om 'n lening ingevolge subparagraaf (ii) of (iii) aan te gaan; of
- 30 (ii) deur middel van 'n instelling ingestel deur 'n Parlements wet, of 'n instelling goedgekeur deur die Minister, om lenings te sluit en lenings aan subnasionale regerings te verskaf; of
- 35 (iii) deur die—
- (aa) aangaan van leningsooreenkomste met banke of finansiële instellings; of
- (bb) uitreiking van openbare effekte en skuldbriewe; of
- (cc) aangaan van leningsooreenkomste deur die uitreiking van finansiële instrumente,
- 40 op die bedinge en voorwaardes wat die verantwoordelike lid geskik ag, en hy of sy kan enige sekuriteit verskaf wat vereis word.
- (7) (a) Die totale verwagte bedrag van rente opgeloopt gedurende 'n boekjaar deur 'n provinsiale regering op sy verwagte uitstaande skuld aan die einde van daardie
- 45 boekjaar, oorskry nie 'n bedrag nie gelykstaande aan 'n persentasie—
- (i) van die totale begrote lopende inkomste van daardie provinsiale regering, te boek gestel ingevolge artikel 4(a)(i); en
- (ii) wat jaarliks vir elke provinsiale regering deur die Minister, wat 'n aanbeveling in dié verband van die Kommissie kan aanvra, bepaal word.
- 50 (b) Die Minister maak die redes vir die bepaling beoog in paragraaf (a) openbaar.
- (8) Enige gelde wat geleen is deur die verantwoordelike lid, en die rente daarop, is die finansiële verpligting van die betrokke provinsiale regering en is ten laste van en betaalbaar uit die inkomste en bates van daardie provinsiale regering.

State van lopende en kapitaaltransaksies

- 55 4. Elke provinsiale regering moet vir elke boekjaar, ten opsigte van al sy begrote en werklike transaksies voorsiening maak in sy rekeningboeke vir—
- (a) 'n staat, wat die staat van lopende transaksies genoem word, in 'n voorgeskrewe vorm, wat op 'n kontantbasis te boek stel—
- (i) die bedrae van alle lopende inkomste ontvang deur die betrokke
- 60 provinsiale regering ingevolge 'n wet of andersins;
- (ii) alle bedrae—

- (aa) of current expenditure with which the provincial government is charged in terms of any law;
- (bb) recorded in terms of paragraph (a)(i) as current revenue and which have been made available by the legislative authority of the province concerned for the financing of capital expenditure; and 5
- (iii) the amounts—
- (aa) of receipts from bridging finance; and
- (bb) in respect of the repayment of bridging finance; and
- (b) a statement, which shall be called the statement of capital transactions, in a prescribed form, which shall on a cash basis record— 10
- (i) the amounts of—
- (aa) capital revenue;
- (bb) current revenue recorded in the statement contemplated in paragraph (a) and which has been made available by the legislative authority of a province for the financing of capital expenditure; and 15
- (cc) receipts of capital transfers;
- (ii) all expenditures and amounts with which the provincial government is charged in terms of any law and which are capital expenditure;
- (iii) outstanding loans which are due for redemption or conversion;
- (iv) proceeds from loans; 20
- (v) the excess of—
- (aa) the total amount recorded in terms of subparagraphs (i) and (iv), over
- (bb) the total amount recorded in terms of subparagraphs (ii) and (iii), and which excess shall be referred to as the capital surplus for the financial year concerned; and 25
- (vi) the difference between—
- (aa) the total amount of budgeted appropriations for that financial year recorded in terms of subparagraph (ii), together with the budgeted amounts recorded in terms of subparagraph (iii), and 30
- (bb) the total of the budgeted amounts recorded in terms of subparagraph (i), together with the amount of the capital surplus for the immediately preceding financial year, and which difference shall be referred to as the expected loan requirement for the financial year concerned. 35

Guarantees

5. (1) Notwithstanding anything to the contrary in this or any other law, no guarantee shall be furnished by the national government in respect of the fulfilment of a financial commitment incurred or to be incurred by a provincial government pursuant to the raising of bridging finance or conclusion of a loan denominated in rand. 40

(2) Notwithstanding anything to the contrary in this or any other law, a guarantee by the national government in respect of the fulfilment of a financial commitment incurred or to be incurred by a provincial government pursuant to the conclusion by the responsible member of a loan denominated in a foreign currency may be furnished only in terms of a national Exchequer Act. 45

(3) All documents issued in respect of the incurring by a provincial government of a financial commitment, shall prominently contain a statement indicating whether or not such a financial commitment is guaranteed by the national government.

