



the dti

Annual Report
2016/17



the dti

Department:
Trade and Industry
REPUBLIC OF SOUTH AFRICA



the dti

Annual Report
2016/17

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1. Abbreviations and acronyms

| Term | Definition |
|--------|---|
| AGOA | African Growth and Opportunity Act |
| AGSA | Auditor General South Africa |
| AIS | Automotive Investment Scheme |
| B-BBEE | Broad-Based Black Economic Empowerment |
| BEE | Black Economic Empowerment |
| BIT | Bilateral Investment Treaty |
| BPO | Business Process Outsourcing |
| BPS | Business Process Services |
| BRICS | Brazil, Russia, India, China, South Africa |
| CCRD | Consumer and Corporate Regulation Division |
| CFO | Chief Financial Officer |
| CFTA | Continental Free-Trade Area |
| CIPC | Companies and Intellectual Property Commission, a public entity reporting to the dti |
| CKD | Complete Knock-Down |
| CSIR | Council for Scientific and Industrial Research |
| CT | Companies Tribunal, a public entity reporting to the dti |
| CTCP | Clothing and Textiles Competitiveness Programme |
| DDG | Deputy Director General |
| DG | Director General |
| DIRCO | Department of International Relations and Cooperation |
| DPSA | Department of Public Service and Administration |
| ECIC | Export Credit Insurance Corporation, a public entity reporting to the dti |
| EEIP | Equity Equivalent Investment Programme |
| EIP | Enterprise Investment Programme |
| EMIA | Export Marketing and Investment Assistance |
| EMDEs | Emerging Market and Developing Economies |
| EPA | Economic Partnership Agreement |

| Term | Definition |
|-------|---|
| EU | European Union |
| ExBo | Executive Board of the dti |
| FDI | Foreign Direct Investment |
| FTA | Free-Trade Agreement |
| GDP | Gross Domestic Product |
| GEPP | Global Exporter Passport Programme |
| GFCF | Gross Fixed Capital Formation |
| GLP | Good Laboratory Practice |
| IA | Internal Audit |
| ICT | Information and Communications Technology |
| IDC | Industrial Development Corporation |
| IDAD | Incentive Development and Administration Division |
| IDD | Industrial Development Division |
| IMF | International Monetary Fund |
| INES | Integrated National Export Strategy |
| IP | Intellectual Property |
| IPAP | Industrial Policy Action Plan |
| IPP | Independent Power Producer |
| IT | Information Technology |
| ITED | International Trade Economic Development Division |
| LOGIS | Logistical Information System |
| LPG | Liquid Petroleum Gas |
| MCEP | Manufacturing Competitiveness Enhancement Programme |
| MPAT | Management Performance Assessment Tool |
| NCC | National Consumer Commission, a public entity reporting to the dti |
| NCR | National Credit Regulator, a public entity reporting to the dti |
| NCT | National Consumer Tribunal, a public entity reporting to the dti |

| Term | Definition |
|---------|---|
| NDP | National Development Plan |
| NEF | National Empowerment Fund, a public entity reporting to the dti |
| NEDP | National Exporter Development Programme |
| Nepad | New Partnership for Africa's Development |
| NEO | New Engine Option |
| NGB | National Gambling Board, a public entity reporting to the dti |
| NLC | National Lotteries Commission, a public entity reporting to the dti |
| NMISA | National Metrology Institute of South Africa, a public entity reporting to the dti |
| NRCS | National Regulator for Compulsory Specifications, a public entity reporting to the dti |
| NT | National Treasury |
| OEM | Original Equipment Manufacturer |
| OPCW | Organisation for the Prohibition of Chemical Weapons |
| PAIA | Promotion of Access to Information Act, 2000 (Act No. 2 of 2000) |
| PFMA | Public Finance Management Act, 1999 (Act No. 1 of 1999) |
| PPP | Public-Private Partnership |
| Prasa | Passenger Rail Agency of South Africa |
| PTA | Preferential Trade Agreement |
| QES | Quarterly Employment Survey |
| QLFS | Quarterly Labour Force Survey |
| REIPPPP | Renewal Energy Independent Power Producer Procurement Programme |
| RIA | Regulatory Impact Assessment |
| RSA | Republic of South Africa |
| SAAT | South African Airways Technical |
| SABS | South African Bureau of Standards, a public entity reporting to the dti |
| SACU | Southern African Customs Union |
| SADC | Southern African Development Community |

| Term | Definition |
|----------------|--|
| Sanral | South African National Roads Agency Limited |
| SEIAS | Socio-Economic Impact Assessment System |
| SANAS | South African National Accreditation System, a public entity reporting to the dti |
| SDI | Spatial Development Initiative |
| SDIP | Service Delivery Improvement Plan |
| SMS | Senior Management Service |
| SEZ | Special Economic Zone |
| TESA | Trade Export South Africa |
| T-FTA | Tripartite Free-Trade Area |
| USA | United States of America |
| the dti | The Department of Trade and Industry |
| WTO | World Trade Organisation |

Part A

General Information



2. Foreword by the Minister

The global economic recovery faltered significantly in 2016 as consumer spending remained constrained amidst heightened uncertainty in key developed economies such as the United States, the United Kingdom and China. The South African economy was affected by these developments but also faced a number of domestic challenges. These challenges took the form of a severe drought, weakening private-sector investment, and, as a result of the increasingly tight fiscal conditions, slowing public investment spending. Government's infrastructure build programme has for a number of years been an important policy intervention, crowding-in critical private-sector investment while business and consumer confidence recovers.

Consequently, although the economy avoided a recession, economic growth remains far below that required to sustainably and substantially alleviate poverty and unemployment. Moreover, even when the economy was growing at about 5% in the mid-2000s, unemployment remained stubbornly high. The past few years of disappointing economic growth has galvanised researchers, analysts, policymakers, and leaders in both organised labour and business to give more attention to matters of inclusivity and equitable growth. This has resulted in an emerging consensus that South Africa needs both higher and more inclusive growth, and which informs government's radical economic transformation imperative.

We define radical economic transformation as changing the structure of the economy in ways that will grow the 'productive sectors' such as agriculture, manufacturing and mining, the latter with a particular emphasis on adding value to our mineral wealth and not just exporting raw minerals. In addition,



South Africa's long-term social and economic stability demands fundamental changes in the institutions and patterns of ownership, management and control of the economy in favour of all South Africans, and more especially the poor, the majority of whom are African and female.

This demand for a more equitable distribution of wealth and resources is not unique to South Africa. The global rise of populism, even in some of the most developed countries, reflects a growing disillusionment with the results of the widely-held economic mantras of the past two to three decades. Perhaps most tellingly of all, even institutions such as the International Monetary Fund (IMF), World Bank and indeed even the US Federal Reserve are now seized with narratives around issues of employment / unemployment and

'equitable' or 'inclusive' growth.

South Africa's deep pockets of poverty, racially skewed unemployment and deprivation, and arguably the highest rate of inequality across the world, necessitate a more interventionist set of policies to achieve inclusivity. The Industrial Policy Action Plan (IPAP) is **the dti's** primary intervention to achieve radical economic transformation.

In 2016/17, we launched the eighth iteration of the IPAP with a much strengthened commitment to support black entrepreneurs through the Black Industrialists Programme. I am pleased to be able to report that, with our support of approximately R1 billion, black industrialists have leveraged investments of more than R3 billion in their companies, thereby creating 7 000 new direct jobs. The level of interest and quality of applications received thus far is testament to the unbowed entrepreneurial spirit of our people and confirm our belief that black entrepreneurs, when adequately resourced, are a critical route to the transformation of the economy.

Across all of the support measures that **the dti** makes available to the private sector, more than 1 400 applications were

Across all support measures that the department makes available to the private sector, more than 1 400 applications were approved in financial year

approved in the financial year. These approvals entail financial support of approximately R7 billion and will leverage total private-sector investment of approximately R30 billion into the South African economy.

Support to the automotive sector continues to encourage substantial foreign direct



Through the Black Industrialists Programme,

R3bn

was leveraged



7 000

jobs



Beijing Automobile International Corporation invested

R11bn

for 50 000-unit auto assembly plant in Coega Industrial Development Zone to create about

2 500

new jobs

investment (FDI). The latest of these is the R11-billion Beijing Automobile International Corporation investment in the Coega Industrial Development Zone for a 50 000-unit auto assembly plant. This substantial investment will create some 2 500 new jobs and is a considerable sign of confidence in the South African economy by Chinese investors.

the dti's support to the agro-processing sector has played an increasingly important role in creating demand for primary agricultural produce. In the course of the year, GWK Farm Foods and Nestlé South Africa launched important projects that demonstrate what we seek to achieve. In April 2016, GWK Farm Foods launched its multimillion-rand wheat mill, pasta plant and biscuit factory near Kimberley, Northern Cape. The investment represents an

important movement up the food-processing value chain by the GWK Group and its new brands will compete in import-intensive industries such as pasta and biscuits while its feedstock will come from farmers primarily in Northern Cape.

In April 2016, Nestlé South Africa launched its new R1.2-billion instant coffee manufacturing facility in Estcourt, KwaZulu-Natal. The facility will in part be supplied by chicory farmers who are being assisted by Nestlé to produce chicory locally and in so doing replace imported chicory.

Currently, on the chicory processing operation, output is 8 tons/day and there are 23 workers employed for both drying and roasting. The proposed expansion of 25 tons/day will lead to the creation of about 72 new direct jobs.

These investments are expected to create value for both farmers and manufacturers and, with appropriate smallholder farmer support, assist in creating demand for smallholder produce.

Domestic and foreign investment in manufacturing has been resilient, in part due to the sterling work by Invest SA, our investment one-shop-stop, and because of South Africa's preferential access to key markets in Africa. This access has been carefully developed over the last decade through our policy interventions, which span trade, industrial and investment policy. In the course of the year, **the dti** continued its programme of work on both the tripartite and continental free trade agreements. It is important to note that while South African firms and products have good access into African markets, this access comes with responsibility. South Africa seeks economic arrangements in Africa that are mutually beneficial and that must, of necessity, encourage industrialisation across the continent.

This is why the Southern African Development Community (SADC) Regional Industrialisation Strategy and Roadmap is crucial to Africa's long-term economic development. I am pleased to report that the costed action

South Africa seeks economic arrangements in Africa that are mutually beneficial and that must, of necessity, encourage industrialisation across the continent

plan to implement the strategy has been developed and was approved in March 2017. Our focus in the next financial year will be on implementation and supporting SADC member states as they embark on this difficult journey. In addition, so as to ensure a coordinated and responsible approach to South African companies' activities in the rest of Africa, we launched the Guidelines for Good Business Practice in July 2016. These consist of a voluntary set of principles consistent with laws

Nestlé South Africa launched a

R1.2bn

instant coffee manufacturing facility in Estcourt, KwaZulu-Natal, which will create

72

jobs



and internationally recognised standards that promote responsible business conduct and sustainable economic development in Africa.

As already noted, economic growth and transformation is required if South Africa is to grow sustainably. Consequently, the Broad-Based Black Economic Empowerment (B-BBEE) regulations were gazetted and the B-BBEE Commission operationalised. The commission is playing an important role in advocacy and enforcement of the B-BBEE Act, 2003 (Act No. 53 of 2003) and its regulations. To support black entrepreneurs more effectively, especially in townships, **the dti** launched the programme to systematically revitalise South Africa's local industrial parks. This has rapidly proven itself to be an important and effective mechanism to support black enterprises. Moreover, given the large number of people dependent on these industrial parks for direct and indirect employment, we are convinced that further support to industrial parks is a critical investment in South Africa's long-term development.

The work of **the dti** is a reflection of the diligence of the Deputy Minister, Director-General, and the many dedicated staff of **the dti** as well as the support and assistance of the Portfolio and Select Committees of Trade and Industry. I would like to convey my sincere gratitude to all of these parties.



Dr Rob Davies, MP

Minister of Trade and Industry

In 2016/17,
the department
approved more than

1 400

applications
for financial support,
amounting to about

R7bn

to leverage private-sector
investment of about

R30bn

into South Africa's
economy

3. Report of the Accounting Officer

3.1 Overview of the operations of the department

As the custodian of the country's industrial policy, **the dti** is tasked with facilitating industrialisation and broad-based black economic empowerment and development that results in the promotion of trade, inclusive growth and employment creation. The department plays a leading role in the formation of trade and investment policy in South Africa, with the aim of promoting and facilitating sustainable growth and economic development. This is achieved through building an equitable multilateral trading system that facilitates development, strengthens trade and investment links with key economies, and fosters African development through regional and continental integration.

The department's work is aligned with strategic objectives outlined in the National Development Plan (NDP), the annual Medium Term Budget Policy Statement and the 2014-2019 Medium Term Strategic Framework. During the period under review, the department prioritised providing support to the manufacturing sector; and promoting international trade, investment and B-BBEE.



3.2 Overview of the financial results of the department

3.2.1 Departmental receipts

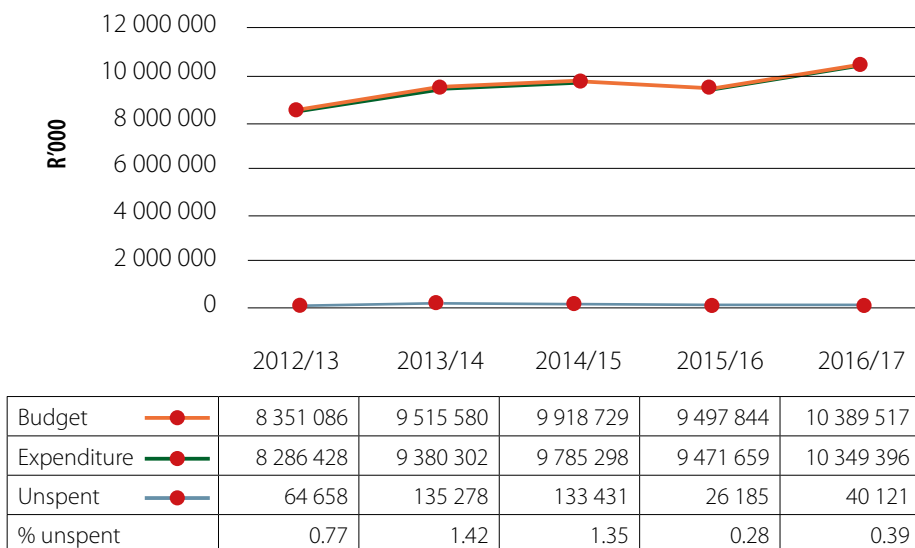
In 2016/17, the department collected R98 million in revenue, an increase of R36 million, from R62 million, in the previous financial year. Revenue is derived mainly from fees paid for liquor licence applications and recoveries on receivables.

| Departmental receipts | 2016/17 | | | 2015/16 | | |
|--|---------------------|--------------------|---------------------------|---------------------|--------------------|---------------------------|
| | Final appropriation | Actual expenditure | (Over)/ Under expenditure | Final appropriation | Actual expenditure | (Over)/ Under expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Tax receipts | 4 000 | 4 862 | (862) | 4 110 | 2 985 | 1 125 |
| Liquor licences | 4 000 | 4 862 | (862) | 4 110 | 2 985 | 1 125 |
| Sale of goods and services other than capital assets | 621 | 624 | (3) | 455 | 538 | (83) |
| Transfers received | 244 | – | 244 | – | – | – |
| Fines, penalties and forfeits | 400 | 365 | 35 | 42 | 28 | 14 |
| Interest, dividends and rent on land | 3 570 | 2 708 | 862 | 400 | 3 561 | (3 161) |
| Sale of capital assets | 300 | – | 300 | 400 | 360 | 40 |
| Financial transactions in assets and liabilities | 73 020 | 89 533 | (16 513) | 76 589 | 54 507 | 22 082 |
| Total | 82 155 | 98 092 | (15 937) | 81 996 | 61 979 | 20 017 |

3.2.2 Programme expenditure

The graph below reflects that there has been consistency in the department's spending pattern against its budgetary allocation over the past five years. Underspending has been below 2% of the allocated budget for each year. The department was allocated R10.3 billion for 2016/17, of which 99.61% was spent over the period.

Figure 1: Comparison on spending (2012/13 – 2016/17)



The department's main cost drivers over the period under review were:

- R7.7 billion (75.03% of the total budget) transferred to beneficiaries across the various incentive scheme programmes;
- R1 billion (10.17%) for other transfer payments to departmental agencies, foreign governments and international organisations, and others; and
- R1.6 billion (14.8%) for operational expenditure.

The table below reflects the department's expenditure per programme:

| Programme name | 2016/17 | | | 2015/16 | | |
|--|---------------------|--------------------|---------------------------|---------------------|--------------------|---------------------------|
| | Final appropriation | Actual expenditure | (Over)/ Under expenditure | Final appropriation | Actual expenditure | (Over)/ Under expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Administration | 721 505 | 699 139 | 22 366 | 727 578 | 727 561 | 17 |
| International Trade and Economic Development | 116 070 | 116 024 | 46 | 113 560 | 113 560 | – |
| Special Economic Zones and Economic Transformation | 112 492 | 97 589 | 14 903 | 92 609 | 92 524 | 85 |
| Industrial Development | 1 722 289 | 1 722 245 | 44 | 1 953 622 | 1 953 616 | 6 |
| Consumer and Corporate Regulation | 295 763 | 295 381 | 382 | 287 625 | 287 420 | 205 |
| Incentive Development and Administration | 6 896 306 | 6 895 186 | 1 120 | 5 821 653 | 5 795 785 | 25 868 |
| Trade Export South Africa | 455 836 | 454 588 | 1 248 | 501 197 | 501 193 | 4 |
| Investment South Africa | 69 256 | 69 244 | 12 | – | – | – |
| Total | 10 389 517 | 10 349 396 | 40 121 | 9 497 844 | 9 471 659 | 26 185 |

The table below reflects the department's expenditure categories:

| Description | 2016/17 | | 2015/16 | |
|-----------------------------------|-------------------|------------|------------------|------------|
| | R'000 | % | R'000 | % |
| Payments to incentives | 7 765 239 | 75 | 7 157 693 | 75.6 |
| Incentives: Capital | 1 618 984 | 15.6 | 881 119 | 9.3 |
| Other incentives | 6 146 254 | 59.4 | 6 276 574 | 66.3 |
| Payments to departmental agencies | 856 034 | 8.3 | 591 879 | 6.2 |
| Other transfer payments | 196 835 | 1.9 | 186 916 | 2 |
| Compensation of employees | 915 498 | 8.8 | 874 175 | 9.2 |
| Goods and services | 589 987 | 5.7 | 611 477 | 6.4 |
| Payments for capital assets | 16 103 | 0.2 | 37 433 | 0.4 |
| Payment for financial assets | 9 700 | 0.1 | 12 086 | 0.1 |
| Total expenditure | 10 349 396 | 100 | 9 471 659 | 100 |

Programme 1: Administration

Expenditure in this programme decreased from R728 million in 2015/16 to R699 million in 2016/17, a decrease of 4%, which is mainly attributable to the cost-containment measures implemented in line with National Treasury (NT) Instruction No. 2 of 2016/17.

Programme 2: International Trade and Economic Development Division

During the period under review, the programme's expenditure increased by 1.8%, from R114 million in 2015/16 to R116 million in 2016/17, in line with the annual inflationary adjustment.

Programme 3: Special Economic Zones and Economic Transformation Division

The B-BBEE Amendment Act, 2013 (Act No. 46 of 2013), which came into operation on 24 October 2014, calls for the establishment of the B-BBEE Commission to deal with the monitoring, evaluation and enforcement of the B-BBEE regulatory framework. To give effect to this, expenditure in this programme increased by 5.4%, from R93 million in 2015/16 to R98 million in 2016/17.

Programme 4: Industry Development Division

Expenditure in this programme decreased by 10.5%, from R1.9 billion in 2015/16 to R1.7 billion in 2016/17, as a result of the decrease in the transfer payment to the Industrial Development Corporation (IDC) for the Clothing and Textiles Competitiveness Programme.

Programme 5: Consumer and Corporate Regulation Division

The programme's expenditure increased by 2.8%, from R287 million in 2015/16 to R295 million in 2016/17, in line with the annual inflationary adjustment.

Programme 6: Incentive Development and Administration Division

Expenditure in this programme increased by 18.9%, from R5.8 billion in 2015/16 to R6.9 billion in 2016/17. This increase was as a result of the disbursement of development incentives to manufacturing and services sector companies, and incentives supporting industrial infrastructure.

Programme 7: Trade Export South Africa

The programme's expenditure decreased by 9.2% in the period under review, from R501 million in 2015/16 to R455 million in 2016/17, as a result of a delay in receiving foreign vouchers from the Department of International Relations and Cooperation (DIRCO).

Programme 8: Investment South Africa

This programme came into effect at the beginning of 2016/17. It is aimed at supporting FDI flows and domestic investment by providing a one-stop shop for investment promotion, investor facilitation and aftercare support for investors. The programme's expenditure for 2016/17 was R69 million.

3.2.3 Virements

| Virements from the following programme | Virements to the following programme | R'000 | Reasons | Approved by |
|---|--------------------------------------|----------|---|---------------------------|
| Programme 1: Administration | | (55 584) | <p>Savings resulting from vacant posts that could not be filled due to budget cuts that were effected over the 2017 MTEF following Cabinet's decision to lower the national aggregate expenditure ceiling for compensation of employees</p> <p>Further savings were as a result of cost-containment measures implemented by the department in line with NT Instruction No. 2 of 2016/2017</p> <p>ICT projects (Microsoft migration, backup solution), which were deferred for implementation in the new financial year</p> | NT and Accounting Officer |
| Programme 2: International Trade and Economic Development | | (2 649) | <p>Savings resulting from vacant posts that could not be filled due to budget cuts that were effected over the 2017 MTEF following Cabinet's decision to lower the national aggregate expenditure ceiling for compensation of employees</p> <p>Further savings were as a result of cost-containment measures implemented by the department in line with NT Instruction No. 2 of 2016/2017</p> <p>Saving resulting from forex gains on foreign payments made to the Organisation for the Prohibition of Chemical Weapons (OPCW) and World Trade Organisation (WTO)</p> | NT and Accounting Officer |

| Virements from the following programme | Virements to the following programme | R'000 | Reasons | Approved by |
|---|--|---------|---|---------------------------|
| Programme 3: Special Economic Zones and Economic Transformation | | (9 400) | Underspending on goods and services as well as payment for capital assets due to the set up related processes for the B-BBEE Commission that are yet to be finalised | NT and Accounting Officer |
| Programme 4: Industrial Development Division | | (4 738) | Savings resulting from vacant posts that could not be filled due to budget cuts that were effected over the 2017 MTEF following Cabinet's decision to lower the national aggregate expenditure ceiling for compensation of employees Further savings were as a result of cost-containment measures implemented by the department in line with NT Instruction No. 2 of 2016/2017 Saving resulting from forex gains on foreign payments made to the United Nations Industrial Development Organisation and various institutions for Treaty Organisation for Metrology | NT and Accounting Officer |
| | Programme 5: Consumer and Corporate Regulation Division | 1 427 | Funds identified under Programme 1 to cover legal costs payable to the State Attorney | NT and Accounting Officer |
| | Programme 6: Incentive Development and Administration Division | 4 597 | Savings identified from other programmes to cover expected claims under the Film and Television Production Incentive | NT and Accounting Officer |
| | Programme 7: Trade Export South Africa | 44 914 | Savings identified from various programmes to cover expected vouchers from foreign mission offices | NT and Accounting Officer |
| | Programme 8: Investment South Africa | 21 433 | Savings identified from various programmes to support the establishment of the one-stop shops | NT and Accounting Officer |

3.2.4 Unauthorised expenditure

The department did not incur any unauthorised expenditure in 2016/17.

3.2.5 Cost-containment measures

In 2016/17, the department implemented cost-containment measures, as issued by NT, as well as additional cost-containment measures to assist in directing public funds to areas of need.

3.2.6 Future plans of the department

The department's future plans have been captured in the Strategic Plan 2015-2020 and the Annual Performance Plan 2017-2020, and is aligned with government priorities and outcomes over the 2014-2019 electoral period.

3.2.7 Public-private partnerships

the dti has a 25-year public-private partnership (PPP) agreement in place for office accommodation. The agreement commenced in August 2003 and provides for the designing, financing, building, operating / maintaining and transferring of **the dti** campus. This fully serviced office accommodation is provided to **the dti** and two other government departments, as well as some public entities, located on the campus. A process is under way to extend the scope of the PPP from the current six main office block configurations to include future expansions in accordance with the original design. The building, located adjacent to the campus, is pre-enabled with the same aesthetics as the main campus and shares the campus infrastructure. A request for approval to extend the PPP agreement will be finalised once the requirements for such, as per NT regulations, have been met.

3.2.8 Discontinued activities / activities to be discontinued

No activities were discontinued in the period under review.

3.2.9 New or proposed activities

There were no new or proposed activities in the period under review.

3.2.10 Supply chain management

The prescribed transversal system Logis (Logistical Information System) is used for the provision of goods and services, record-keeping and reporting thereon. Apart from the system controls, a number of additional internal control measures have been implemented to detect and prevent irregular expenditure. The department also makes use of the Central Supplier Database that was implemented by NT.

3.2.11 Gifts and donations received in kind from non-related parties

A list of the nature of the in-kind goods and services provided by the department or received from parties other than related parties is disclosed as part of an annexure to the Annual Financial Statements.

3.2.12 Exemptions and deviations received from NT

No exemptions were requested or approved for the department in terms of the Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA) or NT regulations, as may be applicable to any of the reporting requirements.

3.2.13 Events after the reporting date

No events took place after the reporting date of 31 March 2017 that would impact on the financial position of **the dti**.

3.2.14 Report in terms of Promotion of Access to Information Act, 2000

| Reporting period: 1 April 2016 to 31 March 2017 | | Total | Comments |
|---|---|---------------|--|
| A | Number of Promotion of Access to Information Act (Act No. 2 of 2000) (PAIA) requests received | 51 | <ul style="list-style-type: none"> • One request is still in process • One request was transferred to another organisation • One request was made using PAIA, although the Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000) should have been used • For three of the requests, the requested documents do not exist |
| B | Number of requests granted in full | 9 | |
| C | Number of requests granted despite there being grounds for refusal but granted in the public interest | 0 | |
| D | Number of requests: refused in full refused partially for which the provision of PAIA was relied on to refuse a request in full / partially | 0 26 31 | In 5 instances, records were partially released as all the requested records do not exist |
| E | Number of instances in which the 30-day period to deal with a request was extended | 6 | |
| F | Number of internal appeals: lodged with the relevant authority where requests were granted as a result of an internal appeal | 1 1 | |
| G | Number of internal appeals lodged on account of a deemed refusal | 1 | |
| H | Number of applications to court on the grounds that an internal appeal was dismissed by the relevant authority failing to give notice of its decision in the timeframes stated in Section 77(3) | 0 | |
| | Comments including those relating to implementation, application, requests or areas of PAIA in respect of which reforms are recommended | 0 | |

3.2.15 Donor funds managed by the dti

| Employment Creation Fund | |
|---|---|
| Donor | European Union |
| Amount | €100 million |
| Period of commitment | 3 years |
| Purpose of the funding | Employment creation, sector policy support to the economic cluster programme of action |
| Expected output | the dti is the spending agency of the RDP fund as defined in the RDP Act. This support contributes to creating quality for the economically marginalised, improving the business enabling environment and increasing capacity and skills in the productive sectors of the economy |
| Actual output achieved | Employment creating projects supported. Most of these projects are in rural and peri-urban areas. Their nature ranges from agriculture, agro-processing, manufacturing, green industries, niche products manufacturing, industrial research and development, entrepreneurship and business incubation, and SMME development |
| Amount received in the current financial year | R295 510 063.38 |
| Amount spent by the dti | R293 140 994.48 |
| Reasons for unspent funds | These projects are expected to be completed in 2017/18 once the funds have been received from the RDP Fund |

3.2.16 Appreciation

I extend my sincerest gratitude to all staff and stakeholders who have contributed to the department's good performance in the period under review.



Mr Lionel October

Director-General

31 May 2017

4. Statement of responsibility and confirmation of accuracy

To the best of my knowledge and belief, I confirm the following:

- All information and amounts disclosed throughout the Annual Report are consistent.
- The Annual Report is complete, accurate and free from any omissions.
- The Annual Report has been prepared in accordance with the guidelines on the Annual Report, as issued by NT.
- The Annual Financial Statements (Part D) have been prepared in accordance with the Modified Cash Standard and the relevant frameworks and guidelines issued by NT.
- The Accounting Officer is responsible for the preparation of the Annual Financial Statements and the judgments made in this information.
- The Accounting Officer is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the Annual Financial Statements.
- The external auditors are engaged to express an independent opinion on the Annual Financial Statements.

In my opinion, the Annual Report fairly reflects the operations, performance and human resources information, and the financial affairs of the department for the financial year ended 31 March 2017.

Yours faithfully,

A handwritten signature in black ink that reads "L. October". The signature is written in a cursive style with a large, sweeping flourish at the end.

Mr Lionel October

Director-General

4. Economic overview

Global growth

During the period under review, the global economy experienced sluggish recovery and significant structural change in the absence of sufficiently powerful economic drivers. Consumer pessimism spiked owing to rising protectionism and geopolitical tension coupled with the onset of the so-called Fourth Industrial Revolution, which is characterised by the deployment of robotic technology, digitisation and artificial intelligence.

Consequently, the global economy expanded by just 3.1% in 2016, even lower than the modest growth rate of 3.4% registered in 2015. However, there are signs of uptick with a long awaited cyclical recovery in investment, manufacturing, and trade. According to the IMF April 2017 World Economic Outlook report, global gross domestic product (GDP) is expected to accelerate to 3.5% in 2017 and 3.6% in 2018. This growth will be driven largely by emerging market and developing economies (EMDEs), which have been the main drivers of global growth in the last decade. The expected growth in EMDEs is likely to be supported by stronger commodity prices attributable to a recovery in economic activity and expectations of more robust global demand, coupled with agreed restrictions on oil production by the leading oil-producing countries.

However, a more robust global economy with higher growth will face challenges imposed by structural constraints such as low productivity growth and high income inequality, as well as inward-looking policies that jeopardise global economic integration and cooperation.

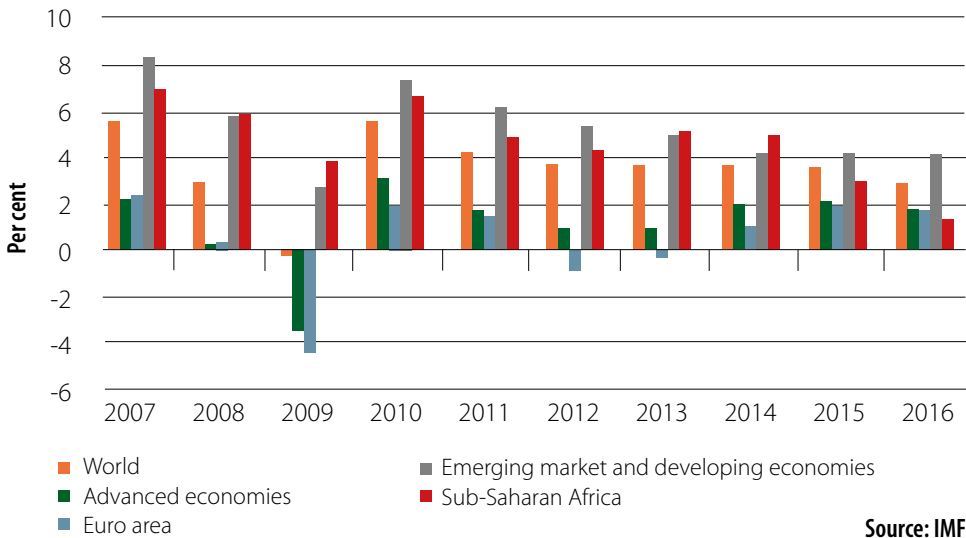
Advanced economies grew by 1.7% in 2016 and are projected to recover to grow by 2% per year in 2017 and 2018. This projected growth will be supported by stronger growth prospects in the US, which is projected to grow by 2.3% in 2017 and 2.5% in 2018.

Weak economic growth was observed in the Euro area in 2016 as growth slowed to just 1.7% and is forecast to continue growing slowly in 2017 and 2018 with forecasts of 1.7% and 1.6% respectively.

Economic growth in EMDEs remained mixed as countries such as Russia and Brazil remained in recession, while growth in China continued to slow: from GDP growth of 6.9% in 2015 to 6.7% in 2016. The growth forecast for China in 2017 and 2018 reflects the expectation that as China undergoes structural change, GDP will continue to grow substantially albeit at the slightly slower rates of 6.6% and 6.2%, respectively.

The economy of the Sub-Saharan African region grew by 3.4% in 2015 before falling to 1.4% in 2016. Nevertheless, economic growth in the region is projected to recover to 2.6% in 2017 and 3.5% in 2018 as the price of commodity prices strengthen.

Figure 2: Global GDP growth rates: Selected regions

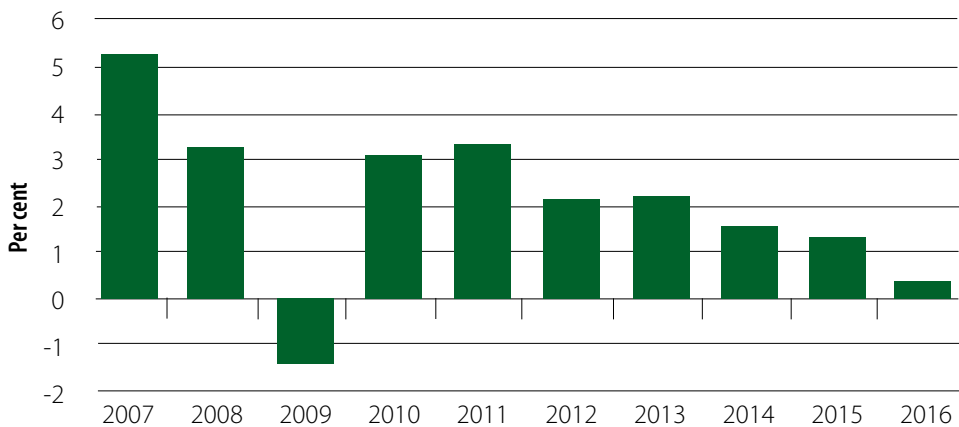


Domestic GDP

South Africa posted an economic growth rate of 1.3% in 2015 and 0.3% in 2016, and is expected to grow at a rate of 0.8% and 1.6% in 2017 and 2018, respectively. However, it is unclear whether these projections will hold given the recent (April 2017) downgrade of the country’s credit rating to sub-investment grade. Nevertheless, the South African economy avoided recession in 2016, largely as a result of the positive growth rate in the tertiary sector which grew by 1.4%. The secondary sector grew by a marginal 0.2% in 2016, while the primary sector contracted by 5.4%.

This negative growth in the primary sector was driven mainly by the decline in agricultural output, which declined by 7.8% as a result of the prolonged drought experienced in the previous two years. Output in the mining sector fell by 4.7% due to weak global demand for minerals and the marginal improvement in commodity prices was not enough to mitigate the decline.

Figure 3: South Africa GDP growth rates



Source: Stats SA

Growth in the secondary sector was driven by positive developments in the following subsectors: food and beverages; petroleum, chemical products, rubber and plastics; electrical machinery and radio, television and communications apparatus; and professional equipment.

Figure 4: South Africa GDP by three main economic sectors

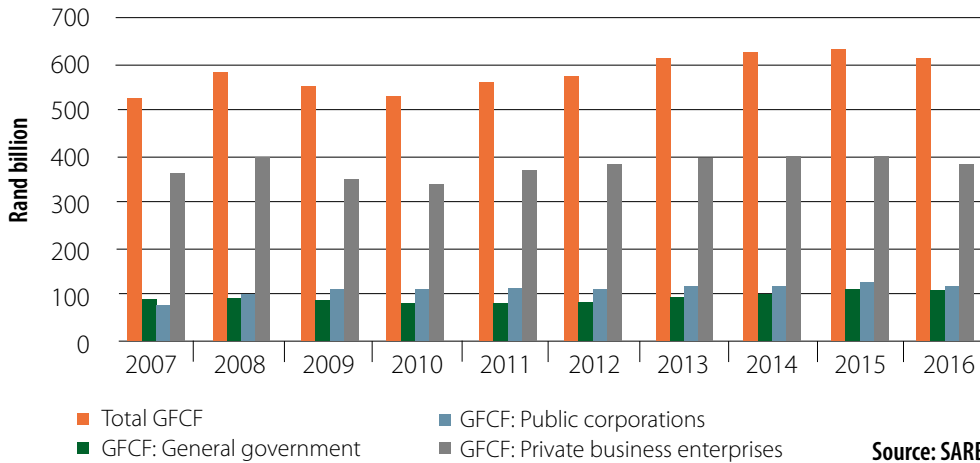


Gross fixed capital formation

Domestic investment maintained an upward trend over the period from 2007 to 2016. Despite the overall upward trend over the period under review, GFCF decreased by 3.9% in 2016. The decrease was a result of the fall in private business enterprise investment which fell by 6% and public corporations' investment, which decreased by 1.6%. The challenging economic and operating environment over the last few years has not been conducive for fixed investment spending by the private sector. Subdued demand, both locally and abroad, resulted in spare production capacity in many industries, thus not justifying investment in additional productive capacity. Supply-side constraints, especially cost pressures and infrastructure-related challenges, have also affected the investment decisions of private business enterprises.

GFCF by public corporations decreased by 1.6%, from R124 billion in 2015 to R122 billion in 2016. The contraction is attributed to a decrease in real capital outlays by the transport sector as some of the leading public entities, more especially Transnet, deferred capital projects. The lower capital spending by public corporations could also be partly attributed to ongoing sluggish demand in a generally weak economic environment.

GFCF by general government, although the smallest contributor to total GFCF, has been steadily increasing since 2010. In 2010, GFCF by general government stood at R76.2 billion, by 2015 it had reached R111.6 billion before increasing by 1.1% to reach R112.9 billion in 2016. The recent improvement in GFCF by general government has been driven largely by the continued construction of national and provincial roads.

Figure 5: GFCF by organisation type

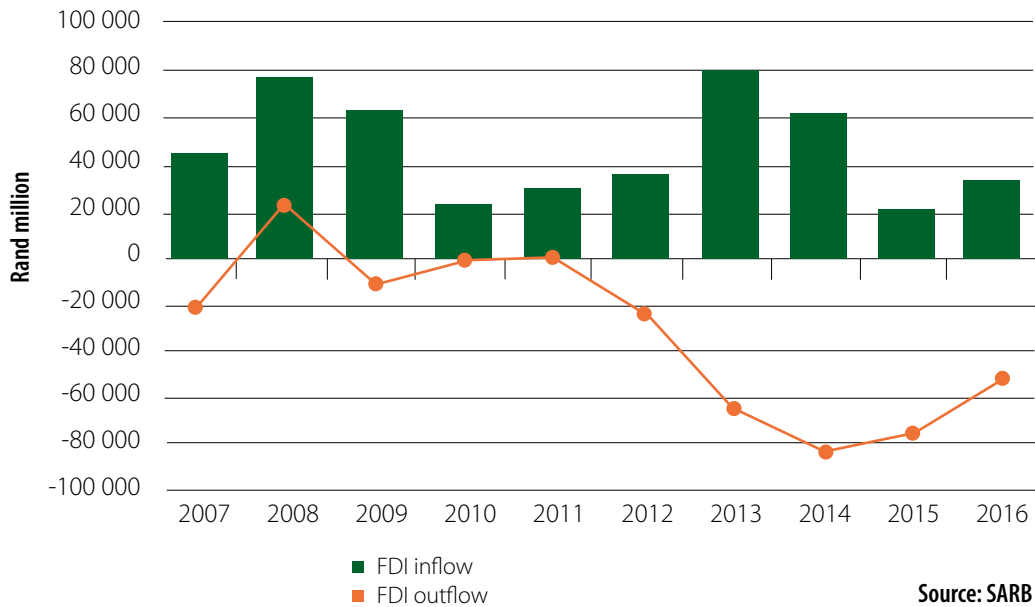
FDI

The Global Investment Trends Monitor, published in February 2017, reported that FDI flows to Africa shrank by 5% in 2016 to US\$51 billion compared to the US\$54 billion recorded in 2015. The low level of commodity prices and sluggish global growth in 2016 continued to have a negative impact on resource-seeking FDI, especially for the African and Latin American regions. In the African region, flows to Angola more than halved after surging in 2015. Mozambique saw its FDI receding by 11%, but the level was still significant at an estimated US\$3 billion.

However, South Africa made a comeback and saw an increase of 38% in FDI inflows in 2016, to an estimated US\$2.4 billion. The 2017 AT Kearney FDI Confidence Index report saw South Africa returning to the top 25 global FDI destinations, the first African country to attain that position. Given the new status, South Africa is expected to attract even more FDI inflows as it improves and builds on its attractiveness as a preferred global FDI destination.

FDI inflows to and outflows from South Africa

Strikingly, the three-year period from 2012 to 2014 saw a number of South African companies investing outside the country. This was accompanied by significant FDI outflows of R24.5 billion (US\$3 billion), R64.2 billion (US\$6.7 billion) and R83.2 billion (US\$7.7 billion) in 2012, 2013 and 2014, respectively. This was driven largely by the need to diversify FDI geographical markets as the domestic economy began to slow. However, from 2015 a reversal of this trend with FDI inflows emanating from dividends and other payments accruing to domestic investors who invested abroad between 2012 and 2014, began to emerge.

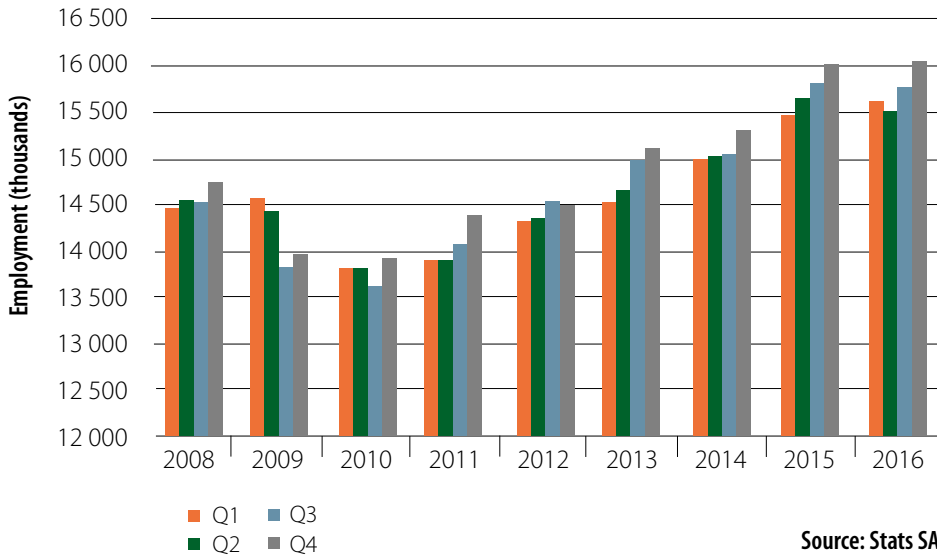
Figure 6: FDI inflows and outflows

Employment

Employment in the formal and informal sectors, as reported in the Quarterly Labour Force Survey (QLFS) for the fourth quarter of 2016, grew by 235 000 resulting in a slight decline of 0.6 percentage points in the unemployment rate to 26%. However, unemployment is still 2% higher compared to the fourth quarter of 2015.

The growth in employment was mainly driven by the community, social and personal services sector, which grew by 73 000 jobs, followed by transport and manufacturing which grew by 46 000 and 44 000 jobs, respectively. However, the mining and construction sectors declined by 17 000 and 9 000 jobs, respectively. The overall increase of 235 000 jobs took the number of employed people in South Africa to just more than 16 million.

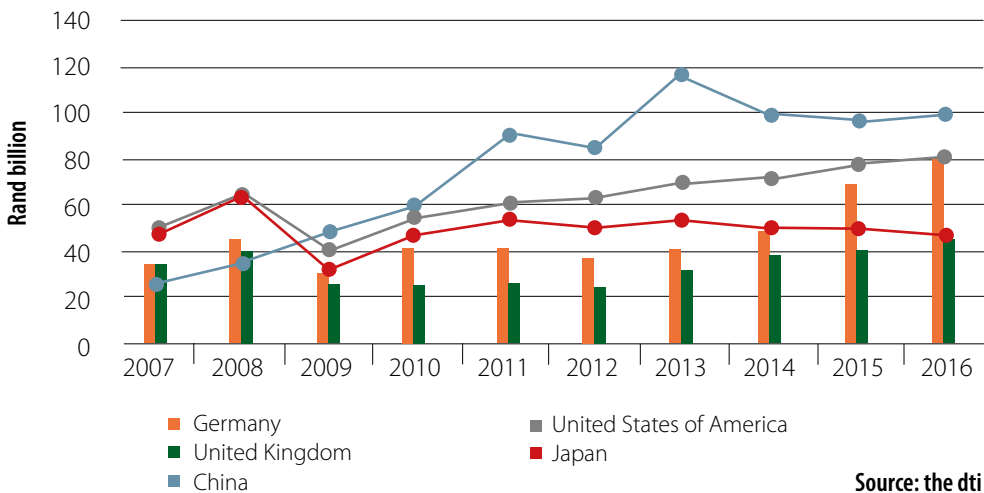
Figure 7: Total employed: QLFS (2008 – 2016)



World trade performance

Markets for goods and services have experienced greater integration owing to openness in trade, with technology a driving force behind lower trade costs. Global market integration has contributed significantly to employment and economic growth in many countries. In the period from 2007 to 2016, world trade grew at an average of 11%. However, in 2016, global trade decreased by 0.7%, partly as a result of the gradual rise in protectionism by countries such as the US and contracting imports in China, among others. In 2016, South Africa’s exports and imports of goods ranked 34th and 35th, respectively, in the world out of 204 countries.

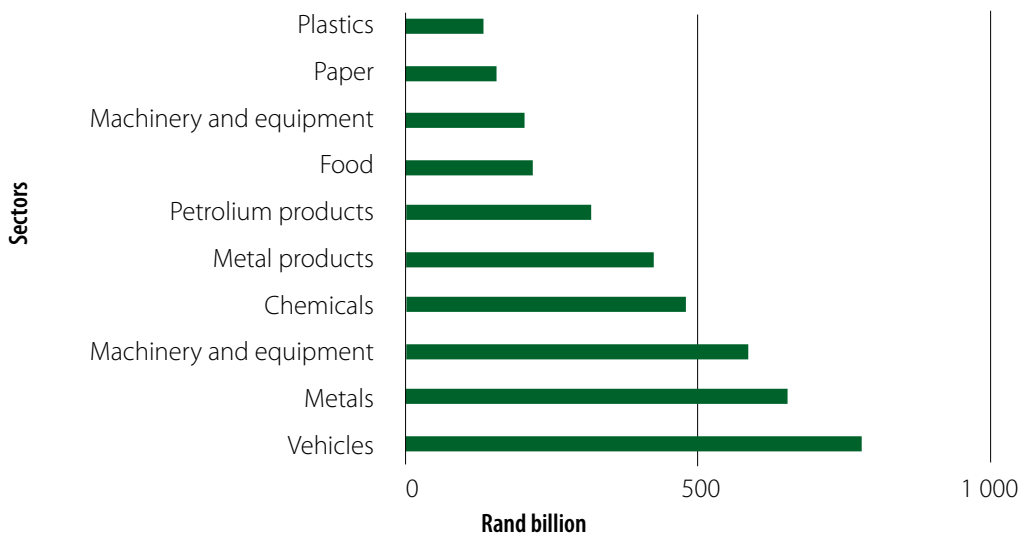
Figure 8: Top 5 export destinations (2007 – 2016)



Top 10 manufactured export products

From 2007 to 2016, vehicles topped the list of the exported manufactured goods, reaching R772 billion. The Americas and Europe were the top export destinations of South African-manufactured motor vehicles for transport of persons. Metals were South Africa's second largest manufactured export product to the world. The top three export destinations for this commodity were Asia (R291 billion), Europe (R159 billion) and Africa (R97 billion). Machinery and equipment ranked the third-largest manufactured export, with exports totaling R588 billion in the past decade (2007 to 2016). Exports to Africa accounted for 44% and Europe 35% of total machinery exports.

Figure 9: South Africa's Top 10 manufactured export products (2007 – 2016)

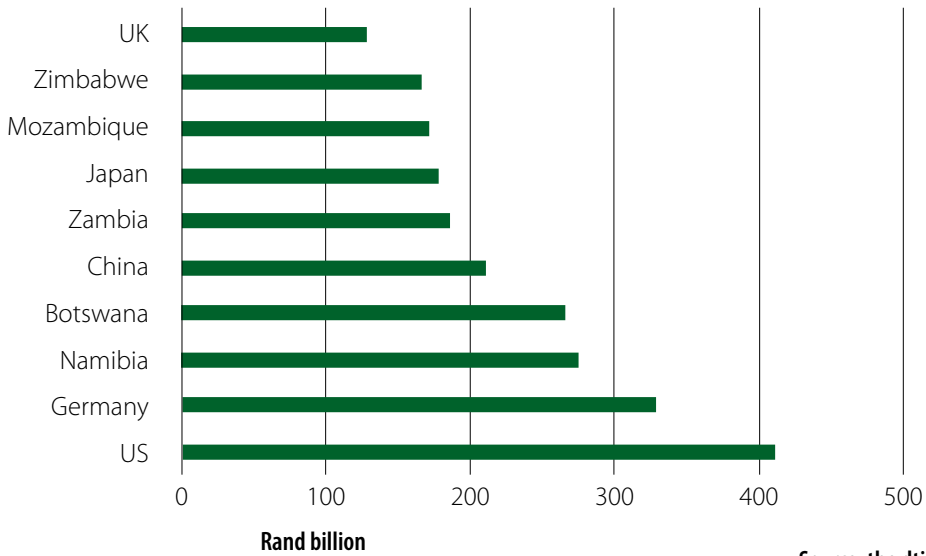


Source: the dti

Top 10 export destinations for manufactured goods

From 2007 to 2016, most of South Africa's manufactured goods were exported to the US, cumulatively adding up to R407 billion. Germany was the second-largest importer of South African-manufactured goods, totalling R327 billion, with South Africa's exports to Germany largely comprising vehicles, machinery and equipment, and metals. Namibia was the third-largest export destination for South African-manufactured exports, comprising mainly vehicles, machinery and equipment, and chemicals.

Figure 10: Top 10 export destinations for manufacturing (2007 – 2016)

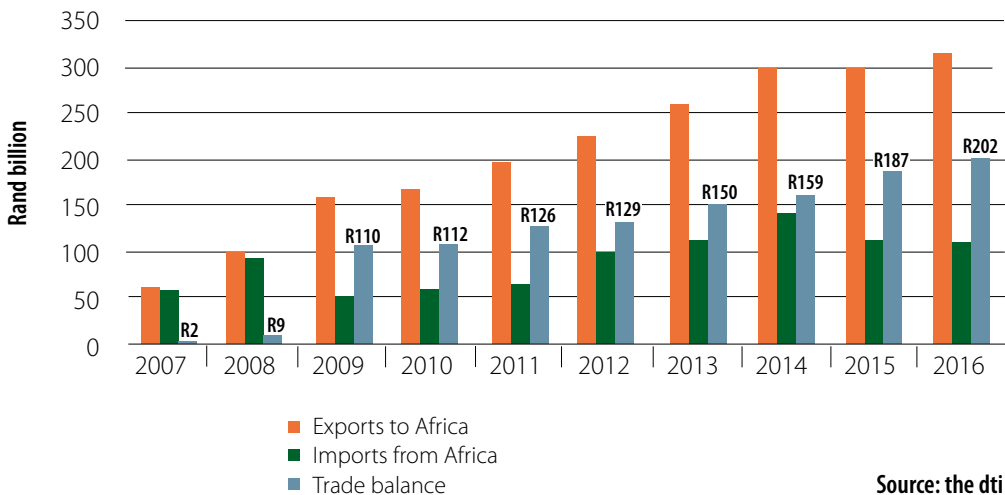


Source: the dti

Overall trade with Africa

In 2010, Africa was the fourth-largest export destination for South African products. However, in 2016, Africa became the second largest destination for South African products. Cumulatively, in the past 10 years, South Africa’s exports to Africa were mainly from the manufacturing sector (88%), followed by mining (5%) and the remaining 7% were from the agriculture, forestry and fisheries sector and other sectors. In 2016, South Africa’s imports from Africa decreased by 1.6% to reach R113 billion, leading to a substantial trade surplus of R202 billion.

Figure 11: South Africa’s trade with Africa (2007 – 2016)

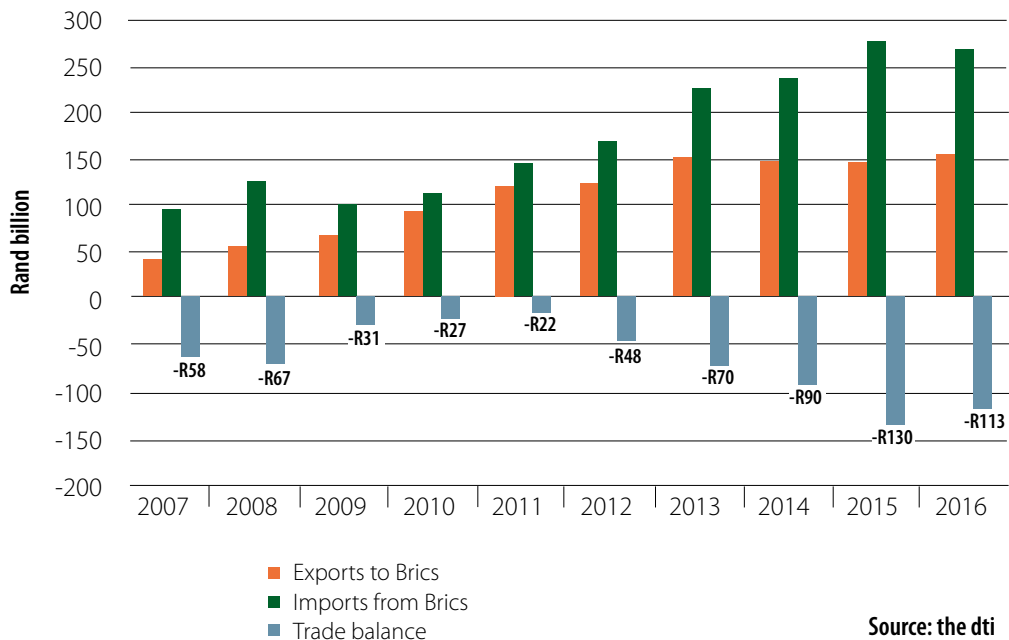


Source: the dti

Trade with Brazil-Russia-India-China group of countries

South Africa has been trading in a deficit with Brics countries in the past 10 years (2007 to 2016). In 2016, the negative trade balance narrowed to R113 billion from R130 billion in 2015. This was ascribed to a rise in exports by 6.7% alongside imports decreasing by 2.9%. India and China are still the biggest importers of the South African products. Post the global financial crisis, South Africa's demand for goods from Brics grew persistently until it reached its highest level of R277 billion in 2015, thereafter dropping to R269 billion in 2016.

Figure 12: South Africa's trade with Brics countries (2007 – 2016)



6. Strategic overview

While South Africa's economy grew at 0.3% in 2016 (1% less than in 2015), the above zero growth rate averted negative growth for the year. This was largely due to the positive growth rate in manufacturing (0.7%); finance, real estate and business services (1.9%); general government (1.4%); and personal services (1.2%).

Employment in the formal and informal sectors, as reported in Stats SA's Q4 2016 QLFS, increased by 235 000, while the number of job seekers decreased by 92 000, resulting in a slight decrease in the unemployment rate by 0.6 percentage points, leaving the official unemployment rate at 26.5%.

In the period under review, the food and beverages sector had the highest average growth rate compared to the other sectors. It was followed by the textiles, clothing, footwear and leather sector, which recorded average year-on-year growth of 1.4%.

Investments and other successes registered in 2016/17 show continuing significant international confidence in the South African economy. Progress has been made in supporting several local companies to improve their competitiveness and increase their export capabilities. Through the technology localisation programme, the Department of Science and Technology has provided R9 million for the

Bombardier locomotive building project, with Swedish robotics company ABB Group co-investing R6 million.

Industrial financing interventions have significantly contributed to the rescue, revival and growth of several sectors. The IDC was a major source of dedicated industrial financing, having disbursed R9.1 billion between April 2016 and February 2017 across various IPAP sectors.

Since the inception of the Clothing and Textiles Competitiveness Programme, a partnership between **the dti** and the IDC, support for the clothing and textiles sector has totalled R4.2 billion in the form of incentives, while 70 000 jobs were saved and an estimated 9 550 new jobs were created.

the dti approved R824 million under a production incentive to establish, in partnership with local institutions, one national and four sub-national clusters. This resulted in capacity expansions by many manufacturers, the establishment of 28 new companies, the creation of 2 200 sustainable jobs, growth in exports and a reduction of the trade deficit.

A new economic partnership agreement was concluded with the EU and will lead to improved market access for some agricultural products such as seafood, wine, canned fruit, sugar and ethanol.

Two agri-parks are now operating, while six others are under construction. Large companies such as Clover, Tiger Brands, McCain and Distell are involved in initiatives to improve market access for small farmers.

There has been improved market access to the EU for wines of South African origin, with the current duty-free quota of 48 million litres increasing to 110 million litres. There was a R1-billion investment by AB Inbev in South Africa to realise localisation as part of its offer to acquire rival brewer SABMiller.

By October 2016, under the Renewable Energy Independent Power Producer Procurement Programme (REIPPPP), 6 376 megawatts of electricity had been procured from 102 renewable energy independent power producers (IPPs) over six rounds of bidding. This created 28 484 job years, and generated R256.2 million in socioeconomic development contributions and R80.5 million in enterprise development contributions.

During the period under review, the department embarked on the first phase to revitalise 10 identified industrial parks. Six industrial parks – Phuthaditjhaba, Garankuwa, Seshego, Nkawkawa, Ekandustrial, and Bodirelo – were approved for refurbishment under the Critical Infrastructure Programme, and 13 special economic zone (SEZ) projects were approved for top structure infrastructure.

Regional economic integration remains an overriding priority. South Africa is committed to a coordinated strategy to boost intra-Africa trade, and build an integrated market in Africa that will see a market of more than a billion people valued at an estimated US\$2.6 trillion.

In 2016, **the dti** led a process to secure South Africa's continued participation in the African Growth and Opportunity Act (AGOA), a unilateral preferential programme that offers duty-free market access to 5 235 tariff lines into the US.

The EU remains South Africa's main trading partner. South African exports to the EU realised annual growth of about 8% between 2012 and 2016, and imports realised annual growth of about 15% over the same period. South African exports to the EU increased from R143 billion in 2012 to R250 billion in 2016.

A compact and more nuanced Integrated National Export Strategy (INES) was launched in March 2016. The development of this INES, titled Export 2030, aligns with a concerted market diversification strategy and contributes to increasing South Africa's exporter base and promoting trade.

To date, **the dti**, through its support to black industrialists, has contributed to leveraged investments of more than R3 billion, creating about 7 000 jobs mainly in IPAP sectors such as agro-processing; renewable energy; electronics; pulp, paper and furniture; clothing and textiles; plastic; automotive components; and pharmaceutical, electro equipment and metals.

In the legislative and regulatory area, the department has made notable progress, including the tabling of five Bills: Gambling, Liquor, Copyright, Performers Protection and Companies Amendment. The National Liquor Amendment Bill was published for broader consultation.

The Portfolio Committee on Trade and Industry is preparing legislation to deal with over-

indebtedness. The Committee invited stakeholders such as the banks, experts, government departments to comment on the debt relief proposal. Terms of reference have been developed and submitted to National Treasury for data research.

the dti has employed 50% women in senior management positions and has a 3.4% representation of people with disabilities. The vacancy rate is 7% against the background of cost-cutting measures and a moratorium on filling of vacancies. All eligible creditors' payments were made within 30 days.

6.1 Vision

A dynamic industrial, globally competitive South African economy characterised by inclusive growth and development, and decent employment and equity built on the full potential of all citizens.

6.2 Mission

the dti aims to:

- promote structural transformation towards a dynamic industrial and globally competitive economy;
- provide a predictable, competitive, equitable and socially responsible environment conducive to investment, trade and enterprise development;
- broaden participation in the economy to strengthen economic development; and
- continually improve its skills and capabilities to effectively deliver on its mandate and respond to the needs of South Africa's economic citizens.

6.3 Strategic objectives

- Grow the manufacturing sector to promote industrial development, job creation, investment and export.
- Improve conditions for consumers and artists, and open markets for new patent players.
- Strengthen capacity to deliver on **the dti's** mandate.

6.4 Values

the dti's values are:

- Operational excellence – service-delivery standards, international best practice, the principles of *Batho Pele* and continuous improvement.
- Intellectual excellence – continuous shared learning, innovation, and relevant knowledge and skills improvement.
- Quality relationships – improved and continuous communication, honesty, respect, integrity, transparency, professionalism, ownership, leadership and teamwork.

