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## GOVERNMENT NOTICE

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### NATIONAL TREASURY NASIONALE TESOURIE

No. 304

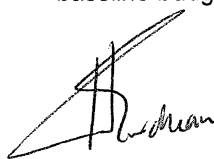
17 April 2014

#### PUBLIC FINANCE MANAGEMENT ACT, 1999

#### AUTHORITY IN TERMS OF SECTION 66(3)(b) IN RESPECT OF PRASA'S ROLLING STOCK FLEET RENEWAL PROGRAMME

I, PRAVIN JAMNADAS GORDHAN, MINISTER OF FINANCE, acting in terms of section 66(3)(b) of the Public Finance Management Act, 1999 (Act No. 1 of 1999 - "the Act"), and having considered the contents of the Manufacture and Supply Agreement and the Technical Support and Spares Supply Agreement ("the Project Agreements") to be entered into between the Passenger Rail Agency of South Africa ("PRASA") and a private party, hereby authorise the accounting authority of PRASA to issue indemnities and enter into other transactions that bind or may bind PRASA to future financial commitments as contemplated in the Project Agreements, subject to the following conditions:

1. The financial commitment of PRASA shall not exceed R53 billion in 2014 prices for the duration of the Manufacture and Supply Agreement, subject to price adjustments due to CPI and forex exchange escalations as contemplated in the Manufacture and Supply Agreement; and
2. The Technical Support and Spares Supply Agreement will be funded through PRASA's baseline budget.



PRAVIN J GORDHAN

MINISTER OF FINANCE

DATE: 17-4-2014

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