Signatories to documents

6. (1) Loans or agreements entered into in terms of section 3(6)(d), (e)(i), (e)(ii) and (e)(iii)(aa) and securities issued in terms thereof shall be signed by the responsible member of the provincial government concerned. 50

(2) Financial instruments other than those referred to in subsection (1), issued by a provincial government, shall be signed by the officer responsible for the administration of the financial affairs of the provincial government concerned or a person authorised thereto by him or her in writing. 55

WET OP LENINGSBEVOEGDHEDE VAN PROVINSIALE
REGERINGS, 1996

Wet No. 48, 1996

- (aa) van lopende uitgawes waarmee die provinsiale regering ingevolge 'n wet belas is;
- (bb) wat as lopende inkomste ingevolge paragraaf (a)(i) te boek gestel is en wat deur die wetgewende gesag van die betrokke provinsie vir die finansiering van kapitaaluitgawes beskikbaar gestel is; en
- (iii) die bedrae—
- (aa) van die ontvangste uit oorbruggingsfinansiering; en
- (bb) ten opsigte van die terugbetaling van oorbruggingsfinansiering; en
- (b) 'n staat, wat die staat van kapitaaltransaksies genoem word, in 'n voorgeskrewe vorm, wat, op 'n kontantbasis te boek stel—
- (i) bedrae van—
- (aa) kapitaalinkomste;
- (bb) lopende inkomste wat in die staat beoog in paragraaf (a) te boek gestel is en wat deur die wetgewende gesag van 'n provinsie vir die finansiering van kapitaaluitgawes beskikbaar gestel is; en
- (cc) ontvangste van kapitaaloordragte;
- (ii) alle uitgawes en bedrae waarmee die provinsiale regering ingevolge 'n wet belas is en wat kapitaaluitgawes is;
- (iii) uitstaande lenings wat afgelos of omgeset staan te word;
- (iv) opbrengste uit lenings;
- (v) die oorskot van—
- (aa) die totale bedrag te boek gestel ingevolge subparagrafe (i) en (iv), b6
- (bb) die totale bedrag te boek gestel ingevolge subparagrafe (ii) en (iii), en welke oorskot na verwys word as die kapitaalsurplus vir die betrokke boekjaar; en
- (vi) die verskil tussen—
- (aa) die totale bedrag van begrote appropriasies vir daardie boekjaar te boek gestel ingevolge subparagraaf (ii), tesame met die begrote bedrae te boek gestel ingevolge subparagraaf (iii), en
- (bb) die totaal van die begrote bedrae te boek gestel ingevolge subparagraaf (i), tesame met die bedrag van die kapitaalsurplus vir die onmiddellik voorafgaande boekjaar,
- en na welke verskil verwys word as die verwagte leningsbehoefte vir die betrokke boekjaar.

Waarborg

5. (1) Ondanks enigiets tot die teendeel in hierdie of enige ander wet, word geen waarborg deur die nasionale regering verskaf ten opsigte van die nakoming van 'n finansiële verpligting wat aangegaan is of aangegaan staan te word deur 'n provinsiale regering uit hoofde van die verkryging van oorbruggingsfinansiering of die sluiting van 'n lening gedenomineer in rand nie.

(2) Ondanks enigiets tot die teendeel in hierdie of enige ander wet, word 'n waarborg deur die nasionale regering ten opsigte van die nakoming van 'n finansiële verpligting wat aangegaan is of aangegaan staan te word deur 'n provinsiale regering uit hoofde van die sluiting deur 'n verantwoordelike lid van 'n lening gedenomineer in 'n buitelandse geldeenheid, slegs verskaf ingevolge 'n nasionale Skatkiswet.

(3) Alle dokumente uitgereik in verband met die aangaan deur 'n provinsiale regering van 'n finansiële verpligting, moet prominent 'n verklaring bevat wat aandui of sodanige finansiële verpligting deur die nasionale regering gewaarborg word, al dan nie.

Ondertekenaars van dokumente

6. (1) Lenings of ooreenkomste wat aangegaan is ingevolge artikel 3(6)(d), (e)(i), (e)(ii) en (e)(iii)(aa) en sekuriteite ingevolge daarvan uitgereik, word deur die verantwoordelike lid van die betrokke provinsiale regering onderteken.

(2) Finansiële instrumente anders as dié bedoel in subartikel (1), uitgereik deur 'n provinsiale regering, word onderteken deur die beampte wat verantwoordelik is vir die administrasie van die finansiële sake van die betrokke provinsiale regering of 'n persoon wat skriftelik deur hom of haar daartoe gemagtig is.

Act No. 48, 1996

BORROWING POWERS OF PROVINCIAL GOVERNMENTS
ACT, 1996**Regulations**

7. The Minister may, after consultation with the responsible members, make regulations regarding—

- (a) any matter which in terms of this Act is required or permitted to be prescribed;
- (b) disclosure requirements in respect of the borrowing operations of provincial governments; and
- (c) generally, any matter which the Minister deems necessary or expedient to prescribe in order to achieve the objects of this Act.

Short title

8. This Act shall be called the Borrowing Powers of Provincial Governments Act, 1996.

Regulasies

7. Die Minister kan, na oorleg met die verantwoordelike lede, regulasies uitvaardig betreffende—

- 5
- (a) enige aangeleentheid wat ingevolge hierdie Wet voorgeskryf moet of kan word;
 - (b) openbaarmakingsvereistes in verband met die leningsbedrywighede van provinsiale regerings; en
 - (c) in die algemeen, enige aangeleentheid wat die Minister nodig of wenslik ag om voor te skryf ten einde die oogmerke van hierdie Wet te bereik.

10 Kort titel

8. Hierdie Wet heet die Wet op Leningsbevoegdhele van Provinsiale Regerings, 1996.