7. Legislative and other mandates

| Name of Act | Purpose |
|--|---|
| Abolition of the Fuel Research Institute and Coal Act, 1983 (Act No. 30 of 1983) | Repeal the Fuel Research Institute and Coal Act, 1963 (Act No. 35 of 1963) and provide for the vesting of the assets and liabilities, and the transfer of the employees of the Fuel Research Institute in and to the CSIR |
| Accreditation for Conformity Assessment, Calibration and Good Laboratory Practice Act, 2006 (Act No. 19 of 2006) | Provide for an internationally recognised and effective accreditation and monitoring system for South Africa by establishing the South African National Accreditation System (SANAS) as a juristic person; to recognise SANAS as the only accreditation body in South Africa for the accreditation of conformity assessment and calibration, as well as the monitoring of good laboratory practice (GLP) |
| Alienation of Land Act, 1981 (Act No. 68 of 1981) | Regulate the alienation of land in certain circumstances and provide for matters connected therewith |
| Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003) | Establish a legislative framework for the promotion of black economic empowerment (BEE), empower the Minister to issue codes of good practice and publish transformation charters, establish the B-BBEE Advisory Council and provide for matters connected therewith |
| Companies Act, 2008 (Act No. 71 of 2008) | Provide a new legislative framework for the incorporation, registration and management of companies; establish a Companies and Intellectual Property Commission (CIPC) and Companies Tribunal (CT); and provide for matters connected therewith |
| Consumer Protection Act, 2008 (Act No. 68 of 2008) | Promote a fair, accessible and sustainable marketplace for consumer products and services, and for that purpose to establish national norms and standards relating to consumer protection; provide for improved standards of consumer information; prohibit certain unfair marketing and business practices; promote responsible consumer behaviour; promote a consistent legislative and enforcement framework relating to consumer transactions and agreements; establish the National Consumer Commission (NCC); and repeal certain laws |
| Convention on Agency in the International Sale of Goods Act, 1986 (Act No. 4 of 1986) | Provide for the application in South Africa of the Convention on Agency in the International Sale of Goods adopted by the United Nations International Institute for the Unification of Private Law |
| Copyright Act, 1978 (Act No. 98 of 1978) | Regulate copyright in respect of, among other things, artistic works, dramatic works, computer programs, and musical and literary works |
| Counterfeit Goods Act, 1997 (Act No. 37 of 1997) | Strengthen prohibitions on trade in counterfeit goods; confer powers on inspectors and the police to enter and search premises, with and without a warrant; and confer powers on customs and excise to seize and detain suspected counterfeit goods |
| Designs Act, 1993 (Act No. 195 of 1993) | Consolidate the law relating to designs, provide for the registration of designs, and delineate the rights pertaining thereto |

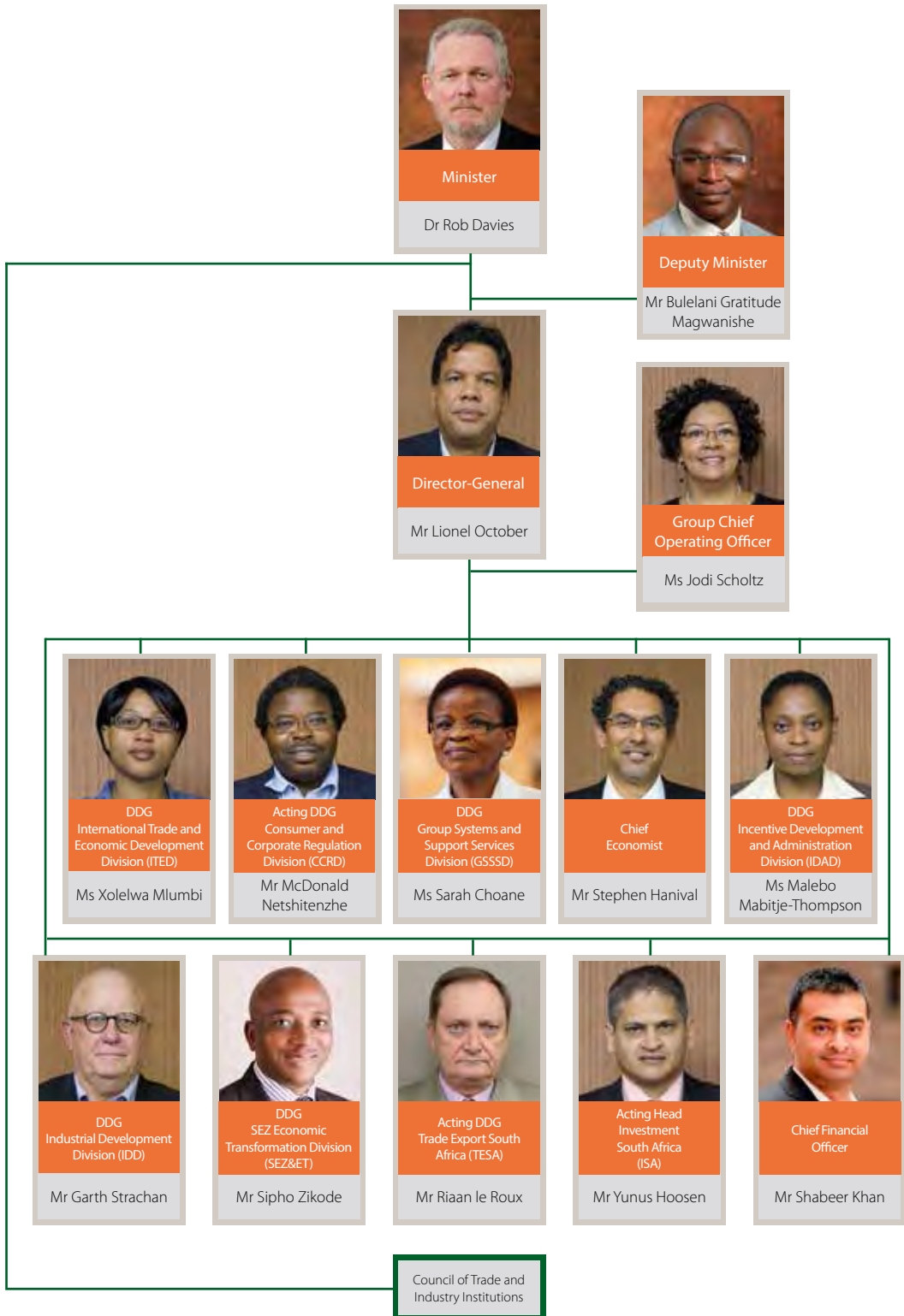
| Name of Act | Purpose |
|--|---|
| Export Credit and Foreign Investments Insurance Act, 1957 (Act No. 78 of 1957) | Establish the Export Credit Insurance Corporation (ECIC) and promote trade with countries outside South Africa by providing for the insurance, on behalf of the South African government, of contracts in connection with export transactions, investments and loans or similar facilities connected with such transactions |
| Expropriation (Establishment of Undertakings) Act, 1951 (Act No. 39 of 1951) | Provide for the expropriation of land and the taking of the right to use land temporarily for or in connection with the objects or undertakings of national importance |
| Housing Development Schemes for Retired Persons Act, 1988 (Act No. 65 of 1988) | Regulate the alienation of certain interests in housing development schemes for retired persons, and provide for matters connected therewith |
| Intellectual Property Laws Rationalisation Act, 1996 (Act No. 107 of 1996) | Provide for the integration of intellectual property (IP) rights subsisting in the former homelands (Transkei, Bophuthatswana, Venda and Ciskei) into the national system; extend South African IP rights legislation throughout South Africa; and repeal certain IP laws |
| International Convention for Safe Containers Act, 1985 (Act No. 11 of 1985) | Provide for the application in South Africa of the International Convention for Safe Containers so as to maintain a high level of safety of human life in the handling, stockpiling and transporting of containers |
| Legal Metrology Act, 2014 (Act No. 9 of 2014) | Provide for the administration and maintenance of legal metrology technical regulations in order to promote fair trade and protect public health and safety and the environment, and provide for matters connected therewith |
| Liquor Act, 2003 (Act No. 59 of 2003) | Establish national norms and standards to maintain economic unity within the liquor industry, provide for essential national standards and minimum standards required for the rendering of services, provide for measures to promote cooperative governance in the area of liquor regulation, and provide for matters connected therewith |
| Lotteries Act, 1997 (Act No. 57 of 1997) | Establish the National Lotteries Commission (NLC), and regulate and prohibit lotteries and sports pools |
| Manufacturing Development Act, 1993 (Act No. 187 of 1993) | Establish the Manufacturing Development Board, provide for the establishment of programmes for manufacturing development, and provide for matters incidental thereto |
| Measurement Units and Measurement Standards Act, 2006 (Act No. 18 of 2006) | Provide for the use of the measurement units of the International System of Units; provide for the designation, keeping and maintenance of national measurement units and standards; provide for the establishment and functions of the National Metrology Institute of South Africa (NMISA); and provide for the repeal of certain laws |

| Name of Act | Purpose |
|--|---|
| Merchandise Marks Act, 1941 (Act No. 17 of 1941) | Make provision concerning the marking of merchandise and of coverings in or with which merchandise is sold, and the use of certain words and emblems in connection with business |
| National Building Regulations and Building Standards Act, 1977 (Act No. 103 of 1977) | Provide for the promotion of uniformity in the law relating to the erection of buildings in the areas of jurisdiction of local authorities and for the prescribing of building standards |
| National Credit Act, 2005 (Act No. 34 of 2005) | Establish the National Credit Regulator (NCR) and the National Consumer Tribunal (NCT), and promote a fair and non-discriminatory marketplace for access to consumer credit; and, for that purpose, provide for the general regulation of consumer credit and improved standards of consumer information |
| National Empowerment Fund Act, 1998 (Act No. 105 of 1998) | Establish a trust for the promotion and facilitation of ownership of income-generating assets by historically disadvantaged persons; set out the objects of the trust; provide for the powers, appointment and mode of operation of the trustees; provide for the establishment of other investment entities for the attainment of the objects; provide for the powers of the Minister to give implementation directives; provide for the sale of shares in state-owned commercial enterprises at a discount to the trust or by the trust to the beneficiaries; provide for the control of the financial affairs of the trust; provide for the establishment of an investment holding company by the trust; provide for the promulgation of regulations; provide for the dissolution of the trust; and provide for other incidental matters |
| National Gambling Act, 2004 (Act No. 7 of 2004) | Provide for the coordination of concurrent national and provincial legislative competence over matters relating to casinos, racing, gambling and wagering; provide for the continued regulation of those matters, and, for that purpose, establish certain uniform norms and standards applicable to national and provincial regulation and the licensing of certain gambling activities; provide for the creation of additional uniform norms and standards applicable throughout South Africa; retain the National Gambling Board (NGB); establish the National Gambling Policy Council; repeal the National Gambling Act, 1996 (Act No. 33 of 1996); and provide for matters incidental thereto |
| National Regulator for Compulsory Specifications Act, 2008 (Act No. 5 of 2008) | Provide for the administration and maintenance of compulsory specifications in the interest of public safety, health and environmental protection; and provide for the establishment of the National Regulator for Compulsory Specifications (NRCS) |
| National Supplies Procurement Act, 1970 (Act No. 89 of 1970) | Empower the responsible Minister to manufacture, produce, acquire, hire or import goods; acquire, hire or supply services; exercise control over goods and services, and the manufacture, production, processing and treating of goods; and provide for the establishment and administration of a national supplies procurement fund |
| Non-Proliferation of Weapons of Mass Destruction Act, 1993 (Act No. 87 of 1993) | Provide for control over weapons of mass destruction and establish a council to control and manage matters relating to the proliferation of such weapons in South Africa; determine its objectives and functions; and prescribe the manner in which it is to be managed and controlled |





| Name of Act | Purpose |
|--|--|
| Patents Act, 1978 (Act No. 57 of 1978) | Provide for the registration and granting of letters, patents for inventions, and for the rights of a patentee |
| Performers' Protection Act, 1967 (Act No. 11 of 1967) | Provide for the protection of the rights of performers of literary and artistic works |
| Property Time-Sharing Control Act, 1983 (Act No. 75 of 1983) | Regulate the alienation of time-sharing interests pursuant to property time-sharing schemes |
| Protection of Businesses Act, 1978 (Act No. 99 of 1978) | Restrict the enforcement in South Africa of certain foreign judgments, orders, directions, arbitration awards and letters of request; and prohibit the furnishing of information relating to businesses in compliance with foreign orders, directions or letters of request |
| Protection of Investment Act, 2015 (Act No. 22 of 2015) [Assented to by the President on 15 December 2015 but has not yet commenced] | Provide for the protection of investors and their investments; achieve a balance of rights and obligations that apply to all investors; and provide for matters connected therewith |
| Rationalisation of Corporate Laws Act, 1996 (Act No. 45 of 1996) | Provide that certain corporate laws shall apply throughout South Africa; repeal certain corporate laws; and provide for the retrospective incorporation of certain putative close corporations |
| Registration of Copyright in Cinematograph Films Act, 1977 (Act No. 62 of 1977) | Provide for the registration of copyright in cinematograph films and for matters connected therewith |
| Share Blocks Control Act, 1980 (Act No. 59 of 1980) | Control the operation of share block schemes – any scheme in terms of which a share, in any manner whatsoever, confers a right to or an interest in the use of immovable property |
| Space Affairs Act, 1993 (Act No. 84 of 1993) | Provide for the establishment of a council to manage and control certain space affairs in South Africa, determine its objects and functions, and prescribe the manner in which it is to be managed and controlled |
| Special Economic Zones Act, 2014 (Act No. 16 of 2014) | Provide for the designation, development and management of SEZs; establish an advisory board and a fund; regulate the issuing, suspension, withdrawal and transfer of permits; and provide for matters connected therewith |
| Standards Act, 2008 (Act No. 8 of 2008) | Provide for the development, promotion and maintenance of standardisation and quality in connection with commodities and the rendering of related conformity assessment services, and, for that purpose, provide for the continued existence of the South African Bureau of Standards (SABS) as the peak national institution; provide for the repeal of the Standards Act, 1993 (Act No. 29 of 1993); and provide for transitional arrangements |

| Name of Act | Purpose |
|---|--|
| Sugar Act, 1978 (Act No. 9 of 1978) | Consolidate and amend the laws relating to the sugar industry, and provide for matters incidental thereto |
| Temporary Removal of Restrictions on Economic Activities Act, 1986 (Act No. 87 of 1986) | Empower the President to suspend temporarily laws or conditions, limitations or obligations thereunder if their application unduly impedes economic development or competition |
| Trade Marks Act, 1993 (Act No. 194 of 1993) | Consolidate the law relating to trademarks; and provide for the registration of trademarks, the certification of trademarks and collective trademarks, and for the protection of rights relating thereto |
| Unauthorised Use of Emblems Act, 1961 (Act No. 37 of 1961) | Provide for the continued operation of certain laws relating to the use of certain emblems and representations; and extend the scope of such laws |




8. Organisational structure



9. Entities reporting to the Minister

| Name of public entity | Enabling legislation | Financial relationship | Mandate and purpose |
|---|--|--------------------------|---|
| <p>Companies and Intellectual Property Commission</p>  <p>Companies and Intellectual Property Commission a member of the dti group</p> | Companies Act, 2008 (Act No. 71 of 2008), as amended | Self-funded | <p>The CIPC was established by the Companies Act, 2008 (Act No. 71 of 2008) as a juristic person to function as an organ of state within the public administration, but as an institution outside the public service. The main functions of the commission are to:</p> <ul style="list-style-type: none"> register companies, cooperatives and IP rights (trademarks, patents, designs and copyright), and the maintenance thereof; disclose information on its business registers; promote education and awareness of company and IP law; promote compliance with relevant legislation; enforce relevant legislation; monitor compliance with and contraventions of financial reporting standards, and make recommendations thereto, to the Financial Reporting Standards Council (FRSC); license business-rescue practitioners; and report, research and advise the Minister on matters of national policy relating to company and IP law |
| <p>Export Credit Insurance Corporation</p>  | Export Credit and Foreign Investments Insurance Act, 1957 (Act No. 78 of 1957) | Partial transfer payment | <p>The ECIC was established in terms of the Export Credit and Foreign Investment Re-Insurance Amendment Act, 1957 (Act No. 78 of 1957), as amended. It promotes trade with countries outside South Africa by providing for the insurance, on behalf of the South African government, of contracts in connection with export transactions, investments and loans or similar facilities connected to such transactions, and provides for matters connected thereto</p> |
| <p>National Consumer Commission</p>  <p>NATIONAL CONSUMER COMMISSION 080001-11191-8811 2010</p> | Consumer Protection Act, 2008 (Act No.68 of 2008) | Transfer payment | <p>The NCC is responsible for enforcing and carrying out the functions assigned to it in terms of the Act, which aims to:</p> <ul style="list-style-type: none"> promote a fair, accessible and sustainable marketplace for consumer products and services, and, for that purpose, establish national norms and standards relating to consumer protection; provide for improved standards of consumer information; prohibit certain unfair marketing and business practices; promote responsible consumer behaviour; and promote a consistent legislation and enforcement framework relating to consumer transactions |
| <p>National Consumer Tribunal</p>  <p>national consumer tribunal</p> | National Credit Act, 2005 (Act No. 34 of 2005), as amended | Transfer payment | <p>The NCT adjudicates any application that may be made to it, and makes any order provided for in respect of such an application; or allegations of prohibited conduct by determining whether the prohibited conduct has occurred and, if so, by imposing a remedy. It grants orders for costs, and can exercise any other power conferred on it by law. It also reviews decisions made by the NCR, the NCC, and single-member panels of the tribunal. Decisions made by a three-member panel of the tribunal may in turn be taken on appeal or review to the high court</p> |

| Name of public entity | Enabling legislation | Financial relationship | Mandate and purpose |
|--|--|------------------------|--|
|  <p>Companies Tribunal</p> | Companies Act, 2008 (Act No. 71 of 2008), as amended | Transfer payment | The CT adjudicates in relation to any application that may be made to it in terms of the Act, and makes any order provided for in the Act in respect of such an application. It also assists in the resolution of disputes as contemplated in Part C of Chapter 7 of the Act; and performs any other function assigned to it by or in terms of the Act, or any law mentioned in Schedule 4 |
|  <p>National Credit Regulator</p> | National Credit Act, 2005 (Act No. 34 of 2005), as amended | Transfer payment | The NCR promotes a fair and non-discriminatory marketplace for the access of consumer credit; provides for the general regulation of consumer credit and improved standards of consumer information; promotes BEE and ownership within the consumer credit industry; promotes responsible credit granting and use; provides for debt reorganisation in cases of over-indebtedness; regulates credit information; and provides for the registration of credit providers, credit bureaus and debt-counselling services |
|  <p>National Empowerment Fund</p> | National Empowerment Fund Act, 1995 (Act No. 105 of 1995) | Transfer payment | The NEF's focus is to promote and facilitate black economic equality and transformation. The NEF provides finance and financial solutions to black businesses across a range of sectors, and structures accessible retail savings products for black people based on state-owned equity investments. Its mandate and mission is to be government's funding agency in facilitating the implementation of B-BBEE in terms of the B-BEE Codes of Good Practice |
|  <p>National Gambling Board South Africa <small>a member of the dti group</small></p> | National Gambling Act, 2004 (Act No. 7 of 2004) | Transfer payment | The NGB was established to monitor and investigate, when necessary, the issuing of national licences by provincial licensing authorities. It establishes and maintains national registers regarding various gambling activities |
|  <p>National Lotteries Commission <small>a member of the dti group</small></p> | National Lotteries Act, 1997 (Act No. 57 of 1997) | Self-funded | The NLC monitors and enforces the implementation of the national lottery. It manages the National Lottery Distribution Trust Fund, which distributes proceeds from its share of the lottery sales to worthy causes |
|  <p>National Metrology Institute of South Africa <small>the pillars of Excellence</small></p> | Measurement Units and Measurement Standards Act, 2006 (Act No. 18 of 2006) | Transfer payment | NMISA is responsible for realising, maintaining and disseminating the International System of Units. It maintains and develops primary scientific standards of physical quantities for South Africa, and compares those standards with other national standards to ensure global measurement equivalence |

| Name of public entity | Enabling legislation | Financial relationship | Mandate and purpose |
|---|---|--------------------------|---|
| National Regulator for Compulsory Specifications  | National Regulator for Compulsory Specifications Act, 2008 (Act No. 5 of 2008) | Transfer payment | The NRCS is responsible for the administration and maintenance of compulsory specifications, and the implementation of regulatory and compliance systems for compulsory specifications |
| South African Bureau of Standards  | Standards Act, 2008 (Act No. 8 of 2008) | Partial transfer payment | The SABS aims to develop, promote and maintain South African national standards; promote quality in connection with commodities, products and services; and render conformity assessment services and matters connected therewith |
| South African National Accreditation System  | Accreditation for Conformity Assessment, Calibration and Good Laboratory Practice Act, 2006 (Act No. 19 of 2006). | Transfer payment | The aim of SANAS is to accredit or monitor, for GLP compliance purposes, organisations that fall within its scope of activity; promote accreditation as a means of facilitating international trade and enhancing South Africa's economic performance and transformation; promote the competence and equivalence of accredited bodies; and promote the competence and equivalence of GLP compliant facilities |

The B-BBEE Commission is established in terms of Section 13B of the B-BBEE Amendment Act, 2013 (Act No. 46 of 2013). The purpose of the Act, among other things, is to facilitate B-BBEE by promoting economic transformation to enable the meaningful participation of black people, women, youth and people living with disabilities and rural or underdeveloped communities in the mainstream economy, in a manner that has a positive impact on employment, income redistribution, structural readjustment and economic growth. The listing of the B-BEE Commission will be undertaken in 2017/18. The commission was incubated under the Special Economic Zones and Economic Transformation division during the period under review.

Part B

Performance Information



10. AG's report: Predetermined objectives

The Auditor-General of South Africa (AGSA) currently performs certain audit procedures on performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management under the heading 'Predetermined objectives' in the section on other legal and regulatory requirements of the auditor's report. Refer to paragraphs 13 to 22 contained in the report of the Auditor-General.

11. Overview of departmental performance

There has been improved market access to the EU for wines of South African origin, with the current duty-free quota of 48 million litres increasing to 110 million litres. In the period under review, AB Inbev, the world's largest brewer, invested R1 billion in South Africa to realise its localisation as part of its offer to acquire rival brewer SABMiller.

By October 2016, under the REIPPPP, 6 376 MW of electricity had been procured from 102 renewable energy IPPs over six rounds of bidding. This led to the creation of 28 484 job years and generated contributions of R256.2 million in socioeconomic development, and R80.5 million in enterprise development.

In 2016/17, the department embarked on the first phase to revitalise 10 identified industrial parks. The first phase of the revitalisation programme included security infrastructure upgrades, the replacement of top structure, and wastewater treatment plant repairs.

Regional economic integration remains an overriding priority. South Africa is committed to a coordinated strategy to boost intra-Africa trade, and build an integrated market in Africa that will create a market of more than 1 billion people valued at an estimated US\$2.6 trillion.

In 2016, **the dti** led a process to secure South Africa's continued participation in AGOA, a unilateral preferential programme that offers duty-free market access to 5 235 tariff lines into the US.

The EU remains South Africa's main trading partner. South African exports to the region realised an annual growth of about 8% between 2012 and 2016, and imports realised an annual growth of about 15% over the same period. South African exports to the EU increased from R143 billion in 2012 to R250 billion in 2016.

R250bn
VALUE OF SOUTH AFRICAN EXPORTS TO THE EUROPEAN UNION IN 2016, UP FROM R143 BILLION IN 2012

A compact and more nuanced INES was launched in March 2016. The development of this INES, or Export 2030, in alignment with a concerted

market diversification strategy, contributed to increasing South Africa's exporter base and promoting trade.

The department has, to date, supported 36 black industrialists to the value R3 billion, creating about 7 000 jobs mainly in IPAP sectors such as agro-processing; renewable energy; electronics; pulp, paper and furniture; clothing and textiles; plastic; automotive components; and pharmaceutical, electro equipment and metals.

For the period under review, 50% of the

department's senior management positions were occupied by women, and 3.4% of the department's total staff complement comprised people with disabilities. The vacancy rate was 7%

against the backdrop of cost-cutting measures and a moratorium on filling vacancies. All eligible creditors' payments were made within 30 days.

11.1 Service delivery environment, including progress made on the strategic outcome-oriented goals

11.1.1 Facilitate transformation of the economy to promote industrial development, investment, competitiveness and employment creation

The highlights of the period under review have been extracted from the eighth iteration of the IPAP (2017 to 2020), and reflect relationships between the private and public sectors. Investments and other successes registered in 2016/17 show continuing, significant international confidence in the South African economy.

Instruction notes issued for designations during 2016/17 were for steel and steel products to ensure the maximum utilisation of existing steel fabrication capacity across the infrastructure build programme. This to improve competitiveness, resulting in increased investments and the creation of jobs in the rail signalling sector; transformers and associated equipment; as well as wheelie bins.

the dti invoked provisions of Section 9.3 of the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000) to engage the South African National Roads Agency Limited to secure the localisation of steelworks in the Mtentu and Msikaba bridge projects in Eastern Cape, and mandated the local purchase of stationery procured by state-owned companies and municipalities.

Progress has been made in supporting several local companies to improve their competitiveness and increase their export capabilities. This has been done either through funding, technology transfer or linking local players with global original equipment manufacturer (OEM) value supply chains. Highlights include an agreement between **the dti**, South African Airways Technical (SAAT),

and an obligor to revive the aircraft engine maintenance, repair and overhaul capabilities of SAAT. The first phase of the project involved transferring equipment, tools and technological process know-how from the obligor. The following stage involves installing equipment and certifying SAAT to meet European standards, which is required to repair European-registered aircraft.

Airbus awarded a contract to a South African manufacturer, Cobham Satcom, to supply the Light Inmarsat Satcom package for the A320 NEO (new engine option) and the A330 NEO aircraft. This package comprises an enhanced low gain antenna, a multichannel, high-power amplifier and a compact satellite data unit configuration module. It is expected that the certification of the systems will commence in 2017, and installation in 2019.

An agreement has been reached with a Chinese telecommunications equipment company Huawei to establish a joint innovation centre in South Africa. In collaboration with other Huawei centres across the world, this centre will focus on the development of technologies and software modules for both the domestic and international markets. The envisaged technologies include 4.5G/5G for the mobile phone sector, smart home solutions (a household management and business communications system), mobile money technologies and application platforms for high-end smartphones. The project is expected to create 118 highly skilled jobs and generate about R5 billion in revenue over a seven-year

period, of which 60% will be for export markets.

Industrial financing interventions have significantly contributed to rescue, revival and growth in several sectors. The IDC was the major source of dedicated industrial financing, having disbursed R9.1 billion between April 2016 and February 2017 across various IPAP sectors.

In a joint investment project with the IDC, Beijing Automobile International Corporation began building its new R11-billion vehicle manufacturing plant, which is set to create 2 500 direct jobs. The plant will manufacture pickup trucks, SUVs and sedans for the African market. The plant will have an initial capacity to produce about 50 000 cars, trucks and SUVs.

Toyota South Africa opened a R6.1-billion assembly line to produce its Fortuner and Hilux models, R1.9 billion of which will go towards supplier tooling, R1.4 billion to in-house tooling, and the remainder to in-house facilities and buildings to cater for new press machines. The project attracted five new international suppliers and created about 2 000 new jobs in the supply chain.

Ford South Africa invested R11.5 million in the construction and operation of a new job-training and entrepreneurial-development centre, which opened in October 2016.

Volkswagen South Africa invested R120 million in a new 21 000 try-out press to improve manufacturing capabilities. The new facility can produce close to 10 000 parts per day for Volkswagen's Polo, Cross Polo and Polo Vivo models. Volkswagen is also to supply Kenya with up to 5 000 Polo Vivos a year in a move that could extend the manufacturing of the car in South Africa beyond 2018. Volkswagen South Africa's German parent company signed a deal with the Kenyan government to build the Polo Vivo at a new joint-venture plant in Kenya, beginning early 2017. The cars will be exported in kit form from Volkswagen South Africa's Uitenhage, Eastern Cape, assembly plant and re-assembled in Kenya.

Mercedes-Benz South Africa awarded a

tender to Great North Transport for the supply, maintenance and financing of 150 commuter buses, with Marcopolo South Africa as the bus body builder. The approved total bid price, including repairs and maintenance, is R511.6 million over a five-year period. BMW South Africa unveiled a purpose-built solar carport that allows its electric vehicle range to charge using solar energy. BMW is also set to expand its shared services centre and IT operations centre, which is one of only two specialist hubs globally, with the aim of increasing personnel in both operations by 220 people.

Footwear manufacturing increased by 2 million pairs in the first quarter of 2016 and employment creation continued. Exports in the leather and footwear sector have begun to increase as well.

Bombardier Transportation launched its

propulsion and control facility in Elandsfontein, eastern Gauteng, in July 2016. The new, 6 000m² facility will produce Bombardier Mitrac high-power propulsion equipment for use in Transnet's

2 500

NUMBER OF DIRECT JOBS SET TO BE CREATED THROUGH THE NEW VEHICLE MANUFACTURING PLANT

locomotives project. The site will also house a testing centre for high-power traction converters and electrical cubicles.

In September 2016, AVK Valves officially launched its new R200-million plant in Benoni, eastern Gauteng, in partnership with Premier Valves. The plant features improved engineering processes, computer numeric-controlled machines and a training facility.

MTU South Africa unveiled its newly upgraded workshop facility in Cape Town in October 2016. It will assemble diesel engines for 232 diesel locomotives that China North Rail is to deliver to Transnet as part of the locomotive build programme.

China North Rail delivered two complete knock down (CKD) diesel locomotives for final assembly at Transnet Engineering's Durban facility. Transnet Engineering unveiled its locally manufactured trans-Africa diesel-powered locomotive, which is particularly suitable for use

on branch lines and in shunting yards. Transnet Engineering is an OEM in freight wagons and a major exporter of rolling stock equipment to the African market. In June 2016, Transnet supplied fuel tanker wagons and container wagons to Swaziland Railway, and passenger coaches to Botswana.

Efforts to diversify the agricultural base continued, with exports of apples to China, for example, up by 70%. The South African Table Grape Industry and the Department of Agriculture, Forestry and Fisheries have successfully negotiated a friendlier protocol with China, which is expected to lead to significant growth in table grape exports to that country.

the dti launched a R100-million tomato processing plant in Tzaneen, Limpopo, by Dürsots-All Joy. The factory is expected to assist in addressing the increased demand for tomato paste in South Africa while ensuring business for 15 commercial farmers in the area. The plan is to ultimately employ 300 people.

In partnership with NT and the deciduous fruit industry, the Western Cape provincial government has established the Deciduous Fruit Development Chamber commercialisation programme. This will disburse R120 million in funding to emerging fruit farmers to grow their businesses to fully commercial status. The grant money will be used to renew and expand orchards, procure production equipment and upgrade farming infrastructure.

Nestlé South Africa inaugurated its instant coffee manufacturing plant in KwaZulu-Natal after a R1.2-billion investment into the expansion of its factory. The investment formed part of the company's cumulative R2.9-billion investment over the past five years. The expansion

included the construction of a wastewater treatment plant, a state-of-the-art coffee drying plant and a new coffee processing plant.

There has been improved market access to the EU for South Africa's wines, with the current duty-free quota of 48 million litres increasing to 110 million litres. Koopmanskloof Wines

secured a deal with a Russian company to start shipping more than 60 000 bottles of wine. The winery is also working on a long-term strategic partnership aimed at providing 500 000 bottles by 2020.

The year under review saw a R1-billion investment by AB Inbev in South Africa to realise localisation as part of its offer to acquire rival brewer SABMiller. Of the R1-billion investment, R610 million will be used to support new emerging farmers and commercial farmers to enable South Africa to change from a net importer of hops to a net exporter of hops and value-added malt.

GWK Farm Foods unveiled a technologically advanced wheat mill, pasta plant and biscuit factory, one of the most modern and technologically advanced new food production facilities in Africa. Of the R400-million investment, R60 million went towards

expanding silo capacity at the plant to service the new facility. More than 400 temporary employment opportunities were created during construction, while more than 100

permanent jobs were created at the new plant.

By October 2016, under the REIPPPP, 6 376 MW of electricity had been procured from 102 renewable energy IPPs in six bid rounds. All projects from the first two bid windows were operational and a total of 2 738 MW of electricity generation capacity from 51 IPP projects were connected to the national grid.

In 2016/17, the REIPPPP attracted investments valued at R194.1 billion, including R53 billion (27%) from foreign sources, creating 28 484 jobs and generating R256.2 million in socioeconomic development contributions, and R80.5 million in enterprise development contributions.

Mpact opened a R350-million polyethylene terephthalate recycling plant that created 1 000 indirect jobs. The operation has resulted in South Africa, becoming the 24th country overall and the first in Africa to meet Coca-Cola's certification requirements to package their soft drinks.

R194bn

VALUE OF INVESTMENTS ATTRACTED THROUGH THE REIPPPP IN 2016/17, CREATING MORE THAN 28 000 JOBS

Armstrong announced preferred bidders to supply ships for the South African Navy's projects Biro and Hotel: Southern African Shipyards and Damen Shipyards. The estimated combined value of the tenders is about R5 billion.

A new R290-million Durban floating dock was launched with the assistance of a R160-million Section 12I tax incentive.

Fabrication of liquefied petroleum gas (LPG) vessels (bullets) for an open-access LPG terminal at Saldanha Bay was completed and will provide 5 500t of LPG storage capacity.

The National Research Foundation's research vessel tender, valued R1.8 million, was awarded to NautiTech.

There have been some very important OEM investments in South Africa in the television and white goods markets (including manufacturers such as HiSense, Defy and Samsung).

Government incentives and tariff reviews have contributed to enhancing South Africa's value proposition as an investment destination for these companies.

Yangtze Optics Africa Company launched its R150-million investment in a 15 000m² fibre optic plant at Dube Trade Port in May 2016. The investment is expected to create about 150 new jobs for the Chinese company to supply fibre optic cables and fibre-to-home solutions and local telecommunications players including Telkom, Neotel, Vodacom, MTN, Cell C and Vumatel. The plant will have an estimated manufacturing capacity of more than 1 million fibre kilometres.

Automation technology group ABB commissioned an integrated solar-diesel microgrid installation, the group's first microgrid in South Africa, at its 96 000m² Longmeadow facility in Johannesburg. The microgrid makes use of power fed from the national grid and a solar photovoltaic installation, as well as a backup feed from four diesel generator sets.

Tronox opened its new, R3.3-billion Fairbreeze mineral sands mine in KwaZulu-Natal, its main product titanium dioxide. 250 direct jobs and 1 000 indirect jobs have been created. The first phase of the operation, valued at R2.6 billion,

has begun and will be followed by a second six-year phase, at a total cost of R3.3 billion.

Nyanza Light Metals (in collaboration with New Zealand's Avertana) has completed pilot plant testing of the Highveld Steel and Vanadium waste slag to produce titanium pigment in the Richards Bay industrial development zone. This plant will be the only titanium pigment producer in Africa after the closure of Huntsman's Umbogontwini plant in 2015, and will create 1 300 jobs. Construction is expected to commence in 2018.

In 2016/17, the department embarked on the first phase to revitalise 10 identified industrial parks, with an approved allocated budget of R278 million. Botshabelo Industrial Park in Free State was the first to be launched by the Minister in June 2016, followed by Seshego Industrial Park in Limpopo in July 2016, Isithebe Industrial Park in KwaZulu-Natal in October

2016 and Queendustria Industrial Park in Eastern Cape in November 2016 at a cost of R24 million, R21 million, R49 million and R22.5 million, respectively. The first phase of the revitalisation programme included,

among other things, security infrastructure upgrades, the replacement of top structure, and wastewater treatment plant repairs.

The first phase of revitalisation for the Vulindlela Industrial Park in Mthatha and Babelegi Industrial Park in Tshwane were completed, however, the department is planning to launch them in 2017/18. Thus far, R22 million and R40 million, respectively, has been spent on the revitalisation of these industrial parks.

A number of investment projects, such as the upgrade of the Ford assembly plant in Silverton, Tshwane, were launched. Ford invested R2 billion and the project is expected to create 1 200 jobs. Nestlé expanded its coffee production in Estcourt, KwaZulu-Natal, and has invested R1.2 billion. The plant currently employs 20 people.

A total of 1 491 applications have been approved across all incentives. More than

R30bn

VALUE OF PRIVATE-SECTOR INVESTMENT
LEVERAGED ACROSS ALL INCENTIVES

R30 billion in private-sector investment was leveraged across all incentives. Some of the approved projects are: a titanium dioxide project by Siyanda Chrome Smelting, Goodyear South Africa, Bell Equipment and Nokeng Fluorspar Mine. More than 37 000 jobs are expected to be retained and 11 662 new jobs are to be created through these approvals. The Minister

relaunched the Manufacturing Competitiveness Enhancement Programme (MCEP), which is intended to provide working capital and capital equipment loans to manufacturers across all sectors controlled by black industrialists. The Strategic Partnerships Programme, that replaced the Incubation Support Programme, was approved.

11.12 Build mutually beneficial regional and global relations to advance South Africa's trade, industrial policy and economic development objectives

The department plays a leading role in the formation of trade and investment policy in South Africa, with the aim of promoting and facilitating sustainable growth and economic development. This is achieved through efforts to build an equitable multilateral trading system that facilitates development, strengthens trade and investment links with key economies, and fosters African development through regional and continental integration; and development cooperation in line with the New Partnership for Africa's Development (Nepad) and the African Union's Agenda 2063.

In broad terms, this requires ongoing efforts to shape the terms and conditions of integration into the global economy in a manner that supports South Africa's national economic developmental objectives and Africa's development agenda.

Regional economic integration remains South Africa's overriding priority. The aim is to pursue a broadening of integration across existing regional communities within a development integration framework. Practically, this means taking steps to enlarge existing free-trade areas (FTAs) into larger, more expansive FTAs, and to complement this with active cooperation to promote industrial and infrastructure development. The key objective of these initiatives is to promote increased intra-African trade and support industrialisation through the creation of large regional markets that can support the development of regional value chains, and thus expand productive capabilities and move up the value chain. This approach is compatible with trends in successful emerging economies.

Within the Southern African Customs Union (SACU), **the dti** continues to prioritise efforts to forge a consensual approach to the implementation of a development integration work programme that will contribute towards the transformation of the economies within the union. In addition, SACU continues to adopt a unified engagement in trade negotiations with third parties, ensuring that the common external tariff is preserved.

In the SADC region, **the dti's** key objective has been to consolidate the trade protocol through the implementation of an agreed programme aimed at facilitating trade. Substantial progress has been made in the negotiations with member states, which have exchanged 12 offers to date.

SADC adopted the Regional Industrialisation Strategy and Roadmap in April 2015. The strategy emphasises the need for industrial development within the SADC region that is fully aligned with the developmental integration approach South Africa has been advocating for in its bilateral and multilateral engagements. Subsequently, a costed action plan to implement the strategy was developed and approved in March 2017. Member states will now develop detailed annual operational plans to facilitate the implementation of the action plan. The focus will be to fast track the implementation of the SADC Industrial Strategy and Action Plan. The primary orientation of the industrialisation work programme is to promote the structural transformation of the SADC region through industrialisation, modernisation, and the upgrading and leveraging of the FTA to lock in regional value chains.

the dti continued to lead the process of

coordinating a unified SACU position in the Tripartite Free-Trade Area (T-FTA) negotiations. In June 2015, the third Tripartite Summit launched the FTA and committed to continue the work on the built-in agenda, the finalisation of the annexes to the agreement, and the commencement of the second phase of negotiations. The negotiations are aimed at liberalising trade in services across the region, as well as other trade-related matters such as investment, competition policy and intellectual property rights. Negotiations have been finalised on the legal text, including the annexes. This will facilitate the signing of the agreement by all T-FTA member states. Substantial progress has also been made with the East African Community and Egypt on the tariff negotiations.

Building on the positive developments at SADC and T-FTA levels, the Continental Free-Trade Area (CFTA) negotiations were launched in June 2015 in

South Africa, with negotiations on trade in goods and services under way. The envisaged CFTA offers an opportunity to create larger economies of scale

and a larger market. South Africa is, therefore, committed to a coordinated strategy to boost intra-Africa trade, and build an integrated market in Africa that creates a market of 1 billion people valued at about US\$2.6 trillion.

Noting the importance of a coordinated approach between government and the South African private sector in the rest of Africa, Cabinet approved the Guidelines for Good Business Practice, which were launched in July 2016. The guidelines are a voluntary set of principles consistent with laws and internationally recognised standards that promote responsible business conduct and sustainable economic development in Africa, in accordance with government's integration and development objectives.

In May 2016, South Africa ratified the WTO Trade Facilitation Agreement, which was one of the key outcomes of the 9th Ministerial Conference held in Bali, Indonesia, in December

2013. South Africa is now in the process of finalising its categorisation list for the agreement.

In February 2016, **the dti** also led a process to secure South Africa's continued participation in AGOA, a unilateral preferential programme that offers duty-free market access to 5 235 tariff lines into the US. South Africa's top AGOA exports include automobiles worth R18 billion in 2015 (\$1.3 billion); ferromanganese worth R1.2 billion (\$89 million); macadamia nuts worth R704 million (\$50 million); oranges worth R650 million (\$46 million); and wine worth R483 million (\$34.5 million).

South Africa signed the economic partnership agreement (EPA) with the EU in June 2016, which provisionally took effect in October 2016. The EPA replaced the trade chapter of the Trade Development Cooperation Agreement. This new agreement with the EU has been negotiated as part of the SADC EPA group, which includes

Botswana, Lesotho, Namibia and Swaziland (all SACU affiliates) and Mozambique, with Angola participating as an observer.

The EU remains South Africa's main trading partner.

R588bn

VALUE OF TOTAL TRADE BETWEEN SOUTH AFRICA AND THE EUROPEAN UNION IN 2015

Total trade increased from R382 billion in 2012 to R588 billion in 2015, an increase of 54%. South African exports to the EU realised an annual growth of about 8% between 2012 and 2016, and imports realised an annual growth of about 15% over the same period. South African exports to the EU increased from R143 billion in 2012 to R250 billion in 2016.

The Protection of Investment Act, 2015 (Act No. 22 of 2015) is crucial to strengthening the legislative environment to modernise the South African investment regime. The Act continues to provide protection to foreign investors in a manner that is consistent with the Constitution, and that is in accordance with international best practice and international customary law.

The draft regulations on mediation rules in terms of Section 13 of the Act were in the finalisation stage, and will be brought before the various government committees for approval then submission to Cabinet. **the dti** has initiated

a review of all first-generation bilateral investment treaties (BITs) in force, and has terminated 15 out of the 22 treaties.

Two countries received notices of intention to terminate the BITs, and discussions on terminating the remaining BITs are ongoing at various forums. **the dti** has also finalised the Model BIT, which is aligned with the Act and regulations. The Model BIT will be submitted for consideration to the Interministerial Committee on Investment, after which it will be submitted to Cabinet for approval.

Since 2016, **the dti** has been working towards developing a new IP policy for South Africa. The aim of this policy is to ensure a balanced and coordinated intragovernmental approach to IP that protects IP rights and is responsive to South Africa's socioeconomic dynamics and development objectives, as encapsulated in policy instruments such as the NDP, the New Growth Path and IPAP. The draft IP Policy has been developed and once approved by Cabinet, will be published for public comment in the Government Gazette.

It is crucial to ensure that South Africa's engagement in international IP forums is consistent with the objectives of the IP policy and does not unduly constrain domestic policy to intervene in the public interest. To this end, **the dti** leads engagements in international IP forums such as the WTO and World Intellectual Property Organisation, as well as regional forums such as the African Regional Intellectual Property Organisation, in which South Africa has observer status.

the dti continued to play a significant role in international discussions related to the nonproliferation of weapons of mass destruction and the control of dual-use goods and technologies, which have a potential to be used in weapons of mass destruction but also have vast commercial applications. The implementation of national control measures to ensure compliance with the various nonproliferation conventions and regimes continues as an essential element of promoting South Africa's image as a responsible and reliable producer, possessor, trader and recipient of

sensitive goods and technologies, thereby facilitating trade.

A compact and more nuanced INES was launched in March 2016. The development of this INES, or Export 2030, in alignment with a concerted market diversification strategy, contributed to increasing South Africa's exporter base and promoting trade by developing a sustainable, long-term competitive market positioning and international profile for the country. Certain high-level and strategic initiatives for government were leveraged in addition to the export promotion and development activities identified.

These strategic engagements include, among others, those related to the Brics Summit and Brics Business Council, and engagement with the New Development Bank and the St Petersburg International Economic Forum. The department continues to profile South African industries,

participate in work programmes, launch projects that advance the country's economic objectives, and coordinate the participation of the South African private sector. In the domestic environment, the implementation of the INES also included engagements with export councils, industry associations, state-owned enterprises and Team Export SA, which brings together South African stakeholders involved in developing and

promoting exports and exporters.

The implementation of the INES has been undertaken along with the strategic actions of the IPAP, and ensures that the economy is supported by competitive measures to enhance productive capabilities in order to strengthen industrial competitiveness, which will translate into international competitiveness for exporters. The department intends to develop concerted export development and promotion support packages for companies within SEZs and industrial parks. The strategy strives to achieve export-promoting industrialisation supported by export-oriented FDI, while creating import substitution through the localisation programme to support economic growth and export-oriented employment.

To ensure coordination and alignment

15

**NUMBER OF FIRST-
GENERATION BILATERAL
TREATIES THE DEPARTMENT
HAS TERMINATED AFTER
REVIEW**

throughout the export value chain, work was undertaken to operationalise the National Export Advisory Council, which is tasked with enhancing coordination across government in the implementation of the INES to improve competitiveness and remove unnecessary barriers faced by exporters. The council serves in advisory and advocacy capacities by representing and promoting the interests of exporters, potential exporters and export service enterprises. It advises the various spheres of government on social and economic policy that promotes exports, and the development of exporters and potential exporters.

The department facilitated export sales through the increased sales of manufactured value-added exports from IPAP priority sectors directed towards emerging and traditional markets through the product and market diversification strategy. The implementation of the INES focused on product, market and supplier diversification within the exporter base, including national export champions and OEMs. These exporters were supported by financial measures such as Export Marketing and Investment Assistance (EMIA) and ECIC export instruments to contribute to export-oriented employment.

A recent review of regional target markets highlighted the necessity for South Africa to leverage its unique value propositions to retain or improve current trade in identified target markets such as Asia, Africa and the Middle East, where distinct capabilities in technology and skills transfer, high-technology solutions, agro-processing and supply capabilities have been proved. South Africa's value proposition is unique in that its proximity to African and Middle Eastern markets is uncontested, that it is the only African country with a sustained and effective membership to Brics, and that it can leverage off trade agreements to which it is a signatory. These elements continue to be teased out to maintain South Africa's lead position as a supplier of choice in several emerging high-growth markets, while increasing its share of high-value exports and locally manufactured products in markets where its position is currently less than optimal.

The department is conducting a study

towards the elaboration of a services export strategy that is aimed at assisting South African firms to integrate into the regional and global supply chains of multinational firms by actively promoting subcontracting in power, infrastructure programmes and the built environment.

With regards to Brics, the department participated in and contributed to various internal South African government processes, including the various Brics Interdepartmental Technical Senior Officials and Interministerial Committee meetings. It contributed to events related to the Brics Summit, including the Contact Group on Economic and Trade Issues meetings, the Brics Trade Fair, the Brics Trade Ministers Meeting, the Brics Business Forum, and engagement with Brics leaders.

The summit's outcomes included coordinating the development of key Brics projects of interest

to South Africa and the continent by the South African chapter of the Brics Business Council. The Brics Trade Fair included 32 leading South African companies with anticipated six-month sales as per the exhibitor questionnaires, in excess of R36 million with 171 trade leads registered.

The effective implementation of the INES, which is closely linked to the main transversal focus areas of IPAP such as regional efforts to increase

trade, diversify exports, maximise linkages with the domestic economy and increase adjustment capacity, resulted in:

- R4.2 billion in export sales facilitated; and
- 574 companies supported through the EMIA scheme to gain market access to various markets through nine trade missions and participation at 21 national pavilions.

The department continued to develop a pool of export-ready companies under the National Exporter Development Programme (NEDP), which includes the Global Exporter Passport Programme (GEPP). The GEPP is aimed at developing South Africa's export culture through export awareness and outreach programmes, as well as through mobilising established enterprises to become exporters.

32

**NUMBER OF LEADING
SOUTH AFRICAN
COMPANIES THAT
PARTICIPATED IN THE
BRICS TRADE FAIR**

Similar to previous proposals for export villages, special focus will be given to building capacity for companies located within SEZs and industrial parks by using a revised GEPP that incorporates an assessment of export readiness. International experience has proved that clustering export-development activities around the SEZs and industrial parks can enable companies' readiness for export markets. In rolling out the GEPP, **the dti** will partner with the SEZs and industrial parks to provide training to companies located in these facilities.

the dti aims to expand its awareness and engagement campaign on the benefits of an export-oriented economy. The campaign will be intensified in direct-export workshops and use new forms of media to increase its reach to South African enterprises. In addition, a colloquium on enhancing exports will be considered for 2017/18. The department will also finalise the review of the export council model with the aim of contributing to growing exports and intensifying economic transformation.

The following activities in 2016/17 positioned South Africa as a reliable trade partner by expanding the country's exporter base:

- assisted 822 customers by providing export advice and trade information to emerging and established exporters through the export help desk;
- participated in 45 outreach programmes and export awareness workshops to enhance South Africa's export culture and showcase **the dti's** offerings;
- provided support, including financial support, to 19 export councils, and 12 industrial associations, joint action groups and other export formations; and
- provided capacity building through the GEPP, reaching 2 126 companies.

In support of greater participation of South African products and services in international markets, particularly in Africa, **the dti** tasked the ECIC to pursue new approaches and develop innovative offerings in line with an eximbank to

effectively support investors and exporters. An amended and restated export credit insurance agreement between the institution and the shareholder was completed in October 2016, allowing for the ECIC to assume the liabilities associated with the interest make-up scheme. The review process of the ECIC's enabling legislation is continuing towards the institution developing new approaches and innovative offerings, including the consideration of a South African eximbank. Legislative review visits were undertaken to India and China to engage with their eximbanks and similar institutions to understand their offerings and institutional arrangements.

A number of investment projects were launched in 2016/17, resulting in job creation.

- May 2016: New polyethylene terephthalate production plant established in Wadeville, Ekurhuleni.

Mpact invested R350 million, and the project is expected to employ 1 085 people by completion. Dürsots launched its new tomato paste plant in Tzaneen and Musina, Limpopo. Toyota launched its new Hilux

and Fortuner models.

- June 2016: Cipla signed a memorandum of understanding with Dube Trade Port to establish a R1.5-billion biologics facility.
- July 2016: HBM-SA launched a R60-million latex condom facility at Dube Trade Port, creating 145 jobs.
- August 2016: The Dormac Dry Dock facility at Durban Port was launched. International IT giant IBM launched a research laboratory at Wits University in Johannesburg.
- October 2016: 3M launched an expanded facility in Ekurhuleni.
- November 2016: Hitachi planned to build a pilot seawater desalination and water reuse integrated system in Durban.
- December 2016: Yangtze Optics Africa Cable launched its plant at Dube Trade Port.

R4.2bn

VALUE OF EXPORT SALES FACILITATED THROUGH THE
INTEGRATED NATIONAL EXPORT STRATEGY

11.1.3 Facilitate broad-based economic participation through targeted interventions to achieve more inclusive growth

The department implemented the Broad-Based Black Economic Empowerment Amendment Act, 2013 (Act No. 46 of 2013) regulations and code of good practice. The B-BBEE regulations were gazetted in June 2016. The finalisation of the regulations gave effect to the operationalisation of the B-BBEE Commission, and provided an allowance for the implementation of Section 10 of the Act, which includes deviation or exemption from a code of good practice. During this process, the department incorporated public comments and proposed a threshold for major B-BBEE transactions.

The Equity Equivalent Investment Programme (EEIP) has, to date, made provision for the approval of seven multinational companies, including a company approved in January 2017. Two-thirds of the existing programmes are in the ICT sector, with the rest in the engineering sector. The total investment value of the initial six programmes is R980 million, including research and skills and enterprise development, and has led to the creation of 241 job opportunities. The largest EEIP

approved in 2016/17, totalling R1.3 billion for supplier development, was Caterpillar (Pty) Ltd. It is expected that 2 300 jobs will be created through this investment. The total investment of the EEIP is expected to amount to R2.2 billion. Other applications under review are from the agriculture and engineering sectors.

the dti and IBM South Africa signed

a memorandum of understanding in August 2016 for developing digital platforms aimed at creating an interactive electronic environment for black industrialists. The department and Trade Invest Africa led trade missions to Nigeria, Ghana and Madagascar to seek

7 000
**NUMBER OF JOBS CREATED THROUGH
 THE DEPARTMENT'S SUPPORT OF BLACK
 INDUSTRIALISTS**

trade and investment opportunities. Seven black industrialists participated in these missions in the period under review.

To date, the department has supported 36 black industrialists to the value R3 billion, creating about 7 000 jobs in IPAP sectors such as agro-processing; renewable energy; electronics; pulp, paper and furniture; clothing and textiles; plastic; automotive components; and pharmaceutical, electro equipment.

11.1.4 Create a fair regulatory environment that enables investment, trade and enterprise development in an equitable and socially responsible manner

Five bills on gambling, liquor, copyright, performers' protection and companies were tabled in 2016/17. Both the performers' protection and copyright amendment bills were introduced in Parliament by the end of July 2016. The Performers' Protection Bill prioritises royalty payments whenever the work of performers is played or broadcast, as well as the protection and promotion of the moral and economic rights of performers in audiovisual fixations. The Copyright Amendment Bill

provides for, among other things:

- the protection of copyright in craft work;
- the accreditation and registration of collecting societies;
- an IP Tribunal to settle disputes efficiently;
- easy access to copyright for persons with disabilities;
- fair use of copyright works;
- the protection of orphan works by the state;

- resale rights from artwork (royalties for the artist whenever there is a resale);
- prohibited conduct in respect of technological protection measures;
- the management of digital rights; and
- the prescription of broadcasting local content (radio).

The National Liquor Amendment Bill was published on 30 September 2016 for public consultation. The Bill seeks to reduce socioeconomic harms associated with liquor abuse, restructure the liquor industry to promote wider participation and encourage transformation, and address the issue of collaboration among all spheres of government. The department engaged with members of the public to solicit their views on the matter and provided clarity on conflicting issues.

Three communities per province were consulted. Six provinces and their communities supported the Bill, which addresses issues relating to civil liability, the minimum drinking age and liquor advertising. A Liquor Indaba was convened in November 2016 and the Bill was presented to the Eastern Cape Provincial Liquor Summit.

Other government departments such as the Department of Agriculture, Forestry and Fisheries; the Department of Sports and Recreation; the Department of Basic Education; the Department of Social Development; the Department of Health; and the Department of Cooperative Governance and Traditional Affairs were consulted on the Bill and supported it. Non-governmental organisations also supported the Bill. However, the Bill was not widely accepted in the business sector in its current form. The Bill was also presented to the Forum for South African Directors-General and submitted to the National Liquor Policy Council.

Cabinet approved the National Gambling Bill for public consultation. The Bill seeks to improve the regulation of casinos, limited payout machines, bingo, and betting (horseracing and bookmakers) to ensure adequate protection of the public in terms of the controlled access and accessibility of gambling venues. Enforcement measures against illegal operators and the restructuring of the NGB are among

other amendments proposed by the Bill. The department embarked on a national roadshow to conduct public consultation and three communities per province were visited. The Bill was presented and discussed with various stakeholders such as Ithuba National Lottery, the NGB, the Association of Limited Payout Machines, Lotto Star, the Competition Commission and the Forum for South African Directors-General. The Bill is widely supported.

The Companies Amendment Bill was developed and will be processed in 2017/18.

The Bill seeks to address issues relating to the social and ethics committee, the disclosure of beneficial ownership, the rotation of audit firms, and public interest score. Key stakeholders such as the Independent Regulatory Board for Auditors, the South African Institute of Chartered Accountants and the Banking Association of South Africa were consulted on various issues

relating to the Bill, including the issues of the rotation of mandatory audit firms, public interest score, and financial distress.

The Portfolio Committee on Trade and Industry is preparing legislation to deal with over-indebtedness. The Committee invited stakeholders such as the banks, experts, government departments to comment on the debt relief proposal. Terms of reference have been developed and submitted to National Treasury for data research. All six bills will be processed in Parliament during 2017/18.

The final credit life insurance regulations were published in February 2017.

In November 2016, the FRSC hosted the 12th biannual plenary meeting of the Emerging Economies Group of the International Accounting Standards Board. The meeting in Johannesburg provided a platform for discussing specific accounting issues from the perspective of emerging economies. This will be helpful in supporting the mission of the board to develop standards that bring transparency, accountability and efficiency to financial markets across the world. Attendees included board members and delegates from China, India, Indonesia, Malaysia, Russia, South Korea and South Africa.

Six socioeconomic impact assessment system reports were developed for the Copyright Bill,

6

**NUMBER OF BILLS
TABLED IN 2016/17**

Performers’ Protection Bill, Credit Bill, Liquor Bill, Gambling Bill and Companies Amendment Bill.

A study focusing on how companies apply business rescue in South Africa was concluded, and a workshop on business rescue in South Africa was held with the University of Pretoria.

During the period under review, the President launched the One-Stop Shop at **the dti** campus in March 2017, to improve efficiencies and ease the burden of doing business in South Africa. It will also serve as the intergovernmental clearing house for all investors.

11.1.5 Promote a professional, ethical, dynamic, competitive and customer-focused working environment that ensures effective and efficient service delivery

the dti’s Rea Aga (We Are Building) values of quality relationships, and operational and intellectual excellence are the bedrock for building a caring and high-performing department.

the dti values

- Leadership
- Improved and continual communication
- Honesty, respect, integrity, transparency
- Professional ownership
- Teamwork



- Continual shared learning
- Innovation
- Relevant knowledge and skills improvement
- Information management

- Service delivery standards
- International best practice
- *Batho Pele* principles
- Continual improvement

In order for the department to make a meaningful contribution to growing and transforming the South African economy, it must create a shared culture that finds its roots in building quality relationships across all levels of staff. Operational excellence is premised on the continual improvement and cultivation of the habit of doing things well. **the dti** prides itself on prioritising the development of its staff, and recognises that it can receive a return based only on its investment in the development of human resources. To assess the effectiveness of the Rea Aga interventions of the 2012 employee survey, a follow-up survey was conducted in 2016. Improvements have been noted in the majority of the areas assessed.

The Director-General received a silver award for Best Director-General at the 2016 National *Batho Pele* Excellence Awards.

As a knowledge-based department, **the dti** sees its employees as an invaluable resource, and it is for this reason that the department not only recruits the right people with the right skills, but retains them. In the spirit of Rea Aga, **the dti** espouses the belief that its employees should be recognised as people with lives outside of their careers, and that they should be respected and recognised accordingly. The department has continued with its women empowerment programme in its efforts to develop its women employees at junior and middle management level for progression to higher levels through corporate visits to women chief executive officers in large companies, as well as through the informal mentoring programme where women employees are coached by women in senior management in areas such as quality of work life, conflict management, and being a woman leader.

the dti's wellness programmes complemented this focus on gender equality. Activities included:

- information sessions on health and wellness;
- Government Employees Medical Scheme screening days;
- blood donation drives;
- workshops and awareness sessions on wellness trends; and
- articles on health and wellness.

Part of **the dti's** progressive and interactive

wellness programmes include a flexible working hours policy, a nearby early learning centre, an on-site medical clinic with an occupational nursing sister, and 24/7 counselling services for staff and family members.

Divisional workplace forums are another platform **the dti** uses to create a conducive working environment for staff. Various workplace forum committees tabled eight matters for resolution by management, and the number of matters tabled has reduced significantly since 2015/16, during which 26 matters were tabled.

The Office of the Director-General continued to provide support to the Director-General and public entities reporting to **the dti** in an effort to improve the department's effectiveness. The division continued to ensure that legislation, policies and strategies emanating from the National Economic Development and Labour Council (Nedlac) that have an impact on the economy are aligned with government's broader economic plans.

Through its financial management unit, the financial management division monitored its budget and implemented a clean audit plan. The unit ensured that 98% of all eligible payments were processed within 21 days, well within the legislated turnaround time of 30 days. In compliance with the department's principles of corporate governance, the division monitored both strategic and operational risks.

In an effort to promote a professional, ethical, dynamic, competitive and customer-focused working environment, the division facilitated the disclosure of financial interest by members of the senior management service (SMS), and achieved 99% compliance for 2015/16. The corporate governance unit, through the work of the ethics committee, continued to promote ethical conduct through an internal awareness campaign.

The financial year was not without challenges, as the moratorium on filling vacancies led to capacity constraints and resulted in officials taking on additional responsibilities. Other dependencies in respect of media buying and the sourcing of a recovery site for business continuity posed challenges in the implementation of these plans.

