MEMORANDUM

29 November 2005

DEPARTMENTAL CIRCULAR NO 37 OF 2005
(ISUED BY THE DIRECTORATE: FINANCIAL MANAGEMENT)

MINISTER
DEPUTY MINISTER
DEPUTY DIRECTOR-GENERAL
DEPUTY DIRECTOR-GENERAL
DEPUTY DIRECTOR-GENERAL
CHIEF SURVEYOR-GENERAL
CHIEF REGISTRAR OF DEEDS
SURVEYORS GENERAL
REGISTRARS OF DEEDS
CHIEF DIRECTORS
DIRECTORS
CHIEF LAND CLAIMS COMMISSIONER
LAND CLAIMS COMMISSIONERS

ISSUING OF GUARANTEES FOR THE ACQUISITION OF LAND FOR LAND REFORM PROGRAMMES

1. The attached circular from National Treasury has reference.

2. In terms of the circular from National Treasury, Programme Managers and Responsibility Managers to whom funds have been made available for the acquisition of land under the item: Capital Transfers to Households, may issue a guarantee for the acquisition of such land, in order to satisfy the requirements of financial institutions or other persons with regard to financial commitments by the Department of Land Affairs, undertaken in the course of and for the purposes of enabling, facilitating and effecting the transfer of property to qualifying land reform beneficiaries in terms of the Provision
of Land and Assistance Act, 1993 (Act no. 126 of 1993), or the Extension of Security of Tenure Act, 1997 (Act no. 62 of 1997) or the Land Reform (Labour Tenants) Act, 1996 (Act no. 3 of 1996 or the Restitution of Land Rights Act, 1994 (Act no. 22 of 1994) or the State Land Disposal Act, 1961 (Act no. 48 of 1961) or any other law which is administered by the Department.

3. Also attached is a pro forma guarantee drafted by the Directorate: Legal Services to be utilized for purposes of issuing a guarantee.

4. As the issuing of a guarantee does not create a commitment on BAS, Programme Managers and Responsibility Managers issuing guarantees are requested to keep a manual record of such commitments, also reflecting the anticipated date of transfer of the land, and to report outstanding commitments to the Director: Management Accounting, on a monthly basis, on or before the 7th of the ensuing month.

5. The delegation for signing of the guarantees is therefore given to the Responsibility Manager or Programme Manager.

GLEN S THOMAS
DIRECTOR-GENERAL