

NATIONAL TREASURY
NOTICE 438 OF 2019
PUBLIC FINANCE MANAGEMENT ACT, 1999:
PROPOSED AMENDMENT OF REGULATIONS FOR ACCOUNTING STANDARDS
BOARD

1. Section 91 of the Public Finance Management Act, 1999 (Act No. 1 of 1999 – the Act), enables the Minister of Finance, after consulting the Auditor-General, to make regulations-
 - (a) concerning the qualifications, remuneration, term of office and removal of members of the Accounting Standards Board, the filling of vacancies, the chairperson of the Board, and the finances and administration of the Board;
 - (b) concerning any other matter that may facilitate the proper functioning of the Board or the implementation of those standards.
2. The Minister of Finance made regulations in terms of section 91 of the Act published in Gazette No. 25217 under Board Notice 60 of 25 July 2003 (the Regulations).
3. The Minister of Finance, acting in terms of section 91(1) of the Act, intends to amend the Regulations as set out in the Schedule.
4. Public comments on the intended amendment of the Regulations are invited and comments emailed to CommentDraftLegislation@treasury.gov.za within 30 days after the date of publication of this notice will be considered. Enquiries regarding this Notice may be made to Ms Lindy Bodewig at tel nr 012 315 5702.

SCHEDULE

The Regulations are hereby amended by-

- (a) inserting the following sub-regulation in regulation 4:

“(3) A member, including an ex officio member appointed in terms of regulation 9A, of the Board, or a committee of the Board, who is an official of an organ of state, as defined in section 239 of the Constitution of the Republic of South Africa, 1996, may not be remunerated.”; and

- (b) inserting after regulation 9 the following regulation:

“Ex officio members

9A. (1) The Auditor-General, referred to in section 188 of the Constitution of the Republic of South Africa, 1996, and the Accountant-General, who is the head of the Office of the Accountant-General in the National Treasury, must each, in writing, nominate a representative to serve as an ex officio member of the Board.

(2) An ex officio member of the Board may participate in a meeting of the Board or a committee of the Board but may not vote.

(3) An ex officio member of the Board is not part of the number of members to determine a quorum for a meeting of the Board or a committee of the Board, as envisaged in regulation 11(1).

(4) If an ex officio member of the Board contravenes or fails to comply with regulation 6(1), the Chairperson of the Board must report it -

- (a) in the case of the ex officio member nominated by the Auditor-General, to the Auditor-General to take appropriate steps;
- (b) in the case of the ex officio member nominated by the Accountant-General, to the Director-General of the National Treasury to take appropriate steps.

(5) An ex officio member of the Board may not be -

- (a) elected as the Chairperson or Deputy Chairperson of the Board in terms of regulation 9;
- (b) appointed as the Chairperson of a committee of the Board in terms of regulation 13(3)(b).

(6) Regulations 2, 3, 4(1) and (2), 5, 6(2), 7, 8, 13(3)(e) and 14(1)(a) do not apply to an ex officio member of the Board.”.