11.2 Service delivery improvement plan

11.2.1 Main services and standards

| Main services | Beneficiaries | Current/Actual standard of service | Desired standard of service | Actual achievement |
|---|---|---|---|---|
| Provide financial support through Business Process Services (BPS) incentive | Medium and large black businesses | All completed applications and claims approved or paid within 55 working days | All completed applications and claims approved or paid within 50 working days | All completed applications and claims approved or paid within 30 working days |
| Provide financial support through film and TV production incentive | Medium and large black businesses | All completed applications and claims approved or paid within 55 working days | All completed applications and claims approved or paid within 50 working days | All completed applications and claims approved or paid within 60 working days |
| Issuing of manufacturers and/or distributors of liquor licences | External clients: Prospective National Liquor Authority registrants | Issue liquor licences 140 days after receipt of a complete application | Issue liquor licences 130 days after receipt of a complete application | Liquor licences issued 130 days after receipt of a completed application |

11.2.2 Batho Pele arrangements with beneficiaries

| Current/Actual arrangements | Desired arrangements | Actual achievements |
|---|---|--|
| 75 information-sharing consultative sessions with strategic stakeholders annually | 80 information-sharing consultative sessions with strategic stakeholders annually | 87 information-sharing consultative sessions with strategic stakeholders held annually |
| 3 meetings with registrants quarterly in selected provinces | 4 meetings with registrants quarterly in selected provinces | 4 meetings held with registrants quarterly in selected provinces |

11.2.3 Service delivery information tool

| Current/Actual information tools | Desired information tools | Actual achievements |
|--|--|---|
| Brochures distributed in regional offices and workshop venues, and information about incentives uploaded on to the dti website | Brochures distributed in regional offices and workshop venues, and information about incentives uploaded on to the dti website | Brochures distributed in regional offices and workshop venues, and information about incentives uploaded on to the dti website |
| Increase awareness regarding the dti programmes in provinces by conducting workshops and/or imbizos, and advertising in print and on radio annually | Increase awareness regarding the dti programmes in provinces by conducting workshops and/or imbizos, and advertising in print and on radio annually | Increased awareness regarding the dti programmes in provinces by conducting workshops and/or imbizos, and advertising in print and on radio annually |
| Update information on the website (brochures, guidelines and practice notes) | Update information on the website (brochures, guidelines and practice notes) | Information made available on the dti website and online case management system, and in practice notes and guidelines |

11.2.4 Complaints mechanism

| Current/Actual complaints mechanism | Desired complaints mechanism | Actual achievements |
|---|--|--|
| 90% of enquiries responded to within 48 hours | 90% of enquiries responded to within 48 hours | 90% of enquiries responded to within 48 hours |
| Handle customer complaints promptly and send an apology to customers within 2 working days of receipt | Handle customer complaints promptly and send an apology to customers within 1 working day of receipt | Telephone complaints are handled in real time and written complaints are responded to within 2 days of receipt |
| 10-day turnaround time for resolving queries and complaints. Apologise when process is delayed | 10-day turnaround time for resolving queries and complaints. Apologise when proces is delayed | 10-day turnaround time for resolving queries and complaints. Apologised when process was delayed |

11.3 Organisational environment

the dti recruited 94 employees in 2016/17, of which 89 were new employees and five were internal promotions. The 89 new employees include 73 intern appointments, four transfers from other departments and 12 appointments from outside government. However, the vacancy rate of 13% (including funded and unfunded posts) did not decrease as expected, owing to budget cut considerations. The vacancy rate in respect of funded posts is 7%, an area the department intends improving on in the coming years.

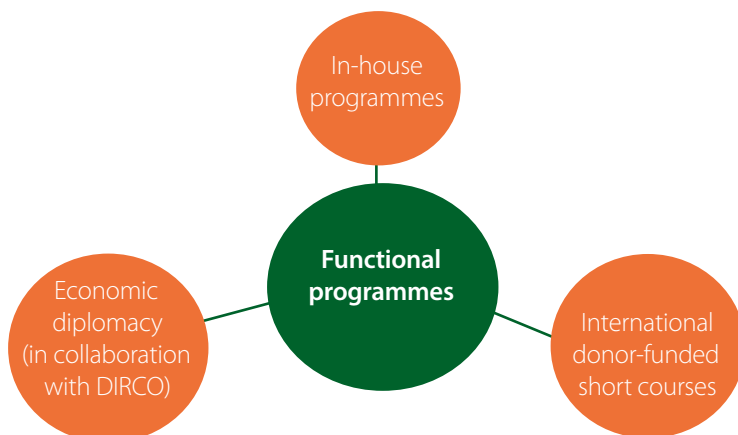
The turnover rate of 3% as at 31 March 2017 compares favourably with labour trends. The converse of this is the retention rate of 97%. Succession plans have been developed and implemented in 15 areas, and 519 jobs were reviewed for retention purposes across eight divisions.

Lifelong learning, the development of **the dti** employees and the nurturing of talent are of paramount importance to the department as without these interventions, there would be no way to make meaningful strides in providing intellectual leadership on policy and regulatory matters pertaining to the economy, as well as the pursuit of service excellence.

The following provides a synopsis of efforts in terms of the various programmes and the number of participants:

- Functional training programmes – 406 participants
- Transversal training programmes – 757 participants
- Management development programmes – 337 participants

The following functional programmes were offered:



The suite of management development programmes includes:

| Accelerated development programme | Advanced management development programme | Emerging management development programme | Executive development programme | Project Khaedu |
|--|--|--|---|--|
| This programme aims to fast-track middle managers in the public service by equipping them with the skills and competencies required for SMS positions, particularly women and people with disabilities | This programme provides middle managers with cutting-edge competencies and prepares them for the challenges of SMS positions | This programme targets junior managers (levels 8-9) and provides them with effective management skills | This programme is offered to SMS members and based on the applicable competency framework. It consists of 6 compulsory and 4 elective modules | This is an innovative action learning programme aimed at middle management and SMS members |

The bursary and scholarship programmes are other key interventions that aim to enhance the department's management and operational capabilities. Financial assistance is offered to serving department officials completing part-time studies; and prospective department employees completing full-time studies (usually for undergraduate and postgraduate studies).

There are 219 bursary holders who are officials from **the dti**, while five non-department officials benefitted. International scholarships were awarded to two officials from the department.

Scholarships are mainly offered by foreign donor countries, and can include financial assistance for full-time postgraduate studies or short courses ranging in duration from five days to three months. Educational outreach programmes were also delivered by means of career fairs, visits to schools, community outreach events and radio coverage.

The Youth Development Flagship Programme is **the dti's** internship programme. During 2016/17, **the dti** recruited and placed 73 interns (67 in **the dti** and six in the B-BBEE Commission) to provide opportunities to gain practical experience in the workplace and enhance their potential for productivity. For the 2017/18 intern intake, 16 160 applications were received, indicating a keen interest in **the dti** as an employer of choice.

Great strides were made in the period under review to appoint women in SMS positions, with female representation now at 50%.

The department will continue focusing on maintaining this target.

With regards to the employment of people with disabilities in the department, **the dti's** representation stood at 3.4% of the total staff complement, exceeding the annual target. The aim is to continue to achieve a fair distribution across salary levels.

the dti continues to maintain a healthy working relationship with organised labour with a view to promote good relations between employers and employees. Some of the matters of common interest discussed at the departmental bargaining chamber were:

- various HR policies;
- the recognition of improved qualifications;
- the rollout of the integrated electronic management system (automation of incentive administration); and
- the optimisation of resources.

Fourteen formal disciplinary matters were recorded. This number has remained stable over the past few financial years, and no specific trend is emerging.

The department has seen a sharp increase in the number of grievances handled. The majority of cases centred on unfair labour practices that related to job evaluation and Resolution 1 of 2012 (28 cases) and recruitment (14 cases) for non-shortlisting, mainly ascribed to the freeze on the filling of vacancies, which has resulted in additional work for staff and fewer posts being available for promotion.

11.1.4 Key policy developments and legislative changes

the dti, with the support of the National Working Group on Localisation, Skills Development and Transformation met with the nuclear procurement transaction advisers, and shared research and experience to assist with the procurement process.

The new preferential procurement regulations were promulgated in January 2017, effective 1 April 2017. Local content and production is now under Section 8 (previously Section 9) of the regulations.

Roles and responsibilities are clearly stated regarding non-compliance. Section 14 (remedies) indicates that organs of state must act (disqualify or terminate the contract) upon detecting that a tenderer submitted false information regarding local content or any other matter required by the regulations.

The draft Reviewed Mining Charter was issued for public comment in April 2016. Since its introduction in 2004 and assessments in 2009 and 2015, it is the first time “local content” is being included.

In June 2016, high-level bilateral consultations were held with Botswana, Lesotho, Namibia and Swaziland in preparation for the SACU retreat, in which agreement was reached to review the 2002 SACU agreement and amend the architecture proposed in the Agreement on the Tariff Board.

An IP consultative framework was approved by Cabinet that broadly outlines the policy approach to be followed in the development of the IP policy for stakeholder consultations.

A Cabinet memo was prepared to define South Africa’s position for the G20 meeting. South Africa’s position was that principles for investment could be agreed if they are non-binding and in conformity with the Investment Act.

The INES, which is currently being implemented, will have a positive impact on South Africa’s exports as a result of market, product and supplier diversification given the global economic forecasts.

With regards to the ECIC, the signing of an amended and restated export credit insurance agreement between the institution and the shareholder (represented by the Minister of Trade and Industry) was completed in October 2016. It allows the ECIC to assume the liabilities associated with the interest make-up scheme.

The review process of the ECIC’s enabling legislation is continuing, and the institution is developing new approaches and innovative offerings that support investors and exporters more effectively, including assessing the establishment of an eximbank.

B-BBEE regulations were gazetted on 6 June 2016 after the 60-day window period for public comment. The regulations provide procedures to be followed in administering, monitoring and reporting on the principles of the B-BBEE

Act, 2003 (Act No. 53 of 2003) and the amended codes, and provide further clarity on the functions of the B-BBEE Commission, including the handling of fronting cases.

The media, advertisement and communication sector

code was published for implementation in May 2016, resulting in entities in the sector no longer using generic codes.

In terms of the amendment of the Copyright Act, 1978 (Act No. 98 of 1978) and the Performers’ Protection Act, 1967 (Act No. 11 of 1967), the focus will be on education and creating awareness of legislation, as well as monitoring the implementation of legislation.

The Minister approved the Strategic Partnerships Programme, which replaced the Incubation Support Programme. The B-BBEE interpretation codes for the Enterprise Investment Programme and Automotive Investment Scheme (AIS) were developed and published on **the dti** website. NT granted approval for the extension of the Economic Competitiveness Support Package with an additional budget of R1.3 billion.

R1.3bn

**VALUE OF THE ADDITIONAL BUDGET FOR THE
EXTENSION OF THE ECONOMIC COMPETITIVENESS
SUPPORT PACKAGE APPROVED BY NATIONAL TREASURY**

12. Performance information by programme



12.1 Programme 1: Administration

- a) **Purpose:** Provide strategic leadership, management and support services to the department, and conduct research on industrial development, growth and equity.
- b) **Description of subprogrammes:**
- (i) *Ministry* provides leadership and policy direction to **the dti**.
 - (ii) *Office of the Director-General* provides overall management of **the dti's** resources.
 - (iii) *Corporate Services* provides customer-centric and integrated resource solutions in human resource management, information and communication technology, legal services, and facilities management.
 - (iv) *Office Accommodation* is an allocation for accommodation services to **the dti** regional offices and ensures continued maintenance service.
 - (v) *Financial Management* provides support to **the dti**, with respect to financial resource allocation and the management thereof, to aid the fulfilment of the department's goals and objectives.
 - (vi) *Marketing, Communications and Stakeholder Engagement* facilitates greater awareness of the department's role, and increases the uptake of its products and services through improvement of the customer touch points and ensuring strong customer relationship management, and creates consumer awareness and educational campaigns to ensure a meaningful understanding of the department's offerings.
 - (vii) *Media and Public Relations* ensures that the department's image is visible by improving media relations management and public relations activities.

c) Outputs, performance indicators, planned targets and actual achievements

| Strategic objective: Strengthen capacity to deliver on the dti's mandate | | | | | |
|---|---|--|---|---|---|
| Strategic goal: Create a professional, competitive and customer-focused environment that ensures effective and efficient service delivery | | | | | |
| Performance measure / indicator | Baseline (2015/16) | Actual performance against target | | Deviation from planned target | Comment on variance |
| | | Target | Actual | | |
| Percentage (%) of vacancy rate | 8.9% | 5% | 7% (funded posts only) ¹ | 2% under-achievement | Delays owing to increase in grievances resulting from moratorium on filling posts |
| Percentage (%) of staff turnover (unexpected) | 7% | 6.8% | 3% | 3.8% over-achievement | Fewer terminations than projected |
| Percentage (%) of people with disability employed | 3% | 3.1% | 3.4% | 0.3% over-achievement | Increase in percentage of people with disabilities |
| Percentage (%) of women employed in SMS positions | 49% | 50% | 50% | N/A | N/A |
| Eligible creditors payments processed within legal timeframes | All eligible creditors payments made within 30 days | All eligible creditors payments made within 30 days | All eligible creditors payments made within 30 days | N/A | N/A |
| Implementation report for SDIP submitted to Department of Public Service and Administration (DPSA) by 30 June 2016 | 2014/15 implementation report for SDIP produced and submitted to DPSA on 28 July 2015 | 2015/16 implementation report for SDIP submitted to DPSA by 30 June 2016 | 2015/16 implementation report for SDIP submitted to DPSA by 1 August 2016 | SDIP submitted to DPSA by 1 August 2016 | Delay in receiving revised inputs |
| Number of multimedia awareness campaigns on key sectors of IPAP and the dti strategic projects | 27 | 22 | 18 | 4 | Media buying challenges experienced |
| Number of events, outreach engagements and exhibitions | 89 | 32 outreach engagements | 67 | 35 additional | High volume requests from divisions to execute additional exhibitions and outreach programmes |
| | 54 | 30 exhibitions | 56 | 26 additional | High volume requests from divisions to execute additional exhibitions and outreach programmes |

d) Strategy to overcome areas of underperformance

The department was unable to reduce the vacancy rate to 5% as anticipated owing to budget cuts, resulting in positions being frozen from previous financial years (2014/15 and 2015/16). Efforts to address the backlog and fill prioritised vacancies continued during 2016/17. However, because of an increase in grievances filed by employees for not being shortlisted, posts were not filled by the targeted dates.

e) Changes to planned targets

No changes were made to planned targets.

f) Linking performance with budgets

The programme had a total expenditure of R699 million, of which 39% was for compensation of employees, 60% for goods and services, and the remainder for the payment of capital assets.

g) Subprogramme expenditure

| Subprogramme name | 2016/17 | | | 2015/16 | | |
|---|---------------------|--------------------|---------------------------|---------------------|--------------------|---------------------------|
| | Final appropriation | Actual expenditure | (Over)/ Under expenditure | Final appropriation | Actual expenditure | (Over)/ Under expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Ministry | 29 890 | 26 170 | 3 720 | 32 112 | 32 109 | 3 |
| Office of the Director-General | 96 043 | 95 955 | 88 | 93 585 | 93 585 | - |
| Corporate Services | 460 628 | 443 702 | 16 926 | 478 658 | 478 647 | 11 |
| Financial Management | 61 852 | 60 571 | 1 281 | 51 424 | 51 422 | 2 |
| Media Relations and Public Relations | 9 075 | 9 065 | 10 | 10 153 | 10 153 | - |
| Marketing Communication and Stakeholder Relations | 61 148 | 61 087 | 61 | 59 213 | 59 212 | 1 |
| Office Accommodation | 2 869 | 2 589 | 280 | 2 433 | 2 433 | - |
| Total | 721 505 | 699 139 | 22 366 | 727 578 | 727 561 | 17 |



12.2 Programme 2: International Trade and Economic Development

- a) **Purpose:** Build an equitable global trading system that facilitates development by strengthening trade and investment links with key economies and fostering African development, including regional and continental integration and development cooperation in line with the New Partnership for Africa's Development.
- b) **Description of subprogrammes:**
- (i) *International Trade Development* facilitates bilateral and multilateral trade relations and agreements.
 - (ii) *African Economic Development* facilitates multilateral African trade relations aimed at deepening regional integration.

c) **Outputs, performance indicators, planned targets and actual achievements**

| Strategic objective: Grow the manufacturing sector to promote industrial development, job creation, investment and export | | | | | |
|---|---|---|--|-------------------------------|---------------------|
| Strategic goal: Build mutually beneficial regional and global relations to advance South Africa's trade, industrial policy and economic development | | | | | |
| Performance measure / indicator | Baseline (2015/16) | Actual performance against target | | Deviation from planned target | Comment on variance |
| | | Target | Actual | | |
| Status report on negotiations aimed at enhancing preferential market access | Status report prepared on progress towards conclusion of trade negotiations | Status reports produced on progress towards conclusion of trade negotiations | Status reports prepared towards conclusion of EPA, SACU-India PTA and T-FTA negotiations | N/A | N/A |
| Progress reports on 5 priority development areas in SACU, SADC, FTA | Progress reports produced on implementation of agreed work programme and projects for priority development areas in SACU, SADC, FTA and SDI infrastructure projects | Progress reports produced on implementation of agreed work programme and projects for priority development areas in SACU, SADC, FTA | Progress reports prepared on implementation of agreed work programme in SACU, SADC, FTA | N/A | N/A |
| Status reports on bilateral engagements with rest of world | - | Status reports produced on bilateral engagements with rest of world | Status reports prepared on bilateral engagements with rest of world | N/A | N/A |
| Status reports on global fora (e.g. Brics, G20, AGOA) | - | Status reports produced on engagements in global fora | Status reports prepared on engagements in global fora | N/A | N/A |

d) **Strategy to overcome areas of underperformance**

No areas of underperformance.

e) **Changes to planned targets**

No changes were made to planned targets.

f) **Linking performance with budgets**

The programme had a total expenditure of R116 million. Of this amount, 20% was used for transfer payments to the international bodies for South Africa's membership fees (WTO and OPCW), followed by 64% for compensation of employees and 16% for goods and services.

g) Subprogramme expenditure

| Subprogramme name | 2016/17 | | | 2015/16 | | |
|---|---------------------|--------------------|---------------------------|---------------------|--------------------|---------------------------|
| | Final appropriation | Actual expenditure | (Over)/ Under expenditure | Final appropriation | Actual expenditure | (Over)/ Under expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| International Trade Development | 98 943 | 98 934 | 9 | 98 575 | 98 575 | - |
| African Multilateral Economic Development | 17 127 | 17 090 | 37 | 14 985 | 14 985 | - |
| Total | 116 070 | 116 024 | 46 | 113 560 | 113 560 | - |



12.3 Programme 3: Special Economic Zones and Economic Transformation

- a) Purpose:** Drive economic transformation and increase participation in industrialisation.

b) Description of subprogrammes:

- (i) *Enterprise Competitiveness* fosters and stimulates industrialisation and structural change through the development and deployment of technologies and skills development programmes.
- (ii) *Equity and Empowerment* promotes B-BBEE and real growth of the economy through the Black Industrialists Programme.
- (iii) *Spatial Industrial Economic Development* promotes the regional economy towards a more spatially balanced economy through the development of policies, strategies and programmes, SEZs, and clusters and incubators, among other things.

c) Outputs, performance indicators, planned targets and actual achievements

| Strategic objective: Grow the manufacturing sector to promote industrial development, job creation, investment and export | | | | | |
|---|--------------------|---|---|-------------------------------|--|
| Strategic goal: Facilitate broad-based economic participation through targeted interventions to achieve more inclusive growth | | | | | |
| Performance measure / indicator | Baseline (2015/16) | Actual performance against target | | Deviation from planned target | Comment on variance |
| | | Target | Actual | | |
| Number of implementation reports on of the B-BBEE Amendment Act and Regulations submitted for Minister's approval | 1 | 1 | 1 implementation report on B-BBEE Amendment Act and regulations submitted for Minister's approval | N/A | N/A |
| Number of new black industrialists supported in IPAP sectors and report produced | New indicator | 25 new black industrialists supported in IPAP sectors | 29 new black industrialists supported in IPAP sectors | 4 | Advocacy and awareness conducted throughout South Africa |
| | | Report produced | Report produced | N/A | N/A |
| Number of implementation reports on the identified industrial parks submitted for Minister's approval | New indicator | 2 | 2 reports submitted to Minister | N/A | N/A |

d) Strategy to overcome areas of underperformance

No areas of underperformance.

e) Changes to planned targets

No changes were made to planned targets.

f) Linking performance with budgets

In pursuit of driving economic transformation and increased participation in industrialisation, the programme expended R98 million of its allocated budget. Of the R98 million, 12% was used for transfer payments to the National Productivity Institute, the CSIR: Fibre and Textile Centre of Excellence, and the Black Business Council. Operational expenditure, which includes compensation of employees; goods and services and payment for capital assets accounted for the remaining 88%.

g) Subprogramme expenditure

| Subprogramme name | 2016/17 | | | 2015/16 | | |
|--|---------------------|--------------------|---------------------------|---------------------|--------------------|---------------------------|
| | Final appropriation | Actual expenditure | (Over)/ Under expenditure | Final appropriation | Actual expenditure | (Over)/ Under expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Enterprise Development | 26 687 | 24 942 | 1 745 | 23 329 | 23 327 | 2 |
| Equity and Empowerment | 40 709 | 32 166 | 8 543 | 30 970 | 30 888 | 82 |
| Spatial Industrial Economic Development (Special Economic Zones) | 45 096 | 40 481 | 4 615 | 38 310 | 38 309 | 1 |
| Total | 112 492 | 97 589 | 14 903 | 92 609 | 92 524 | 85 |



12.4 Programme 4: Industrial Development

- a) **Purpose:** Design and implement policies, strategies and programmes to strengthen the ability of the manufacturing and other sectors of the economy, to create decent jobs and increase value addition and competitiveness in both the domestic and export markets.
- b) **Description of subprogrammes:**
- (i) **Industrial Competitiveness** develops policies, strategies and programmes to strengthen the ability of manufacturing and other value-adding sectors to create decent jobs and increase value-addition and competitiveness in domestic and export markets, as set out in the annual three-year rolling IPAP.
 - (ii) **Customised Sector Programmes** develops and implements high-impact sector strategies focused on manufacturing and other value-adding sectors to create decent jobs and increase value-addition and competitiveness in domestic and export markets, as set out in the annual three-year rolling IPAP.

c) **Outputs, performance indicators, planned targets and actual achievements**

| Strategic objective: Grow the manufacturing sector to promote industrial development, job creation, investment and export | | | | | |
|---|---|--|--|-------------------------------|---|
| Strategic goal: Facilitate transformation of the economy to promote industrial development, investment, competitiveness and employment creation | | | | | |
| Performance measure / indicator | Baseline (2015/16) | Actual performance against target | | Deviation from planned target | Comment on variance |
| | | Target | Actual | | |
| New iteration of IPAP submitted to Minister for tabling in Cabinet annually | Annual rolling IPAP 2016/17 finalised and submitted to Minister for approval and tabling in Cabinet | Annual rolling IPAP 2017/18 submitted to Minister for tabling in Cabinet by March 2017 | IPAP 2017/18 submitted to Minister for tabling in Cabinet by March 2017 | N/A | N/A |
| Number of quarterly implementation reports on IPAP tabled at Minister's Review meetings per year | Three implementation reports on IPAP tabled at Minister's Review meetings on 17 July, 17 September and 1 December 2015. | Four implementation reports on IPAP tabled at Minister's Review meetings per year | 3 implementation reports on IPAP tabled at Minister's review meetings on 22 August 2016, 10 October 2016 and 5 December 2016 | 1 | First quarter IPAP meeting did not take place owing to preparation of IPAP 2016/17 |
| Number of designation requests submitted to Minister per year | Two designation requests submitted to Minister for approval, i.e. solar photovoltaic system components; and rail signalling system and components | Four designation requests submitted to Minister per year | 4 designation requests submitted to Minister: fire engine/truck; and steel products and components for construction; water metres and wheelie bins | N/A | Additional 2 designations: water metres and wheelie bins, approved on 5 April 2016 and fell short of deadline for 2015/16 |

d) **Strategy to overcome areas of underperformance**

Areas in which targets were not achieved in 2016/17 were acknowledged, however, these were as a result of external factors. Going forward, more stringent monitoring of designation processes will be put in place and resources will be reorganised to speed up processes.

e) **Changes to planned targets**

The division amended the 2016/17 annual and fourth quarter targets for the performance indicator that read "New iteration of IPAP tabled in Cabinet annually". The revised indicator and targets refer to "New iteration of IPAP submitted to the Minister for tabling in Cabinet annually".

f) Linking performance with budgets

The programme had a total expenditure of R1.7 billion, of which 93% was for transfer payments to the clothing, textiles, leather and footwear incentive; and technical infrastructure institutions (i.e. Intsimbi: National Tooling Initiative for the tool making apprentice programme and the industrial skills upgrading programme; NMISA; NRCS; SANAS; SABS; and Proudly South African). These transfers are for continued support provided to the programmes that strengthen the ability of the manufacturing and other value-adding sectors of the economy to create decent jobs and increase value addition in both domestic and export markets. Expenditure for compensation of employees as well as goods and services was 6% and 1%, respectively.

g) Subprogramme expenditure

| Subprogramme name | 2016/17 | | | 2015/16 | | |
|-----------------------------|---------------------|--------------------|------------------------------|---------------------|--------------------|------------------------------|
| | Final appropriation | Actual expenditure | (Over)/ Under expenditure | Final appropriation | Actual expenditure | (Over)/ Under expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Industrial Competitiveness | 685 218 | 685 193 | 25 | 682 755 | 682 754 | 1 |
| Customised Sector Programme | 1 037 071 | 1 037 052 | 19 | 1 270 867 | 1 270 862 | 5 |
| Total | 1 722 289 | 1 722 245 | 44 | 1 953 622 | 1 953 616 | 6 |



12.5 Programme 5: Consumer and Corporate Regulation

- a) **Purpose:** Develop and implement coherent, predictable and transparent regulatory solutions that facilitate easy access to redress and efficient regulation for economic citizens.
- b) **Description of subprogrammes:**
- (i) *Policy and Legislative Development* develops policies, laws and regulatory frameworks.
 - (ii) *Enforcement and Compliance* conducts trend analyses, impact assessments and market surveys, and monitors the effectiveness of regulation.
 - (iii) *Regulatory Services* executes oversight of and transfers funds to the following regulatory agencies: the NCT, the NCR, the NGB, the NCC, the CIPC and the CT. The department exercises oversight of, but does not transfer funds to: the National Lotteries Board, which regulates the lotteries sector and facilitates the distribution of lottery funds to worthy organisations that serve the public interest; and the Takeover Regulation Panel and the FRSC, which are responsible for regulating applicable transactions and issuing standards.

c) Outputs, performance indicators, planned targets and actual achievements

| Strategic objective: Improved conditions for consumers, artists and opening up of markets for new patent players | | | | | |
|--|--|--|--|---|--|
| Strategic goal: Create a fair regulatory environment that enables investment, trade and enterprise development in an equitable and socially responsible manner | | | | | |
| Performance measure / indicator | Baseline (2015/16) | Actual performance against target | | Deviation from planned target | Comment on variance |
| | | Target | Actual | | |
| Number of Socio-Economic Impact Assessment System (SEIAS) reports (previously RIA reports) developed for Minister's approval | <p>RIA report on Companies Amendment Bill not developed</p> <p>7 IP bills (Trade Marks Act, Designs Act, Merchandise Act, Unauthorised Use of Emblems Act, Counterfeit Goods Acts, and Patents Act) not developed</p> <p>1 RIA report (post) on National Credit Act exemptions developed for Minister's approval</p> | Three SEIAS reports on companies and copyright/Performers' Protection Amendment Acts developed for Minister's approval | 6 SEIAS reports on Companies, Copyright, and Performers' Protection, Credit, Liquor and Gambling Amendment bills developed for Minister's approval | 3 additional SEIAS reports on Credit, Liquor and Gambling Amendment bills developed for Minister's approval | Input received on bills from Cabinet and Parliament required SEIAS reports to be updated |
| Number of Evaluation reports developed for Ministers approval | New indicator | Two evaluation reports on Consumer Protection Act (Exemptions and Industry Codes) and Companies Act (Cost of doing business) developed for Minister's approval | 2 evaluation reports on Consumer Protection Act (Exemptions and Industry Codes) and Companies Act (Cost of doing business) not developed for Minister's approval | 2 evaluation reports on Consumer Protection Act (exemptions and industry codes) and Companies Act (cost of doing business) not developed for Minister's approval | Number of issues on terms of reference for Consumer Protection Act (exemptions and industry codes) and delays in conclusion of service-level agreement for project on Companies Act (cost of doing business) |
| Number of monitoring reports on implementation of legislation developed for Minister's approval | 1 monitoring report on impact of CCRD agencies developed for Minister's approval | 1 monitoring report on implementation of legislation developed for Minister's approval | 1 monitoring report on implementation of legislation developed for Minister's approval | N/A | N/A |
| Number of bills developed for Minister's approval | <p>Draft Bill on Companies Amendment Act still under development</p> <p>7 IP bills not developed</p> | 3 bills on Companies Amendment and Copyright/Performers' Protection Act developed for Minister's approval | 5 bills on Companies, Copyright, Performers' Protection, Liquor and Gambling Amendment bills developed for Minister's approval | 2 additional bills, Liquor and Gambling Amendment bills, developed for Minister's approval. These bills were referred back by Parliament for further consultation | Input received on Bills from Cabinet and Parliament required Gambling and Liquor Amendment Bills to be updated |

| Strategic objective: Improved conditions for consumers, artists and opening up of markets for new patent players | | | | | |
|--|--------------------|--|--|---|---|
| Strategic goal: Create a fair regulatory environment that enables investment, trade and enterprise development in an equitable and socially responsible manner | | | | | |
| Performance measure / indicator | Baseline (2015/16) | Actual performance against target | | Deviation from planned target | Comment on variance |
| | | Target | Actual | | |
| Number of business cases developed for approval by Minister | New indicator | 2 business cases (National Liquor and Gambling Trading Entities) developed for approval by Minister | 2 draft business cases (National Liquor and Gambling Trading Entities) developed but not sent to Minister for approval | Business cases not approved due to the delays in the finalisation of Gambling and Liquor bills | Delays in finalisation of Gambling and Liquor Amendment bills |
| Number of institutions / entities repositioned and established (National Liquor and Gambling Trading Entities) | New indicator | 2 institutions / entities repositioned and established (National Liquor and Gambling Trading Entities) | 2 institutions / entities not repositioned nor established (National Liquor and Gambling Trading Entities) | 2 institutions / entities not repositioned or established (National Liquor and Gambling Trading Entities) | Delays in finalisation of Gambling and Liquor Amendment bills |

d) Strategy to overcome areas of underperformance

The projects on the evaluation reports on the Consumer Protection Act, 2008 (Act No. 68 of 2008) regarding exemptions and industry codes, and the Companies Act, 2008 (Act No. 71 of 2008) regarding the cost of doing business will be fast-tracked once service-level agreements have been concluded with service providers. Once the Gambling Amendment Bill and Liquor Amendment Bill become law, the finalisation of the business cases will be fast-tracked, and the two institutions will be established and/or repositioned.

e) Changes to planned targets

The target for the performance indicator "Number of regulations developed for the Minister's approval and published", was deferred to an outer year, thus making the target for the year under review zero. As such, it is not addressed in the table above. The policy framework on legislative audit (policy position on policies to retain or migrate) had to be removed from the plan because some of the acts were migrated to the Department of Human Settlements in 2012, and other acts are in the process of being amended by the department.

f) Linking performance with budgets

As at 31 March 2017, the programme's expenditure was at R295 million. Of the R295 million expenditure, 75% was spent on regulatory services through regulatory agencies (NCT, NCR, NGB, NCC and CT). The remaining 25% was for operational expenses relating to compensation of employees (20%), and goods and services (5%), which are the drivers in developing and implementing transparent regulatory solutions that facilitate easy access to redress and efficient regulation for economic citizens.

g) **Subprogramme expenditure**

| Subprogramme name | 2016/17 | | | 2015/16 | | |
|------------------------------------|---------------------|--------------------|---------------------------|---------------------|--------------------|---------------------------|
| | Final appropriation | Actual expenditure | (Over)/ Under expenditure | Final appropriation | Actual expenditure | (Over)/ Under expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Policy and Legislative Development | 17 177 | 17 168 | 9 | 14 741 | 14 741 | - |
| Enforcement and Compliance | 40 281 | 40 273 | 8 | 39 320 | 39 319 | 1 |
| Regulatory Services | 238 305 | 237 940 | 365 | 233 564 | 233 360 | 204 |
| Total | 295 763 | 295 381 | 382 | 287 625 | 287 420 | 205 |



12.6 Programme 6: Incentive Development and Administration

- a) **Purpose:** Stimulate and facilitate the development of sustainable, competitive enterprises through the efficient provision of effective and accessible incentive measures that support national priorities.

b) Description of subprogrammes:

- (i) **Broadening Participation Incentives** provides incentive programmes that promote broader participation in the mainstream economy by businesses owned by individuals from historically disadvantaged communities and marginalised regions.
- (ii) **Manufacturing Incentives** provides incentives to promote additional investment in the manufacturing sector. The manufacturing investment cluster comprises the following programmes and schemes: the MCEP, the Capital Projects Feasibility Programme, the AIS, the EMIA scheme, the Sector-Specific Assistance Scheme and the Section 12I tax incentive scheme.
- (iii) **Services Investment Incentives** provides incentive programmes that promote increased investment and job creation in the services sector. The programmes include the BPS incentive, and the Film and Television Production Incentive Support Programme for South African and foreign productions.
- (iv) **Infrastructure Investment Support** provides infrastructure support that enables investment and industrial development, thereby increasing the export of value-added commodities and creating employment opportunities.
- (v) **Product and Systems Development** reviews, monitors and develops incentive programmes to support the IPAP, and develops sector strategies to address market failures.
- (vi) **Strategic Partnership and Customer Care** facilitates access to targeted enterprises by reviewing the success of incentive schemes and improving such schemes.

c) Outputs, performance indicators, planned targets and actual achievements

| Strategic objective: Grow the manufacturing sector to promote industrial development, job creation, investment and export | | | | | |
|---|--------------------|-----------------------------------|--------|-------------------------------|--|
| Strategic goal: Facilitate transformation of the economy to promote industrial development, investment, competitiveness and employment creation | | | | | |
| Performance measure / indicator | Baseline (2015/16) | Actual performance against target | | Deviation from planned target | Comment on variance |
| | | Target | Actual | | |
| Value (rand) of projected investments to be leveraged from projects / enterprises approved | R14.4bn | R20bn | R33bn | R13bn | 8 projects projected over R1 billion each in investment at time of approval |
| Projected number of new jobs supported from projects / enterprises approved | 6 850 | 3 600 | 11 659 | 8 059 | Incentives such as BPS which each reported over 6 000 projected new jobs to be realised over 3 years |
| Projected number of jobs to be retained from approved enterprises | 28 000 | 3 600 | 38 192 | 34 592 | Projected jobs to be retained has far exceeded target primarily due to AIS OEMs approvals collectively contributing more than 90% of projected jobs to be retained as reported by projects at time of approval |
| Value (rand) of support provided to upgrade industrial skills from approved projects | New indicator | R100m | R239m | R139m | THRIP approvals account for 65% of reported achievement |
| Number of strategic infrastructure projects approved for SEZs / industrial parks | New indicator | 15 | 19 | 4 | Infrastructure projects are viewed as imperative due to its potential to broaden economic and industrial development |

| Strategic objective: Grow the manufacturing sector to promote industrial development, job creation, investment and export | | | | | |
|---|--------------------|-----------------------------------|--------|-------------------------------|---|
| Strategic goal: Facilitate transformation of the economy to promote industrial development, investment, competitiveness and employment creation | | | | | |
| Performance measure / indicator | Baseline (2015/16) | Actual performance against target | | Deviation from planned target | Comment on variance |
| | | Target | Actual | | |
| Value (rand) of greener investment approved | New indicator | R800m | R14bn | R13.2bn | 121 projects contributed more than R1 billion each to green investment at time of approval |
| Value (rand) of projected export revenue from projects approved | R6bn | R800m | R7bn | R6.2bn | 3 projects contributed largely to projected export revenue of more than R1.5 billion each at time of approval |
| Value (rand) of innovative venture supported from approved enterprises | New indicator | R50m | R278m | R228m | Approved THRIP projects collectively contributed to 90% of the R278 million |

d) Strategy to overcome areas of underperformance

During 2016/17, 1 491 applications with a grant value of more than R7 billion were approved for the incentives administered by the Incentive Development and Administration Division (IDAD). In the period under review, eight indicators (four existing and four new) were used to measure the achievement of the division's objectives. All indicators outperformed the targets set, with the actual performance figures significantly increasing from the baseline figures reported in 2015/16.

e) Changes to planned targets

No changes were made to planned targets.

f) Linking performance with budgets

In pursuit of the programme's focus on stimulating and facilitating the development of sustainable, competitive enterprises, 98% of the total expenditure of R6.9 billion was disbursed to companies through the various incentive programmes. This includes, among others, the services investment incentives (BPO and film and TV production), manufacturing development incentives (MCEP, EIP, AIS) as well as industrial infrastructure incentives (SEZs and Critical Infrastructure Programme). Operational expenditure comprising compensation of employees and goods and services accounted for the remaining 2% of expenditure in the programme.

g) **Subprogramme expenditure**

| Subprogramme name | 2016/17 | | | 2015/16 | | |
|---|---------------------|--------------------|------------------------------|---------------------|--------------------|------------------------------|
| | Final appropriation | Actual expenditure | (Over)/ Under expenditure | Final appropriation | Actual expenditure | (Over)/ Under expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Broadening Participation Incentives | 25 670 | 25 536 | 134 | 26 649 | 26 648 | 1 |
| Manufacturing Incentives | 4 361 549 | 4 361 494 | 55 | 3 983 534 | 3 983 465 | 69 |
| Services Investment Incentives | 814 227 | 814 209 | 18 | 803 171 | 803 171 | - |
| Infrastructure Investment Support | 1 661 069 | 1 660 170 | 899 | 975 519 | 949 722 | 25 797 |
| Product and Systems Development | 15 405 | 15 400 | 5 | 14 874 | 14 873 | 1 |
| Strategic Partnership and Customer Care | 18 386 | 18 377 | 9 | 17 906 | 17 906 | - |
| Total | 6 896 306 | 6 895 186 | 1 120 | 5 821 653 | 5 795 785 | 25 868 |



12.7 Programme 7: Trade Export South Africa

- a) **Purpose:** Increase export capacity through an effectively managed network of foreign trade offices and strategies for targeted markets.
- b) **Description of subprogrammes:**
- (i) *African Bilateral Economic Development* facilitates bilateral African trade relations aimed at deepening regional integration.
 - (ii) *Export Promotion and Marketing* promotes exports of South African value-added goods and services to increase market share in targeted high-growth markets and sustain market share in traditional markets.
 - (iii) *Trade Export South Africa Executive Management Unit* promotes trade, and administers and provides corporate services to the department's foreign office network of 27 foreign economic representatives in 43 countries to enable South African businesses to access global markets.
 - (iv) *Export Development and Support* manages the NEDP, which is designed to contribute to positioning South Africa as a reliable trade partner, and improve and expand the country's exporter base.

c) **Outputs, performance indicators, planned targets and actual achievements**

| Strategic objective: Grow the manufacturing sector to promote industrial development, job creation, investment and export | | | | | |
|--|---|-----------------------------------|--|-------------------------------|---|
| Strategic goal: Build mutually beneficial regional and global relations to advance South Africa's trade, industrial policy and economic development objectives | | | | | |
| Performance measure / indicator | Baseline (2015/16) | Actual performance against target | | Deviation from planned target | Comment on variance |
| | | Target | Actual | | |
| Value (rand) of exports facilitated | Cumulative total of R5.5bn made up as follows: R4.135bn (export sales) R1.376bn (on the spot / event questionnaire) | R3.5bn | On the spot sales: R322m After 6 months sales: R3.845bn Total R4.167bn | R667m | Increased sales from agro-processing national pavilions, which yielded higher than average export sales |

d) **Strategy to overcome areas of underperformance**

No changes were made to planned targets. However, because of the resource-constrained environment, limited support was provided to exporters and allocations to projects were reduced in line with available budgets. A proposed solution is to review Trade and Investment South Africa's operational plan in alignment with the available budget.

e) **Changes to planned targets**

No changes were made to planned targets.

f) **Linking performance with budgets**

The programme's total expenditure in 2016/17 was R455 million, of which 38% was used as a transfer payment to the ECIC, which provides insurance solutions for exporters of South African capital goods and services in order to advance trade and economic development, in line with South Africa's industrial policy. The remaining 62% was spent on compensation of employees (43%), and goods and services (19%).

g) **Subprogramme expenditure**

| Subprogramme name | 2016/17 | | | 2015/16 | | |
|---|---------------------|--------------------|---------------------------|---------------------|--------------------|---------------------------|
| | Final appropriation | Actual expenditure | (Over)/ Under expenditure | Final appropriation | Actual expenditure | (Over)/ Under expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| African Bilateral Economic Development | 20 081 | 20 073 | 8 | 37 959 | 37 958 | 1 |
| Export Promotion and Marketing | 40 834 | 40 820 | 14 | 41 481 | 41 480 | 1 |
| Trade Export South Africa Executive Management Unit | 378 923 | 377 713 | 1 210 | 404 802 | 404 800 | 2 |
| Export Development and Support | 15 998 | 15 982 | 16 | 16 955 | 16 955 | - |
| Total | 455 836 | 454 588 | 1 248 | 501 197 | 501 193 | 4 |



12.8 Programme 8: Investment South Africa

- a) **Purpose:** Support FDI flows and domestic investment by providing a one-stop shop for investment promotion, investor facilitation and aftercare support for investors.

b) Description of subprogrammes:

- (i) *Investment Promotion* facilitates the increase in the quality and quantity of FDI, domestic and outward investment by providing investment attraction, targeted lead generation and recruitment support.
- (ii) *Investment and Interdepartmental Clearing House* promotes and facilitates investment, and provides support services to the Investment Promotion and Interdepartmental Clearing House South Africa. This subprogramme also provides a specialist advisory service, and fast-tracks, unblocks and reduces red tape for investors.
- (iii) *Investment Support and Aftercare* provides specialist advisory services through research, information marketing, aftercare and policy advocacy to facilitate investment, and retain and expand existing investment.

c) Outputs, performance indicators, planned targets and actual achievements

| Strategic objective: Grow the manufacturing sector to promote industrial development, job creation, investment and export | | | | | |
|--|--------------------|-----------------------------------|----------|-------------------------------|---|
| Strategic goal: Build mutually beneficial regional and global relations to advance South Africa's trade, industrial policy and economic development objectives | | | | | |
| Performance measure / indicator | Baseline (2015/16) | Actual performance against target | | Deviation from planned target | Comment on variance |
| | | Target | Actual | | |
| Value (rand) of investment projects facilitated in pipeline | R92.812bn | R50bn | R58.63bn | R8.63bn | Large infrastructure manufacturing projects |

d) Strategy to overcome areas of underperformance

No changes were made to planned targets. However, the division will monitor ratings downgrades and the economic outlook, and engage in collaborative planning and performance monitoring with **the dti's** foreign economic offices. There are also plans to source technical skills for the division.

e) Changes to planned targets

No changes were made to planned targets.

f) Linking performance with budgets

The programme's total expenditure as at 31 March 2017 was R69 million, which was spent on investment promotion activities to generate the pipeline and market the country as an investment destination.

g) **Subprogramme expenditure**

| Subprogramme name | 2016/17 | | | 2015/16 | | |
|---|---------------------|--------------------|---------------------------|---------------------|--------------------|---------------------------|
| | Final appropriation | Actual expenditure | (Over)/ Under expenditure | Final appropriation | Actual expenditure | (Over)/ Under expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Investment Promotion | 45 256 | 45 244 | 12 | - | - | - |
| Investment and Interdepartmental Clearing House | 24 000 | 24 000 | - | - | - | - |
| Investment Support and Aftercare | - | - | - | - | - | - |
| Total | 69 256 | 69 244 | 12 | - | - | - |

13. Transfer payments

13.1 Transfer payments to public entities

The amount spent by the entity and the achievements will be provided in the annual reports to be tabled by the respective entities.

| Name of public entity | Services rendered by public entity | Amount transferred to public entity (R'000) | Amount spent by public entity | Achievements of public entity |
|-----------------------|--|---|--|--|
| NEF | Promote savings and investments among historically disadvantaged persons through its retail activities, and fund economic empowerment and black business through its investment division | - | To be reported in entity's Annual Report | To be reported in entity's Annual Report |
| NGB | Provide advice on the national gambling industry, and promote uniform norms and standards across provinces | 30 121 | To be reported in entity's Annual Report | To be reported in entity's Annual Report |
| NLC | Exercise national control over lottery activities | - | To be reported in entity's Annual Report | To be reported in entity's Annual Report |
| NMISA | Support global competitiveness through the provision of fit-for-purpose international acceptable measurement standards and measurements | 264 193 | To be reported in entity's Annual Report | To be reported in entity's Annual Report |
| SANAS | Provide an accreditation system for laboratories, certification, inspection and GLP. Establish laboratory, personnel and certification body in South Africa, as well as mutual recognition agreements with international accreditation organisations | 22 208 | To be reported in entity's Annual Report | To be reported in entity's Annual Report |

| Name of public entity | Services rendered by public entity | Amount transferred to public entity (R'000) | Amount spent by public entity | Achievements of public entity |
|-----------------------|---|---|--|--|
| NCR | Regulate the South African credit industry | 69 577 | To be reported in entity's Annual Report | To be reported in entity's Annual Report |
| CIPC | Registration of companies, cooperatives and IP rights (trademarks, patents, designs and copyright) and maintenance thereof | - | To be reported in entity's Annual Report | To be reported in entity's Annual Report |
| NCT | Adjudicate a variety of applications, and hear cases against credit providers that contravene the Act | 46 151 | To be reported in entity's Annual Report | To be reported in entity's Annual Report |
| NRCS | Administer compulsory specifications, otherwise known as technical regulations | 86 418 | To be reported in entity's Annual Report | To be reported in entity's Annual Report |
| NCC | The NCC is charged with the responsibility to enforce and carry out the functions assigned to it in terms of the Act, which aims to: promote, protect and advance the social and economic welfare of consumers in South Africa by providing leadership, advocacy and a system of rapid redress, thereby creating a fair and accessible consumer marketplace | 56 643 | To be reported in entity's Annual Report | To be reported in entity's Annual Report |
| CT | The CT may adjudicate in relation to any application that may be made to it, and make any order as provided for in the Companies Act in respect of such an application, and in addition serve as a forum for voluntary alternative dispute resolution | 15 069 | To be reported in entity's Annual Report | To be reported in entity's Annual Report |
| SABS | Provide for the development, promotion and maintenance of standardisation and quality in connection with commodities and the rendering of related conformity assessment services | 212 361 | To be reported in entity's Annual Report | To be reported in entity's Annual Report |
| ECIC | Facilitate and encourage South African export trade by underwriting export credit loans and investments outside South Africa and enabling South African contractors to secure capital goods and services in other countries | 171 566 | To be reported in entity's Annual Report | To be reported in entity's Annual Report |

13.2 Transfer payments to all organisations other than public entities

The table on the following page reflects the transfer payments made for the period 1 April 2016 to 31 March 2017. The amount spent by the entity and the reasons for unspent funds will be provided in the entities' respective annual reports.

| Name of transferee | Type of organisation | Purpose for which the funds were used | Compliance with Section 38(1)(j) of the PFMA | Amount transferred (R'000) |
|--|----------------------------|---|--|----------------------------|
| National Productivity Institute | Departmental agency | Workplace Challenge | Yes | 8 523 |
| National Research Foundation | Departmental agency | Technology and Human Resources for Industry Programme | Yes | 256 000 |
| Council for Geoscience | Departmental agency | The objectives underlying the establishment of the council are to develop and publish world-class geoscience knowledge products and to render geoscience-related services to the South African public and industry | Yes | 1 131 |
| Centurion Aerospace | Public corporation | Aerospace | Yes | 18 445 |
| CSIR | Public corporation | Fibre and Textile Centre of Excellence, Aerospace Industry support, National Cleaner Production | Yes | 97 995 |
| Industrial Development Corporation | Public corporation | Customer Sector Programme, Clothing and Textiles Production Incentive, MCEP industrial loan | Yes | 1 008 266 |
| Intsimbi | Public corporation | National Tooling Initiative | Yes | 74 082 |
| Protechnik Laboratories | Public corporation | Chemical laboratories | Yes | 4 164 |
| WTO | International organisation | Subscription | N/A | 14 159 |
| OPCW | International organisation | Subscription | N/A | 3 516 |
| United Nations Industrial Development Organisation | International organisation | Subscription | N/A | 5 969 |
| World Intellectual Property Organisation | International organisation | Subscription | N/A | 4 569 |
| Proudly South African | Non-profit institution | The Proudly South Africa "buy local" campaign encourages South Africans to buy local products and make use of local services in an effort to stimulate the local economy and help create jobs | Yes | 31 868 |
| Trade and Industrial Policy Strategies | Non-profit institution | Facilitates policy development and dialogue in pursuit of sustainable and inclusive growth | Yes | 22 712 |
| Black Business Council | Non-profit institution | Lobby government on policy advocacy to accelerate the participation of black South Africans in the mainstream economy | Yes | 1 000 |
| Auto Supply Chain Competitive Initiative | Non-profit institution | National non-profit initiative jointly established by government, industry and labour to facilitate, coordinate and oversee supplier competitiveness improvement initiatives in the South African automotive industry and to set the strategic direction for specific practically oriented competitiveness improvement projects | Yes | 15 000 |
| Treaty Organisation for Metrology | Non-profit institution | Intergovernmental treaty organisation addressing legal metrology, including provisions related to units of measurement, to measurement results (e.g. pre-packages) and to measuring instruments. | N/A | 1 631 |

13.3 Capital investment, maintenance and asset management plan

13.3.1 Maintenance

the dti's 25-year contract with Rainprop (Pty) Ltd as the private party concessionaire responsible for providing fully serviced office accommodation at **the dti** Campus is continuing. The agreement was implemented in August 2003.

13.3.2 Asset management

As part of the PPP agreement, the concessionaire will, for the duration of the contract period, own and maintain assets such as land, buildings and the majority of furniture items. Departmental assets excluded from this agreement include departmental vehicles, computer equipment and certain furniture items. Departmental assets are managed in accordance with the policies issued by NT, and an asset register is maintained on Logis. The department complied with the minimum requirements of the asset management reforms, as issued by NT. An accession register separate to Logis is used to record and monitor all library material.

Part C

Governance



14. Introduction

In the period under review, **the dti** continued its commitment to managing risks, and maintaining effective, efficient and transparent systems of financial, risk management and internal controls. Best practice standards and methodology were tailored and applied to address every risk to which **the dti** was exposed, ensuring that risks were managed and/or mitigated to an acceptable level. The department will continue to ensure that risk is not only seen as a threat, but as an opportunity to enhance its commitment to continual improvement. The department ensures that efficient and effective controls are in place, followed by the continuous monitoring, review and evaluation of mechanisms aimed at mitigating identified strategic and operational risks.

The department placed a strong focus on ethics and fraud awareness in the period under review, with a dedicated ethics officer and ethics committee in place. The ethics committee holds quarterly meetings. In 2016/17, the fraud-prevention policy, strategy and plan worked to ensure that department employees and the public were encouraged to report any suspicious activities.

To further assist and enhance the department's ethical culture, in the period under review, all employees were required to obtain approval to perform any remunerative work outside the public service and disclose all business interests. The department scrutinised all applications before granting approval to ensure there were no conflicts of interest.

14.1 Risk management

The risk management process is aligned with the planning and objective-setting process of the department. A strategic risk register is maintained and actioned by ExBo, which documents risks that could impede the achievement of **the dti's** strategic objectives. Divisions within the department compile risk registers aligned with divisional operational plans that are monitored by **the dti's** Risk Management Committee quarterly.

The Risk Management Committee is chaired by the group chief operating officer, and attended by all chief operating officers, the chief financial officer, the chief risk officer, internal audit, and an external member who is a member of **the dti's** Audit Committee. The Risk Management Committee's objective is to assess the effectiveness of risk management processes within the department. In the period under review, the committee's members underwent risk-awareness training at every committee meeting to enhance their understanding of risk management. The department's risk profile is monitored quarterly at committee meetings, and reported to the ExBo and Audit Committee.

Risk registers are updated every quarter with changes in the environment. Updates include audit findings, emerging risks and progress on mitigating actions, which are monitored by the Office of the Chief Risk Officer and reported quarterly to the Risk Management Committee.

Business continuity plans were developed for all divisions within the department to ensure the continuity of critical business operations in the event of any disaster or business disruption. These plans will be updated in 2017/18 to ensure relevance.

14.2 Fraud and corruption

the dti's fraud-prevention policy, strategy and plan assisted in driving initiatives to ensure that department employees and the public are encouraged to report any suspicious activities. There was also a strong focus on ethics and fraud awareness in the period under review. The toll-free, National Anti-Corruption Hotline (0800 701 701) was promoted as part of the department's initiative to encourage the reporting of any form of fraudulent and/or corrupt activity.

14.3 Minimising conflict of interest

To further assist and enhance the department's ethical culture, in the period under review, all employees were required to obtain approval to perform any remunerative work outside the public service and disclose all business interests. Before approval, all applications were submitted to the ethics committee for scrutiny to ensure there were no conflicts of interest. Only the Director-General approved applications. The ethics committee also considered other matters such as gifts and sponsorships in terms of real or potential conflicts of interests. The ethics officer and ethics committee provided appropriate guidance to management and staff on all matters that may have involved conflicts of interest.

14.4 Code of conduct

The department has an approved code of conduct for all employees on which frequent training interventions were undertaken throughout the year. More than 90% of new employees have received training on the code of conduct and code of disciplinary procedures.

14.5 Health, safety and environmental issues

the dti's occupational health and safety committee is functioning well, and four meetings were held during the period under review. Reporting to the DPSA on employee health and wellness practices was successfully completed. The occupational health and safety policy and manual for the functioning of occupational health and safety within **the dti** was updated and approved, and will be reviewed periodically. A hazard identification and risk assessment was conducted and successfully completed.

The nomination, training and appointment of health and safety representatives was a challenge owing to delays in the procurement of service providers for various safety courses. This training programme was approved late in 2016/17 and is envisaged to take place in 2017/18. Management delegates, as per Section 8.2 of the Occupational Health and Safety Act, 1993 (Act No. 181 of 1993) have been trained on issues of legal liability and accountability.

A major challenge was the testing and upgrading of fire systems to ensure compliance with the latest bylaws. The concessionaire is scheduled to undertake these upgrades in 2017/18 and ensure that the fire systems are fully compliant. The compliance of contractors from the concessionaire in terms of safety procedures will also be strictly enforced. One injury on duty as a result of poor work practices was reported, with no fatalities or serious injuries reported.

The department's Invest South Africa One-Stop Shop was launched by the President in 2016/17. The event and safety compliance was achieved through the diligence of staff, management, the concessionaire and various service providers. Regional offices were also inspected, and the level of compliance has improved significantly since these offices were renovated and, in some instances, relocated.

14.6 Portfolio committees

The Budgetary Review and Recommendation Report of the Portfolio Committee on Trade and Industry, dated 25 October 2016, was tabled, and informed the deliberations of the Portfolio Committee, which recommended that the House requests the Minister to consider:

- reviewing the effectiveness of the department and its entities' plans and programmes to ensure the acceleration of industrialisation and job creation; and

- additional funding for the NCC in the outer of years of the MTEF period to address its capacity constraints.

the dti's response was as follows:

The abovementioned report, which was published in the ATC on 25 October 2016 has reference. Recommendation 8.1 is noted and will be discussed at **the dti's** strategic session in November 2016. With regards to recommendation 8.2, the department will, in consultation with National Treasury, discuss additional funding for the NCC, noting that the NCC's budget for 2017/18 was reduced.

14.7 Scopa regulations

No resolutions.

14.8 Internal control

Systems of internal control are designed to provide cost-effective assurance that assets are safeguarded, and that liabilities and working capital are efficiently and effectively managed.

In line with the PFMA and King IV, the Internal Audit Unit provides the Audit Committee and management with assurance that internal controls are appropriate and effective. This is achieved by means of an appropriate quarterly reporting process, as well as the identification of corrective actions and suggested enhancements to controls and processes. The Risk Management Committee monitors and oversees the control of risk areas throughout **the dti**.

14.9 Internal audit

The Internal Audit Unit continued to increase its audit coverage in line with identified risks, and performed more specialist audits in areas such as performance, IT and corporate governance. The majority of the audits focused on incentive administration and the audit of performance information per quarter for the nine divisions as per compliance to legislation from the Department of Performance Monitoring and Evaluation. The Internal Audit Unit took on seven urgent ad hoc audits during the year and deferred the same number of reprioritised audits.

The Internal Audit Unit was 80% capacitated for most of the period under review, mainly as a result of promotions to other departments and non-filling of vacancies due to fiscal constraints. Forensic audit services were co-sourced to the forensic firm Ubuntu Business Advisory Service and Consulting for a period of three financial years, ending September 2018. Forensic audit and internal audit capacity enabled **the dti** and some of its entities to improve internal and risk management controls, and corporate governance processes. The department's internal audit function, for the third year since its implementation, scored 100% compliance on its Management Performance Assessment Tool (MPAT) assessment conducted by the Presidency for 2016/17.

R1 606 756 was paid to KPMG from 1 April 2016, and qualified as per supply chain processes for co-sourced audit services during 2016/17, while R1 496 001 was paid to Ubuntu Business Advisory and Consulting for conducting co-sourced forensic investigations for the year.

The Internal Audit Unit spent an estimated 24 800 direct hours on audit work at **the dti** during the period under review. A total of 71 internal audit and 20 forensic audit reports were issued to management and presented to the Audit Committee as at 31 March 2017. The remaining four audits included three relating to year-end financial processes and the audit of Q4 performance information for the department's nine divisions.

14.10 Audit Committee

The Audit Committee comprises five independent members who collectively have sufficient qualifications and experience to fulfil their duties. The committee consists of the members listed hereunder, and meets at least four times per year as per its approved charter. During the current year, five meetings were held, including a special Audit Committee meeting convened on 2 February 2017.

15. Report of the Audit Committee

In line with its strategic commitment to be a well-governed national department, **the dti** strives for effective oversight and monitoring of its governance regime. Vital to the achievement of this aim is a competent and independent Audit Committee.

The Audit Committee confirms that it has complied with its responsibilities arising from Section 38(1) (a) of the PFMA and Treasury Regulations 3.1.13. The Audit Committee also reports that it has an appropriate Audit Committee Charter (including terms of reference), which is reviewed annually. It regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

The committee is pleased to present its final report for the financial year ended 31 March 2017.

Audit Committee members and attendance

The committee's terms of reference requires that five (5) independent members who have sufficient qualifications and experience to render the services associated with the Audit Committee function. During the year under review, four (4) Audit Committee meetings as well as one (1) special Audit Committee meeting were held.

The invitees to committee meetings include the ExBo members (DG and DDGs), Chief Operating Officers, Chief Risk Officer, internal and external auditors, the CFO as well as the acting Chief Information Officer, and any other executives when necessary.

Names, tenure period, and qualifications of the Audit Committee members are as follows:

| Name | Qualifications | Tenure period (1) | Tenure period (2) | Number of meetings attended | Special meeting |
|-------------------------------|--|---------------------|---------------------|-----------------------------|-----------------|
| Non-executive members | | | | | |
| Mr Sikkie Kajee (Chairperson) | Chartered Director, MBA, CIA, FCIS and BCompt (Hons) | October 2013 – 2016 | October 2016 – 2019 | 4/4 | 1/1 |
| Ms Veronica Du Preez | MBA, CIA | March 2011 – 2014 | March 2014 – 2017 | 4/4 | 1/1 |
| Ms Rene Van Wyk | CA (SA), MBA and BCompt (Hons & CTA) | October 2013 – 2016 | October 2016 – 2019 | 4/4 | 1/1 |
| Mr Dhevhen Dharmalingam | CA (SA) | March 2011 – 2014 | March 2014 – 2017 | 4/4 | 1/1 |

| Name | Qualifications | Tenure period (1) | Tenure period (2) | Number of meetings attended | Special meeting |
|------------------------------|--|---------------------|---------------------|-----------------------------|-----------------|
| Non-executive members | | | | | |
| Mr Oupa Mokgoanthe | M.Comm, B.Compt (Hons & CTA), Higher Diplomas in Tax and Computer Auditing, CISA, CRISC, CGEIT | October 2013 – 2016 | October 2016 – 2019 | 3/4 | 1/1 |
| Executive members | | | | | |
| Mr Lionel October | MSc (Economics), Honours (Law and Development Studies) | N/A | N/A | 4/4 | 0/1 |

Audit Committee responsibility

The committee is pleased to report that it has complied with its responsibility arising from its terms of reference, including relevant legislative requirements.

The committee also formalised an annual work plan that assists in carrying out its responsibilities and monitoring progress. The committee and relevant stakeholders also complete an annual committee assessment to evaluate the efficiency and effectiveness of the committee.

For the financial year ended 31 March 2017, the Audit Committee reviewed:

- quarterly financial statements and performance reports;
- unaudited Annual Financial Statements before submission to the AGSA;
- the appropriateness of accounting policies and procedure;
- the effectiveness of the system of risk management;
- compliance with relevant laws and regulations;
- the system of IT governance;
- the Annual Report and predetermined objectives prior to submission to the AGSA and final publication;
- the plans, work and reports of the Internal Audit Unit and the Auditor-General;
- the Audit Committee also conducted separate meetings with the assurance providers; and
- The internal audit and Audit Committee charters.

Review and evaluation of the Annual Financial Statements

The committee had the opportunity to review the final Annual Financial Statements before and after the AGSA review and discussed them with management. The committee has the following comments:

- The accounting policies and practices applied are appropriate
- We are satisfied that, based on accounting conventions, the financial statements reflect a well-run organisation.
- Management takes the comments by the Internal Audit Unit and AGSA seriously and is committed to taking the appropriate corrective action.

The committee wishes to congratulate the management team of **the dti** and the Director-General, especially those in the areas of finance, performance, internal audit services on their continued commitment to the improvement of the internal control environment of **the dti**.

The Audit Committee has reviewed and discussed the audited Annual Financial Statements to be included in the Annual Report with the Auditor-General and the Accounting Officer; reviewed the Auditor-General's management report and management's responses thereto; reviewed changes in accounting policies and practices; and reviewed the department's compliance with legal and regulatory provisions.

The Audit Committee concurs and accepts the Auditor-General's conclusions on the Annual Financial Statements and is of the opinion that the audited Annual Financial Statements should be accepted and read together with the report of the Auditor-General.

Efficiency and effectiveness of internal control

The systems of internal control are designed to provide cost-effective assurance that assets are safeguarded and that liabilities and working capital are efficiently managed.

The committee has considered the work performed by the Internal Audit Unit on a quarterly basis and the unit's tracking of outstanding audit findings on a quarterly basis. As noted in certain instances by the Internal Audit Unit, certain internal control environment areas need continuous improvement.

In line with the PFMA and King IV requirements relating to the public sector, internal audit provides the Audit Committee and management with assurance that the internal controls are appropriate and effective. This is achieved by means of an appropriate quarterly reporting process, as well as the identification of corrective actions and suggested enhancements to the controls and processes.

Resolution of internal control findings

The follow-up internal audit processes indicated that management is instituting adequate corrective action to address control weaknesses identified.

Overall, the committee is satisfied with the quality and timing of management responses. This is a reflection of the quality of both management and the Internal Audit Unit. The committee is of the view that management is appropriately balancing delivery and continues improvement.

Integrated assurance

The committee reviewed the plans and reports of the external and internal auditors and other assurance providers including management, and concluded that these were adequate to address all significant financial risks facing the business.

The Internal Audit Unit also developed the departmental integrated assurance strategy and implementation plan in 2016/17, and this will be implemented during 2017/18.

Internal audit effectiveness

Internal audit forms part of the third line of defence as set out in the integrated assurance strategy and engages with the first and second lines of defence to facilitate the escalation of key control breakdowns.

The Internal Audit Unit has a functional reporting line to the committee (via the Chairperson) and an administrative reporting line to the Director-General (delegated to Group Chief Operating Officer). The committee, with respect to its evaluation of the adequacy and effectiveness of internal controls, receives reports from the Internal Audit Unit on a quarterly basis, assesses the effectiveness of the internal audit function, and reviews and approves the unit's operation, coverage and three-year plans.

The Audit Committee is responsible for ensuring that **the dti's** internal audit function is independent and has the necessary resources, standing and authority within **the dti** to enable it to discharge its duties. The unit's functions, coverage and three-year rolling plans were approved by the Audit Committee. The committee monitored and challenged, where appropriate, action taken by management with regard to adverse internal audit findings.

The committee has overseen a process by which the Internal Audit Unit has performed audits according to a risk-based audit plan, where the effectiveness of the risk management and internal controls were evaluated. These evaluations were the main input considered by the committee in reporting on the effectiveness of internal controls. The committee is satisfied with the independence and effectiveness of the internal audit function. In 2017/18, additional actions will be implemented to ensure the internal audit function is adequately resourced.

Performance information

The performance information fairly reflects the operations and actual output against planned targets for performance indicators as per the Annual Performance Plan (APP) of **the dti** for the financial year ended 31 March 2017.

The performance information has been reported on in accordance with the requirements of the guidelines on annual reports, as issued by NT. A system of internal control has been designed to provide reasonable assurance as to the integrity and reliability of performance information. This includes the quarterly auditing of performance information by the Internal Audit Unit of all APP targets. An action plan will also be developed by management to address the issues raised by the AGSA that relate to the reporting of performance information within the coming financial year. These matters will be overseen by the Audit Committee.

Risk management

A separate Risk Management Committee monitors and oversees the control of risk identification throughout **the dti**. One of the independent executive Audit Committee members also represents the Audit Committee during the quarterly Risk Management Committee meetings.

The department assessed strategic and operational risks that could have an impact on the achievement of its objectives, both strategically and on a programme level, on a quarterly basis. Risks were prioritised based on their likelihood and impact (inherently and residually), and additional mitigations were agreed upon to reduce risks to acceptable levels. New / emerging risks were identified during the quarterly review processes.

The Internal Audit Unit also performed its own assessment of the risk environment of the organisation and included the strategic and operational risks identified by management as part of this assessment. In 2017/18, the Internal Audit Unit is planning to perform a review of risk management practices and processes.

Governance and ethics

the dti has adopted the corporate governance principles of the King Codes of Governance in South Africa applicable to the public sector. The committee continues to monitor the key governance interventions of **the dti** as required, however due to its nature there is a need for continued improvement in this area.

There is a focus on ethics within **the dti** to embed further enhancements of awareness and understanding of ethics at all levels within **the dti**.

Furthermore, **the dti** requires that all SMS members complete a financial disclosure declaration.

Conclusion

The Audit Committee is pleased with the continuing progress made by **the dti** in improving and progressing with the areas outlined in this report. Management is positive in their commitment to good governance and a clean administration.

The Audit Committee noted no significant or material non-compliance with prescribed policies and procedures up to 31 July 2017. From observations, analyses and reports presented to the Audit Committee by management and assurance providers, including the Internal Audit Unit and the AGSA, as

well as the Audit Committee's evaluation of the risk management processes, the committee concludes that the systems of internal control tested were found to be adequate and materially effective for most areas tested. We do, however, emphasise that in certain instances controls were found to be only partially effective. These require further improvement and we have received assurance that the matter is being addressed. Attention has also been given in addressing prior years' concerns noted by the AGSA.

No Auditor-General interim management letter has been issued as at 31 May 2017, as no significant issues were raised by the AGSA.

The committee wishes to express its appreciation to the management of **the dti**, the AGSA and the Internal Audit Unit, who assisted the committee in performing its functions effectively.



Mr SAH Kajee

Chairperson of the Audit Committee

15 July 2017

16. Report of the Auditor-General to Parliament on Vote 34: the dti

Report on the audit of the Annual Financial Statements

Opinion

1. I have audited the financial statements of the Department of Trade and Industry set out on pages 107 to 241, which comprise the Appropriation Statement, the Statement of Financial Position as at 31 March 2017, and the Statement of Financial Performance, Statement of Changes in Net Assets and Cash Flow Statement for the year then ended, as well as the Notes to the Financial Statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Trade and Industry as at 31 March 2017, and its financial performance and cash flows for the year then ended in accordance with Modified Cash Standard and the requirements of the (PFMA).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing. My responsibilities under those standards are further described in the Auditor-General's responsibilities for the audit of the financial statements section of my report.
4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' Code of ethics for professional accountants together with the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

6. I draw attention to the matter below. My opinion is not modified in respect of these matters.

Restatement of corresponding figures

7. As disclosed in Note 23 to the financial statements, the corresponding figures for 31 March 2016 have been restated as a result of an error in the financial statements of the department at, and for the year ended, 31 March 2017.

Significant uncertainties

8. With reference to Note 19 to the financial statements, the department has disclosed contingent liabilities in respect of lawsuits and incentive grants approved by the department but not paid. The department is opposing the lawsuits whilst the incentive grants are subject to the applicant meeting certain obligations. The ultimate outcome of these matters cannot presently be determined, and accordingly no provision for any liability that may result has been made in the financial statements.

Material impairments and losses

9. As disclosed in Note 13.5 to the financial statements, a material impairment to the amount of R35 million was provided as a result of debtors outstanding for longer than 12 months.

Aid assistance

10. As disclosed in Note 3 to the financial statements, the department is a spending agent of the Reconstruction and Development Fund as defined in the Reconstruction and Development Fund Act, 1994 (Act No. 7 of 1994) (RDP Act). There are ongoing projects to the value of R193 million, (R540 million for 2015/16), the continuation of which is subject to the receipt of further funding from the RDP Fund in accordance with the RDP Act.

Other matter

10. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited supplementary schedules

12. The supplementary information set out on pages 227 to 241 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

Responsibilities of the Accounting Officer for the financial statements

13. The Accounting Officer is responsible for the preparation and fair presentation of the financial statements in accordance with the Modified Cash Standard and the requirements of the PFMA and for such internal control as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
14. In preparing the financial statements, the accounting officer is responsible for assessing **the dti's** ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless there is an intention either to liquidate the department or to cease operations, or there is no realistic alternative but to do so.

Auditor-General's responsibilities for the audit of the financial statements

15. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
16. A further description of my responsibilities for the audit of the financial statements is included in the annexure to the auditor's report.

Report on the audit of the Annual Performance Report

Introduction and scope

17. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
18. My procedures address the reported performance information, which must be based on the approved performance planning documents of the department. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

19. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the annual performance report of the department for the year ended 31 March 2017:

| Programmes | Pages in the Annual Report |
|---|----------------------------|
| Programme 3: Special Economic Zones and Economic Transformation | 71 – 73 |
| Programme 4: Industrial Development | 74 – 76 |
| Programme 6: Incentive Development and Administration | 80 – 83 |
| Programme 8: Investment South Africa | 86 – 88 |

20. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
21. I did not identify any material findings on the usefulness and reliability of the reported performance information for the selected programmes.

Other matters

22. I draw attention to the matters below.

Achievement of planned targets

23. Refer to the annual performance report on pages 68 to 90 for information on the achievement of planned targets for the year and explanations provided for the under/overachievement of targets.

Adjustment of material misstatements

24. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of Programme 3: Special Economic Zones and Economic Transformation. As management subsequently corrected the misstatements, I did not raise any material findings on the usefulness and reliability of the reported performance information.

Report on audit of compliance with legislation

Introduction and scope

25. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the department with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

26. I did not identify any instances of material non-compliance with selected specific requirements of applicable legislation, as set out in the general notice issued in terms of the PAA.

Other information

27. **the dti's** Accounting Officer is responsible for the other information. The other information comprises the information included in the Annual Report, which includes the Audit Committee's report. The other information does not include the financial statements, the auditor's report thereon and those selected programmes presented in the annual performance report that have been specifically reported on in the auditor's report.
28. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
29. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work I have performed on the other information obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Internal control deficiencies

30. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance thereon. I did not identify any significant deficiencies in internal control.

Auditor - General

Pretoria
12 August 2017



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Part D

Financial Statements



17. Appropriation Statement

| Appropriation per programme | | | | | | | | | |
|--|------------------------|-------------------|----------|---------------------|--------------------|---------------|---|---------------------|--------------------|
| Programme | 2016/17 | | | | | | | 2015/16 | |
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Administration | 777 089 | - | (55 584) | 721 505 | 699 139 | 22 366 | 96.9% | 727 578 | 727 561 |
| International Trade and Economic Development | 118 719 | - | (2 649) | 116 070 | 116 024 | 46 | 100.0% | 113 560 | 113 560 |
| Special Economic Zones and Economic Transformation | 121 892 | - | (9 400) | 112 492 | 97 589 | 14 903 | 86.8% | 92 609 | 92 524 |
| Industrial Development | 1 727 027 | - | (4 738) | 1 722 289 | 1 722 245 | 44 | 100.0% | 1 953 622 | 1 953 616 |
| Consumer and Corporate Regulation | 294 336 | - | 1 427 | 295 763 | 295 381 | 382 | 99.9% | 287 625 | 287 420 |
| Incentive Development and Administration | 6 891 709 | - | 4 597 | 6 896 306 | 6 895 186 | 1 120 | 100.0% | 5 821 653 | 5 795 785 |
| Trade Export South Africa | 410 922 | - | 44 914 | 455 836 | 454 588 | 1 248 | 99.7% | 501 197 | 501 193 |
| Investment South Africa | 47 823 | - | 21 433 | 69 256 | 69 244 | 12 | 100.0% | - | - |
| Total | 10 389 517 | - | - | 10 389 517 | 10 349 396 | 40 121 | 99.6% | 9 497 844 | 9 471 659 |
| Reconciliation with Statement of Financial Performance | | | | | | | | | |
| Add: | | | | | | | | | |
| Departmental receipts | | | | 98 092 | | | | 61 979 | |
| NRF receipts | | | | - | | | | - | |
| Aid assistance | | | | 331 294 | | | | 178 574 | |
| Actual amounts per Statement of Financial Performance (total revenue) | | | | 10 818 903 | | | | 9 738 397 | |
| Add: | | | | | | | | | |
| Aid assistance | | | | | 295 647 | | | | 145 619 |
| Prior year unauthorised expenditure approved without funding | | | | | | | | | |
| Actual amounts per Statement of Financial Performance Expenditure | | | | | 10 645 043 | | | | 9 617 278 |

| Appropriation per economic classification | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|-----------------|---------------------|--------------------|---------------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | 1 582 199 | (21 845) | (15 500) | 1 544 854 | 1 505 485 | 39 369 | 97.5 | 1 485 652 | 1 485 652 |
| Compensation of employees | 930 311 | - | - | 930 311 | 915 498 | 14 813 | 98.4 | 874 175 | 874 175 |
| Salaries and wages | 803 088 | 15 406 | 8 047 | 826 541 | 815 824 | 10 717 | 98.7 | 777 618 | 777 618 |
| Social contributions | 127 223 | (15 406) | (8 047) | 103 770 | 99 674 | 4 096 | 96.1 | 96 557 | 96 557 |
| Goods and services | 651 888 | (21 845) | (15 500) | 614 543 | 589 987 | 24 556 | 96 | 611 477 | 611 477 |
| Administrative fees | 3 994 | (1 527) | (393) | 2 074 | 1 989 | 85 | 95.9 | 3 318 | 3 318 |
| Advertising | 19 770 | (3 840) | 78 | 16 008 | 15 993 | 15 | 99.9 | 23 752 | 23 752 |
| Minor assets | 613 | 246 | 41 | 900 | 801 | 99 | 89 | 1 093 | 1 093 |
| Audit costs: External | 11 727 | (649) | (1 972) | 9 106 | 9 105 | 1 | 100 | 8 778 | 8 778 |
| Bursaries: Employees | 1 929 | 1 051 | - | 2 980 | 2 980 | - | 100 | 1 592 | 1 592 |
| Catering: Departmental activities | 2 555 | (316) | (99) | 2 140 | 2 085 | 55 | 97.4 | 1 883 | 1 883 |
| Communication (goods and services) | 11 100 | (265) | 26 | 10 861 | 10 660 | 201 | 98.1 | 12 799 | 12 799 |
| Computer services | 45 658 | (11 005) | (5 758) | 28 895 | 16 406 | 12 489 | 56.8 | 25 801 | 25 801 |
| Consultants: Business and advisory services | 40 634 | (11 697) | (7 118) | 21 819 | 21 167 | 652 | 97 | 28 352 | 28 352 |
| Legal services | 21 604 | (1 150) | (286) | 20 168 | 20 124 | 44 | 99.8 | 21 070 | 21 070 |
| Contractors | 13 101 | (4 154) | (22) | 8 925 | 8 912 | 13 | 99.9 | 16 914 | 16 914 |
| Agency and support / outsourced services | 2 128 | (160) | (136) | 1 832 | 1 830 | 2 | 99.9 | 1 579 | 1 579 |
| Entertainment | 1 103 | (169) | 178 | 1 112 | 1 086 | 26 | 97.7 | 1 323 | 1 323 |
| Fleet services (including government motor transport) | 800 | (168) | 169 | 801 | 766 | 35 | 95.6 | 873 | 873 |
| Consumable supplies | 1 112 | (83) | (81) | 948 | 880 | 68 | 92.8 | 1 462 | 1 462 |

| Appropriation per economic classification | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|---------------|---------------------|--------------------|------------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Consumables: Stationery, printing and office supplies | 14 304 | 1 913 | (3 742) | 12 475 | 11 105 | 1 370 | 89 | 16 280 | 16 280 |
| Operating leases | 300 942 | 3 537 | 2 500 | 306 979 | 305 848 | 1 131 | 99.6 | 281 191 | 281 191 |
| Property payments | 12 342 | 4 343 | (1 661) | 15 024 | 14 737 | 287 | 98.1 | 12 283 | 12 283 |
| Transport provided: Departmental activity | 22 | (22) | 1 | 1 | 1 | - | 100 | - | - |
| Travel and subsistence | 89 846 | 1 556 | 1 654 | 93 056 | 88 828 | 4 228 | 95.5 | 95 984 | 95 984 |
| Training and development | 10 313 | (2 138) | (765) | 7 410 | 3 921 | 3 489 | 52.9 | 8 155 | 8 155 |
| Operating payments | 21 640 | 2 149 | 2 102 | 25 891 | 25 702 | 189 | 99.3 | 28 223 | 28 223 |
| Venues and facilities | 23 197 | 228 | (336) | 23 089 | 23 013 | 76 | 99.7 | 18 573 | 18 573 |
| Rental and hiring | 1 454 | 475 | 120 | 2 049 | 2 048 | 1 | 100 | 199 | 199 |
| Transfers and subsidies | 8 774 015 | 14 435 | 30 233 | 8 818 683 | 8 818 108 | 575 | 100 | 7 962 567 | 7 936 488 |
| Departmental agencies and accounts | 856 034 | - | - | 856 034 | 856 034 | - | 100 | 591 879 | 591 879 |
| Departmental agencies (non-business entities) | 856 034 | - | - | 856 034 | 856 034 | - | 100 | 591 879 | 591 879 |
| Higher education institutions | 3 | - | - | 3 | - | 3 | - | 3 | - |
| Foreign governments and international organisations | 32 571 | - | (2 368) | 30 203 | 29 843 | 360 | 98.8 | 33 439 | 33 237 |
| Public corporations and private enterprises | 7 720 386 | 12 438 | 32 601 | 7 765 425 | 7 765 239 | 186 | 100 | 7 183 558 | 7 157 693 |
| Public corporations | 2 654 356 | 375 797 | 24 000 | 3 054 153 | 3 054 149 | 4 | 100 | 1 517 103 | 1 517 103 |
| Subsidies on products and production | - | - | 24 000 | 24 000 | 28 164 | (4 164) | 117.4 | 3 955 | 3 955 |
| Other transfers to public corporations | 2 654 356 | 375 797 | - | 3 030 153 | 3 025 985 | 4 168 | 99.9 | 1 513 148 | 1 513 148 |
| Private enterprises | 5 066 030 | (363 359) | 8 601 | 4 711 272 | 4 711 090 | 182 | 100 | 5 666 455 | 5 640 590 |
| Subsidies on products and production | 4 590 716 | (157 562) | 8 601 | 4 441 755 | 4 441 734 | 21 | 100 | - | - |
| Other transfers to private enterprises | 475 314 | (205 797) | - | 269 517 | 269 356 | 161 | 99.9 | 5 666 455 | 5 640 590 |

| Appropriation per economic classification | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|-----------------|---------------------|--------------------|---------------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Non-profit institutions | 163 107 | - | - | 163 107 | 163 107 | - | 100 | 148 850 | 148 850 |
| Households | 1 914 | 1 997 | - | 3 911 | 3 885 | 26 | 99.3 | 4 838 | 4 829 |
| Social benefits | 1 063 | 1 919 | (303) | 2 679 | 2 655 | 24 | 99.1 | 2 846 | 2 837 |
| Other transfers to households | 851 | 78 | 303 | 1 232 | 1 230 | 2 | 99.8 | 1 992 | 1 992 |
| Payments for capital assets | 33 303 | (2 291) | (14 733) | 16 279 | 16 103 | 176 | 98.9 | 37 457 | 37 433 |
| Machinery and equipment | 25 436 | (1 796) | (12 394) | 11 246 | 11 071 | 175 | 98.4 | 33 040 | 33 017 |
| Transport equipment | 500 | 1 403 | 351 | 2 254 | 2 254 | - | 100 | 2 256 | 2 255 |
| Other machinery and equipment | 24 936 | (3 199) | (12 745) | 8 992 | 8 817 | 175 | 98.1 | 30 784 | 30 762 |
| Software and other intangible assets | 7 867 | (495) | (2 339) | 5 033 | 5 032 | 1 | 100 | 4 417 | 4 416 |
| Payment for financial assets | - | 9 701 | - | 9 701 | 9 700 | 1 | 100 | 12 168 | 12 086 |
| Total | 10 389 517 | - | - | 10 389 517 | 10 349 396 | 40 121 | 99.6 | 9 497 844 | 9 471 659 |

| Programme 1: Administration | 2016/17 | | | | | | | 2015/16 | |
|--|------------------------|-------------------|-----------------|---------------------|--------------------|---------------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Subprogramme | | | | | | | | | |
| 1.1 Ministry | 32 522 | (78) | (2 554) | 29 890 | 26 170 | 3 720 | 87.6 | 32 112 | 32 109 |
| 1.2 Office of the Director-General | 107 040 | (335) | (10 662) | 96 043 | 95 955 | 88 | 99.9 | 93 585 | 93 585 |
| 1.3 Corporate Services | 489 123 | - | (28 495) | 460 628 | 443 702 | 16 926 | 96.3 | 478 658 | 478 647 |
| 1.4 Office Accommodation | 2 869 | - | - | 2 869 | 2 589 | 280 | 90.2 | 2 433 | 2 433 |
| 1.5 Financial Management | 73 073 | 249 | (11 470) | 61 852 | 60 571 | 1 281 | 97.9 | 51 424 | 51 422 |
| 1.6 Media and Public Relations | 10 355 | (237) | (1 043) | 9 075 | 9 065 | 10 | 99.9 | 10 153 | 10 153 |
| 1.7 Marketing Communication and Stakeholder Relations | 62 107 | 401 | (1 360) | 61 148 | 61 087 | 61 | 99.9 | 59 213 | 59 212 |
| | 777 089 | - | (55 584) | 721 505 | 699 139 | 22 366 | 96.9 | 727 578 | 727 561 |
| Economic classification | | | | | | | | | |
| Current payments | 758 712 | (5 783) | (43 354) | 709 575 | 687 246 | 22 329 | 96.9 | 697 450 | 697 450 |
| Compensation of employees | 289 721 | - | (19 741) | 269 980 | 269 929 | 51 | 100 | 264 726 | 264 726 |
| Salaries and wages | 256 149 | (1 726) | (16 524) | 237 899 | 237 878 | 21 | 100 | 233 798 | 233 798 |
| Social contributions | 33 572 | 1 726 | (3 217) | 32 081 | 32 051 | 30 | 99.9 | 30 928 | 30 928 |
| Goods and services | 468 991 | (5 783) | (23 613) | 439 595 | 417 317 | 22 278 | 94.9 | 432 724 | 432 724 |
| Administrative fees | 3 165 | (1 417) | (558) | 1 190 | 1 187 | 3 | 99.7 | 2 705 | 2 705 |
| Advertising | 18 771 | (4 420) | - | 14 351 | 14 346 | 5 | 100 | 20 857 | 20 857 |
| Minor assets | 336 | 254 | (21) | 569 | 562 | 7 | 98.8 | 945 | 945 |
| Audit costs: External | 11 727 | (649) | (1 972) | 9 106 | 9 105 | 1 | 100 | 8 778 | 8 778 |
| Bursaries: Employees | 1 923 | 1 057 | - | 2 980 | 2 980 | - | 100 | 1 592 | 1 592 |
| Catering: Departmental activities | 1 223 | 120 | (192) | 1 151 | 1 123 | 28 | 97.6 | 1 134 | 1 134 |

| Appropriation per economic classification | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|------------|---------------------|--------------------|-----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Communication (goods and services) | 7 603 | (20) | (676) | 6 907 | 6 847 | 60 | 99.1 | 7 606 | 7 606 |
| Computer services | 40 825 | (10 649) | (2 238) | 27 938 | 15 450 | 12 488 | 55.3 | 24 711 | 24 711 |
| Consultants: Business and advisory services | 13 793 | (1 079) | (3 656) | 9 058 | 9 050 | 8 | 99.9 | 9 792 | 9 792 |
| Legal services | 15 524 | 1 418 | (2 878) | 14 064 | 14 059 | 5 | 100 | 15 792 | 15 792 |
| Contractors | 5 482 | 1 100 | (22) | 6 560 | 6 550 | 10 | 99.8 | 11 606 | 11 606 |
| Agency and support / outsourced services | 1 773 | 26 | (136) | 1 663 | 1 663 | - | 100 | 1 059 | 1 059 |
| Entertainment | 45 | - | (22) | 23 | 15 | 8 | 65.2 | 12 | 12 |
| Fleet services (including government motor transport) | 63 | 1 | (14) | 50 | 39 | 11 | 78 | 33 | 33 |
| Consumable supplies | 450 | (61) | (81) | 308 | 286 | 22 | 92.9 | 712 | 712 |
| Consumables: Stationery, printing and office supplies | 11 639 | 3 535 | (3 742) | 11 432 | 10 122 | 1 310 | 88.5 | 12 982 | 12 982 |
| Operating leases | 274 293 | 2 895 | (1 150) | 276 038 | 275 285 | 753 | 99.7 | 255 990 | 255 990 |
| Property payments | 10 775 | (1 740) | (1 815) | 7 220 | 6 937 | 283 | 96.1 | 9 480 | 9 480 |
| Travel and subsistence | 22 011 | 1 116 | (2 509) | 20 618 | 16 893 | 3 725 | 81.9 | 20 783 | 20 783 |
| Training and development | 9 433 | (2 255) | (765) | 6 413 | 2 924 | 3 489 | 45.6 | 6 605 | 6 605 |
| Operating payments | 6 286 | 367 | (282) | 6 371 | 6 343 | 28 | 99.6 | 9 683 | 9 683 |
| Venues and facilities | 10 617 | 4 099 | (884) | 13 832 | 13 799 | 33 | 99.8 | 9 769 | 9 769 |
| Rental and hiring | 1 234 | 519 | - | 1 753 | 1 752 | 1 | 99.9 | 98 | 98 |
| Transfers and subsidies | 787 | 1 352 | 520 | 2 659 | 2 643 | 16 | 99.4 | 2 572 | 2 572 |
| Households | 787 | 1 352 | 520 | 2 659 | 2 643 | 16 | 99.4 | 2 572 | 2 572 |
| Social benefits | 236 | 1 274 | 217 | 1 727 | 1 713 | 14 | 99.2 | 811 | 811 |
| Other transfers to households | 551 | 78 | 303 | 932 | 930 | 2 | 99.8 | 1 761 | 1 761 |

| Appropriation per economic classification | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|-----------------|---------------------|--------------------|---------------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Payments for capital assets | 17 590 | 4 431 | (12 750) | 9 271 | 9 250 | 21 | 99.8 | 27 556 | 27 539 |
| Machinery and equipment | 15 217 | 107 | (10 411) | 4 913 | 4 893 | 20 | 99.6 | 25 737 | 25 721 |
| Transport equipment | - | 1 250 | - | 1 250 | 1 250 | - | 100 | 1 867 | 1 866 |
| Other machinery and equipment | 15 217 | (1 143) | (10 411) | 3 663 | 3 643 | 20 | 99.5 | 23 870 | 23 855 |
| Software and other intangible assets | 2 373 | 4 324 | (2 339) | 4 358 | 4 357 | 1 | 100 | 1 819 | 1 818 |
| Total | 777 089 | - | (55 584) | 721 505 | 699 139 | 22 366 | 96.9 | 727 578 | 727 561 |

| Subprogramme: Ministry | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|----------------|---------------------|--------------------|--------------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | 31 242 | (361) | (3 074) | 27 807 | 24 089 | 3 718 | 86.6 | 30 568 | 30 568 |
| Compensation of employees | 18 164 | - | (2 326) | 15 838 | 15 834 | 4 | 100 | 19 485 | 19 485 |
| Salaries and wages | 16 195 | | (1 743) | 14 452 | 14 451 | 1 | 100 | 17 821 | 17 821 |
| Social contributions | 1 969 | | (583) | 1 386 | 1 383 | 3 | 99.8 | 1 664 | 1 664 |
| Goods and services | 13 078 | (361) | (748) | 11 969 | 8 255 | 3 714 | 69 | 11 083 | 11 083 |
| Administrative fees | 62 | (29) | | 33 | 32 | 1 | 97 | 31 | 31 |
| Advertising | | | | - | - | - | - | 13 | 13 |
| Catering: Departmental activities | 18 | (4) | | 14 | 13 | 1 | 92.9 | 19 | 19 |
| Communication (goods and services) | 849 | (386) | | 463 | 461 | 2 | 99.6 | 689 | 689 |
| Consultants: Business and advisory services | | 19 | | 19 | 18 | 1 | 94.7 | | |
| Legal services | | | | - | - | - | - | 120 | 120 |
| Contractors | 27 | (14) | | 13 | 12 | 1 | 92.3 | 9 | 9 |
| Fleet services (including government motor transport) | 26 | (11) | | 15 | 14 | 1 | 93.3 | 6 | 6 |
| Consumable supplies | 5 | 1 | | 6 | 5 | 1 | 83.3 | 21 | 21 |
| Consumable: Stationery, printing and office supplies | 110 | (106) | | 4 | 1 | 3 | 25 | 191 | 191 |

| Subprogramme: Ministry | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|----------------|---------------------|--------------------|--------------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Operating leases | 1 062 | 225 | | 1 287 | 1 285 | 2 | 99.8 | 1 510 | 1 510 |
| Property payments | | 9 | | 9 | 8 | 1 | 88.9 | | |
| Transport provided: Departmental activity | | | | - | | - | - | | |
| Travel and subsistence | 10 875 | (94) | (748) | 10 033 | 6 337 | 3 696 | 63.2 | 8 355 | 8 355 |
| Training and development | | | | - | | - | - | | |
| Operating payments | 24 | (1) | | 23 | 21 | 2 | 91.3 | 9 | 9 |
| Venues and facilities | 20 | 30 | | 50 | 48 | 2 | 96 | 110 | 110 |
| Transfers and subsidies | - | 306 | 520 | 826 | 824 | 2 | 99.8 | 34 | 34 |
| Households | - | 306 | 520 | 826 | 824 | 2 | 99.8 | 34 | 34 |
| Social benefits | - | 8 | 217 | 225 | 224 | 1 | 99.6 | 34 | 34 |
| Other transfers to households | - | 298 | 303 | 601 | 600 | 1 | 99.8 | | |
| Payments for capital assets | 1 280 | (23) | - | 1 257 | 1 257 | - | 100 | 1 510 | 1 507 |
| Machinery and equipment | 1 280 | (23) | - | 1 257 | 1 257 | - | 100 | 1 510 | 1 507 |
| Transport equipment | - | 1 250 | | 1 250 | 1 250 | - | 100 | 901 | 900 |
| Other machinery and equipment | 1 280 | (1 273) | | 7 | 7 | - | 100 | 609 | 607 |
| Total | 32 522 | (78) | (2 554) | 29 890 | 26 170 | 3 720 | 87.6 | 32 112 | 32 109 |

| Subprogramme: Office of the Director-General | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|-----------------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | 106 061 | (643) | (10 662) | 94 756 | 94 678 | 78 | 99.9 | 92 345 | 92 345 |
| Compensation of employees | 72 195 | - | (5 622) | 66 573 | 66 556 | 17 | 100 | 64 146 | 64 146 |
| Salaries and wages | 64 929 | | (5 491) | 59 438 | 59 432 | 6 | 100 | 57 445 | 57 445 |
| Social contributions | 7 266 | | (131) | 7 135 | 7 124 | 11 | 99.8 | 6 701 | 6 701 |
| Goods and services | 33 866 | (643) | (5 040) | 28 183 | 28 122 | 61 | 99.8 | 28 199 | 28 199 |
| Administrative fees | - | | | - | - | - | - | 1 | 1 |
| Minor assets | 232 | (24) | (21) | 187 | 183 | 4 | 97.9 | 75 | 75 |
| Audit costs: External | 605 | (555) | (50) | - | - | - | - | | |
| Catering: Departmental activities | 76 | | (17) | 59 | 50 | 9 | 84.7 | 103 | 103 |
| Communication (goods and services) | 361 | 151 | | 512 | 504 | 8 | 98.4 | 714 | 714 |
| Computer services | 344 | 392 | | 736 | 735 | 1 | 99.9 | 221 | 221 |
| Consultants: Business and advisory services | 9 907 | (665) | (1 578) | 7 664 | 7 660 | 4 | 99.9 | 5 262 | 5 262 |
| Legal services | 13 367 | | (2 878) | 10 489 | 10 487 | 2 | 100 | 12 675 | 12 675 |
| Contractors | 79 | | (22) | 57 | 55 | 2 | 96.5 | 42 | 42 |
| Agency and support / outsourced services | 1 765 | | (129) | 1 636 | 1 636 | - | 100 | 1 035 | 1 035 |
| Entertainment | 10 | | | 10 | 8 | 2 | 80 | 7 | 7 |
| Fleet services (including government motor transport) | - | 3 | | 3 | 2 | 1 | 66.7 | | |
| Consumable supplies | 35 | | (15) | 20 | 18 | 2 | 90 | 166 | 166 |
| Consumables: Stationery, printing and office supplies | 879 | 28 | | 907 | 897 | 10 | 98.9 | 676 | 676 |

| Subprogramme: Office of the Director-General | 2016/17 | | | | | | | 2015/16 | |
|--|------------------------|-------------------|-----------------|---------------------|--------------------|-----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Operating leases | 64 | 26 | | 90 | 85 | 5 | 94.4 | 87 | 87 |
| Travel and subsistence | 3 617 | 234 | | 3 851 | 3 844 | 7 | 99.8 | 4 804 | 4 804 |
| Training and development | 48 | | (39) | 9 | 9 | - | 100 | | |
| Operating payments | 1 293 | | (113) | 1 180 | 1 178 | 2 | 99.8 | 1 704 | 1 704 |
| Venues and facilities | 1 184 | (233) | (178) | 773 | 771 | 2 | 99.7 | 627 | 627 |
| Transfers and subsidies | - | 671 | - | 671 | 668 | 3 | 99.6 | 334 | 334 |
| Households | - | 671 | - | 671 | 668 | 3 | 99.6 | 334 | 334 |
| Social benefits | | 671 | | 671 | 668 | 3 | 99.6 | 334 | 334 |
| Payments for capital assets | 979 | (363) | - | 616 | 609 | 7 | 98.9 | 906 | 906 |
| Machinery and equipment | 945 | (329) | - | 616 | 609 | 7 | 98.9 | 906 | 906 |
| Other machinery and equipment | 945 | (329) | | 616 | 609 | 7 | 98.9 | 906 | 906 |
| Software and other intangible assets | 34 | (34) | | - | | - | - | | |
| Total | 107 040 | (335) | (10 662) | 96 043 | 95 955 | 88 | 99.9 | 93 585 | 93 585 |

| Subprogramme: Corporate Services | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|-----------------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | 474 644 | (4 637) | (16 666) | 453 341 | 436 427 | 16 914 | 96.3 | 453 518 | 453 518 |
| Compensation of employees | 120 151 | - | (7 674) | 112 477 | 112 460 | 17 | 100 | 110 600 | 110 600 |
| Salaries and wages | 108 644 | (2 400) | (7 605) | 98 639 | 98 631 | 8 | 100 | 96 893 | 96 893 |
| Social contributions | 11 507 | 2 400 | (69) | 13 838 | 13 829 | 9 | 99.9 | 13 707 | 13 707 |
| Goods and services | 354 493 | (4 637) | (8 992) | 340 864 | 323 967 | 16 897 | 95 | 342 918 | 342 918 |
| Administrative fees | 2 675 | (1 345) | (552) | 778 | 777 | 1 | 99.9 | 2 203 | 2 203 |
| Advertising | 1 704 | 179 | | 1 883 | 1 882 | 1 | 99.9 | 3 025 | 3 025 |
| Minor assets | 94 | 284 | - | 378 | 375 | 3 | 99.2 | 842 | 842 |
| Bursaries: Employees | 1 923 | 1 057 | | 2 980 | 2 980 | - | 100 | 1 592 | 1 592 |
| Catering: Departmental activities | 225 | 3 | (156) | 72 | 59 | 13 | 81.9 | 38 | 38 |
| Communication (goods and services) | 4 715 | 714 | | 5 429 | 5 402 | 27 | 99.5 | 5 266 | 5 266 |
| Computer services | 37 866 | (11 385) | (1 496) | 24 985 | 12 499 | 12 486 | 50 | 23 757 | 23 757 |
| Consultants: Business and advisory services | 2 537 | | (1 988) | 549 | 548 | 1 | 99.8 | 4 518 | 4 518 |
| Legal services | 2 153 | 1 418 | | 3 571 | 3 569 | 2 | 99.9 | 2 976 | 2 976 |
| Contractors | 4 931 | 1 251 | | 6 182 | 6 181 | 1 | 100 | 11 168 | 11 168 |
| Agency and support / outsourced services | | 23 | | 23 | 23 | - | 100 | | |
| Entertainment | 5 | (3) | | 2 | | 2 | - | 3 | 3 |
| Fleet services (including government motor transport) | | 4 | | 4 | 2 | 2 | 50 | 4 | 4 |
| Consumable supplies | 284 | 4 | (47) | 241 | 226 | 15 | 93.8 | 511 | 511 |
| Consumables: Stationery, printing and office supplies | 59 | 4 211 | | 4 270 | 4 214 | 56 | 98.7 | 11 933 | 11 933 |

| Subprogramme: Corporate Services | 2016/17 | | | | | | | 2015/16 | |
|--------------------------------------|------------------------|-------------------|-----------------|---------------------|--------------------|---------------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Operating leases | 270 636 | 2 953 | | 273 589 | 272 852 | 737 | 99.7 | 253 826 | 253 826 |
| Property payments | 7 904 | (1 749) | (1 815) | 4 340 | 4 339 | 1 | 100 | 7 019 | 7 019 |
| Travel and subsistence | 2 732 | (1) | (1 401) | 1 330 | 1 315 | 15 | 98.9 | 1 941 | 1 941 |
| Training and development | 9 385 | (2 255) | (726) | 6 404 | 2 915 | 3 489 | 45.5 | 6 605 | 6 605 |
| Operating payments | 2 713 | | (109) | 2 604 | 2 583 | 21 | 99.2 | 3 754 | 3 754 |
| Venues and facilities | 1 952 | | (702) | 1 250 | 1 226 | 24 | 98.1 | 1 937 | 1 937 |
| Transfers and subsidies | 626 | 161 | - | 787 | 780 | 7 | 99.1 | 2 037 | 2 037 |
| Households | 626 | 161 | - | 787 | 780 | 7 | 99.1 | 2 037 | 2 037 |
| Social benefits | 75 | 507 | | 582 | 575 | 7 | 98.8 | 368 | 368 |
| Other transfers to households | 551 | (346) | | 205 | 205 | - | 100 | 1 669 | 1 669 |
| Payments for capital assets | 13 853 | 4 476 | (11 829) | 6 500 | 6 495 | 5 | 99.9 | 23 103 | 23 092 |
| Machinery and equipment | 11 514 | 125 | (9 490) | 2 149 | 2 145 | 4 | 99.8 | 21 284 | 21 274 |
| Other machinery and equipment | 11 514 | 125 | (9 490) | 2 149 | 2 145 | 4 | 99.8 | 21 284 | 21 274 |
| Software and other intangible assets | 2 339 | 4 351 | (2 339) | 4 351 | 4 350 | 1 | 100 | 1 819 | 1 818 |
| Total | 489 123 | - | (28 495) | 460 628 | 443 702 | 16 926 | 96.3 | 478 658 | 478 647 |

| Subprogramme: Office Accommodation | 2016/17 | | | | | | | 2015/16 | |
|------------------------------------|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | 2 869 | - | - | 2 869 | 2 589 | 280 | 90.2 | 2 433 | 2 433 |
| Goods and services | 2 869 | - | - | 2 869 | 2 589 | 280 | 90.2 | 2 433 | 2 433 |
| Property payments | 2 869 | | | 2 869 | 2 589 | 280 | 90.2 | 2 433 | 2 433 |
| Total | 2 869 | - | - | 2 869 | 2 589 | 280 | 90.2 | 2 433 | 2 433 |

| Subprogramme: Financial Management | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|-----------------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | 71 984 | 29 | (10 470) | 61 543 | 60 265 | 1 278 | 97.9 | 51 061 | 51 061 |
| Compensation of employees | 44 082 | - | (2 259) | 41 823 | 41 815 | 8 | 100 | 40 102 | 40 102 |
| Salaries and wages | 37 815 | | (1 208) | 36 607 | 36 602 | 5 | 100 | 35 249 | 35 249 |
| Social contributions | 6 267 | | (1 051) | 5 216 | 5 213 | 3 | 99.9 | 4 853 | 4 853 |
| Goods and services | 27 902 | 29 | (8 211) | 19 720 | 18 450 | 1 270 | 93.6 | 10 959 | 10 959 |
| Administrative fees | 428 | (43) | (6) | 379 | 378 | 1 | 99.7 | 463 | 463 |
| Advertising | 17 | (12) | | 5 | 4 | 1 | 80 | 22 | 22 |
| Minor assets | | | | - | | - | - | 3 | 3 |
| Audit costs: External | 11 122 | (94) | (1 922) | 9 106 | 9 105 | 1 | 100 | 8 778 | 8 778 |
| Catering: Departmental activities | 2 | 8 | | 10 | 9 | 1 | 90 | 3 | 3 |
| Communication (goods and services) | 1 104 | (102) | (676) | 326 | 306 | 20 | 93.9 | 200 | 200 |
| Computer services | 2 615 | 186 | (742) | 2 059 | 2 058 | 1 | 100 | 385 | 385 |
| Consultants: Business and advisory services | | 44 | | 44 | 44 | - | 100 | | |
| Legal services | 4 | | | 4 | 3 | 1 | 75 | 21 | 21 |
| Contractors | 5 | 1 | | 6 | 2 | 4 | 33.3 | 4 | 4 |
| Agency and support / outsourced services | 8 | (1) | (7) | - | | - | - | 19 | 19 |
| Entertainment | 9 | | (7) | 2 | 1 | 1 | 50 | 2 | 2 |
| Fleet services (including government motor transport) | 18 | | (6) | 12 | 8 | 4 | 66.7 | 3 | 3 |
| Consumable supplies | 56 | (22) | | 34 | 33 | 1 | 97.1 | | |
| Consumables: Stationery, printing and office supplies | 9 594 | 306 | (3 673) | 6 227 | 5 001 | 1 226 | 80.3 | | |

| Subprogramme: Financial Management | 2016/17 | | | | | | | 2015/16 | |
|------------------------------------|------------------------|-------------------|-----------------|---------------------|--------------------|--------------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Operating leases | 2 350 | (479) | (1 150) | 721 | 717 | 4 | 99.4 | 321 | 321 |
| Travel and subsistence | 453 | 301 | | 754 | 751 | 3 | 99.6 | 573 | 573 |
| Operating payments | 117 | (64) | (22) | 31 | 30 | 1 | 96.8 | 162 | 162 |
| Transfers and subsidies | 11 | 221 | - | 232 | 230 | 2 | 99.1 | 68 | 68 |
| Households | 11 | 221 | - | 232 | 230 | 2 | 99.1 | 68 | 68 |
| Social benefits | 11 | 217 | | 228 | 226 | 2 | 99.1 | 64 | 64 |
| Other transfers to households | - | 4 | | 4 | 4 | - | 100 | 4 | 4 |
| Payments for capital assets | 1 078 | (1) | (1 000) | 77 | 76 | 1 | 98.7 | 295 | 293 |
| Machinery and equipment | 1 078 | (1) | (1 000) | 77 | 76 | 1 | 98.7 | 295 | 293 |
| Other machinery and equipment | 1 078 | (1) | (1 000) | 77 | 76 | 1 | 98.7 | 295 | 293 |
| Total | 73 073 | 249 | (11 470) | 61 852 | 60 571 | 1 281 | 97.9 | 51 424 | 51 422 |

| Subprogramme: Media and Public Relations | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|----------------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | 9 805 | - | (1 043) | 8 762 | 8 753 | 9 | 99.9 | 10 153 | 10 153 |
| Compensation of employees | 6 790 | - | (482) | 6 308 | 6 307 | 1 | 100 | 5 755 | 5 755 |
| Salaries and wages | 5 981 | | (477) | 5 504 | 5 504 | - | 100 | 4 990 | 4 990 |
| Social contributions | 809 | | (5) | 804 | 803 | 1 | 99.9 | 765 | 765 |
| Goods and services | 3 015 | - | (561) | 2 454 | 2 446 | 8 | 99.7 | 4 398 | 4 398 |
| Administrative fees | | | | - | | - | - | 7 | 7 |
| Advertising | | 79 | | 79 | 79 | - | 100 | 28 | 28 |
| Catering: Departmental activities | 39 | - | (19) | 20 | 20 | - | 100 | 17 | 17 |
| Communication (goods and services) | 51 | 14 | | 65 | 65 | - | 100 | 143 | 143 |
| Consultants: Business and advisory services | 519 | (450) | (69) | - | | - | - | | |
| Contractors | | | | - | | - | - | 259 | 259 |
| Entertainment | | 10 | (4) | 6 | 5 | 1 | 83.3 | | |
| Fleet services (including government motor transport) | 15 | | (8) | 7 | 6 | 1 | 85.7 | 10 | 10 |
| Consumable supplies | 50 | (29) | (19) | 2 | 1 | 1 | 50 | 2 | 2 |
| Consumables: Stationery, printing and office supplies | 50 | (10) | (40) | - | | - | - | 22 | 22 |
| Operating leases | 70 | 33 | | 103 | 102 | 1 | 99 | 79 | 79 |
| Property payments | 2 | | | 2 | 1 | 1 | 50 | 1 | 1 |
| Travel and subsistence | 2 129 | 386 | (360) | 2 155 | 2 154 | 1 | 100 | 2 956 | 2 956 |
| Operating payments | 39 | | (38) | 1 | 1 | - | 100 | 183 | 183 |

| Subprogramme: Media and Public Relations | 2016/17 | | | | | | | 2015/16 | |
|--|------------------------|-------------------|----------------|---------------------|--------------------|-----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Venues and facilities | 51 | (33) | (4) | 14 | 12 | 2 | 85.7 | 691 | 691 |
| Transfers and subsidies | 150 | (144) | - | 6 | 5 | 1 | 83.3 | - | - |
| Households | 150 | (144) | - | 6 | 5 | 1 | 83.3 | - | - |
| Social benefits | 150 | (144) | | 6 | 5 | 1 | 83.3 | | |
| Payments for capital assets | 400 | (93) | - | 307 | 307 | - | 100 | - | - |
| Machinery and equipment | 400 | (93) | - | 307 | 307 | - | 100 | - | - |
| Other machinery and equipment | 400 | (93) | | 307 | 307 | - | 100 | | |
| Total | 10 355 | (237) | (1 043) | 9 075 | 9 065 | 10 | 99.9 | 10 153 | 10 153 |

| Subprogramme: Marketing Communication and Stakeholder Relations | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|----------------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | 62 307 | (171) | (1 439) | 60 497 | 60 445 | 52 | 99.9 | 57 372 | 57 372 |
| Compensation of employees | 28 339 | - | (1 378) | 26 961 | 26 957 | 4 | 100 | 24 638 | 24 638 |
| Salaries and wages | 22 585 | 674 | | 23 259 | 23 258 | 1 | 100 | 21 400 | 21 400 |
| Social contributions | 5 754 | (674) | (1 378) | 3 702 | 3 699 | 3 | 99.9 | 3 238 | 3 238 |
| Goods and services | 33 768 | (171) | (61) | 33 536 | 33 488 | 48 | 99.9 | 32 734 | 32 734 |
| Advertising | 17 050 | (4 666) | | 12 384 | 12 381 | 3 | 100 | 17 769 | 17 769 |
| Minor assets | 10 | (6) | | 4 | 4 | - | 100 | 25 | 25 |
| Catering: Departmental activities | 863 | 113 | | 976 | 972 | 4 | 99.6 | 954 | 954 |
| Communication (goods and services) | 523 | (411) | | 112 | 109 | 3 | 97.3 | 594 | 594 |
| Computer services | | 158 | | 158 | 158 | - | 100 | 348 | 348 |
| Consultants: Business and advisory services | 830 | (27) | (21) | 782 | 780 | 2 | 99.7 | 12 | 12 |
| Contractors | 440 | (138) | | 302 | 300 | 2 | 99.3 | 124 | 124 |
| Agency and support / outsourced services | | 4 | | 4 | 4 | - | 100 | 5 | 5 |
| Entertainment | 21 | (7) | (11) | 3 | 1 | 2 | 33.3 | | |
| Fleet services (including government motor transport) | 4 | 5 | | 9 | 7 | 2 | 77.8 | 10 | 10 |
| Consumable supplies | 20 | (15) | - | 5 | 3 | 2 | 60 | 12 | 12 |
| Consumables: Stationery, printing and office supplies | 947 | (894) | (29) | 24 | 9 | 15 | 37.5 | 160 | 160 |
| Operating leases | 111 | 137 | | 248 | 244 | 4 | 98.4 | 167 | 167 |

| Subprogramme: Marketing Communication and Stakeholder Relations | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|----------------|---------------------|--------------------|-----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Property payments | | | | - | | - | - | 27 | 27 |
| Travel and subsistence | 2 205 | 290 | | 2 495 | 2 492 | 3 | 99.9 | 2 154 | 2 154 |
| Operating payments | 2 100 | 432 | | 2 532 | 2 530 | 2 | 99.9 | 3 871 | 3 871 |
| Venues and facilities | 7 410 | 4 335 | | 11 745 | 11 742 | 3 | 100 | 6 404 | 6 404 |
| Rental and hiring | 1 234 | 519 | | 1 753 | 1 752 | 1 | 99.9 | 98 | 98 |
| Transfers and subsidies | - | 137 | - | 137 | 136 | 1 | 99.3 | 99 | 99 |
| Households | - | 137 | - | 137 | 136 | 1 | 99.3 | 99 | 99 |
| Social benefits | | 15 | | 15 | 15 | - | 100 | 11 | 11 |
| Other transfers to households | | 122 | | 122 | 121 | 1 | 99.2 | 88 | 88 |
| Payments for capital assets | - | 435 | 79 | 514 | 506 | 8 | 98.4 | 1 742 | 1 741 |
| Machinery and equipment | - | 428 | 79 | 507 | 499 | 8 | 98.4 | 1 742 | 1 741 |
| Transport equipment | | | | - | | - | - | 966 | 966 |
| Other machinery and equipment | | 428 | 79 | 507 | 499 | 8 | 98.4 | 776 | 775 |
| Software and other intangible assets | | 7 | | 7 | 7 | - | 100 | | |
| Total | 62 107 | 401 | (1 360) | 61 148 | 61 087 | 61 | 99.9 | 59 213 | 59 212 |

| Programme 2: International Trade and Economic Development | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|----------------|---------------------|--------------------|-----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Subprogramme | | | | | | | | | |
| 2.1 International Trade Development | 100 973 | (287) | (1 743) | 98 943 | 98 934 | 9 | 100 | 98 575 | 98 575 |
| 2.2 African Multilateral Economic Development | 17 746 | 287 | (906) | 17 127 | 17 090 | 37 | 99.8 | 14 985 | 14 985 |
| | 118 719 | - | (2 649) | 116 070 | 116 024 | 46 | 100 | 113 560 | 113 560 |
| Economic classification | | | | | | | | | |
| Current payments | 93 628 | (15) | (1 197) | 92 416 | 92 371 | 45 | 100 | 86 084 | 86 084 |
| Compensation of employees | 77 406 | - | (3 248) | 74 158 | 74 158 | - | 100 | 68 905 | 68 905 |
| Salaries and wages | 65 615 | 729 | (697) | 65 647 | 65 647 | - | 100 | 60 983 | 60 983 |
| Social contributions | 11 791 | (729) | (2 551) | 8 511 | 8 511 | - | 100 | 7 922 | 7 922 |
| Goods and services | 16 222 | (15) | 2 051 | 18 258 | 18 213 | 45 | 99.8 | 17 179 | 17 179 |
| Administrative fees | - | - | - | - | - | - | - | 10 | 10 |
| Minor assets | 31 | (13) | - | 18 | 18 | - | 100 | 13 | 13 |
| Catering: Departmental activities | 38 | - | - | 38 | 38 | - | 100 | 61 | 61 |
| Communication (goods and services) | 420 | 17 | 11 | 448 | 446 | 2 | 99.6 | 655 | 655 |
| Computer services | - | - | - | - | - | - | - | - | - |
| Consultants: Business and advisory services | 312 | (24) | - | 288 | 288 | - | 100 | 215 | 215 |
| Legal services | 1 592 | (1 307) | - | 285 | 284 | 1 | 99.6 | 171 | 171 |
| Contractors | 56 | (34) | - | 22 | 21 | 1 | 95.5 | 22 | 22 |
| Agency and support / outsourced services | 300 | (157) | - | 143 | 142 | 1 | 99.3 | - | - |
| Entertainment | 75 | (36) | - | 39 | 37 | 2 | 94.9 | 1 | 1 |
| Fleet services (including government motor transport) | 10 | (5) | - | 5 | 5 | - | 100 | 1 | 1 |

| Programme 2: International Trade and Economic Development | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|----------------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Consumable supplies | - | - | - | - | - | - | - | 37 | 37 |
| Consumables: Stationery, printing and office supplies | - | - | - | - | - | - | - | 133 | 133 |
| Operating leases | 138 | 66 | 14 | 218 | 213 | 5 | 97.7 | 171 | 171 |
| Property payments | 3 | (1) | - | 2 | 1 | 1 | 50 | 32 | 32 |
| Travel and subsistence | 11 184 | 1 175 | 267 | 12 626 | 12 597 | 29 | 99.8 | 14 298 | 14 298 |
| Operating payments | 411 | 200 | 1 710 | 2 321 | 2 320 | 1 | 100 | 307 | 307 |
| Venues and facilities | 1 474 | 152 | 49 | 1 675 | 1 673 | 2 | 99.9 | 951 | 951 |
| Rental and hiring | 178 | (48) | - | 130 | 130 | - | 100 | 101 | 101 |
| Transfers and subsidies | 24 422 | - | (1 452) | 22 970 | 22 970 | - | 100 | 26 843 | 26 843 |
| Departmental agencies and accounts | 1 131 | - | - | 1 131 | 1 131 | - | 100 | 1 077 | 1 077 |
| Departmental agencies (non-business entities) | 1 131 | - | - | 1 131 | 1 131 | - | 100 | 1 077 | 1 077 |
| Foreign governments and international organisations | 19 127 | - | (1 452) | 17 675 | 17 675 | - | 100 | 21 545 | 21 545 |
| Public corporations and private enterprises | 4 164 | - | - | 4 164 | 4 164 | - | 100 | 3 955 | 3 955 |
| Public corporations | 4 164 | - | - | 4 164 | 4 164 | - | 100 | 3 955 | 3 955 |
| Subsidies on products and production | - | - | - | - | 4 164 | (4 164) | - | 3 955 | 3 955 |
| Other transfers to public corporations | 4 164 | - | - | 4 164 | - | 4 164 | - | - | - |

| Programme 2: International Trade and Economic Development | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|----------------|---------------------|--------------------|-----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Households | - | - | - | - | - | - | - | 266 | 266 |
| Social benefits | - | - | - | - | - | - | - | 262 | 262 |
| Other transfers to households | - | - | - | - | - | - | - | 4 | 4 |
| Payments for capital assets | 669 | 15 | - | 684 | 683 | 1 | 99.9 | 633 | 633 |
| Machinery and equipment | 669 | 15 | - | 684 | 683 | 1 | 99.9 | 633 | 633 |
| Other machinery and equipment | 669 | 15 | - | 684 | 683 | 1 | 99.9 | 633 | 633 |
| Total | 118 719 | - | (2 649) | 116 070 | 116 024 | 46 | 100 | 113 560 | 113 560 |

| Subprogramme: International Trade Development | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|--------------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | 75 882 | (302) | (291) | 75 289 | 75 281 | 8 | 100 | 71 117 | 71 117 |
| Compensation of employees | 63 871 | - | (2 322) | 61 549 | 61 549 | - | 100 | 57 296 | 57 296 |
| Salaries and wages | 55 246 | | (697) | 54 549 | 54 549 | - | 100 | 50 737 | 50 737 |
| Social contributions | 8 625 | | (1 625) | 7 000 | 7 000 | - | 100 | 6 559 | 6 559 |
| Goods and services | 12 011 | (302) | 2 031 | 13 740 | 13 732 | 8 | 99.9 | 13 821 | 13 821 |
| Administrative fees | | | | - | | - | - | 10 | 10 |
| Minor assets | 31 | (13) | | 18 | 18 | - | 100 | 13 | 13 |
| Catering: Departmental activities | 38 | (4) | | 34 | 34 | - | 100 | 31 | 31 |
| Communication (goods and services) | 348 | 22 | 11 | 381 | 380 | 1 | 99.7 | 459 | 459 |
| Consultants: Business and advisory services | 312 | (24) | | 288 | 288 | - | 100 | 215 | 215 |
| Legal services | 1 592 | (1 307) | | 285 | 284 | 1 | 99.6 | 171 | 171 |
| Contractors | 3 | (1) | | 2 | 1 | 1 | 50 | 8 | 8 |
| Entertainment | 75 | (36) | | 39 | 37 | 2 | 94.9 | 1 | 1 |
| Fleet services (including government motor transport) | | | | - | | - | - | 1 | 1 |
| Consumable supplies | | | | - | | - | - | 37 | 37 |
| Consumables: Stationery, printing and office supplies | | | | - | - | - | - | 131 | 131 |
| Operating leases | 101 | 38 | 14 | 153 | 152 | 1 | 99.3 | 118 | 118 |
| Property payments | 3 | (1) | | 2 | 1 | 1 | 50 | 24 | 24 |
| Travel and subsistence | 8 309 | 1 010 | 247 | 9 566 | 9 566 | - | 100 | 11 942 | 11 942 |

| Subprogramme: International Trade Development | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|----------------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Operating payments | 407 | 201 | 1 710 | 2 318 | 2 318 | - | 100 | 307 | 307 |
| Venues and facilities | 614 | (139) | 49 | 524 | 523 | 1 | 99.8 | 252 | 252 |
| Rental and hiring | 178 | (48) | | 130 | 130 | - | 100 | 101 | 101 |
| Transfers and subsidies | 24 422 | - | (1 452) | 22 970 | 22 970 | - | 100 | 26 825 | 26 825 |
| Departmental agencies and accounts | 1 131 | - | - | 1 131 | 1 131 | - | 100 | 1 077 | 1 077 |
| Departmental agencies (non-business entities) | 1 131 | | | 1 131 | 1 131 | - | 100 | 1 077 | 1 077 |
| Foreign governments and international organisations | 19 127 | | (1 452) | 17 675 | 17 675 | - | 100 | 21 545 | 21 545 |
| Public corporations and private enterprises | 4 164 | - | - | 4 164 | 4 164 | - | 100 | 3 955 | 3 955 |
| Public corporations | 4 164 | - | - | 4 164 | 4 164 | - | 100 | 3 955 | 3 955 |
| Subsidies on products and production | | | | - | 4 164 | (4 164) | - | 3 955 | 3 955 |
| Other transfers to public corporations | 4 164 | | | 4 164 | | 4 164 | - | | |
| Households | - | - | - | - | - | - | - | 248 | 248 |
| Social benefits | | | | - | | - | - | 248 | 248 |
| Payments for capital assets | 669 | 15 | - | 684 | 683 | 1 | 99.9 | 633 | 633 |
| Machinery and equipment | 669 | 15 | - | 684 | 683 | 1 | 99.9 | 633 | 633 |
| Other machinery and equipment | 669 | 15 | | 684 | 683 | 1 | 99.9 | 633 | 633 |
| Total | 100 973 | (287) | (1 743) | 98 943 | 98 934 | 9 | 100 | 98 575 | 98 575 |

| Subprogramme: African Multilateral Economic Development | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|--------------|---------------------|--------------------|-----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | 17 746 | 287 | (906) | 17 127 | 17 090 | 37 | 99.8 | 14 967 | 14 967 |
| Compensation of employees | 13 535 | - | (926) | 12 609 | 12 609 | - | 100 | 11 609 | 11 609 |
| Salaries and wages | 10 369 | 729 | | 11 098 | 11 098 | - | 100 | 10 246 | 10 246 |
| Social contributions | 3 166 | (729) | (926) | 1 511 | 1 511 | - | 100 | 1 363 | 1 363 |
| Goods and services | 4 211 | 287 | 20 | 4 518 | 4 481 | 37 | 99.2 | 3 358 | 3 358 |
| Catering: Departmental activities | | 4 | | 4 | 4 | - | 100 | 30 | 30 |
| Communication (goods and services) | 72 | (5) | | 67 | 66 | 1 | 98.5 | 196 | 196 |
| Contractors | 53 | (33) | | 20 | 20 | - | 100 | 14 | 14 |
| Agency and support / outsourced services | 300 | (157) | | 143 | 142 | 1 | 99.3 | | |
| Fleet services (including government motor transport) | 10 | (5) | | 5 | 5 | - | 100 | | |
| Consumables: Stationery, printing and office supplies | | | | - | - | - | - | 2 | 2 |
| Operating leases | 37 | 28 | | 65 | 61 | 4 | 93.8 | 53 | 53 |
| Property payments | | | | - | - | - | - | 8 | 8 |
| Travel and subsistence | 2 875 | 165 | 20 | 3 060 | 3 031 | 29 | 99.1 | 2 356 | 2 356 |
| Operating payments | 4 | (1) | | 3 | 2 | 1 | 66.7 | | |
| Venues and facilities | 860 | 291 | | 1 151 | 1 150 | 1 | 99.9 | 699 | 699 |

| Subprogramme: African Multilateral Economic Development | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Transfers and subsidies | - | - | - | - | - | - | - | 18 | 18 |
| Households | - | - | - | - | - | - | - | 18 | 18 |
| Social benefits | | | | - | | - | - | 14 | 14 |
| Other transfers to households | | | | - | | - | - | 4 | 4 |
| Total | 17 746 | 287 | (906) | 17 127 | 17 090 | 37 | 99,8% | 14 985 | 14 985 |

| Programme 3: Special Economic Zones and Economic Transformation | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|----------------|---------------------|--------------------|---------------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Subprogramme | | | | | | | | | |
| 3.1 Enterprise Competitiveness | 26 687 | - | - | 26 687 | 24 942 | 1 745 | 93.5 | 23 329 | 23 327 |
| 3.2 Equity and Empowerment | 49 448 | 661 | (9 400) | 40 709 | 32 166 | 8 543 | 79 | 30 970 | 30 888 |
| 3.3 Spatial Industrial Economic Development (Special Economic Zones) | 45 757 | (661) | - | 45 096 | 40 481 | 4 615 | 89.8 | 38 310 | 38 309 |
| | 121 892 | - | (9 400) | 112 492 | 97 589 | 14 903 | 86.8 | 92 609 | 92 524 |
| Economic classification | | | | | | | | | |
| Current payments | 106 639 | (9 894) | (7 500) | 89 245 | 74 495 | 14 750 | 83.5 | 65 544 | 65 544 |
| Compensation of employees | 73 573 | - | - | 73 573 | 60 349 | 13 224 | 82 | 54 845 | 54 845 |
| Salaries and wages | 63 822 | 35 | - | 63 857 | 53 998 | 9 859 | 84.6 | 49 202 | 49 202 |
| Social contributions | 9 751 | (35) | - | 9 716 | 6 351 | 3 365 | 65.4 | 5 643 | 5 643 |
| Goods and services | 33 066 | (9 894) | (7 500) | 15 672 | 14 146 | 1 526 | 90.3 | 10 699 | 10 699 |
| Administrative fees | 97 | (21) | - | 76 | - | 76 | - | 11 | 11 |
| Advertising | 333 | 32 | - | 365 | 359 | 6 | 98.4 | 187 | 187 |
| Minor assets | 44 | 83 | - | 127 | 43 | 84 | 33.9 | 4 | 4 |
| Catering: Departmental activities | 495 | (225) | - | 270 | 250 | 20 | 92.6 | 168 | 168 |
| Communication (goods and services) | 623 | (241) | - | 382 | 258 | 124 | 67.5 | 452 | 452 |
| Computer services | 4 200 | (300) | (3 900) | - | - | - | - | 2 | 2 |
| Consultants: Business and advisory services | 15 888 | (7 425) | (3 600) | 4 863 | 4 223 | 640 | 86.8 | 3 193 | 3 193 |
| Legal services | 182 | 412 | - | 594 | 557 | 37 | 93.8 | - | - |
| Contractors | 345 | (26) | - | 319 | 318 | 1 | 99.7 | 3 | 3 |
| Entertainment | 15 | - | - | 15 | 1 | 14 | 6.7 | - | - |

| Programme 3: Special Economic Zones and Economic Transformation | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Fleet services (including government motor transport) | 124 | (97) | - | 27 | 18 | 9 | 66.7 | 25 | 25 |
| Consumable supplies | 21 | 36 | - | 57 | 37 | 20 | 64.9 | 40 | 40 |
| Consumables: Stationery, printing and office supplies | 915 | (633) | - | 282 | 238 | 44 | 84.4 | 524 | 524 |
| Operating leases | 132 | (23) | - | 109 | 106 | 3 | 97.2 | 65 | 65 |
| Travel and subsistence | 7 951 | (939) | - | 7 012 | 6 753 | 259 | 96.3 | 5 431 | 5 431 |
| Training and development | - | 238 | - | 238 | 238 | - | 100 | - | - |
| Operating payments | 461 | (112) | - | 349 | 197 | 152 | 56.4 | 442 | 442 |
| Venues and facilities | 1 240 | (657) | - | 583 | 546 | 37 | 93.7 | 152 | 152 |
| Rental and hiring | - | 4 | - | 4 | 4 | - | 100 | - | - |
| Transfers and subsidies | 11 478 | 209 | - | 11 687 | 11 683 | 4 | 100 | 11 305 | 11 303 |
| Departmental agencies and accounts | 8 523 | - | - | 8 523 | 8 523 | - | 100 | 8 594 | 8 594 |
| Departmental agencies (non-business entities) | 8 523 | - | - | 8 523 | 8 523 | - | 100 | 8 594 | 8 594 |
| Public corporations and private enterprises | 1 655 | - | - | 1 655 | 1 655 | - | 100 | 1 572 | 1 572 |
| Public corporations | 1 655 | - | - | 1 655 | 1 655 | - | 100 | 1 572 | 1 572 |
| Other transfers to public corporations | 1 655 | - | - | 1 655 | 1 655 | - | 100 | 1 572 | 1 572 |
| Non-profit institutions | 1 000 | - | - | 1 000 | 1 000 | - | 100 | 1 000 | 1 000 |

| Programme 3: Special Economic Zones and Economic Transformation | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|----------------|---------------------|--------------------|---------------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Households | 300 | 209 | - | 509 | 505 | 4 | 99.2 | 139 | 137 |
| Social benefits | - | 309 | - | 309 | 305 | 4 | 98.7 | 139 | 137 |
| Other transfers to households | 300 | (100) | - | 200 | 200 | - | 100 | - | - |
| Payments for capital assets | 3 775 | - | (1 900) | 1 875 | 1 726 | 149 | 92.1 | 3 743 | 3 740 |
| Machinery and equipment | 3 575 | (475) | (1 900) | 1 200 | 1 051 | 149 | 87.6 | 3 743 | 3 740 |
| Other machinery and equipment | 3 575 | (475) | (1 900) | 1 200 | 1 051 | 149 | 87.6 | 3 743 | 3 740 |
| Software and other intangible assets | 200 | 475 | - | 675 | 675 | - | 100 | - | - |
| Payments for financial assets | - | 9 685 | - | 9 685 | 9 685 | - | 100 | 12 017 | 11 937 |
| Total | 121 892 | - | (9 400) | 112 492 | 97 589 | 14 903 | 86.8 | 92 609 | 92 524 |

| Subprogramme: Enterprise Competitiveness | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|----------|---------------------|--------------------|--------------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| Economic classification | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | 16 409 | (5) | - | 16 404 | 14 662 | 1 742 | 89.4 | 13 562 | 13 562 |
| Compensation of employees | 13 889 | - | - | 13 889 | 12 745 | 1 144 | 91.8 | 11 895 | 11 895 |
| Salaries and wages | 11 329 | 35 | | 11 364 | 11 363 | 1 | 100 | 10 597 | 10 597 |
| Social contributions | 2 560 | (35) | | 2 525 | 1 382 | 1 143 | 54.7 | 1 298 | 1 298 |
| Goods and services | 2 520 | (5) | - | 2 515 | 1 917 | 598 | 76.2 | 1 667 | 1 667 |
| Administrative fees | 18 | (1) | | 17 | | 17 | - | | |
| Minor assets | 5 | 2 | | 7 | 2 | 5 | 28.6 | | |
| Catering: Departmental activities | 40 | | | 40 | 20 | 20 | 50 | 23 | 23 |
| Communication (goods and services) | 94 | | | 94 | 7 | 87 | 7.4 | 59 | 59 |
| Consultants: Business and advisory services | 1 400 | (229) | | 1 171 | 1 107 | 64 | 94.5 | 1 118 | 1 118 |
| Entertainment | 2 | | | 2 | | 2 | - | | |
| Fleet services (including government motor transport) | 8 | | | 8 | | 8 | - | | |
| Consumable supplies | | 8 | | 8 | - | 8 | - | 2 | 2 |
| Consumables: Stationery, printing and office supplies | 21 | | | 21 | | 21 | - | 17 | 17 |
| Operating leases | 11 | 16 | | 27 | 27 | - | 100 | 9 | 9 |
| Travel and subsistence | 810 | 199 | | 1 009 | 754 | 255 | 74.7 | 439 | 439 |

| Subprogramme: Enterprise Competitiveness | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|----------|---------------------|--------------------|--------------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Operating payments | 94 | | | 94 | | 94 | - | | |
| Venues and facilities | 17 | | | 17 | | 17 | - | | |
| Transfers and subsidies | 10 278 | 5 | - | 10 283 | 10 280 | 3 | 100 | 9 714 | 9 712 |
| Departmental agencies and accounts | 8 523 | - | - | 8 523 | 8 523 | - | 100 | 8 094 | 8 094 |
| Departmental agencies (non-business entities) | 8 523 | | | 8 523 | 8 523 | - | 100 | 8 094 | 8 094 |
| Public corporations and private enterprises | 1 655 | - | - | 1 655 | 1 655 | - | 100 | 1 572 | 1 572 |
| Public corporations | 1 655 | - | - | 1 655 | 1 655 | - | 100 | 1 572 | 1 572 |
| Other transfers to public corporations | 1 655 | | | 1 655 | 1 655 | - | 100 | 1 572 | 1 572 |
| Households | 100 | 5 | - | 105 | 102 | 3 | 97.1 | 48 | 46 |
| Social benefits | | 5 | - | 5 | 2 | 3 | 40 | 48 | 46 |
| Other transfers to households | 100 | | | 100 | 100 | - | 100 | | |
| Payments for capital assets | - | - | - | - | - | - | - | 53 | 53 |
| Machinery and equipment | - | - | - | - | - | - | - | 53 | 53 |
| Other machinery and equipment | | | | - | - | - | - | 53 | 53 |
| Total | 26 687 | - | - | 26 687 | 24 942 | 1 745 | 93.5 | 23 329 | 23 327 |

| Subprogramme: Equity and Empowerment | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|----------------|---------------------|--------------------|--------------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| Economic classification | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | 45 385 | (9 502) | (7 500) | 28 383 | 19 989 | 8 394 | 70.4 | 14 150 | 14 150 |
| Compensation of employees | 21 520 | - | - | 21 520 | 13 869 | 7 651 | 64.4 | 9 614 | 9 614 |
| Salaries and wages | 18 421 | | | 18 421 | 12 398 | 6 023 | 67.3 | 8 499 | 8 499 |
| Social contributions | 3 099 | | | 3 099 | 1 471 | 1 628 | 47.5 | 1 115 | 1 115 |
| Goods and services | 23 865 | (9 502) | (7 500) | 6 863 | 6 120 | 743 | 89.2 | 4 536 | 4 536 |
| Administrative fees | - | | | - | - | - | - | 2 | 2 |
| Advertising | 327 | 32 | | 359 | 359 | - | 100 | 187 | 187 |
| Minor assets | 39 | 70 | | 109 | 30 | 79 | 27.5 | | |
| Catering: Departmental activities | 287 | (110) | | 177 | 177 | - | 100 | 83 | 83 |
| Communication (goods and services) | 259 | (241) | | 18 | 18 | - | 100 | 228 | 228 |
| Computer services | 3 900 | | (3 900) | - | - | - | - | 2 | 2 |
| Consultants: Business and advisory services | 12 713 | (6 737) | (3 600) | 2 376 | 1 800 | 576 | 75.8 | 1 637 | 1 637 |
| Legal services | 182 | | | 182 | 146 | 36 | 80.2 | | |
| Contractors | 335 | (19) | | 316 | 315 | 1 | 99.7 | 3 | 3 |
| Entertainment | 10 | | | 10 | 1 | 9 | 10 | | |
| Fleet services (including government motor transport) | 3 | | | 3 | 3 | - | 100 | | |
| Consumable supplies | 11 | 28 | | 39 | 36 | 3 | 92.3 | 5 | 5 |
| Consumables: Stationery, printing and office supplies | 670 | (421) | | 249 | 228 | 21 | 91.6 | 357 | 357 |
| Operating leases | 65 | (46) | | 19 | 18 | 1 | 94.7 | 8 | 8 |
| Travel and subsistence | 3 830 | (1 738) | | 2 092 | 2 091 | 1 | 100 | 1 568 | 1 568 |
| Training and development | | 238 | | 238 | 238 | - | 100 | | |

| Subprogramme: Equity and Empowerment | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|----------------|---------------------|--------------------|--------------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Operating payments | 324 | (112) | | 212 | 197 | 15 | 92.9 | 395 | 395 |
| Venues and facilities | 910 | (450) | | 460 | 459 | 1 | 99.8 | 61 | 61 |
| Rental and hiring | | 4 | | 4 | 4 | - | 100 | | |
| Transfers and subsidies | 1 000 | 195 | - | 1 195 | 1 195 | - | 100 | 1 556 | 1 556 |
| Departmental agencies and accounts | - | - | - | - | - | - | - | 500 | 500 |
| Departmental agencies (non-business entities) | | | | - | | - | - | 500 | 500 |
| Non-profit institutions | 1 000 | | | 1 000 | 1 000 | - | 100 | 1 000 | 1 000 |
| Households | - | 195 | - | 195 | 195 | - | 100 | 56 | 56 |
| Social benefits | | 195 | | 195 | 195 | - | 100 | 56 | 56 |
| Other transfers to households | | | | - | | - | - | | |
| Payments for capital assets | 3 063 | 283 | (1 900) | 1 446 | 1 297 | 149 | 89.7 | 3 247 | 3 245 |
| Machinery and equipment | 2 863 | (192) | (1 900) | 771 | 622 | 149 | 80.7 | 3 247 | 3 245 |
| Transport equipment | | | | - | | - | - | | |
| Other machinery and equipment | 2 863 | (192) | (1 900) | 771 | 622 | 149 | 80.7 | 3 247 | 3 245 |
| Software and other intangible assets | 200 | 475 | | 675 | 675 | - | 100 | | |
| Payments for financial assets | - | 9 685 | | 9 685 | 9 685 | - | 100 | 12 017 | 11 937 |
| Total | 49 448 | 661 | (9 400) | 40 709 | 32 166 | 8 543 | 79 | 30 970 | 30 888 |

| Subprogramme: Spatial Industrial Economic Development (Special Economic Zones) | 2016/17 | | | | | | | 2015/16 | |
|--|------------------------|-------------------|----------|---------------------|--------------------|--------------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | 44 845 | (387) | - | 44 458 | 39 844 | 4 614 | 89.6 | 37 832 | 37 832 |
| Compensation of employees | 38 164 | - | - | 38 164 | 33 735 | 4 429 | 88.4 | 33 336 | 33 336 |
| Salaries and wages | 34 072 | | | 34 072 | 30 237 | 3 835 | 88.7 | 30 106 | 30 106 |
| Social contributions | 4 092 | | | 4 092 | 3 498 | 594 | 85.5 | 3 230 | 3 230 |
| Goods and services | 6 681 | (387) | - | 6 294 | 6 109 | 185 | 97.1 | 4 496 | 4 496 |
| Administrative fees | 79 | (20) | | 59 | - | 59 | - | 9 | 9 |
| Advertising | 6 | | | 6 | | 6 | - | | |
| Minor assets | | 11 | | 11 | 11 | - | 100 | 4 | 4 |
| Catering: Departmental activities | 168 | (115) | | 53 | 53 | - | 100 | 62 | 62 |
| Communication (goods and services) | 270 | | | 270 | 233 | 37 | 86.3 | 165 | 165 |
| Computer services | 300 | (300) | | - | | - | - | | |
| Consultants: Business and advisory services | 1 775 | (459) | | 1 316 | 1 316 | - | 100 | 438 | 438 |
| Legal services | | 412 | | 412 | 411 | 1 | 99.8 | | |
| Contractors | 10 | (7) | | 3 | 3 | - | 100 | | |
| Entertainment | 3 | | | 3 | | 3 | - | | |
| Fleet services (including government motor transport) | 113 | (97) | | 16 | 15 | 1 | 93.8 | 25 | 25 |
| Consumable supplies | 10 | | | 10 | 1 | 9 | 10 | 33 | 33 |
| Consumables: Stationery, printing and office supplies | 224 | (212) | | 12 | 10 | 2 | 83.3 | 150 | 150 |
| Operating leases | 56 | 7 | | 63 | 61 | 2 | 96.8 | 48 | 48 |
| Travel and subsistence | 3 311 | 600 | | 3 911 | 3 908 | 3 | 99.9 | 3 424 | 3 424 |

| Subprogramme: Spatial Industrial Economic Development (Special Economic Zones) | 2016/17 | | | | | | | 2015/16 | |
|--|------------------------|-------------------|----------|---------------------|--------------------|--------------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Operating payments | 43 | | | 43 | - | 43 | - | 47 | 47 |
| Venues and facilities | 313 | (207) | | 106 | 87 | 19 | 82.1 | 91 | 91 |
| Transfers and subsidies | 200 | 9 | - | 209 | 208 | 1 | 99.5 | 35 | 35 |
| Households | 200 | 9 | - | 209 | 208 | 1 | 99.5 | 35 | 35 |
| Social benefits | | 109 | | 109 | 108 | 1 | 99.1 | 35 | 35 |
| Other transfers to households | 200 | (100) | | 100 | 100 | - | 100 | | |
| Payments for capital assets | 712 | (283) | - | 429 | 429 | - | 100 | 443 | 442 |
| Machinery and equipment | 712 | (283) | - | 429 | 429 | - | 100 | 443 | 442 |
| Other machinery and equipment | 712 | (283) | | 429 | 429 | - | 100 | 443 | 442 |
| Total | 45 757 | (661) | - | 45 096 | 40 481 | 4 615 | 89.8 | 38 310 | 38 309 |

| Programme 4: Industrial Development | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|----------------|---------------------|--------------------|-----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Subprogramme | | | | | | | | | |
| 4.1 Industrial Competitiveness | 685 633 | 668 | (1 083) | 685 218 | 685 193 | 25 | 100 | 682 755 | 682 754 |
| 4.2 Customised Sector Programmes | 1 041 394 | (668) | (3 655) | 1 037 071 | 1 037 052 | 19 | 100 | 1 270 867 | 1 270 862 |
| | 1 727 027 | - | (4 738) | 1 722 289 | 1 722 245 | 44 | 100 | 1 953 622 | 1 953 616 |
| Economic classification | | | | | | | | | |
| Current payments | 115 212 | (156) | (2 995) | 112 061 | 112 027 | 34 | 100 | 118 126 | 118 126 |
| Compensation of employees | 105 191 | - | (3 311) | 101 880 | 101 878 | 2 | 100 | 99 602 | 99 602 |
| Salaries and wages | 91 523 | 1 553 | (2 311) | 90 765 | 90 763 | 2 | 100 | 88 910 | 88 910 |
| Social contributions | 13 668 | (1 553) | (1 000) | 11 115 | 11 115 | - | 100 | 10 692 | 10 692 |
| Goods and services | 10 021 | (156) | 316 | 10 181 | 10 149 | 32 | 99.7 | 18 524 | 18 524 |
| Administrative fees | 6 | (6) | - | - | - | - | - | - | - |
| Minor assets | 18 | (10) | - | 8 | 7 | 1 | 87.5 | 8 | 8 |
| Catering: Departmental activities | 93 | - | - | 93 | 91 | 2 | 97.8 | 123 | 123 |
| Communication (goods and services) | 356 | 42 | - | 398 | 396 | 2 | 99.5 | 567 | 567 |
| Computer services | 3 | (3) | - | - | - | - | - | - | - |
| Consultants: Business and advisory services | 1 020 | (11) | - | 1 009 | 1 009 | - | 100 | 7 083 | 7 083 |
| Legal services | - | 125 | - | 125 | 125 | - | 100 | - | - |
| Contractors | - | - | - | - | - | - | - | 23 | 23 |
| Entertainment | 3 | (2) | - | 1 | 1 | - | 100 | - | - |
| Fleet services (including government motor transport) | 9 | (5) | - | 4 | 3 | 1 | 75 | 5 | 5 |
| Consumable supplies | 39 | (26) | - | 13 | 6 | 7 | 46.2 | 99 | 99 |

| Programme 4: Industrial Development | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|--------------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Consumables: Stationery, printing and office supplies | 211 | (109) | - | 102 | 96 | 6 | 94.1 | 464 | 464 |
| Operating leases | 249 | 66 | - | 315 | 313 | 2 | 99.4 | 316 | 316 |
| Property payments | - | - | - | - | - | - | - | 1 | 1 |
| Travel and subsistence | 6 074 | 152 | 12 | 6 238 | 6 230 | 8 | 99.9 | 7 671 | 7 671 |
| Operating payments | 1 418 | (102) | 304 | 1 620 | 1 618 | 2 | 99.9 | 1 741 | 1 741 |
| Venues and facilities | 522 | (267) | - | 255 | 254 | 1 | 99.6 | 423 | 423 |
| Transfers and subsidies | 1 610 431 | 156 | (916) | 1 609 671 | 1 609 662 | 9 | 100 | 1 834 999 | 1 834 994 |
| Departmental agencies and accounts | 372 819 | - | - | 372 819 | 372 819 | - | 100 | 368 652 | 368 652 |
| Departmental agencies (non-business entities) | 372 819 | - | - | 372 819 | 372 819 | - | 100 | 368 652 | 368 652 |
| Higher education institutions | 3 | - | - | 3 | - | 3 | - | 3 | - |
| Foreign governments and international organisations | 8 517 | - | (916) | 7 601 | 7 600 | 1 | 100 | 6 405 | 6 405 |
| Public corporations and private enterprises | 1 066 971 | - | - | 1 066 971 | 1 066 967 | 4 | 100 | 1 311 607 | 1 311 607 |
| Public corporations | 1 066 971 | - | - | 1 066 971 | 1 066 967 | 4 | 100 | 1 311 607 | 1 311 607 |
| Other transfers to public corporations | 1 066 971 | - | - | 1 066 971 | 1 066 967 | 4 | 100 | 1 311 607 | 1 311 607 |
| Non-profit institutions | 162 107 | - | - | 162 107 | 162 107 | - | 100 | 147 850 | 147 850 |

| Programme 4: Industrial Development | 2016/17 | | | | | | | 2015/16 | |
|--------------------------------------|------------------------|-------------------|----------------|---------------------|--------------------|-----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Households | 14 | 156 | - | 170 | 169 | 1 | 99.4 | 482 | 480 |
| Social benefits | 14 | 156 | - | 170 | 169 | 1 | 99.4 | 382 | 380 |
| Other transfers to households | - | - | - | - | - | - | - | 100 | 100 |
| Payments for capital assets | 1 384 | - | (827) | 557 | 556 | 1 | 99.8 | 350 | 349 |
| Machinery and equipment | 1 384 | - | (827) | 557 | 556 | 1 | 99.8 | 350 | 349 |
| Other machinery and equipment | 1 384 | - | (827) | 557 | 556 | 1 | 99.8 | 350 | 349 |
| Payments for financial assets | - | - | - | - | - | - | - | 147 | 147 |
| Total | 1 727 027 | - | (4 738) | 1 722 289 | 1 722 245 | 44 | 100 | 1 953 622 | 1 953 616 |

| Subprogramme: Industrial Competitiveness | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|-----------|---------------------|--------------------|-----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | 36 957 | 638 | 12 | 37 607 | 37 588 | 19 | 99.9 | 43 494 | 43 494 |
| Compensation of employees | 33 423 | 997 | - | 34 420 | 34 419 | 1 | 100 | 32 651 | 32 651 |
| Salaries and wages | 28 727 | 2 168 | | 30 895 | 30 894 | 1 | 100 | 29 344 | 29 344 |
| Social contributions | 4 696 | (1 171) | | 3 525 | 3 525 | - | 100 | 3 307 | 3 307 |
| Goods and services | 3 534 | (359) | 12 | 3 187 | 3 169 | 18 | 99.4 | 10 843 | 10 843 |
| Administrative fees | 6 | (6) | | - | - | - | - | | |
| Minor assets | 18 | (10) | | 8 | 7 | 1 | 87.5 | 5 | 5 |
| Catering: Departmental activities | 26 | 8 | | 34 | 33 | 1 | 97.1 | 36 | 36 |
| Communication (goods and services) | 189 | 62 | | 251 | 250 | 1 | 99.6 | 250 | 250 |
| Computer services | 3 | (3) | | - | - | - | - | | |
| Consultants: Business and advisory services | 254 | 14 | | 268 | 268 | - | 100 | 7 000 | 7 000 |
| Legal services | | 124 | | 124 | 124 | - | 100 | | |
| Contractors | | | | - | - | - | - | 23 | 23 |
| Entertainment | 3 | (2) | | 1 | 1 | - | 100 | | |
| Fleet services (including government motor transport) | 5 | (5) | | - | - | - | - | 1 | 1 |
| Consumable supplies | 23 | (14) | | 9 | 2 | 7 | 22.2 | 43 | 43 |
| Consumables: Stationery, printing and office supplies | 201 | (101) | | 100 | 96 | 4 | 96 | 335 | 335 |
| Operating leases | 20 | 5 | | 25 | 24 | 1 | 96 | 46 | 46 |
| Property payments | | | | - | - | - | - | 1 | 1 |
| Travel and subsistence | 1 869 | 33 | 12 | 1 914 | 1 913 | 1 | 99.9 | 2 172 | 2 172 |

| Subprogramme: Enterprise Competitiveness | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|----------------|---------------------|--------------------|-----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Operating payments | 863 | (431) | - | 432 | 431 | 1 | 99.8% | 718 | 718 |
| Venues and facilities | 54 | (33) | | 21 | 20 | 1 | 95.2% | 213 | 213 |
| Transfers and subsidies | 648 281 | 30 | (916) | 647 395 | 647 389 | 6 | 100.0% | 638 957 | 638 956 |
| Departmental agencies and accounts | 372 819 | - | - | 372 819 | 372 819 | - | 100.0% | 368 652 | 368 652 |
| Departmental agencies (non-business entities) | 372 819 | | | 372 819 | 372 819 | - | 100.0% | 368 652 | 368 652 |
| Foreign governments and international organisations | 8 517 | | (916) | 7 601 | 7 600 | 1 | 100.0% | 6 405 | 6 405 |
| Public corporations and private enterprises | 212 365 | - | - | 212 365 | 212 361 | 4 | 100.0% | 217 752 | 217 752 |
| Public corporations | 212 365 | - | - | 212 365 | 212 361 | 4 | 100.0% | 217 752 | 217 752 |
| Other transfers to public corporations | 212 365 | | | 212 365 | 212 361 | 4 | 100.0% | 217 752 | 217 752 |
| Non-profit institutions | 54 580 | | | 54 580 | 54 580 | - | 100.0% | 45 980 | 45 980 |
| Households | - | 30 | - | 30 | 29 | 1 | 96.7% | 168 | 167 |
| Social benefits | | 30 | | 30 | 29 | 1 | 96.7% | 168 | 167 |
| Payments for capital assets | 395 | - | (179) | 216 | 216 | - | 100.0% | 157 | 157 |
| Machinery and equipment | 395 | - | (179) | 216 | 216 | - | 100.0% | 157 | 157 |
| Other machinery and equipment | 395 | | (179) | 216 | 216 | - | 100.0% | 157 | 157 |
| Payments for financial assets | | | | - | | - | - | 147 | 147 |
| Total | 685 633 | 668 | (1 083) | 685 218 | 685 193 | 25 | 100.0% | 682 755 | 682 754 |

| Subprogramme: Customised Sector Programmes | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|----------------|---------------------|--------------------|-----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | 78 255 | (794) | (3 007) | 74 454 | 74 439 | 15 | 100 | 74 632 | 74 632 |
| Compensation of employees | 71 768 | (997) | (3 311) | 67 460 | 67 459 | 1 | 100 | 66 951 | 66 951 |
| Salaries and wages | 62 796 | (615) | (2 311) | 59 870 | 59 869 | 1 | 100 | 59 566 | 59 566 |
| Social contributions | 8 972 | (382) | (1 000) | 7 590 | 7 590 | - | 100 | 7 385 | 7 385 |
| Goods and services | 6 487 | 203 | 304 | 6 994 | 6 980 | 14 | 99.8 | 7 681 | 7 681 |
| Minor assets | | | | - | | - | - | 3 | 3 |
| Catering: Departmental activities | 67 | (8) | | 59 | 58 | 1 | 98.3 | 87 | 87 |
| Communication (goods and services) | 167 | (20) | | 147 | 146 | 1 | 99.3 | 317 | 317 |
| Consultants: Business and advisory services | 766 | (25) | | 741 | 741 | - | 100 | 83 | 83 |
| Legal services | | 1 | | 1 | 1 | - | 100 | | |
| Fleet services (including government motor transport) | 4 | | | 4 | 3 | 1 | 75 | 4 | 4 |
| Consumable supplies | 16 | (12) | | 4 | 4 | - | 100 | 56 | 56 |
| Consumables: Stationery, printing and office supplies | 10 | (8) | | 2 | | 2 | - | 129 | 129 |
| Operating leases | 229 | 61 | | 290 | 289 | 1 | 99.7 | 270 | 270 |
| Travel and subsistence | 4 205 | 119 | | 4 324 | 4 317 | 7 | 99.8 | 5 499 | 5 499 |
| Operating payments | 555 | 329 | 304 | 1 188 | 1 187 | 1 | 99.9 | 1 023 | 1 023 |

| Subprogramme: Customised Sector Programmes | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|----------------|---------------------|--------------------|-----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Venues and facilities | 468 | (234) | | 234 | 234 | - | 100 | 210 | 210 |
| Transfers and subsidies | 962 150 | 126 | - | 962 276 | 962 273 | 3 | 100 | 1 196 042 | 1 196 038 |
| Higher education institutions | 3 | | | 3 | | 3 | - | 3 | - |
| Public corporations and private enterprises | 854 606 | - | - | 854 606 | 854 606 | - | 100 | 1 093 855 | 1 093 855 |
| Public corporations | 854 606 | - | - | 854 606 | 854 606 | - | 100 | 1 093 855 | 1 093 855 |
| Other transfers to public corporations | 854 606 | | | 854 606 | 854 606 | - | 100 | 1 093 855 | 1 093 855 |
| Non-profit institutions | 107 527 | | | 107 527 | 107 527 | - | 100 | 101 870 | 101 870 |
| Households | 14 | 126 | - | 140 | 140 | - | 100 | 314 | 313 |
| Social benefits | 14 | 126 | | 140 | 140 | - | 100 | 214 | 213 |
| Other transfers to households | | | | - | | - | - | 100 | 100 |
| Payments for capital assets | 989 | - | (648) | 341 | 340 | 1 | 99.7 | 193 | 192 |
| Machinery and equipment | 989 | - | (648) | 341 | 340 | 1 | 99.7 | 193 | 192 |
| Other machinery and equipment | 989 | | (648) | 341 | 340 | 1 | 99.7 | 193 | 192 |
| Total | 1 041 394 | (668) | (3 655) | 1 037 071 | 1 037 052 | 19 | 100 | 1 270 867 | 1 270 862 |

| Programme 5: Consumer and Corporate Regulation | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|--------------|---------------------|--------------------|-----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Subprogramme | | | | | | | | | |
| 5.1 Policy and Legislative Development | 14 932 | 427 | 1 818 | 17 177 | 17 168 | 9 | 99.9 | 14 741 | 14 741 |
| 5.2 Enforcement and Compliance | 41 648 | (996) | (371) | 40 281 | 40 273 | 8 | 100 | 39 320 | 39 319 |
| 5.3 Regulatory Services | 237 756 | 569 | (20) | 238 305 | 237 940 | 365 | 99.8 | 233 564 | 233 360 |
| | 294 336 | - | 1 427 | 295 763 | 295 381 | 382 | 99.9 | 287 625 | 287 420 |
| Economic classification | | | | | | | | | |
| Current payments | 71 691 | (12) | 1 401 | 73 080 | 73 058 | 22 | 100 | 68 236 | 68 236 |
| Compensation of employees | 62 823 | - | (3 237) | 59 586 | 59 582 | 4 | 100 | 54 479 | 54 479 |
| Salaries and wages | 56 568 | (489) | (3 237) | 52 842 | 52 839 | 3 | 100 | 48 324 | 48 324 |
| Social contributions | 6 255 | 489 | - | 6 744 | 6 743 | 1 | 100 | 6 155 | 6 155 |
| Goods and services | 8 868 | (12) | 4 638 | 13 494 | 13 476 | 18 | 99.9 | 13 757 | 13 757 |
| Administrative fees | 7 | (3) | - | 4 | 3 | 1 | 75 | 25 | 25 |
| Advertising | 493 | 185 | 15 | 693 | 692 | 1 | 99.9 | 1 981 | 1 981 |
| Minor assets | 6 | (3) | - | 3 | - | 3 | - | - | - |
| Catering: Departmental activities | 197 | 14 | 93 | 304 | 303 | 1 | 99.7 | 140 | 140 |
| Communication (goods and services) | 141 | 44 | 9 | 194 | 192 | 2 | 99 | 281 | 281 |
| Computer services | 53 | (53) | - | - | - | - | - | 54 | 54 |
| Consultants: Business and advisory services | 1 469 | (337) | 138 | 1 270 | 1 269 | 1 | 99.9 | 1 462 | 1 462 |
| Legal services | 1 085 | - | 2 570 | 3 655 | 3 655 | - | 100 | 865 | 865 |
| Contractors | - | - | - | - | - | - | - | 6 | 6 |
| Entertainment | 10 | (10) | - | - | - | - | - | 35 | 35 |
| Fleet services (including government motor transport) | 273 | (35) | 8 | 246 | 244 | 2 | 99.2 | 363 | 363 |

| Programme 5: Consumer and Corporate Regulation | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|--------------|---------------------|--------------------|------------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Consumable supplies | 24 | (9) | - | 15 | 13 | 2 | 86.7 | 33 | 33 |
| Consumables: Stationery, printing and office supplies | 60 | (46) | - | 14 | 14 | - | 100 | 234 | 234 |
| Operating leases | 74 | 2 | 83 | 159 | 156 | 3 | 98.1 | 149 | 149 |
| Transport provided: Departmental activity | - | - | 1 | 1 | 1 | - | 100 | - | - |
| Travel and subsistence | 4 692 | 338 | 1 092 | 6 122 | 6 122 | - | 100 | 6 226 | 6 226 |
| Training and development | - | - | - | - | - | - | - | 416 | 416 |
| Operating payments | - | - | 370 | 370 | 369 | 1 | 99.7 | 663 | 663 |
| Venues and facilities | 284 | (99) | 259 | 444 | 443 | 1 | 99.8 | 824 | 824 |
| Transfers and subsidies | 222 501 | 2 | 53 | 222 556 | 222 196 | 360 | 99.8 | 219 308 | 219 105 |
| Departmental agencies and accounts | 217 561 | - | - | 217 561 | 217 561 | - | 100 | 213 556 | 213 556 |
| Departmental agencies (non-business entities) | 217 561 | - | - | 217 561 | 217 561 | - | 100 | 213 556 | 213 556 |
| Foreign governments and international organisations | 4 927 | - | - | 4 927 | 4 568 | 359 | 92.7 | 5 489 | 5 287 |
| Households | 13 | 2 | 53 | 68 | 67 | 1 | 98.5 | 263 | 262 |
| Social benefits | 13 | 2 | 53 | 68 | 67 | 1 | 98.5 | 136 | 135 |
| Other transfers to households | - | - | - | - | - | - | - | 127 | 127 |
| Payments for capital assets | 144 | 10 | (27) | 127 | 127 | - | 100 | 79 | 78 |
| Machinery and equipment | 144 | 10 | (27) | 127 | 127 | - | 100 | 79 | 78 |
| Other machinery and equipment | 144 | 10 | (27) | 127 | 127 | - | 100 | 79 | 78 |
| Payments for financial assets | - | - | - | - | - | - | - | 2 | 1 |
| Total | 294 336 | - | 1 427 | 295 763 | 295 381 | 382 | 99.9 | 287 625 | 287 420 |

| Subprogramme: Policy and Legislative Development | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|--------------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | 14 924 | 427 | 1 818 | 17 169 | 17 161 | 8 | 100 | 14 678 | 14 678 |
| Compensation of employees | 13 616 | 486 | - | 14 102 | 14 101 | 1 | 100 | 12 432 | 12 432 |
| Salaries and wages | 12 137 | 496 | | 12 633 | 12 632 | 1 | 100 | 11 106 | 11 106 |
| Social contributions | 1 479 | (10) | | 1 469 | 1 469 | - | 100 | 1 326 | 1 326 |
| Goods and services | 1 308 | (59) | 1 818 | 3 067 | 3 060 | 7 | 99.8 | 2 246 | 2 246 |
| Administrative fees | 7 | (3) | | 4 | 3 | 1 | 75 | | |
| Advertising | | | 15 | 15 | 15 | - | 100 | | |
| Catering: Departmental activities | 51 | | 93 | 144 | 144 | - | 100 | 20 | 20 |
| Communication (goods and services) | 23 | (8) | 2 | 17 | 16 | 1 | 94.1 | 42 | 42 |
| Consultants: Business and advisory services | 30 | | 138 | 168 | 168 | - | 100 | 91 | 91 |
| Fleet services (including government motor transport) | | | 8 | 8 | 8 | - | 100 | | |
| Consumable supplies | 7 | (3) | | 4 | 3 | 1 | 75 | 19 | 19 |
| Consumables: Stationery, printing and office supplies | 60 | (47) | | 13 | 13 | - | 100 | 84 | 84 |
| Operating leases | 13 | | 23 | 36 | 33 | 3 | 91.7 | 11 | 11 |
| Transport provided: Departmental activity | | | 1 | 1 | 1 | - | 100 | | |
| Travel and subsistence | 1 023 | 2 | 909 | 1 934 | 1 934 | - | 100 | 1 333 | 1 333 |
| Operating payments | | | 370 | 370 | 369 | 1 | 99.7 | 619 | 619 |
| Venues and facilities | 94 | | 259 | 353 | 353 | - | 100 | 27 | 27 |

| Subprogramme: Policy and Legislative Development | 2016/17 | | | | | | | 2015/16 | |
|--|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Transfers and subsidies | 8 | - | - | 8 | 7 | 1 | 87.5 | 63 | 63 |
| Households | 8 | - | - | 8 | 7 | 1 | 87.5 | 63 | 63 |
| Social benefits | 8 | | | 8 | 7 | 1 | 87.5 | 13 | 13 |
| Other transfers to households | | | | - | | - | - | 50 | 50 |
| Total | 14 932 | 427 | 1 818 | 17 177 | 17 168 | 9 | 99.9 | 14 741 | 14 741 |

| Subprogramme: Enforcement and Compliance | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|----------------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| Economic classification | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | 41 646 | (996) | (424) | 40 226 | 40 218 | 8 | 100 | 39 221 | 39 221 |
| Compensation of employees | 35 603 | (955) | (3 237) | 31 411 | 31 410 | 1 | 100 | 30 755 | 30 755 |
| Salaries and wages | 32 520 | (1 524) | (3 237) | 27 759 | 27 758 | 1 | 100 | 27 325 | 27 325 |
| Social contributions | 3 083 | 569 | | 3 652 | 3 652 | - | 100 | 3 430 | 3 430 |
| Goods and services | 6 043 | (41) | 2 813 | 8 815 | 8 808 | 7 | 99.9 | 8 466 | 8 466 |
| Advertising | 250 | 428 | | 678 | 677 | 1 | 99.9 | 1 981 | 1 981 |
| Minor assets | 6 | (3) | | 3 | | 3 | - | | |
| Catering: Departmental activities | 119 | 8 | | 127 | 126 | 1 | 99.2 | 72 | 72 |
| Communication (goods and services) | 45 | 5 | | 50 | 50 | - | 100 | 93 | 93 |
| Computer services | 53 | (53) | | - | | - | - | 54 | 54 |
| Consultants: Business and advisory services | 954 | (520) | | 434 | 434 | - | 100 | 379 | 379 |
| Legal services | 1 085 | | 2 570 | 3 655 | 3 655 | - | 100 | 865 | 865 |
| Fleet services (including government motor transport) | 270 | (34) | | 236 | 235 | 1 | 99.6 | 356 | 356 |
| Consumable supplies | 5 | (2) | | 3 | 3 | - | 100 | 6 | 6 |
| Consumables: Stationery, printing and office supplies | | | | - | | - | - | 68 | 68 |
| Operating leases | 55 | | 60 | 115 | 115 | - | 100 | 121 | 121 |
| Travel and subsistence | 3 011 | 229 | 183 | 3 423 | 3 423 | - | 100 | 3 742 | 3 742 |
| Operating payments | | | | - | | - | - | 34 | 34 |
| Venues and facilities | 190 | (99) | | 91 | 90 | 1 | 98.9 | 695 | 695 |

| Subprogramme: Enforcement and Compliance | 2016/17 | | | | | | | 2015/16 | |
|--|------------------------|-------------------|-----------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| Economic classification | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Transfers and subsidies | 2 | - | 53 | 55 | 55 | - | 100 | 99 | 98 |
| Households | 2 | - | 53 | 55 | 55 | - | 100 | 99 | 98 |
| Social benefits | 2 | | 53 | 55 | 55 | - | 100 | 95 | 94 |
| Other transfers to households | | | | - | | - | - | 4 | 4 |
| Total | 41 648 | (996) | (371) | 40 281 | 40 273 | 8 | 100 | 39 320 | 39 319 |

| Subprogramme: Regulatory Services | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| Economic classification | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | 15 121 | 557 | 7 | 15 685 | 15 679 | 6 | 100 | 14 337 | 14 337 |
| Compensation of employees | 13 604 | 469 | - | 14 073 | 14 071 | 2 | 100 | 11 292 | 11 292 |
| Salaries and wages | 11 911 | 539 | | 12 450 | 12 449 | 1 | 100 | 9 893 | 9 893 |
| Social contributions | 1 693 | (70) | | 1 623 | 1 622 | 1 | 99.9 | 1 399 | 1 399 |
| Goods and services | 1 517 | 88 | 7 | 1 612 | 1 608 | 4 | 99.8 | 3 045 | 3 045 |
| Administrative fees | - | | | - | | - | - | 25 | 25 |
| Advertising | 243 | (243) | | - | | - | - | | |
| Catering: Departmental activities | 27 | 6 | | 33 | 33 | - | 100 | 48 | 48 |
| Communication (goods and services) | 73 | 47 | 7 | 127 | 126 | 1 | 99.2 | 146 | 146 |
| Consultants: Business and advisory services | 485 | 183 | | 668 | 667 | 1 | 99.9 | 992 | 992 |
| Contractors | | | | - | | - | - | 6 | 6 |
| Entertainment | 10 | (10) | | - | | - | - | 35 | 35 |
| Fleet services (including government motor transport) | 3 | (1) | | 2 | 1 | 1 | 50 | 7 | 7 |
| Consumable supplies | 12 | (4) | | 8 | 7 | 1 | 87.5 | 8 | 8 |
| Consumables: Stationery, printing and office supplies | | 1 | | 1 | 1 | - | 100 | 82 | 82 |
| Operating leases | 6 | 2 | | 8 | 8 | - | 100 | 17 | 17 |
| Travel and subsistence | 658 | 107 | | 765 | 765 | - | 100 | 1 151 | 1 151 |
| Training and development | | | | - | | - | - | 416 | 416 |
| Operating payments | | | | - | | - | - | 10 | 10 |
| Venues and facilities | | | | - | | - | - | 102 | 102 |

| Subprogramme: Regulatory Services | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|-------------|---------------------|--------------------|------------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| Economic classification | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Transfers and subsidies | 222 491 | 2 | - | 222 493 | 222 134 | 359 | 99.8 | 219 146 | 218 944 |
| Departmental agencies and accounts | 217 561 | - | - | 217 561 | 217 561 | - | 100 | 213 556 | 213 556 |
| Departmental agencies (non-business entities) | 217 561 | | | 217 561 | 217 561 | - | 100 | 213 556 | 213 556 |
| Foreign governments and international organisations | 4 927 | | | 4 927 | 4 568 | 359 | 92.7 | 5 489 | 5 287 |
| Households | 3 | 2 | - | 5 | 5 | - | 100 | 101 | 101 |
| Social benefits | 3 | 2 | | 5 | 5 | - | 100 | 28 | 28 |
| Other transfers to households | | | | - | | - | - | 73 | 73 |
| Payments for capital assets | 144 | 10 | (27) | 127 | 127 | - | 100 | 79 | 78 |
| Machinery and equipment | 144 | 10 | (27) | 127 | 127 | - | 100 | 79 | 78 |
| Other machinery and equipment | 144 | 10 | (27) | 127 | 127 | - | 100 | 79 | 78 |
| Payments for financial assets | | | | - | | - | - | 2 | 1 |
| Total | 237 756 | 569 | (20) | 238 305 | 237 940 | 365 | 99.8 | 233 564 | 233 360 |

| Programme 6: Incentive Development and Administration | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|----------------|---------------------|--------------------|------------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Subprogramme | | | | | | | | | |
| 6.1 Broadening Participation Incentives | 65 269 | (39 599) | - | 25 670 | 25 536 | 134 | 99.5 | 26 649 | 26 648 |
| 6.2 Manufacturing Incentives | 4 467 044 | (102 524) | (2 971) | 4 361 549 | 4 361 494 | 55 | 100 | 3 983 534 | 3 983 465 |
| 6.3 Services Investment Incentives | 613 776 | 167 995 | 32 456 | 814 227 | 814 209 | 18 | 100 | 803 171 | 803 171 |
| 6.4 Infrastructure Investment Support | 1 711 417 | (26 099) | (24 249) | 1 661 069 | 1 660 170 | 899 | 99.9 | 975 519 | 949 722 |
| 6.5 Product and Systems Development | 15 867 | 92 | (554) | 15 405 | 15 400 | 5 | 100 | 14 874 | 14 873 |
| 6.6 Strategic Partnerships and Customer Care | 18 336 | 135 | (85) | 18 386 | 18 377 | 9 | 100 | 17 906 | 17 906 |
| | 6 891 709 | - | 4 597 | 6 896 306 | 6 895 186 | 1 120 | 100 | 5 821 653 | 5 795 785 |
| Economic classification | | | | | | | | | |
| Current payments | 151 569 | (5 601) | (3 431) | 142 537 | 141 602 | 935 | 99.3 | 151 232 | 151 232 |
| Compensation of employees | 130 954 | - | (3 431) | 127 523 | 126 834 | 689 | 99.5 | 126 464 | 126 464 |
| Salaries and wages | 115 151 | (162) | (3 142) | 111 847 | 111 844 | 3 | 100 | 112 289 | 112 289 |
| Social contributions | 15 803 | 162 | (289) | 15 676 | 14 990 | 686 | 95.6 | 14 175 | 14 175 |
| Goods and services | 20 615 | (5 601) | - | 15 014 | 14 768 | 246 | 98.4 | 24 768 | 24 768 |
| Administrative fees | 8 | 8 | - | 16 | 12 | 4 | 75 | 26 | 26 |
| Minor assets | 13 | (4) | - | 9 | 7 | 2 | 77.8 | 3 | 3 |
| Catering: Departmental activities | 110 | (9) | - | 101 | 100 | 1 | 99 | 98 | 98 |
| Communication (goods and services) | 249 | 33 | - | 282 | 276 | 6 | 97.9 | 573 | 573 |
| Computer services | - | - | - | - | - | - | - | - | - |
| Consultants: Business and advisory services | 5 427 | (2 663) | - | 2 764 | 2 763 | 1 | 100 | 5 108 | 5 108 |
| Legal services | 3 194 | (1 798) | - | 1 396 | 1 395 | 1 | 99.9 | 3 918 | 3 918 |
| Contractors | - | - | - | - | - | - | - | 2 880 | 2 880 |

| Programme 6: Incentive Development and Administration | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|--------------|---------------------|--------------------|------------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Entertainment | 8 | (8) | - | - | - | - | - | - | - |
| Fleet services (including government motor transport) | 117 | (11) | - | 106 | 96 | 10 | 90.6 | 141 | 141 |
| Consumable supplies | 16 | (2) | - | 14 | 6 | 8 | 42.9 | 36 | 36 |
| Consumables: Stationery, printing and office supplies | 61 | (16) | - | 45 | 41 | 4 | 91.1 | 726 | 726 |
| Operating leases | 597 | 304 | - | 901 | 898 | 3 | 99.7 | 792 | 792 |
| Property payments | 504 | (157) | - | 347 | 346 | 1 | 99.7 | 252 | 252 |
| Transport provided: Departmental activity | - | - | - | - | - | - | - | - | - |
| Travel and subsistence | 10 310 | (1 278) | - | 9 032 | 8 828 | 204 | 97.7 | 9 695 | 9 695 |
| Operating payments | 1 | - | - | 1 | - | 1 | - | 109 | 109 |
| Venues and facilities | - | - | - | - | - | - | - | 411 | 411 |
| Transfers and subsidies | 6 732 830 | 12 438 | 8 028 | 6 753 296 | 6 753 112 | 184 | 100 | 5 667 143 | 5 641 276 |
| Departmental agencies and accounts | 256 000 | - | - | 256 000 | 256 000 | - | 100 | - | - |
| Social security funds | - | - | - | - | - | - | - | - | - |
| Departmental agencies (non-business entities) | 256 000 | - | - | 256 000 | 256 000 | - | 100 | - | - |
| Public corporations and private enterprises | 6 476 030 | 12 438 | 8 601 | 6 497 069 | 6 496 887 | 182 | 100 | 5 666 455 | 5 640 590 |
| Public corporations | 1 410 000 | 375 797 | - | 1 785 797 | 1 785 797 | - | 100 | - | - |
| Other transfers to public corporations | 1 410 000 | 375 797 | - | 1 785 797 | 1 785 797 | - | 100 | - | - |
| Private enterprises | 5 066 030 | (363 359) | 8 601 | 4 711 272 | 4 711 090 | 182 | 100 | 5 666 455 | 5 640 590 |
| Subsidies on products and production | 4 590 716 | (157 562) | 8 601 | 4 441 755 | 4 441 734 | 21 | 100 | - | - |
| Other transfers to private enterprises | 475 314 | (205 797) | - | 269 517 | 269 356 | 161 | 99.9 | 5 666 455 | 5 640 590 |

| Programme 6: Incentive Development and Administration | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|--------------|---------------------|--------------------|--------------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Households | 800 | - | (573) | 227 | 225 | 2 | 99.1 | 688 | 686 |
| Social benefits | 800 | - | (573) | 227 | 225 | 2 | 99.1 | 688 | 686 |
| Other transfers to households | - | - | - | - | - | - | - | - | - |
| Payments for capital assets | 7 310 | (6 837) | - | 473 | 472 | 1 | 99.8 | 3 278 | 3 277 |
| Machinery and equipment | 2 016 | (1 543) | - | 473 | 472 | 1 | 99.8 | 680 | 679 |
| Other machinery and equipment | 2 016 | (1 543) | - | 473 | 472 | 1 | 99.8 | 680 | 679 |
| Software and other intangible assets | 5 294 | (5 294) | - | - | - | - | - | 2 598 | 2 598 |
| Total | 6 891 709 | - | 4 597 | 6 896 306 | 6 895 186 | 1 120 | 100 | 5 821 653 | 5 795 785 |

| Subprogramme: Broadening Participation Incentives | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|----------|---------------------|--------------------|------------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | 4 377 | 401 | - | 4 778 | 4 776 | 2 | 100 | 3 753 | 3 753 |
| Compensation of employees | 3 982 | 191 | - | 4 173 | 4 172 | 1 | 100 | 3 638 | 3 638 |
| Salaries and wages | 3 624 | 47 | | 3 671 | 3 670 | 1 | 100 | 3 276 | 3 276 |
| Social contributions | 358 | 144 | | 502 | 502 | - | 100 | 362 | 362 |
| Goods and services | 395 | 210 | - | 605 | 604 | 1 | 99.8 | 115 | 115 |
| Communication (goods and services) | 4 | (2) | | 2 | 2 | - | 100 | 26 | 26 |
| Fleet services (including government motor transport) | 2 | 3 | | 5 | 5 | - | 100 | | |
| Operating leases | 16 | 49 | | 65 | 65 | - | 100 | | |
| Travel and subsistence | 373 | 160 | | 533 | 532 | 1 | 99.8 | 89 | 89 |
| Transfers and subsidies | 60 892 | (40 000) | - | 20 892 | 20 760 | 132 | 99.4 | 22 836 | 22 836 |
| Public corporations and private enterprises | 60 892 | (40 000) | - | 20 892 | 20 760 | 132 | 99.4 | 22 827 | 22 827 |
| Private enterprises | 60 892 | (40 000) | - | 20 892 | 20 760 | 132 | 99.4 | 22 827 | 22 827 |
| Other transfers to private enterprises | 60 892 | (40 000) | | 20 892 | 20 760 | 132 | 99.4 | 22 827 | 22 827 |
| Households | - | - | - | - | - | - | - | 9 | 9 |
| Social benefits | | | | - | - | - | - | 9 | 9 |
| Payments for capital assets | - | - | - | - | - | - | - | 60 | 59 |
| Machinery and equipment | - | - | - | - | - | - | - | 60 | 59 |
| Other machinery and equipment | - | | | - | | - | - | 60 | 59 |
| Total | 65 269 | (39 599) | - | 25 670 | 25 536 | 134 | 99.5 | 26 649 | 26 648 |

| Subprogramme: Manufacturing Incentives | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|----------------|---------------------|--------------------|-----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| Economic classification | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | 87 796 | (5 547) | (2 398) | 79 851 | 79 830 | 21 | 100 | 91 341 | 91 341 |
| Compensation of employees | 73 090 | (191) | (2 398) | 70 501 | 70 500 | 1 | 100 | 72 371 | 72 371 |
| Salaries and wages | 64 366 | (191) | (2 308) | 61 867 | 61 867 | - | 100 | 64 064 | 64 064 |
| Social contributions | 8 724 | | (90) | 8 634 | 8 633 | 1 | 100 | 8 307 | 8 307 |
| Goods and services | 14 706 | (5 356) | - | 9 350 | 9 330 | 20 | 99.8 | 18 970 | 18 970 |
| Administrative fees | 8 | | | 8 | 6 | 2 | 75 | 26 | 26 |
| Minor assets | 12 | (4) | | 8 | 7 | 1 | 87.5 | 3 | 3 |
| Catering: Departmental activities | 109 | (8) | | 101 | 100 | 1 | 99 | 98 | 98 |
| Communication (goods and services) | 136 | 52 | | 188 | 188 | - | 100 | 309 | 309 |
| Consultants: Business and advisory services | 5 427 | (2 663) | | 2 764 | 2 763 | 1 | 100 | 5 108 | 5 108 |
| Legal services | 3 194 | (1 798) | | 1 396 | 1 395 | 1 | 99.9 | 3 918 | 3 918 |
| Contractors | - | | | - | - | - | - | 2 880 | 2 880 |
| Entertainment | 8 | (8) | | - | - | - | - | | |
| Fleet services (including government motor transport) | 97 | (13) | | 84 | 83 | 1 | 98.8 | 120 | 120 |
| Consumable supplies | 14 | (1) | | 13 | 6 | 7 | 46.2 | 35 | 35 |
| Consumables: Stationery, printing and office supplies | 61 | (16) | | 45 | 41 | 4 | 91.1 | 698 | 698 |
| Operating leases | 312 | 98 | | 410 | 410 | - | 100 | 353 | 353 |
| Property payments | 504 | (157) | | 347 | 346 | 1 | 99.7 | 252 | 252 |
| Travel and subsistence | 4 823 | (838) | | 3 985 | 3 985 | - | 100 | 4 650 | 4 650 |
| Operating payments | 1 | | | 1 | | 1 | - | 109 | 109 |

| Subprogramme: Manufacturing Incentives | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|----------------|---------------------|--------------------|-----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| Economic classification | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Venues and facilities | | | | - | | - | - | 411 | 411 |
| Transfers and subsidies | 4 371 938 | (90 109) | (573) | 4 281 256 | 4 281 223 | 33 | 100 | 3 888 975 | 3 888 906 |
| Departmental agencies and accounts | 256 000 | - | - | 256 000 | 256 000 | - | 100 | - | - |
| Departmental agencies (non-business entities) | 256 000 | | | 256 000 | 256 000 | - | 100 | | |
| Public corporations and private enterprises | 4 115 138 | (90 000) | - | 4 025 138 | 4 025 105 | 33 | 100 | 3 888 365 | 3 888 297 |
| Public corporations | - | 250 000 | - | 250 000 | 250 000 | - | 100 | - | - |
| Other transfers to public corporations | | 250 000 | | 250 000 | 250 000 | - | 100 | | |
| Private enterprises | 4 115 138 | (340 000) | - | 3 775 138 | 3 775 105 | 33 | 100 | 3 888 365 | 3 888 297 |
| Subsidies on products and production | 3 890 716 | (300 000) | | 3 590 716 | 3 590 696 | 20 | 100 | | |
| Other transfers to private enterprises | 224 422 | (40 000) | | 184 422 | 184 409 | 13 | 100 | 3 888 365 | 3 888 297 |
| Households | 800 | (109) | (573) | 118 | 118 | - | 100 | 610 | 609 |
| Social benefits | 800 | (109) | (573) | 118 | 118 | - | 100 | 610 | 609 |
| Payments for capital assets | 7 310 | (6 868) | - | 442 | 441 | 1 | 99.8 | 3 218 | 3 218 |
| Machinery and equipment | 2 016 | (1 574) | - | 442 | 441 | 1 | 99.8 | 620 | 620 |
| Other machinery and equipment | 2 016 | (1 574) | | 442 | 441 | 1 | 99.8 | 620 | 620 |
| Software and other intangible assets | 5 294 | (5 294) | | - | | - | - | 2 598 | 2 598 |
| Total | 4 467 044 | (102 524) | (2 971) | 4 361 549 | 4 361 494 | 55 | 100 | 3 983 534 | 3 983 465 |

| Subprogramme: Services Investment Incentives | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|---------------|---------------------|--------------------|-----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | 13 776 | (485) | (145) | 13 146 | 13 130 | 16 | 99.9 | 13 508 | 13 508 |
| Compensation of employees | 12 356 | - | (145) | 12 211 | 12 210 | 1 | 100 | 12 473 | 12 473 |
| Salaries and wages | 10 887 | | (116) | 10 771 | 10 770 | 1 | 100 | 11 119 | 11 119 |
| Social contributions | 1 469 | | (29) | 1 440 | 1 440 | - | 100 | 1 354 | 1 354 |
| Goods and services | 1 420 | (485) | - | 935 | 920 | 15 | 98.4 | 1 035 | 1 035 |
| Administrative fees | | 7 | | 7 | 6 | 1 | 85.7 | | |
| Communication (goods and services) | 30 | (7) | | 23 | 23 | - | 100 | 70 | 70 |
| Fleet services (including government motor transport) | 1 | | | 1 | | 1 | - | 1 | 1 |
| Operating leases | 10 | 17 | | 27 | 26 | 1 | 96.3 | 11 | 11 |
| Travel and subsistence | 1 379 | (502) | | 877 | 865 | 12 | 98.6 | 953 | 953 |
| Transfers and subsidies | 600 000 | 168 480 | 32 601 | 801 081 | 801 079 | 2 | 100 | 789 663 | 789 663 |
| Public corporations and private enterprises | 600 000 | 168 438 | 32 601 | 801 039 | 801 038 | 1 | 100 | 789 663 | 789 663 |
| Private enterprises | 600 000 | 168 438 | 32 601 | 801 039 | 801 038 | 1 | 100 | 789 663 | 789 663 |
| Subsidies on products and production | 600 000 | 168 438 | 32 601 | 801 039 | 801 038 | 1 | 100 | | |
| Other transfers to private enterprises | | | | - | | - | - | 789 663 | 789 663 |
| Households | - | 42 | - | 42 | 41 | 1 | 97.6 | - | - |
| Social benefits | | 42 | | 42 | 41 | 1 | 97.6 | | |
| Total | 613 776 | 167 995 | 32 456 | 814 227 | 814 209 | 18 | 100 | 803 171 | 803 171 |

| Subprogramme: Infrastructure Investment Support | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|-----------------|---------------------|--------------------|------------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | 11 417 | (99) | (249) | 11 069 | 10 186 | 883 | 92 | 9 868 | 9 868 |
| Compensation of employees | 10 076 | - | (249) | 9 827 | 9 143 | 684 | 93 | 8 945 | 8 945 |
| Salaries and wages | 8 293 | | (111) | 8 182 | 8 181 | 1 | 100 | 8 080 | 8 080 |
| Social contributions | 1 783 | | (138) | 1 645 | 962 | 683 | 58.5 | 865 | 865 |
| Goods and services | 1 341 | (99) | - | 1 242 | 1 043 | 199 | 84 | 923 | 923 |
| Administrative fees | | 1 | | 1 | | 1 | - | | |
| Communication (goods and services) | 7 | (1) | | 6 | 1 | 5 | 16.7 | 6 | 6 |
| Fleet services (including government motor transport) | 8 | | | 8 | 5 | 3 | 62.5 | 3 | 3 |
| Consumables: Stationery, printing and office supplies | | | | - | | - | - | 5 | 5 |
| Operating leases | 20 | 31 | | 51 | 50 | 1 | 98 | 12 | 12 |
| Travel and subsistence | 1 306 | (130) | | 1 176 | 987 | 189 | 83.9 | 897 | 897 |
| Transfers and subsidies | 1 700 000 | (26 000) | (24 000) | 1 650 000 | 1 649 984 | 16 | 100 | 965 651 | 939 854 |
| Public corporations and private enterprises | 1 700 000 | (26 000) | (24 000) | 1 650 000 | 1 649 984 | 16 | 100 | 965 600 | 939 803 |
| Public corporations | 1 410 000 | 125 797 | - | 1 535 797 | 1 535 797 | - | 100 | - | - |
| Other transfers to public corporations | 1 410 000 | 125 797 | | 1 535 797 | 1 535 797 | - | 100 | | |
| Private enterprises | 290 000 | (151 797) | (24 000) | 114 203 | 114 187 | 16 | 100 | 965 600 | 939 803 |
| Subsidies on products and production | 100 000 | (26 000) | (24 000) | 50 000 | 50 000 | - | 100 | | |
| Other transfers to private enterprises | 190 000 | (125 797) | - | 64 203 | 64 187 | 16 | 100 | 965 600 | 939 803 |
| Households | - | - | - | - | - | - | - | 51 | 51 |
| Social benefits | | | | - | | - | - | 51 | 51 |
| Total | 1 711 417 | (26 099) | (24 249) | 1 661 069 | 1 660 170 | 899 | 99.9 | 975 519 | 949 722 |

| Subprogramme: Product and Systems Development | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|--------------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | 15 867 | - | (554) | 15 313 | 15 308 | 5 | 100 | 14 856 | 14 856 |
| Compensation of employees | 15 050 | - | (554) | 14 496 | 14 495 | 1 | 100 | 14 032 | 14 032 |
| Salaries and wages | 13 468 | | (522) | 12 946 | 12 946 | - | 100 | 12 528 | 12 528 |
| Social contributions | 1 582 | | (32) | 1 550 | 1 549 | 1 | 99.9 | 1 504 | 1 504 |
| Goods and services | 817 | - | - | 817 | 813 | 4 | 99.5 | 824 | 824 |
| Communication (goods and services) | 35 | (10) | | 25 | 25 | - | 100 | 107 | 107 |
| Fleet services (including government motor transport) | 2 | (1) | | 1 | | 1 | - | 5 | 5 |
| Consumable supplies | 2 | (1) | | 1 | | 1 | - | 1 | 1 |
| Consumables: Stationery, printing and office supplies | | | | - | | - | - | 23 | 23 |
| Operating leases | 7 | 11 | | 18 | 17 | 1 | 94.4 | 14 | 14 |
| Travel and subsistence | 771 | 1 | | 772 | 771 | 1 | 99.9 | 674 | 674 |
| Transfers and subsidies | - | 61 | - | 61 | 61 | - | 100 | 18 | 17 |
| Households | - | 61 | - | 61 | 61 | - | 100 | 18 | 17 |
| Social benefits | | 61 | | 61 | 61 | - | 100 | 18 | 17 |
| Payments for capital assets | - | 31 | - | 31 | 31 | - | 100 | - | - |
| Machinery and equipment | - | 31 | - | 31 | 31 | - | 100 | - | - |
| Other machinery and equipment | | 31 | | 31 | 31 | - | 100 | | |
| Total | 15 867 | 92 | (554) | 15 405 | 15 400 | 5 | 100 | 14 874 | 14 873 |

| Subprogramme: Strategic Partnership and Customer Care Economic classification | 2016/17 | | | | | | | 2015/16 | |
|--|------------------------|-------------------|-------------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | 18 336 | 129 | (85) | 18 380 | 18 372 | 8 | 100 | 17 906 | 17 906 |
| Compensation of employees | 16 400 | - | (85) | 16 315 | 16 314 | 1 | 100 | 15 005 | 15 005 |
| Salaries and wages | 14 513 | (18) | (85) | 14 410 | 14 410 | - | 100 | 13 222 | 13 222 |
| Social contributions | 1 887 | 18 | | 1 905 | 1 904 | 1 | 99.9 | 1 783 | 1 783 |
| Goods and services | 1 936 | 129 | - | 2 065 | 2 058 | 7 | 99.7 | 2 901 | 2 901 |
| Minor assets | 1 | | | 1 | | 1 | - | | |
| Catering: Departmental activities | 1 | (1) | | - | | - | - | | |
| Communication (goods and services) | 37 | 1 | | 38 | 37 | 1 | 97.4 | 55 | 55 |
| Fleet services (including government motor transport) | 7 | | | 7 | 3 | 4 | 42.9 | 12 | 12 |
| Operating leases | 232 | 98 | | 330 | 330 | - | 100 | 402 | 402 |
| Travel and subsistence | 1 658 | 31 | | 1 689 | 1 688 | 1 | 99.9 | 2 432 | 2 432 |
| Transfers and subsidies | - | 6 | - | 6 | 5 | 1 | 83.3 | - | - |
| Households | - | 6 | - | 6 | 5 | 1 | 83.3 | - | - |
| Social benefits | | 6 | | 6 | 5 | 1 | 83.3 | | |
| Total | 18 336 | 135 | (85) | 18 386 | 18 377 | 9 | 100.0 | 17 906 | 17 906 |

| Programme 7: Trade Export South Africa | 2016/17 | | | | | | | 2015/16 | |
|--|------------------------|-------------------|---------------|---------------------|--------------------|--------------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Subprogramme | | | | | | | | | |
| 7.1 African Bilateral Economic Development | 22 333 | (2 487) | 235 | 20 081 | 20 073 | 8 | 100 | 37 959 | 37 958 |
| 7.2 Export Promotion and Marketing | 42 936 | (2 124) | 22 | 40 834 | 40 820 | 14 | 100 | 41 481 | 41 480 |
| 7.3 Trade Export South Africa Executive Management Unit | 328 513 | 5 753 | 44 657 | 378 923 | 377 713 | 1 210 | 99.7 | 404 802 | 404 800 |
| 7.4 Export Development and Support | 17 140 | (1 142) | - | 15 998 | 15 982 | 16 | 99.9 | 16 955 | 16 955 |
| | 410 922 | - | 44 914 | 455 836 | 454 588 | 1 248 | 99.7 | 501 197 | 501 193 |
| Economic classification | | | | | | | | | |
| Current payments | 237 303 | (241) | 44 057 | 281 119 | 279 875 | 1 244 | 99.6 | 298 980 | 298 980 |
| Compensation of employees | 159 623 | - | 36 515 | 196 138 | 195 296 | 842 | 99.6 | 205 154 | 205 154 |
| Salaries and wages | 133 960 | 8 991 | 36 515 | 179 466 | 178 637 | 829 | 99.5 | 184 112 | 184 112 |
| Social contributions | 25 663 | (8 991) | - | 16 672 | 16 659 | 13 | 99.9 | 21 042 | 21 042 |
| Goods and services | 77 680 | (241) | 7 542 | 84 981 | 84 579 | 402 | 99.5 | 93 826 | 93 826 |
| Administrative fees | 634 | (226) | 165 | 573 | 573 | - | 100 | 541 | 541 |
| Advertising | 171 | 41 | 63 | 275 | 273 | 2 | 99.3 | 727 | 727 |
| Minor assets | 165 | (61) | 62 | 166 | 164 | 2 | 98.8 | 120 | 120 |
| Bursaries: Employees | 6 | (6) | - | - | - | - | - | - | - |
| Catering: Departmental activities | 305 | (148) | - | 157 | 155 | 2 | 98.7 | 159 | 159 |
| Communication (goods and services) | 1 533 | (44) | 680 | 2 169 | 2 165 | 4 | 99.8 | 2 665 | 2 665 |
| Computer services | 577 | - | 380 | 957 | 956 | 1 | 99.9 | 1 034 | 1 034 |
| Consultants: Business and advisory services | 2 372 | (1 011) | - | 1 361 | 1 359 | 2 | 99.9 | 1 499 | 1 499 |
| Legal services | 27 | - | 22 | 49 | 49 | - | 100 | 324 | 324 |
| Contractors | 943 | 1 081 | - | 2 024 | 2 023 | 1 | 100 | 2 374 | 2 374 |

| Programme 7: Trade Export South Africa | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Agency and support / outsourced services | 55 | (29) | - | 26 | 25 | 1 | 96.2 | 520 | 520 |
| Entertainment | 846 | (13) | 200 | 1 033 | 1 031 | 2 | 99.8 | 1 275 | 1 275 |
| Fleet services (including government motor transport) | 188 | (5) | 175 | 358 | 356 | 2 | 99.4 | 305 | 305 |
| Consumable supplies | 547 | (23) | - | 524 | 515 | 9 | 98.3 | 505 | 505 |
| Consumables: Stationery, printing and office supplies | 1 380 | (783) | - | 597 | 594 | 3 | 99.5 | 1 217 | 1 217 |
| Operating leases | 25 430 | 96 | 3 539 | 29 065 | 28 704 | 361 | 98.8 | 23 708 | 23 708 |
| Property payments | 1 060 | 1 069 | 154 | 2 283 | 2 281 | 2 | 99.9 | 2 518 | 2 518 |
| Transport provided: Departmental activity | 6 | (6) | - | - | - | - | - | - | - |
| Travel and subsistence | 21 046 | (131) | 1 982 | 22 897 | 22 894 | 3 | 100 | 31 880 | 31 880 |
| Training and development | 880 | (121) | - | 759 | 759 | - | 100 | 1 134 | 1 134 |
| Operating payments | 12 407 | 2 327 | - | 14 734 | 14 730 | 4 | 100 | 15 278 | 15 278 |
| Venues and facilities | 7 060 | (2 248) | - | 4 812 | 4 811 | 1 | 100 | 6 043 | 6 043 |
| Rental and hiring | 42 | - | 120 | 162 | 162 | - | 100 | - | - |
| Transfers and subsidies | 171 566 | 135 | - | 171 701 | 171 700 | 1 | 100 | 200 397 | 200 395 |
| Public corporations and private enterprises | 171 566 | - | - | 171 566 | 171 566 | - | 100 | 199 969 | 199 969 |
| Public corporations | 171 566 | - | - | 171 566 | 171 566 | - | 100 | 199 969 | 199 969 |
| Other transfers to public corporations | 171 566 | - | - | 171 566 | 171 566 | - | 100 | 199 969 | 199 969 |

| Programme 7: Trade Export South Africa | 2016/17 | | | | | | | 2015/16 | |
|--|------------------------|-------------------|------------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Households | - | 135 | - | 135 | 134 | 1 | 99.3 | 428 | 426 |
| Social benefits | - | 135 | - | 135 | 134 | 1 | 99.3 | 428 | 426 |
| Payments for capital assets | 2 053 | 90 | 857 | 3 000 | 2 998 | 2 | 99.9 | 1 818 | 1 817 |
| Machinery and equipment | 2 053 | 90 | 857 | 3 000 | 2 998 | 2 | 99.9 | 1 818 | 1 817 |
| Transport equipment | 500 | 153 | 351 | 1 004 | 1 004 | - | 100 | 389 | 389 |
| Other machinery and equipment | 1 553 | (63) | 506 | 1 996 | 1 994 | 2 | 99.9 | 1 429 | 1 428 |
| Payments for financial assets | - | 16 | - | 16 | 15 | 1 | 93.8 | 2 | 1 |
| | 410 922 | - | 44 914 | 455 836 | 454 588 | 1 248 | 99.7 | 501 197 | 501 193 |

| Subprogramme: African Bilateral Economic Development Economic classification | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|-----------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | 22 333 | (2 568) | 32 | 19 797 | 19 790 | 7 | 100 | 37 790 | 37 790 |
| Compensation of employees | 18 051 | (779) | - | 17 272 | 17 271 | 1 | 100 | 27 027 | 27 027 |
| Salaries and wages | 13 372 | 1 853 | | 15 225 | 15 224 | 1 | 100 | 23 948 | 23 948 |
| Social contributions | 4 679 | (2 632) | | 2 047 | 2 047 | - | 100 | 3 079 | 3 079 |
| Goods and services | 4 282 | (1 789) | 32 | 2 525 | 2 519 | 6 | 99.8 | 10 763 | 10 763 |
| Administrative fees | 160 | (160) | | - | - | - | - | 8 | 8 |
| Advertising | | 82 | | 82 | 81 | 1 | 98.8 | 380 | 380 |
| Minor assets | 35 | (18) | | 17 | 16 | 1 | 94.1 | | |
| Bursaries: Employees | 6 | (6) | | - | - | - | - | | |
| Catering: Departmental activities | 37 | 21 | | 58 | 57 | 1 | 98.3 | 81 | 81 |
| Communication (goods and services) | 60 | 23 | | 83 | 82 | 1 | 98.8 | 171 | 171 |
| Computer services | | | | - | - | - | - | | |
| Consultants: Business and advisory services | 70 | 8 | | 78 | 78 | - | 100 | 6 | 6 |
| Legal services | | | | - | - | - | - | 33 | 33 |
| Entertainment | | | | - | - | - | - | 1 | 1 |
| Fleet services (including government motor transport) | | | | - | - | - | - | 1 | 1 |
| Consumable supplies | 2 | 2 | | 4 | 4 | - | 100 | | |
| Consumables: Stationery, printing and office supplies | 7 | (7) | | - | - | - | - | 129 | 129 |
| Operating leases | | 45 | 4 | 49 | 49 | - | 100 | 132 | 132 |
| Property payments | - | | | - | - | - | - | 12 | 12 |

| Subprogramme: African Bilateral Economic Development | 2016/17 | | | | | | | 2015/16 | |
|--|------------------------|-------------------|------------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Travel and subsistence | 3 901 | (1 829) | 28 | 2 100 | 2 099 | 1 | 100.0% | 8 165 | 8 165 |
| Operating payments | | 1 | | 1 | | 1 | - | 232 | 232 |
| Venues and facilities | 4 | 49 | | 53 | 53 | - | 100.0% | 1 412 | 1 412 |
| Transfers and subsidies | - | 52 | - | 52 | 51 | 1 | 98.1% | 145 | 145 |
| Households | - | 52 | - | 52 | 51 | 1 | 98.1% | 145 | 145 |
| Social benefits | - | 52 | | 52 | 51 | 1 | 98.1% | 145 | 145 |
| Payments for capital assets | - | 29 | 203 | 232 | 232 | - | 100.0% | 24 | 23 |
| Machinery and equipment | - | 29 | 203 | 232 | 232 | - | 100.0% | 24 | 23 |
| Other machinery and equipment | | 29 | 203 | 232 | 232 | - | 100.0% | 24 | 23 |
| Total | 22 333 | (2 487) | 235 | 20 081 | 20 073 | 8 | 100.0% | 37 959 | 37 958 |

| Subprogramme: Export Promotion and Marketing | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|-----------|---------------------|--------------------|-----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| Economic classification | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | 42 622 | (2 118) | 22 | 40 526 | 40 513 | 13 | 100 | 41 252 | 41 252 |
| Compensation of employees | 31 561 | (1 146) | - | 30 415 | 30 413 | 2 | 100 | 28 476 | 28 476 |
| Salaries and wages | 26 889 | (235) | | 26 654 | 26 652 | 2 | 100 | 25 043 | 25 043 |
| Social contributions | 4 672 | (911) | | 3 761 | 3 761 | - | 100 | 3 433 | 3 433 |
| Goods and services | 11 061 | (972) | 22 | 10 111 | 10 100 | 11 | 99.9 | 12 776 | 12 776 |
| Administrative fees | 123 | (62) | | 61 | 61 | - | 100 | 19 | 19 |
| Advertising | 79 | (41) | | 38 | 37 | 1 | 97.4 | | |
| Minor assets | 51 | (43) | | 8 | 7 | 1 | 87.5 | 6 | 6 |
| Catering: Departmental activities | 49 | (5) | | 44 | 44 | - | 100 | 3 | 3 |
| Communication (goods and services) | 121 | (67) | | 54 | 54 | - | 100 | 84 | 84 |
| Consultants: Business and advisory services | 1 490 | (356) | | 1 134 | 1 133 | 1 | 99.9 | 502 | 502 |
| Contractors | 59 | (59) | | - | - | - | - | | |
| Entertainment | 15 | (13) | | 2 | 1 | 1 | 50 | | |
| Fleet services (including government motor transport) | 6 | (5) | | 1 | | 1 | - | 1 | 1 |
| Consumable supplies | 27 | (24) | | 3 | 2 | 1 | 66.7 | 34 | 34 |
| Consumables: Stationery, printing and office supplies | 355 | (354) | | 1 | 1 | - | 100 | 252 | 252 |
| Operating leases | 29 | (4) | 11 | 36 | 36 | - | 100 | 43 | 43 |
| Property payments | | 4 | | 4 | 3 | 1 | 75 | 29 | 29 |

| Subprogramme: Export Promotion and Marketing | 2016/17 | | | | | | | 2015/16 | |
|--|------------------------|-------------------|-----------|---------------------|--------------------|-----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Transport provided: Departmental activity | 6 | (6) | | - | | - | - | | |
| Travel and subsistence | 5 641 | (290) | 11 | 5 362 | 5 360 | 2 | 100 | 8 578 | 8 578 |
| Operating payments | 185 | (107) | | 78 | 77 | 1 | 98.7 | 51 | 51 |
| Venues and facilities | 2 825 | 460 | | 3 285 | 3 284 | 1 | 100 | 3 174 | 3 174 |
| Transfers and subsidies | - | 23 | - | 23 | 23 | - | 100 | 14 | 13 |
| Households | - | 23 | - | 23 | 23 | - | 100 | 14 | 13 |
| Social benefits | | 23 | | 23 | 23 | - | 100 | 14 | 13 |
| Payments for capital assets | 314 | (29) | - | 285 | 284 | 1 | 99.6 | 215 | 215 |
| Machinery and equipment | 314 | (29) | - | 285 | 284 | 1 | 99.6 | 215 | 215 |
| Other machinery and equipment | 314 | (29) | | 285 | 284 | 1 | 99.6 | 215 | 215 |
| Total | 42 936 | (2 124) | 22 | 40 834 | 40 820 | 14 | 100 | 41 481 | 41 480 |

| Subprogramme: Trade Export South Africa Executive Management Unit | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|---------------|---------------------|--------------------|--------------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | 155 384 | 5 495 | 44 003 | 204 882 | 203 674 | 1 208 | 99.4 | 202 984 | 202 984 |
| Compensation of employees | 97 299 | 3 759 | 36 515 | 137 573 | 136 735 | 838 | 99.4 | 137 780 | 137 780 |
| Salaries and wages | 83 347 | 8 318 | 36 515 | 128 180 | 127 355 | 825 | 99.4 | 124 856 | 124 856 |
| Social contributions | 13 952 | (4 559) | | 9 393 | 9 380 | 13 | 99.9 | 12 924 | 12 924 |
| Goods and services | 58 085 | 1 736 | 7 488 | 67 309 | 66 939 | 370 | 99.5 | 65 204 | 65 204 |
| Administrative fees | 347 | | 165 | 512 | 512 | - | 100 | 514 | 514 |
| Advertising | 92 | | 63 | 155 | 155 | - | 100 | 347 | 347 |
| Minor assets | 79 | | 62 | 141 | 141 | - | 100 | 114 | 114 |
| Catering: Departmental activities | 209 | (207) | | 2 | 2 | - | 100 | 63 | 63 |
| Communication (goods and services) | 1 341 | | 680 | 2 021 | 2 019 | 2 | 99.9 | 2 383 | 2 383 |
| Computer services | 577 | | 380 | 957 | 956 | 1 | 99.9 | 1 034 | 1 034 |
| Consultants: Business and advisory services | 762 | (613) | | 149 | 148 | 1 | 99.3 | 991 | 991 |
| Legal services | 27 | | 22 | 49 | 49 | - | 100 | 291 | 291 |
| Contractors | 816 | 1 208 | - | 2 024 | 2 023 | 1 | 100 | 2 374 | 2 374 |
| Agency and support / outsourced services | 55 | (29) | | 26 | 25 | 1 | 96.2 | 520 | 520 |
| Entertainment | 831 | | 200 | 1 031 | 1 030 | 1 | 99.9 | 1 274 | 1 274 |
| Fleet services (including government motor transport) | 181 | | 175 | 356 | 355 | 1 | 99.7 | 301 | 301 |
| Consumable supplies | 516 | | | 516 | 508 | 8 | 98.4 | 467 | 467 |
| Consumables: Stationery, printing and office supplies | 1 017 | (421) | | 596 | 593 | 3 | 99.5 | 813 | 813 |
| Operating leases | 25 361 | 14 | 3 524 | 28 899 | 28 550 | 349 | 98.8 | 23 461 | 23 461 |
| Property payments | 1 060 | 1 065 | 154 | 2 279 | 2 278 | 1 | 100 | 2 477 | 2 477 |

| Subprogramme: Trade and Investment in South Africa Executive Management Unit | 2016/17 | | | | | | | 2015/16 | |
|--|------------------------|-------------------|---------------|---------------------|--------------------|--------------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Economic classification | | | | | | | | | |
| Transport provided: Departmental activity | | | | - | | - | - | | |
| Travel and subsistence | 10 900 | 2 026 | 1 943 | 14 869 | 14 869 | - | 100 | 14 455 | 14 455 |
| Training and development | 130 | (56) | | 74 | 74 | - | 100 | 20 | 20 |
| Operating payments | 9 516 | 1 501 | | 11 017 | 11 016 | 1 | 100 | 12 034 | 12 034 |
| Venues and facilities | 4 226 | (2 752) | | 1 474 | 1 474 | - | 100 | 1 271 | 1 271 |
| Rental and hiring | 42 | | 120 | 162 | 162 | - | 100 | | |
| Transfers and subsidies | 171 566 | 60 | - | 171 626 | 171 626 | - | 100 | 200 237 | 200 236 |
| Public corporations and private enterprises | 171 566 | - | - | 171 566 | 171 566 | - | 100 | 199 969 | 199 969 |
| Public corporations | 171 566 | - | - | 171 566 | 171 566 | - | 100 | 199 969 | 199 969 |
| Other transfers to public corporations | 171 566 | | | 171 566 | 171 566 | - | 100 | 199 969 | 199 969 |
| Households | - | 60 | - | 60 | 60 | - | 100 | 268 | 267 |
| Social benefits | | 60 | | 60 | 60 | - | 100 | 268 | 267 |
| Payments for capital assets | 1 563 | 182 | 654 | 2 399 | 2 398 | 1 | 100 | 1 579 | 1 579 |
| Machinery and equipment | 1 563 | 182 | 654 | 2 399 | 2 398 | 1 | 100 | 1 579 | 1 579 |
| Transport equipment | 500 | 153 | 351 | 1 004 | 1 004 | - | 100 | 389 | 389 |
| Other machinery and equipment | 1 063 | 29 | 303 | 1 395 | 1 394 | 1 | 99.9 | 1 190 | 1 190 |
| Payments for financial assets | | 16 | | 16 | 15 | 1 | 93.8 | 2 | 1 |
| Total | 328 513 | 5 753 | 44 657 | 378 923 | 377 713 | 1 210 | 99.7 | 404 802 | 404 800 |

| Subprogramme: Export Development and Support | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|----------|---------------------|--------------------|-----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| Economic classification | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | 16 964 | (1 050) | - | 15 914 | 15 898 | 16 | 99.9 | 16 954 | 16 954 |
| Compensation of employees | 12 712 | (1 834) | - | 10 878 | 10 877 | 1 | 100 | 11 871 | 11 871 |
| Salaries and wages | 10 352 | (945) | | 9 407 | 9 406 | 1 | 100 | 10 265 | 10 265 |
| Social contributions | 2 360 | (889) | | 1 471 | 1 471 | - | 100 | 1 606 | 1 606 |
| Goods and services | 4 252 | 784 | - | 5 036 | 5 021 | 15 | 99.7 | 5 083 | 5 083 |
| Administrative fees | 4 | (4) | | - | | - | - | | |
| Catering: Departmental activities | 10 | 43 | | 53 | 52 | 1 | 98.1 | 12 | 12 |
| Communication (goods and services) | 11 | | | 11 | 10 | 1 | 90.9 | 27 | 27 |
| Consultants: Business and advisory services | 50 | (50) | | - | | - | - | | |
| Contractors | 68 | (68) | | - | | - | - | | |
| Fleet services (including government motor transport) | 1 | | | 1 | 1 | - | 100 | 2 | 2 |
| Consumable supplies | 2 | (1) | | 1 | 1 | - | 100 | 4 | 4 |
| Consumables: Stationery, printing and office supplies | 1 | (1) | | - | | - | - | 23 | 23 |
| Operating leases | 40 | 41 | | 81 | 69 | 12 | 85.2 | 72 | 72 |
| Travel and subsistence | 604 | (38) | | 566 | 566 | - | 100 | 682 | 682 |
| Training and development | 750 | (65) | | 685 | 685 | - | 100 | 1 114 | 1 114 |
| Operating payments | 2 706 | 932 | | 3 638 | 3 637 | 1 | 100 | 2 961 | 2 961 |
| Venues and facilities | 5 | (5) | | - | | - | - | 186 | 186 |

| Subprogramme: Export Development and Support | 2016/17 | | | | | | | 2015/16 | |
|--|------------------------|-------------------|----------|---------------------|--------------------|-----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Transfers and subsidies | - | - | - | - | - | - | - | 1 | 1 |
| Households | - | - | - | - | - | - | - | 1 | 1 |
| Social benefits | | | | - | | - | - | 1 | 1 |
| Payments for capital assets | 176 | (92) | - | 84 | 84 | - | 100 | - | - |
| Machinery and equipment | 176 | (92) | - | 84 | 84 | - | 100 | - | - |
| Other machinery and equipment | 176 | (92) | | 84 | 84 | - | 100 | | |
| Total | 17 140 | (1 142) | - | 15 998 | 15 982 | 16 | 99,9 | 16 955 | 16 955 |

| Programme 8: Investment South Africa* | 2016/17 | | | | | | | 2015/16 | |
|--|------------------------|-------------------|----------------|---------------------|--------------------|-----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Subprogramme | | | | | | | | | |
| 8.1 Investment Promotion | 39 801 | 4 564 | 891 | 45 256 | 45 244 | 12 | 100 | - | - |
| 8.2 Investment and Interdepartmental Clearing House | 4 011 | (553) | 20 542 | 24 000 | 24 000 | - | 100 | - | - |
| 8.3 Investment Support and After Care | 4 011 | (4 011) | - | - | - | - | - | - | - |
| | 47 823 | - | 21 433 | 69 256 | 69 244 | 12 | 100 | - | - |
| Economic classification | | | | | | | | | |
| Current payments | 47 445 | (143) | (2 481) | 44 821 | 44 811 | 10 | 100 | - | - |
| Compensation of employees | 31 020 | - | (3 547) | 27 473 | 27 472 | 1 | 100 | - | - |
| Salaries and wages | 20 300 | 6 475 | (2 557) | 24 218 | 24 218 | - | 100 | - | - |
| Social contributions | 10 720 | (6 475) | (990) | 3 255 | 3 254 | 1 | 100 | - | - |
| Goods and services | 16 425 | (143) | 1 066 | 17 348 | 17 339 | 9 | 99.9 | - | - |
| Administrative fees | 77 | 138 | - | 215 | 214 | 1 | 99.5 | - | - |
| Advertising | 2 | 322 | - | 324 | 323 | 1 | 99.7 | - | - |
| Catering: Departmental activities | 94 | (68) | - | 26 | 25 | 1 | 96.2 | - | - |
| Communication (goods and services) | 175 | (96) | 2 | 81 | 80 | 1 | 98.8 | - | - |
| Computer services | - | - | - | - | - | - | - | - | - |
| Consultants: Business and advisory services | 353 | 853 | - | 1 206 | 1 206 | - | 100 | - | - |
| Contractors | 6 275 | (6 275) | - | - | - | - | - | - | - |
| Entertainment | 101 | (100) | - | 1 | 1 | - | 100 | - | - |
| Fleet services (including government motor transport) | 16 | (11) | - | 5 | 5 | - | 100 | - | - |
| Consumable supplies | 15 | 2 | - | 17 | 17 | - | 100 | - | - |

* Investment South Africa is a new programme that came into effect on 1 April 2016. As such, no comparative information is available.

| Programme 8: Investment South Africa | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|---------------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Consumables: Stationery, printing and office supplies | 38 | (35) | - | 3 | - | 3 | - | - | - |
| Operating leases | 29 | 131 | 14 | 174 | 173 | 1 | 99.4 | - | - |
| Property payments | - | 5 172 | - | 5 172 | 5 172 | - | 100 | - | - |
| Transport provided: Departmental activity | 16 | (16) | - | - | - | - | - | - | - |
| Travel and subsistence | 6 578 | 1 123 | 810 | 8 511 | 8 511 | - | 100 | - | - |
| Operating payments | 656 | (531) | - | 125 | 125 | - | 100 | - | - |
| Venues and facilities | 2 000 | (752) | 240 | 1 488 | 1 487 | 1 | 99.9 | - | - |
| Transfers and subsidies | - | 143 | 24 000 | 24 143 | 24 142 | 1 | 100 | - | - |
| Public corporations and private enterprises | - | - | 24 000 | 24 000 | 24 000 | - | 100 | - | - |
| Public corporations | - | - | 24 000 | 24 000 | 24 000 | - | 100 | - | - |
| Subsidies on products and production | - | - | - | - | - | - | - | - | - |
| Other transfers to public corporations | - | - | 24 000 | 24 000 | 24 000 | - | 100 | - | - |
| Households | - | 143 | - | 143 | 142 | 1 | 99.3 | - | - |
| Social benefits | - | 43 | - | 43 | 42 | 1 | 97.7 | - | - |
| Other transfers to households | - | 100 | - | 100 | 100 | - | 100 | - | - |
| Payments for capital assets | 378 | - | (86) | 292 | 291 | 1 | 99.7 | - | - |
| Machinery and equipment | 378 | - | (86) | 292 | 291 | 1 | 99.7 | - | - |
| Other machinery and equipment | 378 | - | (86) | 292 | 291 | 1 | 99.7 | - | - |
| | 47 823 | - | 21 433 | 69 256 | 69 244 | 12 | 100 | - | - |

| Subprogramme: Investment Promotion | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|--------------|---------------------|--------------------|-----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| Economic classification | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | 39 423 | 4 421 | 977 | 44 821 | 44 811 | 10 | 100 | - | - |
| Compensation of employees | 24 102 | 3 460 | (89) | 27 473 | 27 472 | 1 | 100 | - | - |
| Salaries and wages | 15 184 | 9 034 | | 24 218 | 24 218 | - | 100 | | |
| Social contributions | 8 918 | (5 574) | (89) | 3 255 | 3 254 | 1 | 100 | | |
| Goods and services | 15 321 | 961 | 1 066 | 17 348 | 17 339 | 9 | 99.9 | - | - |
| Administrative fees | 77 | 138 | | 215 | 214 | 1 | 99.5 | | |
| Advertising | 2 | 322 | | 324 | 323 | 1 | 99.7 | | |
| Catering: Departmental activities | 54 | (28) | | 26 | 25 | 1 | 96.2 | | |
| Communication (goods and services) | 125 | (46) | 2 | 81 | 80 | 1 | 98.8 | | |
| Consultants: Business and advisory services | 353 | 853 | | 1 206 | 1 206 | - | 100 | | |
| Contractors | 6 275 | (6 275) | | - | - | - | - | | |
| Entertainment | 51 | (50) | | 1 | 1 | - | 100 | | |
| Fleet services (including government motor transport) | 10 | (5) | | 5 | 5 | - | 100 | | |
| Consumable supplies | 15 | 2 | | 17 | 17 | - | 100 | | |
| Consumables: Stationery, printing and office supplies | 38 | (35) | | 3 | - | 3 | - | | |
| Operating leases | 19 | 141 | 14 | 174 | 173 | 1 | 99.4 | | |
| Property payments | | 5 172 | | 5 172 | 5 172 | - | 100 | | |

| Subprogramme: Investment Promotion | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|-------------|---------------------|--------------------|-----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Transport provided: Departmental activity | 16 | (16) | | - | | - | - | | |
| Travel and subsistence | 5 630 | 2 071 | 810 | 8 511 | 8 511 | - | 100 | | |
| Operating payments | 656 | (531) | | 125 | 125 | - | 100 | | |
| Venues and facilities | 2 000 | (752) | 240 | 1 488 | 1 487 | 1 | 99.9 | | |
| Transfers and subsidies | - | 143 | - | 143 | 142 | 1 | 99.3 | - | - |
| Households | - | 143 | - | 143 | 142 | 1 | 99.3 | - | - |
| Social benefits | | 43 | | 43 | 42 | 1 | 97.7 | | |
| Other transfers to households | | 100 | | 100 | 100 | - | 100 | | |
| Payments for capital assets | 378 | - | (86) | 292 | 291 | 1 | 99.7 | - | - |
| Machinery and equipment | 378 | - | (86) | 292 | 291 | 1 | 99.7 | - | - |
| Other machinery and equipment | 378 | | (86) | 292 | 291 | 1 | 99.7 | | |
| Total | 39 801 | 4 564 | 891 | 45 256 | 45 244 | 12 | 100 | - | - |

| Subprogramme: Investment and Interdepartmental Clearing House Economic classification | 2016/17 | | | | | | | 2015/16 | |
|--|------------------------|-------------------|----------------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | 4 011 | (553) | (3 458) | - | - | - | - | - | - |
| Compensation of employees | 3 459 | (1) | (3 458) | - | - | - | - | - | - |
| Salaries and wages | 2 558 | (1) | (2 557) | - | - | - | - | - | - |
| Social contributions | 901 | | (901) | - | - | - | - | - | - |
| Goods and services | 552 | (552) | - | - | - | - | - | - | - |
| Catering: Departmental activities | 20 | (20) | | - | - | - | - | - | - |
| Communication (goods and services) | 25 | (25) | | - | - | - | - | - | - |
| Entertainment | 25 | (25) | | - | - | - | - | - | - |
| Fleet services (including government motor transport) | 3 | (3) | | - | - | - | - | - | - |
| Operating leases | 5 | (5) | | - | - | - | - | - | - |
| Travel and subsistence | 474 | (474) | | - | - | - | - | - | - |
| Transfers and subsidies | - | - | 24 000 | 24 000 | 24 000 | - | 100 | - | - |
| Public corporations and private enterprises | - | - | 24 000 | 24 000 | 24 000 | - | 100 | - | - |
| Public corporations | - | - | 24 000 | 24 000 | 24 000 | - | 100 | - | - |
| Other transfers to public corporations | | | 24 000 | 24 000 | 24 000 | - | 100 | | |
| Total | 4 011 | (553) | 20 542 | 24 000 | 24 000 | - | 100 | - | - |

| Subprogramme: Investment Support and After Care | 2016/17 | | | | | | | 2015/16 | |
|---|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as % of final appropriation | Final appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Economic classification | | | | | | | | | |
| Current payments | 4 011 | (4 011) | - | - | - | - | - | - | - |
| Compensation of employees | 3 459 | (3 459) | - | - | - | - | - | - | - |
| Salaries and wages | 2 558 | (2 558) | | - | | - | - | | |
| Social contributions | 901 | (901) | | - | | - | - | | |
| Goods and services | 552 | (552) | - | - | - | - | - | - | - |
| Catering: Departmental activities | 20 | (20) | | - | | - | - | | |
| Communication (goods and services) | 25 | (25) | | - | | - | - | | |
| Entertainment | 25 | (25) | | - | | - | - | | |
| Fleet services (including government motor transport) | 3 | (3) | | - | | - | - | | |
| Operating leases | 5 | (5) | | - | | - | - | | |
| Travel and subsistence | 474 | (474) | | - | | - | - | | |
| Total | 4 011 | (4 011) | - | - | - | - | - | - | - |

Notes to the Appropriation Statement for the year ended 31 March 2017

1 Detail of transfers and subsidies as per Appropriation Act (after virement)

Detail of these transactions can be viewed in Note 7 (transfers and subsidies) and Annexure 1 (A-F) to the Annual Financial Statements.

2 Detail of specifically and exclusively appropriated amounts voted (after virement)

Detail of these transactions can be viewed in Note 1 (Annual Appropriation) to the Annual Financial Statements.

3 Detail on payments for financial assets

Detail of these transactions per programme can be viewed in Note 6 (Payments for financial assets) to the Annual Financial Statements.

4 Explanations of variances from amounts voted (after virement)

| 4.1 Programme | Final appropriation | Actual expenditure | Variance | Variance as a % of final appropriation |
|---|---------------------|--------------------|----------|--|
| | R'000 | R'000 | R'000 | % |
| Administration ² | 721 505 | 699 139 | 22 366 | 3.1 |
| International Trade and Economic Development | 116 070 | 116 024 | 46 | 0.04 |
| Special Economic Zones and Economic Transformation ³ | 112 492 | 97 588 | 14 904 | 13.25 |
| Industrial Development | 1 722 289 | 1 722 245 | 44 | 0 |
| Consumer and Corporate Regulation | 295 763 | 295 381 | 382 | 0.13 |
| Incentive Development and Administration | 6 896 306 | 6 895 186 | 1 120 | 0.02 |
| Trade Export South Africa | 455 836 | 454 588 | 1 248 | 0.27 |
| Investment South Africa | 69 256 | 69 244 | 12 | 0.02 |

2 The programme achieved a 97% level of financial performance, which is mainly attributable to cost-containment measures implemented in line with NT Instruction No. 2 of 2016/17.

3 The programme recorded an 87% level of financial performance. The variance is mainly due to the BEE Commission setup-related processes that are yet to be finalised.

| 4.2 Economic classification | Final appropriation | Actual expenditure | Variance | Variance as a % of final appropriation |
|---|---------------------|--------------------|----------|--|
| | R'000 | R'000 | R'000 | % |
| Current expenditure | | | | |
| Compensation of employees | 930 311 | 915 498 | 14 813 | 1.59 |
| Goods and services | 614 543 | 589 987 | 24 556 | 4 |
| Transfers and subsidies | | | | |
| Provinces and municipalities | | | | |
| Departmental agencies and accounts | 856 034 | 856 034 | 0 | 0 |
| Higher education institutions | 3 | 0 | 3 | 100 |
| Public corporations and private enterprises | 7 765 425 | 7 765 239 | 186 | 0 |
| Foreign governments and international organisations | 30 203 | 29 843 | 360 | 1.19 |
| Non-profit institutions | 163 107 | 163 107 | 0 | 0 |
| Households | 3 911 | 3 885 | 26 | 0.66 |
| Payment for capital assets | | | | |
| Machinery and equipment | 11 246 | 11 071 | 175 | 1.56 |
| Software and other intangible assets | 5 033 | 5 032 | 1 | 0.02 |
| Payment for financial assets | | | | |
| | 9 701 | 9 700 | 1 | 0.01 |

Explanation of variance: Goods and services

As at 31 March 2017, the department recorded a 3.9% saving under goods and services. This is mainly attributable to cost containment measures implemented in line with NT Instruction No. 2 of 2016/17, as well as the BEE Commission setup-related processes that are yet to be finalised.

Statement of Financial Performance for the year ended 31 March 2017

| | Note | 2016/17 R'000 | 2015/16 R'000 |
|---|-------------|-------------------|------------------|
| REVENUE | | | |
| Annual appropriation | 1 | 10 389 517 | 9 497 844 |
| Departmental revenue | 2 | 98 092 | 61 979 |
| Aid assistance | 3/Annex 1 H | 331 294 | 178 574 |
| TOTAL REVENUE | | 10 818 903 | 9 738 397 |
| EXPENDITURE | | | |
| Current expenditure | | | |
| Compensation of employees | 4 | 915 498 | 874 175 |
| Goods and services | 5 | 589 987 | 611 477 |
| Aid assistance | 3/Annex 1 H | 1 155 | 107 |
| Total current expenditure | | 1 506 640 | 1 485 759 |
| Transfers and subsidies | | | |
| Transfers and subsidies | 7 | 8 818 108 | 7 936 488 |
| Aid assistance | 3/Annex 1 H | 294 492 | 145 512 |
| Total transfers and subsidies | | 9 112 600 | 8 082 000 |
| Expenditure for capital assets | | | |
| Tangible assets | 8 | 11 071 | 33 017 |
| Intangible assets | | 5 032 | 4 416 |
| Total expenditure for capital assets | | 16 103 | 37 433 |
| Payments for financial assets | 6 | 9 700 | 12 086 |
| TOTAL EXPENDITURE | | 10 645 042 | 9 617 278 |
| SURPLUS / (DEFICIT) FOR THE YEAR | | | |
| Reconciliation of net surplus / (deficit) for the year | | 173 861 | 121 119 |
| Voted funds | 14 | 40 121 | 26 185 |
| Annual appropriation | | 40 121 | 26 185 |
| Departmental revenue and NRF receipts | 15 | 98 092 | 61 979 |
| Aid assistance | 3/Annex 1 H | 35 647 | 32 955 |
| SURPLUS FOR THE YEAR | | 173 860 | 121 119 |

Statement of Financial Position as at 31 March 2017

| | Note | 2016/17 R'000 | 2015/16 R'000 |
|---|-------------|------------------|------------------|
| ASSETS | | | |
| Current assets | | 137 771 | 137 199 |
| Cash and cash equivalents | 10 | 59 883 | 39 467 |
| Other financial assets | 11 | 1 564 | 774 |
| Prepayments and advances | 12 | 69 200 | 78 996 |
| Receivables | 13 | 7 124 | 17 962 |
| Non-current assets | | 35 137 | 38 213 |
| Receivables | 13 | 34 985 | 37 828 |
| Other financial assets | 11 | 152 | 385 |
| TOTAL ASSETS | | 172 908 | 175 412 |
| LIABILITIES | | | |
| Current liabilities | | 145 429 | 129 372 |
| Voted funds to be surrendered to the Revenue Fund | 14 | 40 119 | 26 185 |
| Departmental revenue and NRF receipts to be surrendered to the Revenue Fund | 15 | 11 142 | 12 741 |
| Payables | 16 | 58 521 | 57 491 |
| Aid assistance repayable | 3/Annex 1 H | 35 647 | 32 955 |
| TOTAL LIABILITIES | | 145 429 | 129 372 |
| NET ASSETS | | 27 479 | 46 040 |
| Represented by: | | | |
| Recoverable revenue | | 27 479 | 46 040 |
| TOTAL | | 27 479 | 46 040 |

Statement of Changes in Net Assets for the year ended 31 March 2017

| NET ASSETS | Note | 2016/17 R'000 | 2015/16 R'000 |
|---|------|------------------|------------------|
| Recoverable revenue | | | |
| Opening balance | | 46 040 | 49 071 |
| Transfers | | (18 561) | (3 031) |
| Irrecoverable amounts written off | 6.2 | (9 644) | (11 367) |
| Debts revised | | (482) | (25 455) |
| Debts recovered (included in departmental receipts) | | (75 296) | (43 226) |
| Debts raised | | 66 861 | 77 017 |
| Closing balance | | 27 479 | 46 040 |
| TOTAL | | 27 479 | 46 040 |

Cash Flow Statement for the year ended 31 March 2017

| | Note | 2016/17 R'000 | 2015/16 R'000 |
|--|-------------|-------------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | 10 818 903 | 9 738 037 |
| Annual appropriated funds received | 1 | 10 389 517 | 9 497 844 |
| Departmental revenue received | 2 | 95 384 | 58 058 |
| Interest received | 2.3 | 2 708 | 3 561 |
| Aid assistance received | 3/Annex 1 H | 331 294 | 178 574 |
| Net decrease in working capital | | 24 507 | 12 815 |
| Surrendered to Revenue Fund | | (125 878) | (157 325) |
| Surrendered to RDP Fund / Donor | | (32 955) | (33 128) |
| Current payments | | (1 506 640) | (1 485 759) |
| Payments for financial assets | | (9 700) | (12 086) |
| Transfers and subsidies paid | | (9 112 600) | (8 082 000) |
| Net cash flow available from operating activities | 17 | 55 637 | (19 446) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Payments for capital assets | 8 | (16 103) | (37 433) |
| Proceeds from sale of capital assets | 2.4 | - | 360 |
| (Increase) / decrease in other financial assets | | (557) | 2 096 |
| Net cash flows from investing activities | | (16 660) | (34 977) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| (Decrease) in net assets | | (18 561) | (3 031) |
| Net cash flows from financing activities | | (18 561) | (3 031) |
| Net increase / (decrease) in cash and cash equivalents | | 20 416 | (57 454) |
| Cash and cash equivalents at beginning of period | | 39 467 | 96 921 |
| Cash and cash equivalents at end of period | 18 | 59 883 | 39 467 |

Accounting policies for the year ended 31 March 2017

The Annual Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the financial statements present fairly the department's primary and secondary information.

The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the Annual Financial Statements. These are based on the best information available at the time of preparation.

Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the Annual Financial Statements and to comply with the statutory requirements of the PFMA and the NT regulations issued in terms of the PFMA and the annual Division of Revenue Act.

1 Presentation of the Annual Financial Statements

1.1 Basis of preparation

The Annual Financial Statements have been prepared in accordance with the Modified Cash Standard.

1.2 Going concern

The Annual Financial Statements have been prepared on a going concern basis.

1.3 Presentation currency

Amounts have been presented in the currency of South African rand, which is also the functional currency of the department.

1.4 Rounding

Unless otherwise stated, financial figures have been rounded to the nearest one thousand rand (R'000). Unless otherwise stated, percentages have been rounded to the nearest one decimal, where applicable.

1.5 Foreign currency translation

Cash flows arising from foreign currency transactions are translated into South African rands using the exchange rates prevailing at the date of payment / receipt.

1.6 Comparative information

1.6.1 Prior period comparative information

Prior period comparative information has been presented in the current year's Annual Financial Statements. Where necessary, figures included in the prior period's financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's Annual Financial Statements.

1.6.2 Current year comparison with budget

A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.

2 Revenue

2.1 Appropriated funds

Appropriated funds comprise departmental allocations.

Appropriated funds are recognised in the Statement of Financial Performance on the date the appropriation becomes effective. Adjustments made in terms of the adjusted budget process are recognised in the Statement of Financial Performance on the date the adjustments become effective.

The net amount of any appropriated funds due to the relevant revenue fund at the reporting date is recognised as a payable in the Statement of Financial Position.

2.2 Departmental revenue

Departmental revenue is recognised in the Statement of Financial Performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise. Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the Statement of Financial Position.

2.2.1 Tax revenue

Tax revenue consists of all compulsory unrequited amounts collected by the department in accordance with laws and/or regulations (excluding fines, penalties and forfeits). Tax receipts are recognised in the Statement of Financial Performance when received.

2.2.2 Sale of goods and services other than capital assets

The proceeds received from the sale of goods and /or the provision of services is recognised in the Statement of Financial Performance when the cash is received.

2.2.3 Fines, penalties and forfeits

Revenue arising from fines, penalties and forfeits is recognised in the Statement of Financial Performance when the cash is received.

2.2.4 Interest, dividends and rent on land

Interest, dividends and rent on land are recognised in the Statement of Financial Performance when the cash is received.

2.2.5 Sale of capital assets

The proceeds received on the sale of capital assets are recognised in the Statement of Financial Performance when the cash is received.

2.2.6 Transactions in financial assets and liabilities

Financial assets include repayment of debts and amounts written off, and are recognised as revenue in the Statement of Financial Performance when cash is received or once debt is approved to be written off. Foreign exchange gains are recognised in the Statement of Financial Performance on the payment of funds. The foreign exchange rate on the date of payment is used for the translation of the foreign currency to South African rand.

2.2.7 Transfers received (including gifts, donations and sponsorships)

All cash gifts, donations and sponsorships are paid into the National Revenue Fund and recorded as revenue in the Statement of Financial Performance when received. Amounts receivable at the reporting date are disclosed in the notes to the Annual Financial Statements.

2.2.8 Accrued departmental revenue

Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the Notes to the Financial Statements when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and
- the amount of revenue can be measured reliably.

Accrued revenue is measured at the fair value of the consideration receivable. Write-offs are made according to the department's debt write-off policy.

2.3 Aid assistance

2.3.1 Aid assistance received

Aid assistance received in cash is recognised in the Statement of Financial Performance when received. In-kind aid assistance is recorded in the Notes to the Financial Statements on the date of receipt and is measured at fair value.

Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the Statement of Financial Position.

2.3.2 Aid assistance paid

Aid assistance paid is recognised in the Statement of Financial Performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.

3 Expenditure

3.1 Compensation of employees

3.1.1 Salaries and wages

Salaries and wages are recognised in the statement of financial performance on the date of payment.

3.1.2 Social contributions

Social contributions made by the department in respect of current employees are recognised in the Statement of Financial Performance on the date of payment.

Social contributions made by the department in respect of ex-employees are classified as transfers to households in the Statement of Financial Performance on the date of payment.

3.2 Goods and services

Payments made during the year for goods and/or services are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the accounting system of the department.

3.3 Payment for financial assets

Receivables are written off when identified as irrecoverable. Receivables written off are limited to the amount of savings and/or underspending of appropriated funds. The write-off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts, but an estimate of the amount to be impaired is indicated as a disclosure note to the Annual Financial Statements.

Foreign exchange losses are recognised in the Statement of Financial Performance on the payment of funds. The foreign exchange rate on the date of payment is used for the translation of the foreign currency to South African rand.

All other losses are recognised in the Statement of Financial Performance when identified.

3.4 Transfers and subsidies

Transfers and subsidies are recognised as an expense when the final authorisation for payment is effected on the accounting system.

3.5 Unauthorised expenditure

Unauthorised expenditure is recognised in the Statement of Financial Position until such time as the expenditure is either:

- approved by Parliament or the provincial legislature with funding and the related funds are received; or
- approved by Parliament or the provincial legislature without funding and is written off against the appropriation in the Statement of Financial Performance; or
- transferred to receivables for recovery.

Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.

3.6 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recorded in the Notes to the Financial Statements when confirmed. The amount recorded is equal to the total value of the fruitless and/or wasteful expenditure incurred.

Fruitless and wasteful expenditure is removed from the Notes to the Financial Statements when it is resolved or transferred to receivables for recovery.

Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are derecognised when settled or subsequently written off as irrecoverable.

3.7 Irregular expenditure

When confirmed, irregular expenditure must be recorded in the Notes to the Financial Statements. The amount to be recorded in the notes must be equal to the value of the irregular expenditure incurred unless it is impracticable to determine the value thereof.

Irregular expenditure is removed from the notes when it is either condoned by the relevant authority, transferred to receivables for recovery, or not condoned and is not recoverable. A receivable related to irregular expenditure is measured at the amount that is expected to be recovered and must be derecognised when the receivable is settled or subsequently written off as irrecoverable.

3.8 Expenditure for capital assets

Payments made for capital assets are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the accounting system.

4 Assets

4.1 Cash and cash equivalents

Cash and cash equivalents are stated in the Statement of Financial Position at cost. Bank overdrafts are shown separately on the face of the Statement of Financial Position as a current liability. For the purposes of the Cash Flow Statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.

4.2 Other financial assets

Other financial assets are carried in the Statement of Financial Position at cost.

4.3 Prepayments and advances

Prepayments and advances are recognised in the Statement of Financial Position when the department receives or disburses the cash.

Prepayments relate to payments made in advance to non-governmental entities, whereas advances relate to payments made in advance to other government entities.

Prepayments and advances are initially and subsequently measured at cost.

4.4 Receivables

Receivables are recognised in the Statement of Financial Position at cost plus accrued interest, where interest is charged, less amounts already settled or written off. Write-offs are made according to the department's write-off policy.

4.5 Impairment of financial assets

Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the Notes to the Financial Statements.

4.6 Capital assets

4.6.1 Movable capital assets

Movable capital assets are initially recorded in the Notes to the Financial Statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition or receipt.

Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined, the movable assets are measured at R1.

All assets acquired prior to 1 April 2002 (or a later date as approved by the Office of the Auditor-General) are recorded at R1.

Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the movable asset is recorded by another department / entity, in which case the completed project costs are transferred to that department.

4.6.2 Intangible assets

Intangible assets are initially recorded in the Notes to the Financial Statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.

Internally generated intangible assets are recorded in the Notes to the Financial Statements when the department commences the development phase of the project.

Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined, the intangible assets are measured at R1.

All assets acquired before 1 April 2002 (or a later date as approved by the Office of the Auditor-General) are recorded at R1.

Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the intangible asset is recorded by another department / entity, in which case the completed project costs are transferred to that department.

5 Liabilities

5.1 Voted funds to be surrendered to the National Revenue Fund

Unexpended appropriated funds are surrendered to the National Revenue Fund. Amounts owing to the National Revenue Fund at the end of the financial year are recognised as liabilities in the Statement of Financial Position.

5.2 Departmental revenue to be surrendered to the National Revenue Fund

Amounts owing to the National Revenue Fund at the end of the financial year are recognised in the Statement of Financial Position at cost.

5.3 Payables

Payables are recognised at cost in the Statement of Financial Position.

5.4 Contingent liabilities

Contingent liabilities are recorded in the Notes to the Financial Statements when there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department, or when there is a present obligation that arises from past events but is not recognised because:

- it is not probable that an outflow of resources will be required to settle the obligation; or
- the amount of the obligation cannot be measured reliably.

5.5 Contingent assets

Contingent assets are recorded in the Notes to the Financial Statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.

5.6 Commitments

Commitments (other than transfers and subsidies) are recorded at cost in the Notes to the Financial Statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the department will discharge its responsibilities, thereby incurring future expenditure that will result in the outflow of cash.

5.7 Accruals not recognised

Accruals are liabilities to pay for goods and services that have been received or supplied before year-end but have not yet been formally paid or invoiced at year end.

Accruals are not recognised in the Statement of Financial Position as a liability or as expenditure in the Statement of Financial Performance, but are indicated in the Notes to the Financial Statements.

Accrued expenditure payable is measured at cost.

5.8 Payables not recognised

Payables are liabilities to pay for goods and services that have been received or supplied and have been formally invoiced before year end but has not yet been paid at year end.

Payables are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance, but are indicated in the Notes to the Financial Statements.

5.9 Leases

5.9.1 Finance leases

Finance lease payments made during the reporting period are recognised as capital expenditure in the Statement of Financial Performance on the date of payment.

The finance lease commitments are recorded in the Notes to the Financial Statements and are not apportioned between the capital and interest portions.

Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:

- cost, being the fair value of the asset; or
- the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.

5.9.2 Operating leases

Operating lease payments made during the reporting period are recognised as current expenditure in the Statement of Financial Performance on the date of payment.

The operating lease commitments are recorded in the Notes to the Financial Statements.

5.10 Provisions

Provisions are recorded in the Notes to the Financial Statements when there is a present legal or a constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

5.11 Employee benefits

The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) are disclosed in the employee benefit note.

6 Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National Revenue Fund when recovered or are transferred to the Statement of Financial Performance when written off.

7 Capitalisation reserve

The capitalisation reserve comprises financial assets and/or liabilities originating in a prior reporting period but which are recognised in the Statement of Financial Position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the national or provincial revenue funds when the underlying asset is disposed and the related funds are received.

8 Related-party transactions

A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party. Related party transactions within the Minister's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the department. The number of individuals and their full compensation is recorded in the notes to the financial statements.

9 Public-private partnerships

PPPs are accounted for based on the nature and/or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies.

A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof, along with the description and nature of the unitary fees paid, rights and obligations of the department, are recorded in the Notes to the Financial Statements.

10 Changes in accounting policies, accounting estimates and errors

Changes in accounting policies that are effected by management are applied retrospectively in accordance with Modified Cash Standard requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such instances, the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

Changes in accounting estimates are applied prospectively in accordance with Modified Cash Standard requirements.

Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with Modified Cash Standard requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases, the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

Notes to the Annual Financial Statements for the year ended 31 March 2017

1 Annual appropriation

Included are funds appropriated in terms of the Appropriation Act and the Adjustments Appropriation Act for national departments (voted funds) and provincial departments:

| Annual appropriation Programme | 2016/17 | | | 2015/16 | |
|--|---------------------|-----------------------|----------------------------------|---------------------|------------------------|
| | Final appropriation | Actual funds received | Funds requested/ not received | Final appropriation | Appropriation received |
| | R'000 | R'000 | R'000 | R'000 | R'000 |
| Administration | 721 505 | 721 505 | - | 727 578 | 727 578 |
| International Trade and Economic Development | 116 070 | 116 070 | - | 113 560 | 113 560 |
| Special Economic Zones and Economic Transformation | 112 492 | 112 492 | - | 92 609 | 92 609 |
| Industrial Development | 1 722 289 | 1 722 289 | - | 1 953 622 | 1 953 622 |
| Consumer and Corporate Regulation | 295 763 | 295 763 | - | 287 625 | 287 625 |
| Incentive Development and Administration | 6 896 306 | 6 896 306 | - | 5 821 653 | 5 821 653 |
| Trade Export South Africa | 455 836 | 455 836 | - | 501 197 | 501 197 |
| Investment South Africa ⁴ | 69 256 | 69 256 | - | - | - |
| Total | 10 389 517 | 10 389 517 | - | 9 497 844 | 9 497 844 |

4. Investment South Africa is a new programme that came into effect on 1 April 2016. As such, no comparative information is available.

2 Departmental revenue

| | Note | 2016/17 R'000 | 2015/16 R'000 |
|---|------|------------------|------------------|
| Tax revenue* | | 4 862 | 2 985 |
| Sales of goods and services other than capital assets | 2.1 | 624 | 538 |
| Fines, penalties and forfeits | 2.2 | 365 | 28 |
| Transactions in financial assets and liabilities | 2.5 | 89 533 | 54 507 |
| Departmental revenue received | | 95 384 | 58 058 |
| Interest, dividends and rent on land | 2.3 | 2 708 | 3 561 |
| Sales of capital assets | 2.4 | - | 360 |
| Departmental revenue collected | | 98 092 | 61 979 |

*Tax revenue relates to liquor licence fees received

| | 2016/17 R'000 | 2015/16 R'000 |
|--|------------------|------------------|
|--|------------------|------------------|

2.1 Sales of goods and services other than capital assets

Sales of goods and services produced by the department

Sales by market establishment*

Other sales**

Sales of scrap, waste and other used current goods

Total

| | | |
|--|------------|------------|
| | 610 | 535 |
| | 262 | 259 |
| | 348 | 276 |
| | 14 | 3 |
| | 624 | 538 |

* Sales by market establishment relate to revenue received in respect of parking rental.

** Other sales comprise commission charged on the deduction of insurance premiums and patent examination fees.

2.2 Fines, penalties and forfeits

Penalties

Forfeits

Total

| | | |
|--|------------|-----------|
| | 365 | 9 |
| | - | 19 |
| | 365 | 28 |

2.3 Interest, dividends and rent on land

Interest

Total

| | | |
|--|--------------|--------------|
| | 2 708 | 3 561 |
| | 2 708 | 3 561 |

2.4 Sales of capital assets

Tangible capital assets

Machinery and equipment

Total

| | | |
|--|----------|------------|
| | - | 360 |
| | - | 360 |

2.5 Transactions in financial assets and liabilities

Receivables

Forex gain

Other receipts including recoverable revenue

Total

| | | |
|--|---------------|---------------|
| | 82 523 | 51 233 |
| | 17 | 715 |
| | 6 993 | 2 559 |
| | 89 533 | 54 507 |

2.6 Cash received not recognised (not included in the main note) – 2016/17

| Name of entity | Amount received R'000 | Amount paid to Revenue Fund R'000 | Balance R'000 |
|----------------|--------------------------|---|------------------|
| NCR fines | 4 754 | (4 754) | - |
| CIPC (surplus) | 225 100 | (225 100) | - |
| NCC | 67 | - | 67 |
| NGB | 5 035 | - | 5 035 |
| Total | 234 956 | (229 854) | 5 102 |

Cash received not recognised (not included in the main note) – 2015/16

| Name of entity | Amount received R'000 | Amount paid to Revenue Fund R'000 | Balance R'000 |
|------------------------------|--------------------------|---|------------------|
| NCR fines | 1 553 | (1 643) | (90) |
| National Research Foundation | 532 | (532) | - |
| CIPC | 190 752 | (190 752) | - |
| Total | 192 837 | (192 927) | (90) |

3 Aid assistance

| | 2016/17 R'000 | 2015/16 R'000 |
|---|------------------|------------------|
| 3.1 | | |
| Opening balance | 32 955 | 33 128 |
| As restated | 32 955 | 33 128 |
| Transferred from Statement of Financial Performance | 35 647 | 32 955 |
| Paid during the year | (32 955) | (33 128) |
| Closing balance | 35 647 | 32 955 |

3.2 Analysis of balance by source

| | | |
|-------------------------|---------------|---------------|
| Aid assistance from RDP | 35 647 | 32 955 |
| Closing balance | 35 647 | 32 955 |

3.3 Analysis of balance

| | | |
|--------------------------|---------------|---------------|
| Aid assistance repayable | 35 647 | 32 955 |
| Closing balance | 35 647 | 32 955 |

the dti is the spending agency of the Reconstruction and Development Fund as defined in the Reconstruction and Development Fund Act, 1994 (Act No. 07 of 1994) (RDP Act). There are ongoing projects to the value of R193 million, (R540 million for 2015/16), the continuation of which is subject to the receipt of further funding from the RDP Fund in accordance with the RDP Act.

4 Compensation of employees

| | 2016/17 R'000 | 2015/16 R'000 |
|---|------------------|------------------|
| 4.1 Salaries and wages | | |
| Basic salary | 565 327 | 542 310 |
| Performance award | 14 934 | 14 363 |
| Service-based | 1 060 | 1 041 |
| Compensative / Circumstantial | 5 946 | 4 923 |
| Service bonus | 37 725 | 35 370 |
| Homeowners allowance | 9 306 | 8 595 |
| Other non-pensionable allowances* | 132 762 | 127 178 |
| Foreign allowances** | 48 764 | 43 837 |
| Total | 815 824 | 777 617 |
| * Other non-pensionable allowances comprise car allowances and benefits structured as part of salary packages for employees on level 11 and higher. | | |
| ** Foreign allowances refers to the cost of living allowances awarded to employees based abroad at foreign mission offices. | | |
| 4.2 Social contributions | | |
| Employer contributions | | |
| Pension | 75 527 | 73 297 |
| Medical | 24 050 | 23 167 |
| Bargaining council | 97 | 94 |
| Total | 99 674 | 96 558 |
| Total compensation of employees | 915 498 | 874 175 |
| Average number of employees | 1 344 | 1 483 |

5 Goods and services

| | Note | 2016/17 R'000 | 2015/16 R'000 |
|---|------|------------------|------------------|
| Administrative fees | | 1 989 | 3 319 |
| Advertising | | 15 993 | 23 739 |
| Minor assets | 5.1 | 801 | 1 106 |
| Bursaries (employees) | | 2 980 | 1 592 |
| Catering | | 2 085 | 1 884 |
| Communication | | 10 660 | 12 799 |
| Computer services | 5.2 | 16 406 | 25 802 |
| Consultants: Business and advisory services | | 21 167 | 28 352 |
| Legal services | | 20 124 | 21 071 |
| Contractors | | 8 912 | 16 914 |
| Agency and support / outsourced services | | 1 830 | 1 578 |
| Entertainment | | 1 086 | 1 323 |
| Audit cost – external | 5.3 | 9 105 | 8 778 |
| Fleet services | | 766 | 872 |
| Consumables | 5.4 | 11 985 | 17 740 |
| Operating leases | | 305 848 | 281 189 |
| Property payments | 5.5 | 14 737 | 12 283 |
| Travel and subsistence | 5.6 | 88 828 | 95 984 |
| Rental and hiring | | 2 048 | 200 |
| Transport provided as part of departmental activities | | 1 | - |
| Venues and facilities | | 23 013 | 18 573 |
| Training and staff development | | 3 921 | 8 156 |
| Other operating expenditure | 5.7 | 25 702 | 28 223 |
| Total | | 589 987 | 611 477 |

5.1 Minor assets

Tangible assets

Machinery and equipment

Intangible assets

Software

Total

| | | |
|--------------|------------|--------------|
| | 540 | 1 086 |
| | 540 | 1 086 |
| | 261 | 20 |
| | 261 | 20 |
| Total | 801 | 1 106 |

5.2 Computer services

SITA computer services

External computer service providers

Total

| | | |
|--------------|---------------|---------------|
| | 9 004 | 4 692 |
| | 7 402 | 21 110 |
| Total | 16 406 | 25 802 |

5.3 Audit costs – external

Regularity audits

Computer audits

Total

| | | |
|--------------|--------------|--------------|
| | 8 756 | 8 448 |
| | 349 | 330 |
| Total | 9 105 | 8 778 |

| 2016/17 R'000 | 2015/16 R'000 |
|------------------|------------------|
|------------------|------------------|

5.4 Consumables

| | | |
|--|---------------|---------------|
| Consumable supplies | 880 | 1 461 |
| Uniforms and clothing | 204 | 297 |
| Household supplies | 133 | 173 |
| Building material and supplies | 43 | 42 |
| Communication accessories | 5 | 2 |
| IT consumables | 438 | 867 |
| Other consumables* | 57 | 80 |
| Stationery, printing and office supplies | 11 105 | 16 279 |
| Total | 11 985 | 17 740 |

* Mainly include security, photographic consumables and fuel supplies.

5.5 Property payments

| | | |
|----------------------------------|---------------|---------------|
| Municipal services | 1 071 | 1 029 |
| Property management fees | 2 589 | 2 433 |
| Property maintenance and repairs | 9 624 | 7 284 |
| Other* | 1 453 | 1 537 |
| Total | 14 737 | 12 283 |

*Mainly includes property cleaning services and pest control.

5.6 Travel and subsistence

| | | |
|--------------|---------------|---------------|
| Local | 40 000 | 40 547 |
| Foreign | 48 828 | 55 437 |
| Total | 88 828 | 95 984 |

5.7 Other operating expenditure

| | | |
|---|---------------|---------------|
| Courier, delivery and freight services | 1 359 | 2 219 |
| Professional bodies, membership and subscription fees | 7 370 | 7 774 |
| Printing and publication services | 5 980 | 6 397 |
| Resettlement costs | 3 808 | 5 205 |
| School boarding / tuition cost | 6 228 | 6 034 |
| Storage of files / assets | 937 | 467 |
| Other* | 20 | 127 |
| Total | 25 702 | 28 223 |

* Includes freight services for transporting bulky goods, competency licences and laundry services other than those that will be allocated to property payments expenditure.

6 Payments for financial assets

| | Note | 2016/17 R'000 | 2015/16 R'000 |
|---|------|------------------|------------------|
| Material losses through criminal conduct | | | |
| Other material losses written off | 6.1 | - | 1 |
| Debts written off | 6.2 | 9 685 | 11 937 |
| Forex losses | 6.3 | 15 | 148 |
| Total | | 9 700 | 12 086 |
| 6.1 Other material losses written off | | | |
| Nature of losses | | | |
| Claims for losses by staff | | - | 1 |
| Total | | - | 1 |
| 6.2 Debts written off | | | |
| Recoverable revenue written off | | | |
| Salary overpayment out of service | | - | 127 |
| Export Market and Investment Assistance | | - | 10 |
| Small and Medium Enterprise Development Programme | | - | 157 |
| Enterprise Investment Programme | | 9 528 | 10 822 |
| Leave without payment | | 8 | 8 |
| Other (tax, cell / telephone, breach of contract, travel and subsistence) | | 108 | 243 |
| Subtotal | | 9 644 | 11 367 |
| Other debt written off | | | |
| Salary overpayment out of service | | 3 | 222 |
| PPP | | - | 14 |
| Leave without payment | | 23 | 28 |
| Other (tax, cell / telephone, breach of contract, travel and subsistence) | | 15 | 306 |
| Subtotal | | 41 | 570 |
| Total debt written off | | 9 685 | 11 937 |
| 6.3 Forex losses | | | |
| Nature of losses | | | |
| Forex losses | | 15 | 148 |
| Total | | 15 | 148 |

7 Transfers and subsidies

| | Note | 2016/17 R'000 | 2015/16 R'000 |
|---|-----------------|------------------|------------------|
| Departmental agencies and accounts | <i>Annex 1A</i> | 856 034 | 591 879 |
| Higher education institutions | <i>Annex 1B</i> | - | - |
| Public corporations and private enterprises | <i>Annex 1C</i> | 7 765 239 | 7 157 693 |
| Foreign governments and international organisations | <i>Annex 1D</i> | 29 843 | 33 237 |
| Non-profit institutions | <i>Annex 1E</i> | 163 107 | 148 850 |
| Households | <i>Annex 1F</i> | 3 885 | 4 829 |
| Total | | 8 818 108 | 7 936 488 |
| Unspent funds transferred to the above beneficiaries | | - | |
| Departmental agencies and accounts | | - | |
| Total | | - | |

8 Expenditure for capital assets

| | | | |
|---------------------------|-------------|-------------------------|----------------|
| Tangible assets | | 11 071 | 33 017 |
| Machinery and equipment | 30.1 | 11 071 | 32 978 |
| Finance lease expenditure | 8.3 | - | 39 |
| Intangible assets | | 5 032 | 4 416 |
| Software | 31.1 | 5 032 | 4 416 |
| Total | | 16 103 | 37 433 |
| | Voted funds | Aid assistance R'000 | Total R'000 |

8.1 Analysis of funds utilised to acquire capital assets – 2016/17

| | | | |
|--------------------------|---------------|---|---------------|
| Tangible assets | 11 071 | - | 11 071 |
| Machinery and equipment | 11 071 | - | 11 071 |
| Intangible assets | 5 032 | - | 5 032 |
| Software | 5 032 | - | 5 032 |
| Total | 16 103 | - | 16 103 |

| Voted funds | Aid assistance R'000 | Total R'000 |
|-------------|-------------------------|----------------|
|-------------|-------------------------|----------------|

8.2 Analysis of funds utilised to acquire capital assets – 2015/16

| | | | |
|--------------------------|---------------|----------|---------------|
| Tangible assets | 33 017 | - | 33 017 |
| Machinery and equipment | 33 017 | - | 33 017 |
| Intangible assets | 4 416 | - | 4 416 |
| Software | 4 416 | - | 4 416 |
| Total | 37 433 | - | 37 433 |

8.3 Finance lease expenditure included in expenditure for capital assets

| | 2016/17 R'000 | 2015/16 R'000 |
|---------------------------|------------------|------------------|
| Tangible assets | | |
| Finance lease expenditure | - | 39 |
| Total | - | 39 |

9 Unauthorised expenditure

9.1 Reconciliation of unauthorised expenditure

| | | |
|---|----------|----------|
| Opening balance | - | 37 380 |
| Less: Amounts approved by Parliament / legislature (with funding) | - | (37 380) |
| Closing balance | - | - |

10 Cash and cash equivalents

| | | |
|--|---------------|---------------|
| Consolidated Paymaster-General account | 54 768 | 38 089 |
| Cash on hand | - | 80 |
| Cash with commercial banks (local) | 5 115 | 1 298 |
| Total | 59 883 | 39 467 |

11 Other financial assets

| | Note | 2016/17 R'000 | 2015/16 R'000 |
|---|------|------------------|------------------|
| Current | | | |
| Foreign | | | |
| Rental deposits for employees based abroad | | 1 564 | 774 |
| Total current other financial assets | | 1 564 | 774 |
| Non-current | | | |
| Local | | | |
| Staff debts | | - | 91 |
| Subtotal | | - | 91 |
| Foreign | | | |
| Rental deposits for employees based abroad | | 152 | 294 |
| Subtotal | | 152 | 294 |
| Total non-current other financial assets | | 152 | 385 |

12 Prepayments and advances

| | | | |
|------------------------------|------|---------------|---------------|
| Staff advances | | 37 | 7 |
| Travel and subsistence | | 377 | 567 |
| Advances paid (not expensed) | 12.1 | 68 786 | 78 422 |
| Total | | 69 200 | 78 996 |

12.1 Advances paid*

| | | | |
|----------------------|---------|---------------|---------------|
| National departments | Annex 5 | 68 786 | 52 625 |
| Public entities | Annex 5 | - | 25 797 |
| Total | | 68 786 | 78 422 |

*Amount for advances paid substantially relate to advance payments to the Department of International Relations and Cooperation for costs incurred by the foreign mission offices of **the dti**.

13 Receivables

| Receivables | Note | 2016/17 | | | 2015/16 | | |
|--------------------|------|--------------|---------------|---------------|---------------|---------------|---------------|
| | | Current | Non-current | Total | Current | Non-current | Total |
| | | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Claims recoverable | 13.1 | 5 974 | 33 864 | 39 838 | 17 621 | 36 831 | 54 452 |
| Staff debt | 13.2 | 936 | 641 | 1 577 | 132 | 574 | 706 |
| Other debtors | 13.3 | 214 | 480 | 694 | 209 | 423 | 632 |
| Total | | 7 124 | 34 985 | 42 109 | 17 962 | 37 828 | 55 790 |

2016/17
R'000

2015/16
R'000

13.1 Claims recoverable*

| | | |
|------------------------|---------------|---------------|
| National departments | 2 069 | 191 |
| Provincial departments | 63 | 47 |
| Public entities | 3 088 | 16 944 |
| Private enterprises | 34 618 | 37 270 |
| Total | 39 838 | 54 452 |

* Included in claims recoverable is an amount of R5 million relating to accrued departmental revenue (Note 24).

13.2 Staff debt

| | | |
|----------------------------|--------------|------------|
| Bursary | 441 | 12 |
| Leave without pay | 85 | 12 |
| Official debt (in service) | 578 | 576 |
| Travel and subsistence | 119 | 6 |
| Cellular phone / telephone | - | 3 |
| Tax debt | 1 | - |
| School fees | 24 | - |
| Child allowances | 329 | 97 |
| Total | 1 577 | 706 |

13.3 Other debtors

| | | |
|--|------------|------------|
| Bursary | 189 | 261 |
| Official debt (out of service) | 402 | 195 |
| Tax | 23 | 25 |
| Travel and subsistence | 7 | 21 |
| Cellular phone / telephone | - | 1 |
| Leave without pay | 46 | 83 |
| Petty cash, travel and subsistence (non-employees) | 27 | 46 |
| Total | 694 | 632 |

| | Note | 2016/17 R'000 | 2015/16 R'000 |
|---|------|------------------|------------------|
| 13.4 Fruitless and wasteful expenditure | | | |
| Opening balance | | - | 37 |
| Less amounts recovered | | - | (37) |
| Transfers from note on fruitless and wasteful expenditure | | - | - |
| Total | | <u>-</u> | <u>-</u> |

13.5 Impairment of receivables

| | | | |
|---------------------------------------|--|----------------------|----------------------|
| Estimate of impairment of receivables | | 34 871 | 37 828 |
| Total | | <u>34 871</u> | <u>37 828</u> |

14 Voted funds to be surrendered to the National Revenue Fund

| | | | |
|--|--|----------------------|----------------------|
| Opening balance | | 26 185 | 100 592 |
| Transfer from Statement of Financial Performance | | 40 121 | 26 185 |
| Paid during the year | | (26 187) | (100 592) |
| Closing balance | | <u>40 119</u> | <u>26 185</u> |

15 Departmental revenue to be surrendered to the National Revenue Fund

| | | | |
|--|--|----------------------|----------------------|
| Opening balance | | 12 741 | 7 495 |
| Transfer from Statement of Financial Performance | | 98 092 | 61 979 |
| Paid during the year | | (99 691) | (56 733) |
| Closing balance | | <u>11 142</u> | <u>12 741</u> |

16 Payables – current

| | | | |
|---------------------------------|----------------|----------------------|----------------------|
| Amounts owing to other entities | <i>Annex 4</i> | - | 5 |
| Clearing accounts | <i>16.1</i> | 135 | 415 |
| Other payables | <i>16.2</i> | 58 386 | 57 071 |
| Total | | <u>58 521</u> | <u>57 491</u> |

| | 2016/17 R'000 | 2015/16 R'000 |
|------------------------------------|------------------|------------------|
| 16.1 Clearing accounts | | |
| PAYE | 84 | 293 |
| Pension fund | - | 99 |
| Government Employee Housing Scheme | 51 | - |
| Medical aid | - | 23 |
| Total | 135 | 415 |

16.2 Other payables

| | | |
|--|---------------|---------------|
| Employees (pension and leave payouts) | 42 | 220 |
| Liquor licence deposits | 1 388 | 2 457 |
| National Skills Fund | 3 732 | 5 116 |
| Jobs Fund (Government Technical Advisory Centre) | 37 716 | 49 278 |
| Rejected payments | 405 | - |
| Monies collected from other entities / departments | 5 102 | - |
| SARS* | 10 000 | - |
| Other | 1 | - |
| Total | 58 386 | 57 071 |

* An amount of R10 million was erroneously paid to the department by SARS.

17 Net cash flow available from operating activities

| | | |
|--|---------------|-----------------|
| Net surplus as per Statement of Financial Performance | 173 860 | 121 119 |
| Add back non-cash / cash movements not deemed operating activities | (118 223) | (140 565) |
| Decrease in receivables – current | 13 681 | 7 193 |
| Decrease / (Increase) in prepayments and advances | 9 796 | (51 688) |
| (Increase) / Decrease in other current assets | - | 37 380 |
| Increase in payables – current | 1 030 | 19 930 |
| Proceeds from sale of capital assets | - | (360) |
| Decrease / (Increase) in other financial assets | 790 | (1 333) |
| Expenditure on capital assets | 16 103 | 37 433 |
| Surrenders to National Revenue Fund | (125 878) | (157 325) |
| Surrenders to RDP Fund / donor | (32 955) | (33 128) |
| Other non-cash items | (790) | 1 333 |
| Net cash flow generated by operating activities | 55 637 | (19 446) |

18 Reconciliation of cash and cash equivalents for cash flow purposes

| | | |
|--|---------------|---------------|
| Consolidated Paymaster-General account | 54 768 | 38 089 |
| Cash on hand | - | 80 |
| Cash with commercial banks (local) | 5 115 | 1 298 |
| Total | 59 883 | 39 467 |

19 Contingent liabilities and contingent assets

| | Note | 2016/17 R'000 | 2015/16 R'000 |
|--|----------|------------------|------------------|
| 19.1 Contingent liabilities | | | |
| Liable to | | | |
| Housing loan guarantees | Annex 2A | 265 | 265 |
| Claims against the department* | Annex 2B | 2 628 | 15 279 |
| Incentive grants** | Annex 2B | 6 539 513 | 6 826 621 |
| Other departments (interdepartmental unconfirmed balances) | Annex 4 | - | 5 |
| Total | | 6 542 406 | 6 842 170 |

* Claims against the department are disclosed and will only be settled on decision of the court or if the department accepts liability, both of which are unknown. Amounts disclosed are not necessarily the claim amount, but the amount determined as the most likely amount that the court might settle on. There are instances where claims were lodged against the department due to incentive claims not being approved. However, these were not included above due to the remoteness of the claims.

** Incentive grants approved by **the dti** are not always disbursed in the year of approval. Based on the rules of a particular incentive scheme, grants approved in one year may be disbursed over a period of one to three years following approval. Disbursement of the incentive grant is in all cases conditional on the recipient firms carrying out their approved projects in line with the guidelines of the respective incentive scheme and meeting key performance requirements that are linked to the particular incentive such as achieved investment, output, employment, etc.

19.2 Contingent assets

Nature of contingent asset

| | | |
|-------------------|---------------|---------------|
| Incentive claims* | 17 171 | 30 405 |
| Total | 17 171 | 30 405 |

* Some of the claims by the department against certain incentive applicants have resulted in the defendants raising counter claims against the department.

20 Commitments

| | | |
|----------------------------|----------------|---------------|
| Current expenditure | 92 318 | 57 100 |
| Approved and contracted | 92 318 | 57 100 |
| Capital expenditure | 17 502 | 11 661 |
| Approved and contracted | 17 502 | 11 661 |
| Total commitments | 109 820 | 68 761 |

21 Accruals and payables not recognised

| Accruals: Listed by economic classification | 30 days | 30+ days | 2016/17 total (R'000) | 2015/16 total (R'000) |
|--|---------------|---------------|--------------------------|--------------------------|
| Goods and services | 37 109 | 1 631 | 38 740 | 39 958 |
| Transfers and subsidies | - | - | - | 8 631 |
| Other* (DIRCO) | 16 247 | 22 100 | 38 346 | 22 466 |
| Total | 53 355 | 23 731 | 77 086 | 71 055 |

| Accruals: Listed by programme level | 2016/17 R'000 | 2015/16 R'000 |
|--|------------------|------------------|
| Administration | 34 427 | 32 345 |
| International Trade and Economic Development | 786 | 552 |
| Broadening Participation | 660 | 1 386 |
| Industrial Development | 459 | 490 |
| Consumer and Corporate Regulation | 413 | 784 |
| Industrial Development: Incentive Administration | 732 | 10 160 |
| Trade Export South Africa | 39 199 | 25 338 |
| Investment South Africa | 411 | - |
| Total | 77 086 | 71 055 |

* Other includes allowances payable to foreign officials and outstanding vouchers not yet received from DIRCO.

| Payables not recognised: Listed by economic classification | 30 days | 30+ days | Total | Total |
|---|---------------|------------|---------------|---------------|
| Goods and services | 37 | - | 37 | 14 |
| Other | 12 614 | 663 | 13 277 | 29 677 |
| Total | 12 651 | 663 | 13 314 | 29 691 |

Payables not recognised: Listed by programme level

| | | |
|---|---------------|---------------|
| Administration | 2 | - |
| International Trade and Economic Development | - | 14 |
| Broadening Participation | 20 | - |
| Industrial Development Incentive Administration | 1 | - |
| Trade Export South Africa | 13 291 | 29 677 |
| Total | 13 314 | 29 691 |

22 Employee benefits

| | 2016/17 R'000 | 2015/16 R'000 |
|-----------------------------|------------------|------------------|
| Leave entitlement | 33 483 | 27 363 |
| Service bonus (13th cheque) | 19 506 | 19 006 |
| Performance awards | 13 955 | 13 466 |
| Capped leave commitments | 11 112 | 11 580 |
| Long service awards* | 251 | 279 |
| Total | 78 307 | 71 694 |

* The provision on the long service awards disclosed above does not include the long-term portion of the long service awards.

23 Lease commitments

23.1 Operating lease expenditure

NT consented that **the dti** could enter into sub-lease contracts with public entities for the space in Block G until **the dti** completes the process of acquiring Block G and including it into the PPP contract. This is anticipated to be finalised within the next financial year.

Lease agreements have been entered into by DIRCO as the South African government for all partner departments for residential accommodation for the new foreign economic representatives at respective mission offices. The full lease commitment over the five-year period has been disclosed, although it should be noted that the administrative budget will be transferred to DIRCO once the Foreign Services Bill has been approved.

| Receivables | 2016/17 | | | Receivables | 2015/16 | | |
|--|--------------------------------------|-------------------------|---------------|--|--------------------------------------|-------------------------|---------------|
| | Buildings and other fixed structures | Machinery and equipment | Total | | Buildings and other fixed structures | Machinery and equipment | Total |
| | R'000 | R'000 | R'000 | | R'000 | R'000 | R'000 |
| Not later than 1 year | 17 682 | 3 170 | 20 852 | Not later than 1 year | 20 292 | 324 | 20 616 |
| Later than 1 year and not later than 5 years | 17 685 | 7 530 | 25 215 | Later than 1 year and not later than 5 years | 29 985 | 576 | 30 561 |
| Later than 5 years | 1 078 | - | 1 078 | Later than 5 years | - | - | - |
| Total lease commitments | 36 445 | 10 700 | 47 145 | Total lease commitments | 50 277 | 900 | 51 177 |

23.2 Finance lease expenditure

2016/17

| | Machinery and equipment R'000 | Total R'000 |
|--|----------------------------------|----------------|
| Not later than 1 year | 1 063 | 1 063 |
| Later than 1 year and not later than 5 years | 886 | 886 |
| Total lease commitments | 1 949 | 1 949 |

| | Machinery and equipment R'000 | Total R'000 |
|--|--|--------------------|
| 2015/16 | | |
| Not later than 1 year | 741 | 741 |
| Later than 1 year and not later than 5 years | 163 | 163 |
| Total lease commitments | 904 | 904 |

This note excludes leases relating to PPPs as they are separately disclosed in Note 28.

the dti is a participant on the transversal contract facilitated by NT for the supply and delivery of mobile communication services and handsets to the state. The lease is for an initial period of two years, thereafter renewable annually for another two years based on the suppliers performance.

The contract utilises an enterprise bundle which is a shared pool of minutes / SMS / data, which all users can consume. To derive the optimum usage of each user, spending patterns will be analysed and reviewed every three months, and, if necessary, billing will be adjusted accordingly. Within the three-month period, billing is allowed to fluctuate within a 10% tolerance level with no increase or decrease on the amount billed. Billing would, therefore, be static for three months if the department is within the 10% threshold. The billing for March has been used to project the commitment over the lease period.

24 Accrued departmental revenue

| | 2016/17 R'000 | 2015/16 R'000 |
|---|------------------|------------------|
| Transaction in financial assets and liabilities | 5 020 | 16 801 |
| Total | 5 020 | 16 801 |

24.1 Analysis of accrued departmental revenue

| | | |
|---|--------------|---------------|
| Opening balance | 16 801 | 2 841 |
| Less: Amounts received | (13 801) | (2 841) |
| Add: Amounts recognised | 2 020 | 16 801 |
| Less: Amounts written off / reversed as irrecoverable | - | - |
| Total | 5 020 | 16 801 |

Included in claims recoverable is an amount of R5 million relating to accrued departmental revenue (Note 13.1).

25 Irregular expenditure

25.1 Reconciliation of irregular expenditure

| | | |
|---|--------------|--------------|
| Opening balance | 1 258 | 6 585 |
| Add: Irregular expenditure relating to current year | - | 59 |
| Less: Prior year amounts condoned | - | (604) |
| Less: Amounts not condoned and not recoverable | - | (4 782) |
| Irregular expenditure awaiting condonation | 1 258 | 1 258 |

| | 2016/17 R'000 | 2015/16 R'000 |
|--|------------------|------------------|
| Analysis of awaiting condonation per age classification | | |
| Current year | - | 59 |
| Prior years | 1 258 | 1 199 |
| Total | 1 258 | 1 258 |

25.2 Details of irregular expenditure – current year

| Incident | Disciplinary steps taken / criminal proceedings | 2016/17 R'000 |
|-----------------------|---|------------------|
| Procurement deviation | Under investigation | - |
| Total | | - |

25.3 Details of irregular expenditure condoned

| Incident | Condoned by (condoning authority) | |
|-------------------|-----------------------------------|----------|
| Performance bonus | Accounting Officer | - |
| Total | | - |

25.4 Details of irregular expenditure not condoned and not recoverable

| Incident | Not condoned by (condoning authority) | |
|--------------|---------------------------------------|----------|
| | | - |
| Total | | - |

26 Fruitless and wasteful expenditure

| | Note | 2016/17 R'000 | 2015/16 R'000 |
|--|------|------------------|------------------|
| 26.1 Reconciliation of fruitless and wasteful expenditure | | | |
| Opening balance | | - | - |
| Prior period error | | - | - |
| As restated | | - | - |
| Fruitless and wasteful expenditure relating to prior year | | - | - |
| Fruitless and wasteful expenditure relating to current year | | - | - |
| Less: Amounts resolved | | - | - |
| Less: Amounts transferred to receivables for recovery | 13.4 | - | - |
| Closing balance | | - | - |

| | Note | 2016/17 R'000 | 2015/16 R'000 |
|---|------|------------------|------------------|
| 26.2 Analysis of awaiting resolution per economic classification | | | |
| Current year | | - | - |
| Total | | <u>-</u> | <u>-</u> |

26.3 Analysis of current year's fruitless and wasteful expenditure

Incident

| | | | |
|---|--|----------|--|
| Disciplinary steps taken / criminal proceedings | | - | |
| Total | | <u>-</u> | |

27 Related-party transactions

Revenue received

| | | | |
|--------------|------|---------------|---------------|
| Rent on land | 27.1 | 14 248 | 12 953 |
| Total | | <u>14 248</u> | <u>12 953</u> |

Year-end balances arising from revenue / payments

| | | | |
|----------------------------------|---------|----------|----------|
| Payables to related parties | Annex 4 | - | - |
| Receivables from related parties | Annex 3 | - | - |
| Total | | <u>-</u> | <u>-</u> |

27.1 Rent on land

Name of department / entity

| | | | |
|--------------|--|---------------|---------------|
| CIPC* | | 14 248 | 12 953 |
| Total | | <u>14 248</u> | <u>12 953</u> |

* *the dti* is providing accommodation on its campus to the CIPC at a reduced rental. The department is also providing office accommodation to the Companies Tribunal, for which there is no charge.

List of related-party relationships

- CIPC
- ECIC
- NCC
- NCT
- CT
- NCR

- NEF
- NGB
- NLC
- NMISA
- NRCS
- SABS
- SANAS

Related parties disclosed under this note are only those that fall within the Minister's portfolio. For related-party transactions relating to other departments and entities please refer to the Accounting Officer's report. As per the definition of related parties, key management personnel form part of the related parties. This has been separately disclosed under Note 28.

28 Key management personnel

| | | 2016/17 R'000 | 2015/16 R'000 |
|--|-----------------------|------------------|------------------|
| | No. of individuals | | |
| Political office bearers | 2 | 3 101 | 4 212 |
| Officials: | | | |
| Level 15 to 16 | 17 | 24 038 | 23 539 |
| Level 14 | 72 | 80 823 | 71 660 |
| Family members of key management personnel | | - | 270 |
| Total | | 107 962 | 99 681 |

Political office bearers consist of:

Trade and Industry:

- Minister RH Davies, from 11 May 2009 to date
- Deputy Minister MC Masina, from 26 May 2014 to 22 August 2016

29 Public-private partnership

29.1 Buildings and other fixed structures

the dti campus PPP is based on a partnership between **the dti** and the City of Tshwane under which the city owns the land. The city will also own all fixed assets erected thereon. **the dti** will enjoy the peaceful and undisturbed benefits of a sustained collaborative working and unified service delivery environment, to be provided by Rainprop (Pty) Ltd as the private-sector partner, who signed an experience delivery agreement with the dti.

The construction of **the dti** campus was finalised during the first half of 2004, after which the move and decant took place between May and November 2004.

| | 2016/17 R'000 | 2015/16 R'000 |
|--------------------------|------------------|------------------|
| Contract fee paid | | |
| Fixed component | 215 134 | 205 387 |
| Indexed component | 29 390 | 23 422 |
| Total | 244 524 | 228 809 |

29.2 Motor vehicles

| | | |
|--------------------------|--------------|--------------|
| Contract fee paid | | |
| Fixed component | 3 736 | 3 347 |
| Indexed component | 1 497 | 2 065 |
| Total | 5 234 | 5 412 |

the dti participates in the Department of Transport's fleet management contract for the use of its pool vehicles. This agreement is a full maintenance lease transversal contract regulated by the NT's PPP unit and supply chain management regulations. *the dti* leases short-term, long-term, chauffeur and point-to-point driven services. The contract term was for an initial period of five years, which has since lapsed. The contract now operates on a month-to-month basis.

29.3 Analysis of indexed component

| | | |
|-------------------------------------|---------------|---------------|
| Building and other fixed structures | 29 390 | 23 422 |
| Motor vehicles | 1 497 | 2 065 |
| Total | 30 887 | 25 487 |

29.4 PPP commitments

| | Buildings and other fixed structures R'000 | Machinery and equipment R'000 | Total R'000 |
|--|---|-------------------------------------|------------------|
| 2016/17 | | | |
| Not later than 1 year | 230 008 | 3 592 | 233 600 |
| Later than 1 year and not later than 5 years | 1 066 571 | - | 1 066 571 |
| Later than 5 years | 2 583 650 | - | 2 583 650 |
| Total lease commitments | 3 880 229 | 3 592 | 3 883 821 |
| 2015/16 | | | |
| Not later than 1 year | 216 377 | 3 255 | 219 632 |
| Later than 1 year and not later than 5 years | 1 003 359 | - | 1 003 359 |
| Later than 5 years | 2 865 919 | - | 2 865 919 |
| Total lease commitments | 4 085 655 | 3 255 | 4 088 910 |

30 Provisions

| | 2016/17 R'000 | 2015/16 R'000 |
|---|------------------|------------------|
| Export Marketing and Investment Assistance* | 32 115 | 89 743 |
| Total | 32 115 | 89 743 |

* As from the date funding is approved, **the dti** has an unconditional obligation to pay the preferred supplier on submission of the required claim documents. The preferred supplier can claim the incentive at any time, therefore the timing of the obligation is not known. The amount of the obligation is known as the approval letter specifies the maximum amount payable to the grantee.

30.1 Reconciliation of movement in provisions – 2016/17

| | EMIA R'000 | Total provisions R'000 |
|--|---------------|------------------------------|
| Opening balance | 89 743 | 89 743 |
| Increase in provision | 210 261 | 210 261 |
| Settlement of provision | (184 134) | (184 134) |
| Unused amount reversed | (83 755) | (83 755) |
| Change in provision due to change in estimation inputs | - | - |
| Closing balance | 32 115 | 32 115 |

30.2 Reconciliation of movement in provisions – 2015/16

| | EMIA R'000 | Total provisions R'000 |
|--|---------------|------------------------------|
| Opening balance | 143 947 | 143 947 |
| Increase in provision | 324 765 | 324 765 |
| Settlement of provision | (282 252) | (282 252) |
| Unused amount reversed | (54 640) | (54 640) |
| Change in provision due to change in estimation inputs | (42 077) | (42 077) |
| Closing balance | 89 743 | 89 743 |

31 Movable tangible capital assets

Movement in movable tangible capital assets per asset register for the year ended 31 March 2017

| | Opening balance R'000 | Value adjustments R'000 | Additions R'000 | Disposals R'000 | Closing balance R'000 |
|--|-----------------------------|-------------------------------|--------------------|--------------------|-----------------------------|
| Machinery and equipment | 149 811 | | 11 133 | (17 931) | 143 013 |
| Transport assets | 5 236 | | 2 253 | (2 405) | 5 084 |
| Computer equipment | 117 174 | | 7 094 | (9 749) | 114 519 |
| Furniture and office equipment | 17 133 | | 1 213 | (4 453) | 13 893 |
| Other machinery and equipment | 10 268 | | 573 | (1 324) | 9 517 |
| Total movable tangible capital assets | 149 811 | | 11 133 | (17 931) | 143 013 |

31.1 Additions

| | Cash R'000 | Non-cash R'000 | Finance lease payments R'000 | Received current year, not paid (Paid current year, received prior year) R'000 | Total R'000 |
|---|---------------|-------------------|------------------------------------|---|----------------|
| Machinery and equipment | 11 071 | - | - | 62 | 11 133 |
| Transport assets | 2 253 | - | - | - | 2 253 |
| Computer equipment | 7 094 | - | - | - | 7 094 |
| Furniture and office equipment | 1 162 | - | - | 51 | 1 213 |
| Other machinery and equipment | 562 | - | - | 11 | 573 |
| Total additions to movable tangible capital assets | 11 071 | - | - | 62 | 11 133 |

31.2 Disposals

| | Sold for cash R'000 | Non-cash disposal R'000 | Total disposals R'000 | Cash received actual R'000 |
|--|------------------------|-------------------------------|-----------------------------|----------------------------------|
| Machinery and equipment* | 11 634 | 6 297 | 17 931 | - |
| Transport assets* | 1 296 | 1 109 | 2 405 | - |
| Computer equipment** | 5 566 | 4 183 | 9 749 | - |
| Furniture and office equipment** | 3 827 | 626 | 4 453 | - |
| Other machinery and equipment** | 945 | 379 | 1 324 | - |
| Total disposal of movable tangible capital assets | 11 634 | 6 297 | 17 931 | - |

* Although transport assets were auctioned during 2016/17, cash was received in 2017/18.

** Although computer equipment, furniture / office equipment and other machinery and equipment was disposed of during 2016/17, cash was received in 2017/18.

31.3 Movement for 2015/16

| | Opening balance R'000 | Value adjustments R'000 | Additions R'000 | Disposals R'000 | Closing balance R'000 |
|--|-----------------------------|-------------------------------|--------------------|--------------------|-----------------------------|
| Machinery and equipment | 139 582 | - | 33 012 | (22 783) | 149 811 |
| Transport assets | 8 036 | - | 2 254 | (5 054) | 5 236 |
| Computer equipment | 95 358 | - | 28 044 | (6 228) | 117 174 |
| Furniture and office equipment | 26 544 | - | 1 282 | (10 693) | 17 133 |
| Other machinery and equipment | 9 644 | - | 1 432 | (808) | 10 268 |
| Total movable tangible capital assets | 139 582 | - | 33 012 | (22 783) | 149 811 |

31.4 Minor assets

Movement in minor assets of the department for the year ended 31 March 2017

| | Intangible assets R'000 | Machinery and equipment R'000 | Total R'000 |
|-----------------|-------------------------------|-------------------------------------|----------------|
| Opening balance | 1 837 | 4 770 | 6 607 |
| Additions | 261 | 540 | 801 |
| Disposals | (381) | (869) | (1 250) |
| Total | 1 717 | 4 441 | 6 158 |

| | Intangible assets R'000 | Machinery and equipment R'000 | Total R'000 |
|--|-------------------------------|-------------------------------------|----------------|
| Number of R1 minor assets | - | 279 | 279 |
| Number of minor assets at cost (R'000) | 824 | 2 972 | 3 796 |
| Total | 824 | 3 251 | 4 075 |

Movement in minor assets of the department for the year ended 31 March 2016

| | | | |
|-----------------|--------------|--------------|--------------|
| Opening balance | 1 847 | 4 589 | 6 436 |
| Additions | 20 | 1 087 | 1 107 |
| Disposals | (30) | (906) | (936) |
| Total | 1 837 | 4 770 | 6 607 |

| | | | |
|--|--------------|--------------|--------------|
| Number of R1 minor assets | - | 43 | 43 |
| Number of minor assets at cost (R'000) | 1 969 | 2 233 | 4 202 |
| Total | 1 969 | 2 276 | 4 245 |

31.5 Moveable assets written off

Moveable assets written off for the year ended 31 March 2017

| | | |
|--------------------|------------|------------|
| Assets written off | 318 | 318 |
| Total | 318 | 318 |

Moveable assets written off for the year ended 31 March 2016

| | | |
|--------------------|------------|------------|
| Assets written off | 703 | 703 |
| Total | 703 | 703 |

31.6 Section 42 movable capital assets

Major assets subjected to transfer in terms of Section 42 of the PFMA as at 31 March 2017

| | | | |
|-------------------------|-------|-------|---------------|
| Number of assets | 1 | 169 | 170 |
| Value of assets (R'000) | 8 338 | 3 839 | 12 177 |

Minor assets subjected to transfer in terms of Section 42 of the PFMA as at 31 March 2017

| | | | |
|-------------------------|---|-----|------------|
| Number of assets | - | 45 | 45 |
| Value of assets (R'000) | - | 106 | 106 |

| | Intangible assets R'000 | Machinery and equipment R'000 | Total R'000 |
|--|-------------------------------|-------------------------------------|----------------|
|--|-------------------------------|-------------------------------------|----------------|

Major assets subjected to transfer in terms of Section 42 of the PFMA as at 31 March 2016

| | | | |
|-------------------------|-------|-------|---------------|
| Number of assets | 1 | 171 | 172 |
| Value of assets (R'000) | 8 338 | 3 302 | 11 640 |

Minor assets subjected to transfer in terms of Section 42 of the PFMA as at 31 March 2016

| | | | |
|-------------------------|---|-----|------------|
| Number of assets | 1 | 174 | 175 |
| Value of assets (R'000) | 2 | 450 | 452 |

32 Intangible capital assets

Movement in intangible capital assets per asset register for the year ended 31 March 2017

| | Cash | Current year adjustments to prior year balances | Additions | Disposals | Closing balance |
|--|---------------|--|--------------|----------------|--------------------|
| | R'000 | R'000 | R'000 | R'000 | R'000 |
| Computer software | 52 836 | – | 5 032 | (4 279) | 53 589 |
| Total intangible capital assets | 52 836 | – | 5 032 | (4 279) | 53 589 |

32.1 Additions

Additions to intangible capital assets per asset register for the year ended 31 March 2017

| | Cash | Non-cash | Development work in progress – current costs | Received current year, not paid (Paid current year, received prior year) | Total |
|---|--------------|----------|--|--|--------------|
| | R'000 | R'000 | R'000 | R'000 | R'000 |
| Computer software | 5 032 | - | - | - | 5 032 |
| Total additions to intangible capital assets | 5 032 | - | - | - | 5 032 |

32.2 Disposals

Disposals of intangible capital assets per asset register for the year ended 31 March 2017

| | Sold for cash | Non-cash disposal | Total disposals | Cash received actual |
|---|------------------|----------------------|--------------------|----------------------------|
| | R'000 | R'000 | R'000 | R'000 |
| Computer software | - | 4 279 | 4 279 | - |
| Total disposals of intangible capital assets | - | 4 279 | 4 279 | - |

32.3 Movement for March 2015/16

Movement in intangible capital assets per asset register for the year ended 31 March 2016

| | Opening balance | Additions | Disposals | Closing balance |
|-------------------|--------------------|--------------|----------------|--------------------|
| | R'000 | R'000 | R'000 | R'000 |
| Computer software | 50 061 | 4 416 | (1 641) | 52 836 |
| Total | 50 061 | 4 416 | (1 641) | 52 836 |

33 Prior period errors

Correction of prior period errors

| | Note | 2015/16 R'000 |
|--|------|------------------|
| Operating lease commitment | | |
| Machinery and equipment no later than 1 year | 23 | 324 |
| Machinery and equipment later than 1 year and not later than 5 years | | 576 |
| Buildings and other fixed structures no later than 1 year | | (4 208) |
| Building and other fixed structures later than 1 year and not later than 5 years | | 29 985 |
| Net effect | | 26 677 |

The full lease disclosure for buildings and other fixed structures disclosed in 2015/16 was R24 million. The correct figure that should have been disclosed is R20 million. The full lease disclosure was not included in the prior year as the department was in the process of transferring the administration budget to DIRCO. Discussions are still ongoing and until this is finalised, the department will disclose the commitment.

Annexures to the Annual Financial Statements for the year ended 31 March 2017

Annexure 1A: Statement of transfers to departmental agencies and accounts

| Department / Agency / Account | Transfer allocation | | | | Transfer | | 2015/16 |
|--|------------------------|-----------|-------------|-----------------|-----------------|---|-------------------|
| | Adjusted appropriation | Rollovers | Adjustments | Total available | Actual transfer | Percentage of available funds transferred | Appropriation Act |
| | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 |
| Companies and Intellectual Property Tribunal | 15 069 | - | - | 15 069 | 15 069 | 100 | 14 221 |
| National Consumer Commission | 56 643 | - | - | 56 643 | 56 643 | 100 | 54 596 |
| National Consumer Tribunal | 46 151 | - | - | 46 151 | 46 151 | 100 | 46 029 |
| National Credit Regulator | 69 577 | - | - | 69 577 | 69 577 | 100 | 66 727 |
| National Gambling Board | 30 121 | - | - | 30 121 | 30 121 | 100 | 31 983 |
| National Metrology Institute of South Africa | 101 400 | - | - | 101 400 | 101 400 | 100 | 96 296 |
| National Metrology Institute of South Africa: Infrastructure | 162 793 | - | - | 162 793 | 162 793 | 100 | 154 599 |
| National Productivity Institute: Workplace Challenge | 8 523 | - | - | 8 523 | 8 523 | 100 | 8 094 |
| National Regulator for Compulsory Specifications | 86 418 | - | - | 86 418 | 86 418 | 100 | 91 732 |
| South African National Accreditation System | 22 208 | - | - | 22 208 | 22 208 | 100 | 26 025 |
| Council for Geoscience | 1 131 | - | - | 1 131 | 1 131 | 100 | 1 077 |
| Independent Regulatory Board of Auditors | | - | - | | | | 500 |
| National Research Foundation | 256 000 | - | - | 256 000 | 256 000 | 100 | - |
| Total | 856 034 | - | - | 856 034 | 856 034 | - | 591 879 |

Annexure 1B: Statement of transfers to higher education institutions

| Institution | Transfer allocation | | | | Transfer | | | 2015/16 |
|--|------------------------|-----------|-------------|-----------------|-----------------|------------------------|---|-------------------|
| | Adjusted appropriation | Rollovers | Adjustments | Total available | Actual transfer | Amount not transferred | Percentage of available funds transferred | Appropriation Act |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 |
| North-West University: Advanced Manufacturing Skills Sector Support Programme | 1 | - | - | 1 | - | 1 | - | - |
| University of the Witwatersrand: National Aerospace Skills Sector Support Centre | 1 | - | - | 1 | - | 1 | - | - |
| University of Pretoria: Advanced Engineering Centre of Excellence | 1 | - | - | 1 | - | 1 | - | - |
| University of Johannesburg: CAPA | - | - | - | - | - | - | - | - |
| Total | 3 | - | - | 3 | - | 3 | - | - |

Annexure 1C: Statement of transfers / subsidies to public corporations and private enterprises

| Name of public corporation / private enterprise | Transfer allocation | | | | Expenditure | | | | 2015/16 |
|--|----------------------------|-----------|-------------|-----------------|-----------------|---|-----------|-----------|-------------------|
| | Adjusted Appropriation Act | Rollovers | Adjustments | Total available | Actual transfer | Percentage of available funds transferred | Capital | Current | Appropriation Act |
| | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 | R'000 |
| Public corporations | | | | | | | | | |
| Transfers | 2 654 356 | - | 399 797 | 1 644 153 | 3 054 149 | 185.8 | 1 554 797 | 1 499 352 | 2 326 906 |
| Council for Scientific and Industrial Research: Fibre and Textile Centre of Excellence | 1 655 | - | | 1 655 | 1 655 | 100 | | 1 655 | 1 572 |
| Council for Scientific and Industrial Research: Aerospace Industry Support | 17 781 | - | | 17 781 | 17 781 | 100 | 17 781 | | 21 534 |
| Council for Scientific and Industrial Research: National Cleaner Production Centre | 58 870 | - | | 58 870 | 58 870 | 100 | | 58 870 | 55 000 |
| Export Credit Insurance Corporation | 171 566 | - | | 171 566 | 171 566 | 100 | | 171 566 | 199 969 |
| Industrial Development Corporation: Clothing and Textile Production Incentive | 600 992 | - | | 600 992 | 600 992 | 100 | | 600 992 | 855 643 |
| Industrial Development Corporation: Customised Sector Programme | 157 274 | - | | 157 274 | 157 274 | 100 | | 157 274 | 145 294 |
| CSIR: National Foundry Technology Network: Metals | 19 689 | - | | 19 689 | 19 689 | 100 | | 19 689 | 16 384 |
| ProTechnik Laboratories capital | 1 219 | - | | 1 219 | 1 219 | 100 | 1 219 | | 1 158 |
| ProTechnik Laboratories current | 2 945 | - | | 2 945 | 2 945 | 100 | | 2 945 | 2 797 |
| South African Bureau of Standards: Research contribution | 212 365 | - | | 212 365 | 212 361 | 100 | | 212 361 | 216 215 |
| Critical Infrastructure Programme: Industrial parks | 100 000 | | 25 797 | 125 797 | 125 797 | | 125 797 | | 74 203 |
| South African Bureau of Standards: Small business technical consulting | | | | | | | | | 1 537 |
| IDC: MCEP industrial loan | | | 250 000 | 250 000 | 250 000 | | | 250 000 | |
| Special Economic Zones: Investment incentives | 1 310 000 | | 100 000 | | 1 410 000 | | 1 410 000 | | 735 600 |
| One-Stop Shop | | | 24 000 | 24 000 | 24 000 | 100 | | 24 000 | - |
| Subsidies | - | - | - | - | - | - | - | - | - |
| Subtotal: Public corporations | 2 654 356 | - | 399 797 | 1 644 153 | 3 054 149 | 185.8 | 1 554 797 | 1 499 352 | 2 326 906 |

| Name of public corporation / private enterprise | Transfer allocation | | | | Expenditure | | | | 2015/16 |
|---|----------------------------|-----------|------------------|------------------|------------------|---|------------------|------------------|-------------------|
| | Adjusted Appropriation Act | Rollovers | Adjustments | Total available | Actual transfer | Percentage of available funds transferred | Capital | Current | Appropriation Act |
| | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 | R'000 |
| Private enterprises | | | | | | | | | |
| Transfers | 475 314 | - | (205 797) | 269 517 | 269 357 | 99.9 | 64 187 | 205 170 | 304 075 |
| Export Market and Investment Assistance | 224 422 | | (40 000) | 184 422 | 184 410 | 100 | - | 184 410 | 281 248 |
| Support Programme for Industrial Innovation | 60 892 | | (40 000) | 20 892 | 20 760 | 99.4 | - | 20 760 | 22 827 |
| Other critical infrastructure programme project | 190 000 | | (125 797) | 64 203 | 64 187 | 100 | 64 187 | | |
| Subsidies | 4 590 716 | - | (148 961) | 4 441 755 | 4 441 733 | 100 | - | 4 441 733 | 4 526 712 |
| Cluster Development Programme | 50 000 | | (40 845) | 9 155 | 9 154 | | | 9 154 | - |
| Industrial development zones | 50 000 | | (9 155) | 40 845 | 40 845 | 100 | | 40 845 | 130 000 |
| Business Process Service Incentive | 300 000 | | (12 221) | 287 779 | 287 778 | 100 | | 287 778 | 321 663 |
| Film and Television Production Incentive | 300 000 | | 213 260 | 513 260 | 513 260 | 100 | | 513 260 | 468 000 |
| Automotive Production and Development Programme: Production Allowance | 1 374 000 | | 640 462 | 2 014 462 | 2 014 463 | 100 | | 2 014 463 | 555 217 |
| Supplier Cluster Development | 50 000 | | (50 000) | - | - | | | | |
| Technology and Human Resources Industry Programme (THRIP) | 127 905 | | (126 342) | 1 563 | 1 563 | 100 | | 1 563 | - |
| Enterprise Investment Programme | 500 000 | | (40 000) | 460 000 | 460 000 | 100 | | 460 000 | 730 024 |
| Manufacturing Competitiveness Enhancement Programme | 1 836 000 | | (721 320) | 1 114 680 | 1 114 670 | 100 | | 1 114 670 | 2 321 808 |
| Regional Spatial Development Initiative | 2 811 | | (2 800) | 11 | - | - | | | |
| Subtotal: Private enterprises | 5 066 030 | - | (354 758) | 4 711 272 | 4 711 090 | 100 | 64 187 | 4 646 903 | 4 830 787 |
| Total | 7 720 386 | - | 45 039 | 6 355 425 | 7 765 239 | 122.2 | 1 618 984 | 6 146 255 | 7 157 693 |

Annexure 1D: Statement of transfers to foreign governments and international organisations

| Foreign government / international organisation | Transfer allocation | | | | Transfer | | 2015/16 |
|--|------------------------|-----------|----------------|-----------------|-----------------|---|-------------------|
| | Adjusted appropriation | Rollovers | Adjustments | Total available | Actual transfer | Percentage of available funds transferred | Appropriation Act |
| | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 |
| World Trade Organisation | 14 501 | | (342) | 14 159 | 14 159 | 100 | 17 267 |
| Organisation for the Prohibition of Chemical Weapons | 4 626 | | (1 110) | 3 516 | 3 516 | 100 | 4 278 |
| United Nations Industrial Development Organisation | 6 459 | | (490) | 5 969 | 5 969 | 100 | 6 405 |
| World Intellectual Property Organisation | 4 927 | | | 4 927 | 4 568 | 93 | 5 287 |
| Various institutions for Treaty Organisation for Metrology | 2 058 | | (426) | 1 632 | 1 631 | 100 | - |
| Total | 32 571 | - | (2 368) | 30 203 | 29 843 | | 33 237 |

Annexure 1E: Statement of transfers to non-profit institutions

| Non-profit institution | Transfer allocation | | | | Transfer | | 2015/16 |
|--|------------------------|-----------|-------------|-----------------|-----------------|---|-------------------|
| | Adjusted appropriation | Rollovers | Adjustments | Total available | Actual transfer | Percentage of available funds transferred | Appropriation Act |
| | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 |
| Proudly South African campaign | 31 868 | - | - | 31 868 | 31 868 | 100 | 25 208 |
| Intsimbi National Tooling Initiative | 74 082 | - | - | 74 082 | 74 082 | 100 | 70 353 |
| Centurion Aerospace Village | 18 445 | - | - | 18 445 | 18 445 | 100 | 17 517 |
| Trade and Industrial Policy Strategies | 22 712 | - | - | 22 712 | 22 712 | 100 | 20 772 |
| Automotive Supply Chain Competitiveness Initiative | 15 000 | - | - | 15 000 | 15 000 | 100 | 14 000 |
| Black Business Council | 1 000 | - | - | 1 000 | 1 000 | 100 | 1 000 |
| Total | 163 107 | - | - | 163 107 | 163 107 | | 148 850 |

Annexure 1F: Statement of transfers to households

| Households | Transfer allocation | | | | Transfer | | 2015/16 |
|--|------------------------|-----------|--------------|-----------------|-----------------|---|-------------------|
| | Adjusted appropriation | Rollovers | Adjustments | Total available | Actual transfer | Percentage of available funds transferred | Appropriation Act |
| | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 |
| Employee social benefits | 950 | - | 1 725 | 2 675 | 2 655 | 99 | 2 838 |
| Social assistance | - | - | 627 | 627 | 626 | 100 | - |
| Bursaries | 1 251 | - | (1 046) | 205 | 204 | 100 | 1 661 |
| Gift and donations | 300 | - | 100 | 400 | 396 | 99 | 310 |
| Payments / Refunds and remissions as an act of grace | - | - | 4 | 4 | 4 | 100 | 20 |
| Total | 2 501 | - | 1 410 | 3 911 | 3 885 | | 4 829 |

Annexure 1G: Statement of gifts, donations and sponsorships received

| Name of organisation | Nature of gift, donation or sponsorship | 2016/17 | 2015/16 |
|--|---|---------|---------|
| Received in kind | | R'000 | R'000 |
| Ndalo Media | Sponsored donation for International Men's Day event, Destiny magazines | - | 7 |
| United Nations Economic Commission for Africa | Attended the 8th side event on the Continental Free-Trade Area Negotiations – sponsored flight, accommodation | - | 35 |
| Trade Law Centre (TRALAC) | Attended the TRALAC annual conference – sponsored flight, accommodation, meals, etc | - | 12 |
| United States of America government | Attended the USA-South Africa Technical Exchange Workshop on Licensing for Strategic Trade Control – sponsored flight, accommodation | - | 149 |
| Harvard Kennedy School of Government | Attended the Kistefos African Public Service Fellowship on Leaders in Economic Development – sponsored tuition fees, accommodation | - | 125 |
| OPCW | Attended the Regional meeting of Chemical Industry Representatives and National Authorities of State Parties to the Chemical Weapons Convention in Africa – sponsored flight, accommodation, subsistence allowance | - | 46 |
| Singapore Ministry of Foreign Affairs | Attended sponsored Public Sector Administration and Financial Management Training Course under the Singapore Cooperation Programme Training Award / Small Island Developing States Technical Cooperation Programme | - | 28 |
| United Nations Conference on Trade and Development | Attended a Workshop on Trade In Services Negotiations for African Union Continental Free-Trade Area Negotiators in Kenya-Nairobi – sponsored flight, accommodation | - | 32 |
| Friedrich Ebert Stiftung Botswana | Attended Policy Advisory Group Seminar in Botswana on region-building and peace building in Southern Africa – sponsored flight, accommodation and daily allowance | - | 7 |
| Finnish Institute for Verification of Chemical Weapons | Attended the sponsored 19th training course on National Authority and Chemical Databases that took place in Helsinki, Finland | - | 29 |
| United Kingdom Ministry of Defence | Attended the meeting on compliance with the Biological and Toxic Weapons Convention in preparation towards the 8th Review Conference that took place in the UK – sponsored flight, accommodation | - | 22 |
| African Union Commission | Attended the 2nd Pan African Investment Code Regional workshop held in Port Louis, Mauritius – sponsored flight, accommodation | - | 17 |
| Comprehensive Nuclear-Test-Ban Treaty Organisation | Attended the On-Site Inspection Regional Introductory Course RIC-22 of the Comprehensive Nuclear-Test-Ban Treaty Organisation in Dambula, Sri Lanka – sponsored flight, accommodation | - | 24 |
| United Nations and COMESA | Attended COMESA, EAC and SADC Tripartite Non-Tariff Measures online training workshop for national monitoring committee / non-tariff barriers focal points for 12 pilot countries in Nairobi, Kenya – sponsored flight, accommodation | - | 36 |

| Name of organisation | Nature of gift, donation or sponsorship | 2016/17 | 2015/16 |
|--|---|---------|---------|
| Received in kind | | R'000 | R'000 |
| World Health Organisation | Attended a workshop on International Trade and Investment Law in the Implementation of the World Health Organisation Framework Convention on Tobacco Control in Entebbe, Uganda – sponsored flight, accommodation | - | 16 |
| African Union | Attended the first meeting of the Continental Free-Trade Area Negotiation Forum in Addis Ababa, Ethiopia – sponsored flight, accommodation | - | 29 |
| Government of Australia | Attended sponsored Intensive Legal Training Programme offered by the McCabe Centre for Law and Cancer in Melbourne, Australia | - | 70 |
| Government of China | Attended sponsored SEZs Capacity Building training, Masters Degree in Public Policy and seminar in China | - | 237 |
| Food and Agricultural Organisation | Attended a global 10-year framework in New York, Food and Agricultural Organisation subregional workshop on trade in country programming frameworks in Harare, Zimbabwe – sponsored flight, accommodation | - | 24 |
| University of Cape Town | Attended sponsored access and benefit-sharing course in Zimbabwe | - | 24 |
| Netherlands government | Attended the conference No More Food Waste – sponsored flight, accommodation | - | 17 |
| SADC | Attended SADC meetings – sponsored accommodation, breakfast, flight, transport | - | 61 |
| University of Pretoria | Attended a conference in Cape Town – sponsored flight, accommodation | - | 12 |
| Deutsche Gesellschaft | Attended a training on maritime spatial planning in Port Elizabeth – sponsored flight, accommodation | - | 7 |
| China South Rail | Factory visit in China – sponsored accommodation, train fare | - | 15 |
| Standard Bank | Sponsored tickets to attend Standard Bank Joy of Jazz | - | 6 |
| SA Breweries | Sponsored VIP soccer tickets for game between Kaizer Chiefs and Orlando Pirates | - | 12 |
| Australian government | Attended Australia Awards in Africa held in Cape Town – short course on trade policy and negotiations – sponsored flight, accommodation, training, local transportation | - | 207 |
| World Intellectual Property Organisation | Sponsored trip to attend World Intellectual Property Organisation conference in Geneva | 78 | - |
| Commonwealth Secretariat | Sponsored trip to attend Commonwealth African Countries Regional Integration on WTO Post, Nairobi, Kenya, and Continental and Regional Integration Meeting in Lusaka, Zambia | 15 | - |
| Saudi government | Sponsored state visit to the Kingdom of Saudi Arabia and United Arab Emirates | 23 | - |

| Name of organisation | Nature of gift, donation or sponsorship | 2016/17 | 2015/16 |
|--|--|---------|---------|
| Received in kind | | R'000 | R'000 |
| Comprehensive Nuclear Test-Ban Treaty Organisation | Sponsored trip to participate in the 21 on-site inspection regional introductory course for CTBTO, held in Arniston, US | 50 | - |
| WTO | Sponsored trip to participate in WTO regional workshop and advanced trade negotiations simulation skills course in Namibia, Switzerland and Ghana | 121 | - |
| Chilean International Cooperation Agency | Sponsored master's degree at the University of Concepcion in Chile | 678 | - |
| COMESA-EAC-SADC secretariats | Sponsored trip to participate in COMESA-EAC-SADC tripartite technical workshop on SPS and TBT measures from 3 – 9 July 2016 in Nairobi, Kenya | 33 | - |
| Centre for Conflict Resolution | Sponsored trip to attend a seminar on Africa and external actors, Cape Town | 11 | - |
| European Union | Sponsored trip to attend the EU summer university course on export controls and non-proliferation | 31 | - |
| SACU Secretariat | Sponsored trip to the SACU building task team meeting | 9 | - |
| International Trade Centre | Sponsored trip to attend the SACU workshop on trade facilitation agreement implementation in Windhoek, Namibia | 66 | - |
| National Nuclear Security Administration | Sponsored trip to participate in the EAC regional weapons of mass destruction commodity identification training demonstration workshop in Naivasha, Kenya | 31 | - |
| African Union Commission | Sponsored trip to attend the third Continental Free-Trade Area Negotiations Forum in Addis Ababa, Ethiopia, African Union Commission's consultative meeting, the Continental Consultative meeting on the draft Pan African Investment Code and Geographical Indications Policy Framework in Nairobi, Kenya, and the African Union-the dti consultative meeting on the four-year strategic plan | 173 | - |
| United Nations | Sponsored accommodation for the trip to participate in UN Conference on Trade and Development annual workshop in New York, US | 24 | - |
| OPCW | Sponsored trip to attend the Stakeholders Forum for States Parties in Africa on the adoption of national implementing legislation and 18th Annual Meeting of National Authorities to the Chemical Weapons Convention held in Dar es Salaam, Tanzania, and the Hague, Netherlands | 38 | - |
| United States government | Sponsored trip to attend the 15th International Export Control conference in Prague, Czech Republic for industry benchmarking | 80 | - |
| American University's Kogod Business School | Coffee cups during the FER handover session in Washington DC, US | 14 | - |
| Tripartite Capacity Building Programme | Sponsored trip for the Tripartite Capacity Building Programme at the Beitbridge border post | 30 | - |
| SADC Secretariat | Sponsored trip to attend the SADC SPS Coordinating Committee meetings in Dar es Salaam, Tanzania | 17 | - |

| Name of organisation | Nature of gift, donation or sponsorship | 2016/17 | 2015/16 |
|--|---|--------------|--------------|
| Received in kind | | R'000 | R'000 |
| International Centre for Trade and Sustainable Development | Sponsored trip to attend a round-table dialogue of policymakers, business representatives and international experts entitled "Setting South Africa's trade policy priorities for the global digital and services economy" | 6 | - |
| United Nations Development Programme | Sponsored trip to attend United Nations Development Programme technical assistance mission to Botswana | 34 | - |
| Government of the People's Republic of China | Sponsored trip to attend the third Capacity Building Programme on SEZs, participate in the maritime manufacturing seminar and seminar on economic globalisation | 146 | - |
| Harvard Kennedy School | Sponsored trip to attend the Infrastructure in a Market Economy Programme | 53 | - |
| IOL | Sponsored trip to attend the third world skills hi-tech competition and future skills foresight conference in Russia | 20 | - |
| Global Offset and Countertrade Association | Sponsored trip to attend the Global Industrial Cooperation Conference in Toledo, Spain | 37 | - |
| United States Trade and Development Agency | Sponsored energy storage study tour to the US | 100 | - |
| United Nations Industrial Development Organization | Sponsored trip to attend the Specialised Technical Committee on Trade, Industry and Minerals in Ethiopia | 21 | - |
| US Trade and Development Agency | Sponsored trip to participate in the US Trade and Development Agency Gas-to-Power Reverse Trade Mission | 50 | - |
| South African Danish Embassy | Sponsored trip to attend Bioenergy tour in Denmark | 33 | - |
| CHIETA | Sponsored trip to attend the CHIETA annual strategic board meeting in Magaliesburg | 5 | - |
| Trade and Industry Policy Strategies | Sponsored trip to attend the quarterly Africa Industrial Development and Integration Programme research meeting in Tanzania | 11 | - |
| University of Birmingham, United Kingdom | Sponsored master's of business administration (MBA) in international business | 504 | - |
| Saudi Royal Protocol | Sponsored ground transport, accommodation and meals for state visit | 45 | - |
| Turkish government | Sponsored trip to attend Turkey-Africa Economic Business Forum – accommodation, transport | 60 | - |
| Singapore government | Attend the Singapore Cooperation Programme training award Public Private Partnership Programme in Development of Infrastructure Projects in support of the G20 development working group | 33 | - |
| Miscellaneous (grouped small items) | | 36 | 61 |
| Total | | 2 716 | 1 367 |

Annexure 1H: Statement of local and foreign aid assistance received

| Name of donor | Purpose | Opening balance | Surrendered | Revenue | Expenditure | Closing balance |
|--|--|-----------------|----------------|----------------|---------------|-----------------|
| | | R'000 | R'000 | R'000 | R'000 | R'000 |
| Employment Creation Fund | Create long-term sustainable employment | (2 578) | 297 510 | 293 140 | | 1 792 |
| Sector-Wide Enterprise Employment and Equity Programme | Increase employment and greater social and economic equity and integration | 35 533 | 32 955 | 1 678 | 32 955 | 33 855 |
| African Development Bank | Increase employment and greater social and economic equity and integration | - | 1 241 | 829 | 412 | - |
| Total | | 32 955 | 331 706 | 295 647 | 33 367 | 35 647 |

Annexure 1I: Statement of gifts, donations and sponsorships made; and remissions, refunds and payments made as an act of grace

| Nature of gift, donation or sponsorship | 2016/17 | 2015/16 |
|---|------------|------------|
| Made in kind | R'000 | R'000 |
| the dti: Sponsor travel, accommodation and registration costs to non-department officials to attend the 5th Bi-Annual International European Investor Panel and Conference | - | 68 |
| the dti: Sponsor a trip to attend and participate in the conference of the G200 Youth Forum in Germany | - | 25 |
| the dti: Sponsor accommodation costs for judges during the Company Law Seminar | - | 20 |
| the dti: Sponsor travel costs for the members of delegates to attend Copyright Amendment Bill Conference and gifts | - | 68 |
| the dti: Provide blankets and food parcels for the Mandela Day commemoration | 96 | |
| Miscellaneous (exchange gifts with counterparts and business executives, etc) | 24 | 18 |
| Total | 120 | 199 |

Annexure 2A: Statement of financial guarantees issued as at 31 March 2017 – local

| Guarantor institution | Guarantee in respect of | Original guaranteed capital amount | Opening balance 1 April 2016 | Guarantees draw downs during the year | Guaranteed repayments / cancelled / reduced / released during the year | Revaluations | Closing balance 31 March 2017 | Guaranteed interest for year ended 31 March 2017 | Realised losses not recoverable (ie claims paid out) |
|-----------------------|-------------------------|------------------------------------|------------------------------|---------------------------------------|--|--------------|-------------------------------|--|--|
| | | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Standard Bank | Housing | 80 | 80 | - | - | - | 80 | - | - |
| ABSA | Housing | 185 | 185 | - | - | - | 185 | - | - |
| | Total | 265 | 265 | - | - | - | 265 | - | - |

Annexure 2B: Statement of contingent liabilities as at 31 March 2017

| Nature of liability | Opening balance 1 April 2016 | Liabilities incurred during the year | Liabilities paid / cancelled / reduced during the year | Liabilities recoverable (details hereunder) | Closing balance |
|---|---------------------------------|---|---|--|------------------|
| | R'000 | R'000 | R'000 | R'000 | R'000 |
| Claims against the department | | | | | |
| Frey's Foods | 1 627 | - | (1 627) | - | - |
| TEO: Porcor | 4 065 | - | (4 065) | - | - |
| Gwam Properties | 357 | - | - | - | 357 |
| Christopher Roland: Film and TV | 3 958 | - | (3 958) | - | - |
| Automotive Incentive Scheme (AIS) | 1 558 645 | 3 621 712 | (2 458 344) | - | 2 722 013 |
| Business Process Services (BPS) | 110 252 | 349 006 | (315 435) | - | 143 823 |
| Film and Television Production | 1 091 045 | 825 265 | (751 033) | - | 1 165 277 |
| Enterprise Investment Programme (EIP) | 828 153 | 139 320 | (816 622) | - | 150 851 |
| Critical Infrastructure Programme (CIP) | 312 424 | 356 668 | (292 129) | - | 376 963 |
| Capital Project Feasibility Programme (CPFP) | 81 943 | 33 354 | (55 861) | - | 59 436 |
| Manufacturing Competitive Enhancement Programme (MCEP) | 2 475 498 | 16 770 | (1 936 824) | - | 555 444 |
| Incubator Support Programme (ISP) | 275 883 | 25 672 | (139 399) | - | 162 156 |
| Aquaculture Development Enhancement Programme (ADEP) | 59 887 | 45 807 | (25 380) | - | 80 314 |
| Support Programme for Industrial Innovation (SPII) | 32 891 | 13 388 | (22 760) | - | 23 519 |
| Cluster Development Programme (CDP) | - | 65 941 | (9 154) | - | 56 787 |
| Black Industrialist Scheme (BIS) | - | 1 014 805 | (122 502) | - | 892 303 |
| Technology and Human Resources for Industry Programme (THRIP) | - | 156 221 | (5 594) | - | 150 627 |
| Rainprop | 5 272 | 107 109 | (110 110) | - | 2 271 |
| Total | 6 841 900 | 6 771 038 | 7 070 797 | - | 6 542 141 |

Annexure 3: Claims recoverable

| Government entity | Confirmed balance outstanding | | Unconfirmed balance outstanding | | Total | |
|--|-------------------------------|------------|---------------------------------|--------------|--------------|--------------|
| | 31/03/2017 | 31/03/2016 | 31/03/2017 | 31/03/2016 | 31/03/2017 | 31/03/2016 |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Departments | | | | | | |
| Government Pensions Administration Agency | - | - | - | 55 | - | 55 |
| Department of Small Business Development | - | - | - | 134 | - | 134 |
| Ekurhuleni Municipality | - | - | - | 28 | - | 28 |
| Gauteng: Infrastructure | - | - | - | 20 | - | 20 |
| Gauteng: Department of E-Government | - | - | 63 | - | 63 | - |
| Economic Development Department | - | - | 2 069 | 1 | 2 069 | 1 |
| Subtotal | - | - | 2 132 | 238 | 2 132 | 238 |
| Other government entities | | | | | | |
| National Gambling Board | - | - | 1 | 105 | 1 | 105 |
| Companies and Intellectual Property Commission | - | - | - | 19 | - | 19 |
| South African National Accreditation System | 6 | - | - | 2 | 6 | 2 |
| Small Enterprise Development Agency | - | - | 3 000 | 3 000 | 3 000 | 3 000 |
| Competition Commission | - | - | 42 | - | 42 | - |
| International Trade Administration Commission | - | - | 38 | 16 | 38 | 16 |
| Competition Tribunal | - | - | 1 | 1 | 1 | 1 |
| Subtotal | 6 | - | 3 082 | 3 143 | 3 088 | 3 143 |
| Total | 6 | - | 5 214 | 3 381 | 5 220 | 3 381 |

Annexure 4: Intergovernment payables

| Government entity | Confirmed balance outstanding | | Unconfirmed balance outstanding | | Total | |
|--|-------------------------------|------------|---------------------------------|------------|------------|------------|
| | 31/03/2017 | 31/03/2016 | 31/03/2017 | 31/03/2016 | 31/03/2017 | 31/03/2016 |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Other government entity | - | - | - | - | - | - |
| Current | - | - | - | - | - | - |
| United Nations Industrial Development Organisation | - | - | - | 5 | - | 5 |
| Subtotal | - | - | - | 5 | - | 5 |
| Total | - | - | - | 5 | - | 5 |

Annexure 5: Inter-entity advances paid (Note 12)

| Entity | Confirmed balance outstanding | | Unconfirmed balance outstanding | | Total | |
|---|-------------------------------|------------|---------------------------------|---------------|---------------|---------------|
| | 31/03/2017 | 31/03/2016 | 31/03/2017 | 31/03/2016 | 31/03/2017 | 31/03/2016 |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| National departments | | | | | | |
| Department of International Relations and Cooperation | - | - | 60 924 | 48 623 | 60 924 | 48 623 |
| Government Communication and Information Systems | 7 719 | - | - | 3 800 | 7 719 | 3 800 |
| Statistics South Africa | - | - | 143 | 202 | 143 | 202 |
| Subtotal | 7 719 | - | 61 067 | 52 625 | 68 786 | 52 625 |
| Public entities | | | | | | |
| Industrial parks: Development Bank of Southern Africa | - | - | - | 25 797 | - | 25 797 |
| Subtotal | - | - | - | 25 797 | - | 25 797 |
| Total | 7 719 | - | 61 067 | 78 422 | 68 786 | 78 422 |

Part E

Human Resource Management



18. Human resource management

Table 18.1.1 Main service for service delivery improvement and standards

| Main services | Actual customers | Potential customers | Standard of service | Actual achievement against standards |
|--|---|---|---|--|
| Provide financial support through BPS incentive | Medium and large black businesses | Medium and large black businesses | All completed applications and claims approved or paid within 50 working days | All completed applications and claims were approved or paid within 30 working days |
| Provide financial support through film and TV production incentive | Medium and large black businesses | Medium and large black businesses | All completed applications and claims approved or paid within 50 working days | All completed applications and claims were approved or paid within 60 working days |
| Issue manufacturers and/or distributors of liquor licenses | External clients: Prospective NLA registrants | External clients: Prospective NLA registrants | Issue liquor licences 130 days after receipt of a complete application | Liquor licences were issued 130 days after receipt of a complete application |

Table 18.1.2 Consultation arrangements for customers

| Main services | Actual customers | Potential customers | Actual achievements |
|---|---|---|--|
| 80 information-sharing consultative sessions with strategic stakeholders annually | Medium and large black businesses | Medium and large black businesses | 87 information-sharing consultative sessions with strategic stakeholders held annually |
| 4 meetings with registrants quarterly in selected provinces | External clients: Prospective NLA registrants | External clients: Prospective NLA registrants | 4 meetings were held with registrants quarterly in selected provinces |

Table 18.1.3 Service delivery access strategies

| Access strategy | Actual achievement |
|---|--|
| Information can be accessed through the dti regional offices (Pretoria, Cape Town, Port Elizabeth and Durban) or via the dti website and submit applications using an electronic system | Information was accessed through the dti regional offices (Pretoria, Cape Town and Durban) or via the dti website. Applications were submitted through the manual system |
| Walk in clients attended to and information provided to clients. NLA information material made available at the provincial liquor boards | Walk-in clients were attended to and information was provided. NLA information material was made available at the provincial liquor boards |

Table 18.1.4 Service information tool

| Type of information tool | Actual achievement |
|---|---|
| Distribute brochures in the regional offices, workshop venues and information about incentives uploaded on the dti website | Brochures distributed in the regional offices, workshop venues and information about incentives uploaded on the dti website |
| Increase awareness regarding the dti programmes in provinces by conducting workshops and/or imbizos, advertising in print, voice media annually | Increased awareness about the dti programmes in provinces by conducting workshops and/or imbizos, advertising in print, voice media annually |
| Update information available on the website (brochures, guidelines and practice notes) | Information was made available on the dti website and online case management system, and in practice notes and guidelines |

Table 18.1.5 Complaint mechanisms

| Complaint mechanism | Actual achievement |
|--|---|
| 90% of enquiries responded to within 48 hours | 90% of enquiries were responded to within 48 hours |
| Handle customer complaints promptly and send an apology to customers within 1 working day of receipt | Handled customer complaints promptly and sent apologies to customers within 2 working days of receipt |
| 10-day turnaround time for resolving queries and complaints. Apologise when process is delayed | 10-day turnaround time for resolving queries and complaints. Apologised when process was delayed |

18.2 Personnel expenditure

Table 18.2.1 Personnel expenditure by programme

| Programme | Total voted expenditure (R'000) | Compensation of employees expenditure (R'000) | Training expenditure (R'000) | Professional and special services (R'000) | Compensation of employees as % of total expenditure | Average compensation of employees cost per employee (R'000) | Employment |
|--|---------------------------------|---|------------------------------|---|---|---|--------------|
| Administration | 699 139 | 269 929 | 2 924 | 9 724 | 38.61 | 560 | 482 |
| Consumer and Corporate Regulation | 116 024 | 74 158 | 0 | 287 | 63.92 | 693 | 85 |
| Incentive Development and Administration | 97 588 | 60 349 | 996 | 4 223 | 61.84 | 671 | 218 |
| Industrial Development | 1 722 245 | 101 878 | 0 | 1 008 | 5.92 | 666 | 153 |
| International Trade and Economic Development | 295 381 | 59 582 | 0 | 1 268 | 20.17 | 701 | 107 |
| Special Economic Zones and Economic Transformation | 6 895 186 | 126 834 | 0 | 2 763 | 1.84 | 582 | 209 |
| Trade Export South Africa | 454 588 | 195 296 | 758 | 1 359 | 42.96 | 1 198 | 163 |
| Investment South Africa | 69 244 | 27 472 | 0 | 1 205 | 39.67 | 597 | 46 |
| Total as on financial systems | 10 349 395 | 915 498 | 4 678 | 21 837 | 34.4 | 5 568 | 1 344 |

Table 18.2.2 Personnel costs by salary band

| Salary band | Compensation of employees cost, including transfers (R'000) | Percentage of total personnel cost for department (R'000) | Average compensation cost per employee (R'000) | Total personnel cost for department including goods and services (R'000) | Number of employees |
|--|---|---|--|--|---------------------|
| Skilled (levels 3-5) | 11 718 | 1.3 | 2 663 | 915 498 | 44 |
| Highly skilled production (levels 6-8) | 146 113 | 16 | 3 746 | 915 498 | 390 |
| Highly skilled supervision (levels 9-12) | 427 080 | 46.7 | 7 363 | 915 498 | 580 |
| Senior management (levels 13-16) | 292 593 | 32 | 13 737 | 915 498 | 213 |
| Contract (levels 3-5) | 1 007 | 0.1 | 2 518 | 915 498 | 4 |
| Contract (levels 6-8) | 5 951 | 0.7 | 3 306 | 915 498 | 18 |
| Contract (levels 9-12) | 6 775 | 0.7 | 4 516 | 915 498 | 15 |
| Contract (levels 13-16) | 20 787 | 2.3 | 11 545 | 915 498 | 18 |
| Contract other | 3 479 | 0.4 | 561 | 915 498 | 62 |
| Total | 915 498 | 100 | 49 955 | 915 498 | 1 344 |

Table 18.2.3 Salaries, overtime, homeowners allowance (HOA) and medical aid by programme

| Programme | Salaries (R'000) | Salaries as % of personnel cost | Overtime (R'000) | Overtime as % of personnel cost | HOA (R'000) | HOA as % of personnel cost | Medical assistance (R'000) | Medical assistance as % of personnel cost | Total personnel cost per salary band (R'000) |
|--|------------------|---------------------------------|------------------|---------------------------------|--------------|----------------------------|----------------------------|---|--|
| Administration | 185 759 | 68.8 | 956 | 0.4 | 3 830 | 1.4 | 8 503 | 3.2 | 269 929 |
| Special Economic Zones and Transformation | 51 157 | 69 | 0 | 0 | 776 | 1 | 1 846 | 2.5 | 74 158 |
| Consumer and Corporate Regulation | 41 046 | 68 | 0 | 0 | 445 | 0.7 | 1 280 | 2.1 | 60 349 |
| Incentive Development and Administration | 70 447 | 69.1 | 0 | 0 | 698 | 0.7 | 2 055 | 2 | 101 878 |
| Industrial Development | 39 878 | 66.9 | 0 | 0 | 499 | 0.8 | 1 606 | 2.7 | 59 582 |
| International Trade and Economic Development | 88 428 | 69.7 | 0 | 0 | 1 730 | 1.4 | 3 723 | 2.9 | 126 834 |
| Trade Export South Africa | 69 087 | 35.4 | 0 | 0 | 1 069 | 0.5 | 2 670 | 1.4 | 195 296 |
| Investment South Africa | 19 520 | 71.1 | 0 | 0 | 256 | 0.9 | 732 | 2.7 | 27 472 |
| Total | 565 322 | 64.8 | 956 | 0 | 9 303 | 0.9 | 22 415 | 2.4 | 915 498 |

Table 18.2.4 Salaries, overtime, HOA and medical aid by salary band

| Salary band | Salaries (R'000) | Salaries as % of personnel cost | Overtime (R'000) | Overtime as % of personnel cost | HOA (R'000) | HOA as % of personnel cost | Medical assistance (R'000) | Medical assistance as % of personnel cost | Total personnel cost per salary band (R'000) |
|--|------------------|---------------------------------|------------------|---------------------------------|--------------|----------------------------|----------------------------|---|--|
| Skilled (levels 3-5) | 6 228 | 53.1 | 30 | 0.3 | 628 | 5.4 | 905 | 7.7 | 11 718 |
| Highly skilled production (levels 6-8) | 83 116 | 56.9 | 480 | 0.3 | 4 667 | 3.2 | 7 926 | 5.4 | 146 113 |
| Highly skilled supervision (levels 9-12) | 266 883 | 62.5 | 442 | 0.1 | 3 381 | 0.8 | 9 891 | 2.3 | 427 080 |
| Senior management (levels 13-16) | 186 879 | 63.9 | 0 | 0 | 627 | 0.2 | 3 594 | 1.2 | 292 593 |
| Contract (levels 3-5) | 707 | 70.2 | 2 | 0.2 | 0 | 0 | 0 | 0 | 1 007 |
| Contract (levels 6-8) | 4 602 | 77.3 | 0 | 0 | 0 | 0 | 0 | 0 | 5 951 |
| Contract (levels 9-12) | 4 636 | 68.4 | 0 | 0 | 0 | 0 | 26 | 0.4 | 6 775 |
| Contract (levels 13-16) | 9 618 | 46.3 | 0 | 0 | 0 | 0 | 73 | 0.4 | 20 782 |
| Contract other | 2 653 | 76.2 | 2 | 0.1 | 0 | 0 | 0 | 0 | 3 479 |
| Total | 565 322 | 63.9 | 956 | 0.1 | 9 303 | 1.1 | 22 415 | 1.9 | 915 498 |

18.3 Employment and vacancies

Table 18.3.1 Employment and vacancies by programme at end of period

| Programme | Number of posts | Number of posts filled | Vacancy rate (%) (includes frozen posts) | Number of posts filled additional to the establishment |
|--|-----------------|------------------------|--|--|
| Administration | 544 | 454 | 17 | 28 |
| Special Economic Zones and Transformation | 85 | 73 | 14 | 17 |
| Consumer and Corporate Regulation | 90 | 82 | 9 | 3 |
| Incentive Development and Administration | 229 | 203 | 11 | 15 |
| Industrial Development | 154 | 142 | 8 | 11 |
| International Trade and Economic Development | 118 | 105 | 11 | 2 |
| Trade Export South Africa | 155 | 139 | 10 | 24 |
| Investment South Africa | 51 | 43 | 16 | 3 |
| Total | 1 426 | 1 241 | 13 | 103 |

Table 18.3.2 Employment and vacancies by salary band at end of period

| Salary band (permanent employees) | Number of posts | Number of posts filled | Vacancy rate (%) (includes frozen posts) | Number of posts filled additional to the establishment |
|--|-----------------|------------------------|---|--|
| Lower skilled (levels 1-2) | 0 | 1 | 0 | 0 |
| Skilled (levels 3-5) | 58 | 43 | 1 | 0 |
| Highly skilled production (levels 6-8) | 452 | 390 | 4 | 6 |
| Highly skilled supervision (levels 9-12) | 657 | 580 | 5 | 10 |
| Senior management (levels 13-16) | 245 | 213 | 2 | 7 |
| Other | 0 | 0 | 0 | 0 |
| Contract (levels 1-2) | 0 | 0 | 0 | 0 |
| Contract (levels 3-5) | 3 | 3 | 0 | 63 |
| Contract (levels 6-8) | 0 | 0 | 0 | 12 |
| Contract (levels 9-12) | 1 | 1 | 0 | 4 |
| Contract (levels 13-16) | 10 | 10 | 0 | 1 |
| Total | 1 426 | 1 241 | 13 | 103 |

Table 18.3.3 Employment and vacancies by critical occupation at end of period

| Critical occupation (permanent employees) | Number of posts | Number of posts filled | Vacancy rate (%) (includes frozen posts) | Number of posts filled additional to the establishment |
|--|-----------------|------------------------|--|--|
| Administrative related | 182 | 158 | 13 | 68 |
| Cleaners in offices, workshops, hospitals, etc | 0 | 0 | 0 | 0 |
| Communication and information related | 5 | 5 | 0 | 0 |
| Economists | 7 | 6 | 14 | 2 |
| Finance and economics related | 64 | 50 | 22 | 0 |
| Financial and related professionals | 6 | 5 | 17 | 0 |
| Financial clerks and credit controllers | 1 | 0 | 100 | 0 |
| Food services aids and waiters | 14 | 12 | 14 | 0 |
| General legal administration and related professionals | 3 | 3 | 0 | 0 |
| Head of department / chief executive officer | 1 | 1 | 0 | 0 |
| Human resources and organisational development and related professionals | 2 | 1 | 50 | 0 |
| Human resources clerks | 0 | 0 | 0 | 0 |
| Human resources related | 54 | 43 | 20 | 2 |
| Information technology related | 32 | 29 | 9 | 0 |
| Legal related | 20 | 15 | 25 | 0 |
| Librarians and related professionals | 1 | 0 | 100 | 0 |
| Library, mail and related clerks | 26 | 23 | 12 | 0 |
| Light vehicle drivers | 3 | 3 | 0 | 0 |
| Logistical support personnel | 29 | 20 | 31 | 0 |
| Messengers, porters and deliverers | 10 | 8 | 20 | 0 |
| Other administrative and related clerks and organisers | 4 | 4 | 0 | 0 |
| Other occupations | 5 | 5 | 0 | 0 |
| Risk management and security services | 0 | 0 | 0 | 0 |
| Secretaries and other keyboard operating clerks | 162 | 139 | 14 | 3 |
| Security officers | 17 | 15 | 12 | 1 |

| Critical occupation | Number of posts | Number of posts filled | Vacancy rate (%) (includes frozen posts) | Number of posts filled additional to the establishment |
|---|-----------------|------------------------|--|--|
| Senior managers* | 249 | 215 | 14 | 8 |
| Statisticians and related professionals | 2 | 2 | 0 | 0 |
| Trade and industry advisers and other related professionals | 527 | 479 | 9 | 19 |
| Total | 1 426 | 1 241 | 13 | 103 |

* Not all SMS count under SMS due to different occupational classifications: Legal 5; Admin 1; HOD 1; Trade and Industry 1. There are 2 Administrative-related staff counted under SMS, corrected to Administrative-related.

18.4 Job evaluation

Table 18.4.1 Job evaluation by salary band

| Salary band | Number of posts | Number of jobs evaluated | Posts evaluated (%) | Number of posts upgraded | Upgraded posts evaluated (%) | Number of posts downgraded | Downgraded posts evaluated (%) |
|--|-----------------|--------------------------|---------------------|--------------------------|------------------------------|----------------------------|--------------------------------|
| Contract (levels 1-2) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (levels 3-5) | 3 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (levels 6-8) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (levels 9-12) | 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (band A) | 10 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (band B) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (band C) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (band D) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Lower skilled (levels 1-2) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Skilled (levels 3-5) | 58 | 0 | 0 | 0 | 0 | 0 | 0 |
| Highly skilled production (levels 6-8) | 452 | 3 | 0.7 | 0 | 0 | 1 | 33.3 |
| Highly skilled supervision (levels 9-12) | 657 | 4 | 0.6 | 1 | 25 | 1 | 25 |

| Salary band | Number of posts | Number of jobs evaluated | Posts evaluated (%) | Number of posts upgraded | Upgraded posts evaluated (%) | Number of posts downgraded | Downgraded posts evaluated (%) |
|------------------------------------|-----------------|--------------------------|---------------------|--------------------------|------------------------------|----------------------------|--------------------------------|
| Senior management service (Band A) | 168 | 2 | 1.2 | 0 | 0 | 0 | 0 |
| Senior management service (Band B) | 64 | 0 | 0 | 0 | 0 | 0 | 0 |
| Senior management Service (Band C) | 12 | 0 | 0 | 0 | 0 | 0 | 0 |
| Senior management Service (Band D) | 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 1 426 | 9 | 0.6 | 1 | 11.1 | 2 | 22.2 |

Table 18.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded

| Beneficiaries | African | Asian | Coloured | White | Total |
|-----------------------------|----------|----------|----------|----------|----------|
| Female | 1 | 0 | 0 | 0 | 1 |
| Male | 0 | 0 | 0 | 0 | 0 |
| Total | 1 | 0 | 0 | 0 | 1 |
| Employees with a disability | 1 | 0 | 0 | 0 | 1 |

Table 18.4.3 Employees whose salary level exceeded the grade determined by job evaluation

| Beneficiaries | Number of employees | Job evaluation level | Remuneration level | Reason for deviation | Number of employees in department |
|---------------|---------------------|----------------------|--------------------|--|-----------------------------------|
| Female | 6 | 6 | 7 | Out of adjustment (Foreign Economic Officers), JE, grievance settlement and retentions | 1 344 |
| Female | 1 | 6 | 8 | | 1 344 |
| Female | 2 | 7 | 8 | | 1 344 |
| Female | 1 | 7 | 9 | | 1 344 |
| Female | 1 | 7 | 10 | | 1 344 |
| Female | 3 | 8 | 9 | | 1 344 |
| Female | 1 | 8 | 10 | | 1 344 |
| Female | 4 | 9 | 10 | | 1 344 |
| Female | 6 | 10 | 11 | | 1 344 |
| Female | 2 | 10 | 12 | | 1 344 |
| Female | 17 | 11 | 12 | | 1 344 |
| Female | 1 | 11 | 13 | | 1 344 |
| Female | 3 | 12 | 13 | | 1 344 |
| Female | 2 | 13 | 14 | | 1 344 |
| Female | 1 | 15 | 16 | | 1 344 |
| Male | 1 | 2 | 3 | | 1 344 |
| Male | 1 | 6 | 7 | | 1 344 |
| Male | 4 | 6 | 8 | | 1 344 |
| Male | 1 | 7 | 8 | | 1 344 |
| Male | 1 | 7 | 9 | | 1 344 |
| Male | 1 | 8 | 9 | 1 344 | |
| Male | 2 | 8 | 10 | 1 344 | |
| Male | 8 | 9 | 10 | 1 344 | |

| Beneficiaries | Number of employees | Job evaluation level | Remuneration level | Reason for deviation | Number of employees in department |
|---------------|---------------------|----------------------|--------------------|--|-----------------------------------|
| Male | 1 | 9 | 12 | Out of adjustment (Foreign Economic Officers), JE, grievance settlement and retentions | 1 344 |
| Male | 2 | 10 | 11 | | 1 344 |
| Male | 1 | 10 | 12 | | 1 344 |
| Male | 3 | 10 | 13 | | 1 344 |
| Male | 16 | 11 | 12 | | 1 344 |
| Male | 12 | 11 | 13 | | 1 344 |
| Male | 2 | 12 | 13 | | 1 344 |
| Male | 1 | 13 | 14 | | 1 344 |
| Male | 3 | 14 | 15 | | 1 344 |
| Total* | 111 | | | | 1 344 |

* Total employment: 8.26%.

Table 18.4.4 Profile of employees whose salary level exceeded the grade determined by job evaluation

| Beneficiaries | African | Asian | Coloured | White | Total |
|-----------------------------|-----------|-----------|----------|-----------|------------|
| Female | 30 | 6 | 3 | 12 | 51 |
| Male | 45 | 5 | 4 | 6 | 60 |
| Total | 75 | 11 | 7 | 18 | 111 |
| Employees with a disability | 3 | 1 | 0 | 2 | 6 |

18.5 Employment changes

Table 18.5.1 Annual turnover rate by salary band

| Salary band | Employment at beginning of period | Appointments, including transfers in | Terminations, including transfers out | Turnover rate (%) |
|---|-----------------------------------|--------------------------------------|---------------------------------------|-------------------|
| Unskilled (level 2), permanent | 1 | 0 | 0 | 0 |
| Skilled (levels 3-5), permanent | 50 | 0 | 6 | 12 |
| Highly skilled production (levels 6-8), permanent | 408 | 7 | 22 | 5 |
| Highly skilled supervision (levels 9-12), permanent | 604 | 9 | 31 | 5 |
| Senior management service Band A, permanent | 159 | 0 | 9 | 6 |
| Senior management service Band B, permanent | 58 | 2 | 3 | 5 |
| Senior management service Band C, permanent | 10 | 0 | 1 | 10 |
| Senior management service Band D, permanent | 0 | 0 | 0 | 0 |
| Other, contract | 61 | 74 | 77 | 126 |
| Contract (levels 1-2), permanent | 0 | 0 | 0 | 0 |
| Contract (levels 3-5), permanent | 1 | 4 | 2 | 200 |
| Contract (levels 6-8), permanent | 7 | 12 | 4 | 57 |
| Contract (levels 9-12), permanent | 17 | 1 | 4 | 24 |
| Contract Band A, permanent | 7 | 3 | 2 | 29 |
| Contract Band B, permanent | 3 | 0 | 0 | 0 |
| Contract Band C, permanent | 3 | 1 | 0 | 0 |
| Contract Band D, permanent | 1 | 0 | 0 | 0 |
| Total | 1 390 | 113 | 161 | 12 |

Table 18.5.2 Annual turnover rate by critical occupation

| Critical occupation (permanent employees) | Employment at beginning of period | Appointments, including transfers in | Terminations, including transfers out | Turnover rate (%) |
|--|-----------------------------------|--------------------------------------|---------------------------------------|-------------------|
| Administrative related | 225 | 82 | 92 | 41 |
| Communication and information related | 5 | 0 | 0 | 0 |
| Economists | 6 | 1 | 0 | 0 |
| Finance and economics related | 56 | 0 | 5 | 9 |
| Financial and related professionals | 5 | 0 | 1 | 20 |
| Financial clerks and credit controllers | 0 | 0 | 0 | 0 |
| Food services aides and waiters | 15 | 0 | 3 | 20 |
| General legal administration and related professionals | 3 | 0 | 0 | 0 |
| Head of department / chief executive officer | 1 | 0 | 0 | 0 |
| Human resources and organisational development and related professionals | 2 | 0 | 1 | 50 |
| Human resources clerks | 0 | 0 | 0 | 0 |
| Human resources related | 49 | 2 | 5 | 10 |
| IT related | 28 | 2 | 1 | 4 |
| Legal related | 16 | 1 | 2 | 13 |
| Librarians and related professionals | 1 | 0 | 1 | 100 |
| Library mail and related clerks | 25 | 0 | 2 | 8 |
| Light vehicle drivers | 3 | 0 | 0 | 0 |
| Logistical support personnel | 24 | 1 | 5 | 21 |
| Messengers, porters and deliverers | 8 | 1 | 1 | 13 |
| Other IT personnel | 3 | 0 | 0 | 0 |
| Other administrative and related clerks and organisers | 4 | 0 | 0 | 0 |
| Other occupations | 2 | 0 | 0 | 0 |
| Risk management and security services | 0 | 0 | 0 | 0 |
| Secretaries and other keyboard-operating clerks | 147 | 2 | 6 | 4 |
| Security officers | 16 | 2 | 2 | 13 |

| Critical occupation (permanent employees) | Employment at beginning of period | Appointments, including transfers in | Terminations, including transfers out | Turnover rate (%) |
|---|-----------------------------------|--------------------------------------|---------------------------------------|-------------------|
| Senior managers | 239 | 5 | 15 | 6 |
| Statisticians and related professionals | 1 | 0 | 0 | 0 |
| Trade and industry advisers and other related professionals | 506 | 14 | 19 | 4 |
| Total | 1 390 | 113 | 161 | 12 |

Table 18.5.3 Reasons for leaving

| Termination type | Number | Total resignations (%) | Total employment (%) | Total | Total employment |
|---|------------|------------------------|----------------------|----------|------------------|
| Death, permanent | 1 | 0.6 | 0.1 | 161 | 1 344 |
| Resignation, permanent | 44 | 27.3 | 3.3 | 161 | 1 344 |
| Expiry of contract, permanent | 77 | 47.8 | 5.7 | 161 | 1 344 |
| Transfers, permanent | 23 | 14.3 | 1.7 | 161 | 1 344 |
| Discharged due to ill health, permanent | 2 | 1.2 | 0.1 | 161 | 1 344 |
| Dismissal – misconduct, permanent | 5 | 3.1 | 0.4 | 161 | 1 344 |
| Retirement, permanent | 9 | 5.6 | 0.7 | 161 | 1 344 |
| Total | 161 | - | - | - | - |

Table 18.5.4 Granting of employee-initiated severance packages

| Category | Number of applications received | Number of applications referred to the MPSA | Number of applications supported by the MPSA | Number of packages approved by the department |
|--|---------------------------------|---|--|---|
| Lower skilled (levels 1-2) | 0 | 0 | 0 | 0 |
| Skilled (levels 3-5) | 0 | 0 | 0 | 0 |
| Highly skilled production (levels 6-8) | 0 | 0 | 0 | 0 |
| Highly skilled supervision (levels 9-12) | 0 | 0 | 0 | 0 |
| Senior management service Band A | 0 | 0 | 0 | 0 |
| Senior management service Band B | 0 | 0 | 0 | 0 |
| Senior management service Band C | 0 | 0 | 0 | 0 |
| Senior management service Band D | 0 | 0 | 0 | 0 |
| Other | 0 | 0 | 0 | 0 |
| Contract (levels 1-2) | 0 | 0 | 0 | 0 |
| Contract (levels 3-5) | 0 | 0 | 0 | 0 |
| Contract (levels 6-8) | 0 | 0 | 0 | 0 |
| Contract (levels 9-12) | 0 | 0 | 0 | 0 |
| Contract Band A | 0 | 0 | 0 | 0 |
| Contract Band B | 0 | 0 | 0 | 0 |
| Contract Band C | 0 | 0 | 0 | 0 |
| Contract Band D | 0 | 0 | 0 | 0 |
| Total | 0 | 0 | 0 | 0 |

Table 18.4.5 Promotions by critical occupation

| Critical occupation | Employment at beginning of period | Promotions to another salary level | Salary level promotions as a % of employment | Progressions to another notch within salary level | Notch progressions as a % of employment |
|--|-----------------------------------|------------------------------------|--|---|---|
| Administrative related | 225 | 26 | 12 | 105 | 47 |
| Communication and information related | 5 | 0 | 0 | 1 | 20 |
| Economists | 6 | 0 | 0 | 1 | 17 |
| Finance and economics related | 56 | 1 | 2 | 41 | 73 |
| Financial and related professionals | 5 | 1 | 20 | 4 | 80 |
| Financial clerks and credit controllers | 0 | 0 | 0 | 0 | 0 |
| Food services aides and waiters | 15 | 0 | 0 | 0 | 0 |
| General legal administration and related professionals | 3 | 0 | 0 | 1 | 33 |
| Head of department / chief executive officer | 1 | 0 | 0 | 0 | 0 |
| Human resources and organisational development and related professionals | 2 | 0 | 0 | 2 | 100 |
| Human resources clerks | 0 | 0 | 0 | 0 | 0 |
| Human resources related | 49 | 0 | 0 | 26 | 53 |
| IT related | 28 | 0 | 0 | 15 | 54 |
| Legal related | 16 | 0 | 0 | 5 | 31 |
| Librarians and related professionals | 1 | 0 | 0 | 0 | 0 |
| Library mail and related clerks | 25 | 0 | 0 | 20 | 80 |
| Light vehicle drivers | 3 | 0 | 0 | 3 | 100 |
| Logistical support personnel | 24 | 0 | 0 | 12 | 50 |
| Messengers, porters and deliverers | 8 | 0 | 0 | 1 | 13 |
| Other IT personnel | 3 | 0 | 0 | 0 | 0 |
| Other administrative and related clerks and organisers | 4 | 0 | 0 | 2 | 50 |
| Other occupations | 2 | 0 | 0 | 0 | 0 |
| Risk management and security services | 0 | 0 | 0 | 1 | 0 |
| Secretaries and other keyboard-operating clerks | 147 | 0 | 0 | 108 | 73 |
| Security officers | 16 | 1 | 6 | 9 | 56 |

| Critical occupation | Employment at beginning of period | Promotions to another salary level | Salary level promotions as a % of employment | Progressions to another notch within salary level | Notch progressions as a % of employment |
|---|-----------------------------------|------------------------------------|--|---|---|
| Senior managers | 239 | 3 | 1 | 167 | 70 |
| Statisticians and related professionals | 1 | 0 | 0 | 1 | 100 |
| Trade and industry advisers and other related professionals | 506 | 6 | 1 | 342 | 68 |
| Total | 1 390 | 38 | 3 | 867 | 62 |

Table 18.5.6 Promotions by salary band

| Salary band | Employment at beginning of period | Promotions to another salary level | Salary level promotions as a % of employment | Progressions to another notch within salary level | Notch progressions as a % of employment |
|---|-----------------------------------|------------------------------------|--|---|---|
| Unskilled (level 2), permanent | 1 | 0 | 0 | 0 | 0 |
| Skilled (levels 3-5), permanent | 50 | 0 | 0 | 14 | 28 |
| Highly skilled production (levels 6-8), permanent | 408 | 2 | 0 | 298 | 73 |
| Highly skilled supervision (levels 9-12), permanent | 604 | 8 | 1 | 378 | 63 |
| Senior management (levels 13-16), permanent | 227 | 6 | 3 | 172 | 76 |
| Other, permanent | 61 | 22 | 36 | 0 | 0 |
| Contract (levels 1-2), permanent | 0 | 0 | 0 | 0 | 0 |
| Contract (levels 3-5), permanent | 1 | 0 | 0 | 1 | 100 |
| Contract (levels 6-8), permanent | 7 | 0 | 0 | 0 | 0 |
| Contract (levels 9-12), permanent | 17 | 0 | 0 | 1 | 6 |
| Contract (levels 13-16), permanent | 14 | 0 | 0 | 3 | 21 |
| Total | 1 390 | 38 | 3 | 867 | 62 |

18.6 Employment equity

Table 18.6.1 Number of employees (including employees with disabilities) per occupational category (SASCO)

| Occupational category | Male | | | | | Female | | | | | Total |
|--|------------|-----------|-----------|-------------|-----------|------------|-----------|-----------|-------------|-----------|--------------|
| | African | Coloured | Indian | Total Black | White | African | Coloured | Indian | Total Black | White | |
| Senior officials and managers | 74 | 16 | 9 | 99 | 19 | 68 | 8 | 22 | 98 | 14 | 230 |
| Professionals | 264 | 11 | 8 | 283 | 21 | 279 | 14 | 23 | 316 | 25 | 645 |
| Technicians and associate professionals | 95 | 5 | 3 | 103 | 1 | 130 | 10 | 3 | 143 | 15 | 262 |
| Clerks | 20 | 0 | 0 | 20 | 0 | 126 | 9 | 0 | 135 | 10 | 165 |
| Service shop and market sales workers | 5 | 1 | 2 | 8 | 1 | 7 | 0 | 0 | 7 | 1 | 17 |
| Plant and machine operators and assemblers | 2 | 1 | 0 | 3 | 0 | 0 | 0 | 0 | 0 | 0 | 3 |
| Labour and related workers | 5 | 0 | 0 | 5 | 0 | 16 | 1 | 0 | 17 | 0 | 22 |
| Total | 465 | 34 | 22 | 521 | 42 | 626 | 42 | 48 | 716 | 65 | 1 344 |
| Employees with disabilities | 18 | 0 | 1 | 19 | 4 | 14 | 3 | 3 | 20 | 3 | 46 |

Table 18.6.2 Number of employees (including employees with disabilities) per occupational band

| Occupational band | Male | | | | | Female | | | | | Total |
|--|------------|-----------|-----------|-------------|-----------|------------|-----------|-----------|-------------|-----------|--------------|
| | African | Coloured | Indian | Total Black | White | African | Coloured | Indian | Total Black | White | |
| Top management, permanent | 3 | 2 | 2 | 7 | 0 | 4 | 1 | 0 | 5 | 0 | 12 |
| Senior management, permanent | 72 | 12 | 6 | 90 | 21 | 70 | 9 | 24 | 103 | 13 | 227 |
| Professionally qualified and experienced specialists and mid-management, permanent | 229 | 14 | 11 | 254 | 13 | 209 | 15 | 18 | 242 | 27 | 536 |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen, permanent | 102 | 4 | 2 | 108 | 3 | 271 | 16 | 6 | 293 | 24 | 428 |
| Semiskilled and discretionary decision-making, permanent | 16 | 1 | 0 | 17 | 0 | 29 | 1 | 0 | 30 | 0 | 47 |
| Not available, permanent | 29 | 0 | 1 | 30 | 1 | 33 | 0 | 0 | 33 | 0 | 64 |
| Contract (top management) | 0 | 1 | 0 | 1 | 2 | 1 | 0 | 0 | 1 | 0 | 4 |
| Contract (senior management) | 3 | 0 | 0 | 3 | 2 | 0 | 0 | 0 | 0 | 1 | 6 |
| Contract (professionally qualified) | 3 | 0 | 0 | 3 | 0 | 1 | 0 | 0 | 1 | 0 | 4 |
| Contract (skilled technical) | 5 | 0 | 0 | 5 | 0 | 7 | 0 | 0 | 7 | 0 | 12 |
| Contract (semiskilled) | 3 | 0 | 0 | 3 | 0 | 1 | 0 | 0 | 1 | 0 | 4 |
| Contract (unskilled) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 465 | 34 | 22 | 521 | 42 | 626 | 42 | 48 | 716 | 65 | 1 344 |

Table 18.6.4 Promotions

| Occupational band | Male | | | | | Female | | | | | Total |
|--|-----------|----------|----------|-------------|----------|-----------|----------|----------|-------------|----------|-----------|
| | African | Coloured | Indian | Total Black | White | African | Coloured | Indian | Total Black | White | |
| Top management, permanent | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Senior management, permanent | 1 | 0 | 0 | 1 | 0 | 2 | 0 | 2 | 4 | 0 | 5 |
| Professionally qualified and experienced specialists, and mid-management, permanent | 3 | 0 | 0 | 3 | 0 | 5 | 0 | 1 | 6 | 0 | 9 |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen, permanent | 1 | 0 | 0 | 1 | 0 | 1 | 0 | 0 | 1 | 0 | 2 |
| Semiskilled and discretionary decision-making, permanent | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (top management) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (senior management) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (professionally qualified) | 1 | 0 | 0 | 1 | 0 | 1 | 0 | 0 | 1 | 0 | 2 |
| Contract (semiskilled) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (unskilled) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract other | 11 | 0 | 0 | 11 | 0 | 9 | 0 | 0 | 9 | 0 | 20 |
| Total | 17 | 0 | 0 | 17 | 0 | 18 | 0 | 3 | 21 | 0 | 38 |
| Employees with disabilities | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 1 | 2 | 0 | 2 |

Table 18.6.5 Terminations

| Occupational band | Male | | | | | Female | | | | | Total |
|--|-----------|----------|----------|-------------|----------|-----------|----------|----------|-------------|----------|------------|
| | African | Coloured | Indian | Total Black | White | African | Coloured | Indian | Total Black | White | |
| Top management, permanent | 0 | 0 | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Senior management, permanent | 4 | 1 | 1 | 6 | 0 | 2 | 1 | 0 | 3 | 1 | 10 |
| Professionally qualified and experienced specialists, and mid-management, permanent | 10 | 2 | 0 | 12 | 0 | 12 | 2 | 2 | 16 | 2 | 30 |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen, permanent | 7 | 0 | 0 | 7 | 0 | 12 | 2 | 0 | 14 | 1 | 22 |
| Semiskilled and discretionary decision-making, permanent | 4 | 0 | 0 | 4 | 0 | 1 | 1 | 0 | 2 | 0 | 6 |
| Not available, contract | 31 | 0 | 1 | 32 | 1 | 28 | 0 | 0 | 28 | 0 | 61 |
| Contract (top management) | 1 | 0 | 0 | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 2 |
| Contract (senior management) | 0 | 0 | 0 | 0 | 2 | 1 | 0 | 0 | 1 | 0 | 3 |
| Contract (professionally qualified) | 6 | 0 | 0 | 6 | 0 | 5 | 1 | 0 | 6 | 0 | 12 |
| Contract (skilled technical) | 6 | 0 | 0 | 6 | 0 | 4 | 0 | 0 | 4 | 0 | 10 |
| Contract (semiskilled) | 3 | 0 | 0 | 3 | 0 | 1 | 0 | 0 | 1 | 0 | 4 |
| Total | 72 | 3 | 3 | 78 | 4 | 66 | 7 | 2 | 75 | 4 | 161 |
| Employees with disabilities | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 1 | 0 | 1 |

Table 18.6.6 Disciplinary action

| Disciplinary action | Male | | | | | Female | | | | | Total |
|------------------------|-----------|----------|----------|-------------|----------|----------|----------|----------|-------------|----------|-----------|
| | African | Coloured | Indian | Total Black | White | African | Coloured | Indian | Total Black | White | |
| Corrective counselling | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Verbal warning | 3 | 0 | 1 | 4 | 1 | 2 | 0 | 1 | 3 | 0 | 8 |
| Written warning | 2 | 2 | 0 | 4 | 0 | 3 | 1 | 1 | 5 | 1 | 10 |
| Final written warning | 3 | 0 | 0 | 3 | 0 | 2 | 1 | 0 | 3 | 0 | 6 |
| Not guilty | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Withdrawn | 0 | 1 | 0 | 1 | 0 | 1 | 0 | 0 | 1 | 0 | 2 |
| Dismissal | 5 | 0 | 0 | 5 | 0 | 1 | 0 | 0 | 1 | 0 | 6 |
| Resignation | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Pending | 1 | 2 | 0 | 3 | 0 | 0 | 0 | 0 | 0 | 0 | 3 |
| Total | 15 | 5 | 1 | 21 | 1 | 9 | 2 | 2 | 13 | 1 | 36 |

Table 18.6.7 Skills development

| Occupational category | Male | | | | | Female | | | | | Total |
|--|------------|-----------|-----------|-------------|-----------|------------|-----------|-----------|-------------|-----------|--------------|
| | African | Coloured | Indian | Total Black | White | African | Coloured | Indian | Total Black | White | |
| Legislators, senior officials and managers | 74 | 17 | 9 | 100 | 19 | 67 | 8 | 22 | 97 | 14 | 230 |
| Professionals | 264 | 11 | 8 | 283 | 21 | 279 | 14 | 23 | 316 | 25 | 645 |
| Technicians and associate professionals | 95 | 4 | 3 | 102 | 1 | 131 | 10 | 3 | 144 | 15 | 262 |
| Clerks | 20 | 0 | 0 | 20 | 0 | 126 | 9 | 0 | 135 | 10 | 165 |
| Service and sales workers | 5 | 1 | 2 | 8 | 1 | 7 | 0 | 0 | 7 | 1 | 17 |
| Skilled agriculture and fishery workers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Craft and related trades workers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Plant and machine operators and assemblers | 2 | 1 | 0 | 3 | 0 | 0 | 0 | 0 | 0 | 0 | 3 |
| Elementary occupations | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Labour and related workers | 5 | 0 | 0 | 5 | 0 | 16 | 1 | 0 | 17 | 0 | 22 |
| Total | 465 | 34 | 22 | 521 | 42 | 626 | 42 | 48 | 716 | 65 | 1 344 |
| Employees with disabilities | 18 | 0 | 1 | 19 | 4 | 14 | 3 | 3 | 20 | 3 | 46 |

18.7 Performance rewards

Table 18.7.1 Performance rewards by race, gender and disability

| Demographics | Number of beneficiaries | Total employment | % of total employment | Cost (R'000) | Average cost per beneficiary (R'000) |
|-----------------------------|-------------------------|------------------|-----------------------|---------------|--------------------------------------|
| African female | 277 | 626 | 44.2 | 5 390 | 19 |
| African male | 184 | 465 | 39.6 | 4 549 | 25 |
| Indian female | 22 | 48 | 45.8 | 866 | 39 |
| Indian male | 5 | 22 | 22.7 | 207 | 41 |
| Coloured female | 19 | 42 | 45.2 | 514 | 27 |
| Coloured male | 7 | 34 | 20.6 | 174 | 25 |
| Total Black female | 318 | 716 | 44.4 | 6 770 | 21 |
| Total Black male | 196 | 521 | 37.6 | 4 930 | 25 |
| White female | 42 | 65 | 64.6 | 1 194 | 28 |
| White male | 10 | 42 | 23.8 | 425 | 43 |
| Total | 566 | 1 344 | 42.1 | 13 319 | 24 |
| Employees with disabilities | 19 | 46 | 41.3 | 307 | 16 |

Table 18.7.2 Performance rewards by salary band for personnel below SMS

| Salary band | Number of beneficiaries | Total employment | % of total employment | Cost (R'000) | Average cost per beneficiary (R000) |
|--|-------------------------|------------------|-----------------------|--------------|-------------------------------------|
| Semiskilled (level 2) | 1 | 1 | 100 | 5 | 5 |
| Skilled (levels 3-5) | 32 | 43 | 74.4 | 207 | 6 |
| Highly skilled production (levels 6-8) | 217 | 396 | 54.8 | 2 628 | 12 |
| Highly skilled supervision (levels 9-12) | 252 | 590 | 42.7 | 7 138 | 28 |
| Other | 0 | 0 | 0 | 0.00 | 0 |
| Contract (levels 1-2) | 0 | 0 | 0 | 0.00 | 0 |
| Contract (levels 3-5) | 0 | 66 | 0 | 0.00 | 0 |
| Contract (levels 6-8) | 1 | 12 | 8.3 | 9 | 9 |
| Contract (levels 9-12) | 0 | 5 | 0 | 0.00 | 0 |
| Total | 503 | 1113 | 45.2 | 9 987 | 20 |

Table 18.7.3 Performance rewards by critical occupation

| Critical occupation | Number of beneficiaries | Total employment | % of total employment | Cost (R'000) | Average cost per beneficiary (R) |
|--|-------------------------|------------------|-----------------------|--------------|----------------------------------|
| Administrative related | 67 | 226 | 29.6 | 1 038 | 15 |
| Communication and information related | 6 | 5 | 120 | 128 | 21 |
| Economists | 0 | 8 | 0 | 0 | 0 |
| Finance and economics related | 37 | 50 | 74 | 626 | 17 |
| Financial and related professionals | 5 | 5 | 100 | 88 | 18 |
| Food services aides and waiters | 13 | 12 | 108.3 | 71 | 5 |
| General legal administration and related professionals | 3 | 3 | 100 | 109 | 36 |
| Head of department / chief executive officer | 0 | 1 | 0 | 0 | 0 |
| Human resources and organisational development and related professionals | 0 | 1 | 0 | 0 | 0 |
| Human resources clerks | 0 | 0 | 0 | 0 | 0 |
| Human resources related | 10 | 45 | 22.2 | 182 | 18 |

| Critical occupation | Number of beneficiaries | Total employment | % of total employment | Cost (R'000) | Average cost per beneficiary (R) |
|---|-------------------------|------------------|-----------------------|---------------|----------------------------------|
| IT related | 13 | 29 | 44.8 | 223 | 17 |
| Legal related | 10 | 15 | 66.7 | 381 | 38 |
| Librarians and related professionals | 0 | 0 | 0 | 0 | 0 |
| Library mail and related clerks | 18 | 23 | 78.3 | 216 | 12 |
| Light vehicle drivers | 2 | 3 | 66.7 | 14 | 7 |
| Logistical support personnel | 13 | 20 | 65 | 230 | 18 |
| Messengers, porters and deliverers | 6 | 8 | 75 | 36 | 6 |
| Other administrative and related clerks and organisers | 3 | 4 | 75 | 54 | 18 |
| Other occupations | 2 | 5 | 40 | 14 | 7 |
| Other IT | 1 | 0 | 0 | 18 | 18 |
| Risk management and security services | 0 | 0 | 0 | 0 | 0 |
| Secretaries and other keyboard-operating clerks | 76 | 142 | 53.5 | 971 | 13 |
| Security officers | 8 | 16 | 50 | 154 | 19 |
| Senior managers | 61 | 223 | 27.4 | 3 227 | 53 |
| Statisticians and related professionals | 1 | 2 | 50 | 53 | 53 |
| Trade and industry advisers and other related professionals | 211 | 498 | 42.4 | 54 477 | 258 |
| Total | 566 | 1 344 | 42.1 | 62 310 | 110 |

Table 18.7.4 Performance-related rewards (cash bonus) by salary band for SMS

| SMS band | Number of beneficiaries | Total employment | % of total employment | Cost (R'000) | Average cost per beneficiary (R) | % of SMS wage bill | Personnel cost SMS (R'000) |
|--------------|-------------------------|------------------|-----------------------|--------------|----------------------------------|--------------------|----------------------------|
| Band A | 44 | 155 | 28.4 | 2 146 | 48 772.73 | 1.5 | 146 827.36 |
| Band B | 14 | 62 | 22.6 | 831 | 59 357.14 | 1.4 | 60 559.14 |
| Band C | 5 | 13 | 38.5 | 352 | 70 400.00 | 2.1 | 16 910.60 |
| Band D | 0 | 1 | 0 | 0 | 0 | 0 | 6 220.82 |
| Total | 63 | 231 | 27.3 | 3 329 | 52 841.27 | 1.4 | 230 517.92 |

Table 18.7.5 Signed performance management (PM) agreements by SMS members as at 31 July 2016

| SMS level | Total number of funded SMS posts per level | Total number of SMS members per level | Total number of signed PM agreements per level | Signed PM agreements as % of total number of posts |
|----------------------|--|---------------------------------------|--|--|
| DG/HOD | 1 | 1 | 1 | 100 |
| Level 16 but not HOD | 0 | 0 | 0 | 0 |
| Level 15 | 13 | 15 | 14 | 93.3 |
| Level 14 | 63 | 61 | 61 | 100 |
| Level 13 | 172 | 151 | 145 | 96 |
| Total | 249 | 228 | 221 | 96.9 |

Table 18.7.6 Reasons for not having concluded performance agreements for all SMS members as at reporting date

| | |
|--|--|
| DG/HOD | N/A |
| Level 16 but not HOD | N/A |
| Level 15 | 1 employee: 1 employee on sabbatical |
| Level 14 | N/A |
| Level 13 | 6 employees: 1 employee finalised but was submitted late 4 employees not finalised and no reasons provided 1 employee on unpaid leave |
| Actions taken | |
| Employees who did not comply with the target date for submission of performance agreements will automatically be disqualified from cash awards and package progression for the 2016/17 PM cycle, irrespective of their performance score as per their performance appraisal. Letters have been forwarded to members of the SMS who did not comply with the PM prescripts, the public service legislative framework and the the dti policies. Members of the SMS are also informed of the penalties instituted for non-compliance. | |

18.8 Foreign workers

Table 18.8.1 Foreign workers by salary band

| Salary band | Employment at beginning of period | % of total | Employment at end of period | % of total | Change in employment | % of total |
|--|-----------------------------------|------------|-----------------------------|------------|----------------------|------------|
| Highly skilled production (levels 6-8) | 1 | 11 | 1 | 11 | 0 | 0 |
| Highly skilled supervision (levels 9-12) | 5 | 56 | 4 | 44 | -1 | -11 |
| Senior management (levels 13-16) | 2 | 22 | 4 | 44 | 2 | 22 |
| Contract (levels 6-8) | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (levels 9-12) | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (levels 13-16) | 1 | 11 | 0 | 0 | -1 | -11 |
| Total | 9 | 100 | 9 | 100 | 0 | 0% |

Table 18.8.2 Foreign workers by major occupation

| Major occupation | Employment at beginning of period | % of total | Employment at end of period | % of total | Change in employment | % of total |
|-------------------------------|-----------------------------------|------------|-----------------------------|------------|----------------------|------------|
| Administrative office workers | 1 | 11 | 2 | 22 | -1 | 0 |
| Professionals and managers | 8 | 89 | 7 | 78 | 1 | 0 |
| Total | 9 | 100 | 9 | 100 | 0 | 0 |

18.9 Leave utilisation

Table 18.9.1 Sick leave for January 2016 to December 2016

| Salary band | Total days | % days with medical certification | Number of employees using sick leave | % of total employees using sick leave | Average days per employee | Estimated cost (R'000) | Total number of employees using sick leave | Total number of days with medical certification |
|--|--------------|-----------------------------------|--------------------------------------|---------------------------------------|---------------------------|------------------------|--|---|
| Skilled (levels 3-5) | 450 | 25.8 | 44 | 100 | 10 | 316 | 44 | 116 |
| Highly skilled production (levels 6-8) | 3 657 | 74 | 400 | 100 | 9 | 4 587 | 400 | 2 705 |
| Highly skilled supervision (levels 9-12) | 4 158 | 73.9 | 534 | 100 | 8 | 10 312 | 534 | 3 072 |
| Senior management (levels 13-16) | 1 204 | 73.1 | 191 | 100 | 6 | 4 677 | 191 | 880 |
| Contract (other) | 129 | 46.5 | 53 | 100 | 2 | 52 | 53 | 60 |
| Contract (levels 3-5) | 3 | 100 | 1 | 100 | 3 | 2 | 1 | 3 |
| Contract (levels 6-8) | 79 | 70.9 | 15 | 100 | 5 | 108 | 15 | 56 |
| Contract (levels 9-12) | 24 | 91.7 | 5 | 100 | 5 | 58 | 5 | 22 |
| Contract (levels 13-16) | 40 | 82.5 | 5 | 100 | 8 | 154 | 5 | 33 |
| Total | 9 744 | 71.3 | 1248 | 100 | 8 | 20 266 | 1 248 | 6 947 |

Table 18.9.2 Disability leave (temporary and permanent) for January 2016 to December 2016

| Salary band | Total days | % days with medical certification | Number of employees using disability leave | % of total employees using disability leave | Average days per employee | Estimated cost (R'000) | Total number of days with medical certification | Total number of employees using disability leave |
|--|------------|-----------------------------------|--|---|---------------------------|------------------------|---|--|
| Skilled (levels 3-5) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Highly skilled production (levels 6-8) | 176 | 100 | 6 | 100 | 29.33 | 229 | 176 | 6 |
| Highly skilled supervision (levels 9-12) | 104 | 100 | 7 | 100 | 14.86 | 260 | 104 | 7 |
| Senior management (levels 13-16) | 61 | 100 | 1 | 100 | 61 | 265 | 61 | 1 |
| Contract (levels 9-12) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 341 | 100 | 14 | 100 | 23 | 754 | 341 | 14 |

Table 18.9.3 Annual leave for January 2016 to December 2016

| Salary band | Total days taken | Number of employees who took leave | Average days per employee |
|--|------------------|------------------------------------|---------------------------|
| Lower skilled (levels 1-2) | 0 | 0 | 0 |
| Skilled (levels 3-5) | 1 166 | 54 | 21.59 |
| Highly skilled production (levels 6-8) | 8 680 | 404 | 21.49 |
| Highly skilled supervision (levels 9-12) | 13 309 | 603 | 22.07 |
| Senior management (levels 13-16) | 5 883 | 251 | 23.44 |
| Contract (levels 1-2) | 0 | 0 | 0 |
| Contract (levels 3-5) | 57 | 4 | 14.25 |
| Contract (levels 6-8) | 165 | 17 | 9.71 |
| Contract (levels 9-12) | 190 | 15 | 12.67 |
| Contract (levels 13-16) | 150 | 10 | 15 |
| Not available | 659 | 92 | 7.16 |
| Total | 30 259 | 1 450 | 20.87 |

Table 18.9.4 Capped leave for January 2016 to December 2016

| Salary band | Total days of capped leave taken | Average number of days taken per employee | Average capped days leave per employee as at 31 December 2016 | Number of employees who took capped leave | Total number of capped leave days available at 31 December 2016 | Number of employees as at 31 December 2016 |
|--|----------------------------------|---|---|---|---|--|
| Highly skilled production (levels 6-8) | 0 | 0 | 0 | 0 | 528 | 13 |
| Highly skilled production (levels 6-8) | 1 | 1 | 16 | 1 | 531 | 34 |
| Highly skilled supervision (levels 9-12) | 0 | 0 | 33 | 0 | 2 512 | 76 |
| Senior management (levels 13-16) | 20 | 7 | 30 | 3 | 2 171 | 73 |
| Total | 21 | 5 | 29 | 4 | 5 742 | 196 |

Table 18.9.5 Leave payouts

| Reason | Total (R'000) | Number of employees | Average payment per employee (R) |
|---|---------------|---------------------|----------------------------------|
| Leave payout for 2016/17 due to non-utilisation of leave for the previous cycle | 772 | 29 | 26 621 |
| Capped leave payouts on termination of service for 2016/17 | 767 | 4 | 191 750 |
| Current leave payout on termination of service for 2016/17 | 2 654 | 89 | 29 820 |
| Total | 4 193 | 122 | 34 369 |

18.10 HIV/AIDS and health-promotion programmes

Table 18.10.1 Steps taken to reduce risk of occupational exposure

| Units / categories of employees identified to be at high risk of contracting HIV and related diseases (if any) | Key steps taken to reduce the risk |
|--|------------------------------------|
| N/A | N/A |

Table 18.10.2 Details of health-promotion and HIV/AIDS programmes

| Question | Yes | No | Details, if yes |
|--|-----|----|---|
| 1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position | Yes | | Ms T Lebuso, Director: Organisational Development and Transformation |
| 2. Does the department have a dedicated unit or have you designated specific staff members to promote the health and wellbeing of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose | Yes | | Subdirector: Quality of Work Life with designated staff members (Deputy Director: QWL and ASD: Professional Nurse) |
| 3. Has the department introduced an employee-assistance or health-promotion programme for employees? If so, indicate the key elements / services of the programme | Yes | | Counselling and support programme: Life, health, work, legal, financial; and directory information |
| 4. Has the department established a committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) they represent | Yes | | Health and Wellness Committee and Transformation Committee |
| 5. Has the department reviewed the employment policies and practices of your department to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies / practices so reviewed | Yes | | All employment policies within the department do not unfairly discriminate against employees on the basis of their HIV status |
| 6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures | Yes | | Counselling |
| 7. Does the department encourage its employees to undergo voluntary counselling and testing? If so, list the results you have achieved | Yes | | VCT testing quarterly |
| 8. Has the department developed measures / indicators to monitor and evaluate the impact of your health-promotion programme? If so, list these measures / indicators | Yes | | Reviewed annual milestones covering all the health programmes |

18.11 Labour relations

Table 18.11.1 Collective agreements

| Subject matter | Date |
|----------------|------|
| None | N/A |

Table 18.11.2 Misconduct and disciplinary hearings finalised

| Outcome of disciplinary hearings | Number | % of total |
|----------------------------------|-----------|------------|
| Dismissal | 6 | 17 |
| Final written warning | 6 | 17 |
| Written warning | 10 | 28 |
| Verbal warning | 8 | 22 |
| Corrective counselling | 1 | 3 |
| Withdrawal | 2 | 6 |
| Pending | 3 | 8 |
| Total | 36 | 100 |

Table 18.11.3 Types of misconduct addressed and disciplinary hearings

| Outcome of disciplinary hearings | Number | % of total |
|---|-----------|------------|
| Misuse of state property | 1 | 3 |
| Gross negligence | 4 | 11 |
| Contravention of PFMA | 2 | 6 |
| Non-compliance with policies | 4 | 11 |
| Insubordination | 3 | 8 |
| Unprofessional conduct | 8 | 22 |
| Failure to disclose financial interests | 2 | 6 |
| Fraud | 5 | 14 |
| Abscondment | 5 | 14 |
| Corruption | 2 | 6 |
| Total | 36 | 100 |

Table 18.11.4 Grievances lodged

| Number of grievances addressed | Number | % of total |
|--------------------------------|-----------|------------|
| Not resolved | 61 | 70 |
| Resolved | 26 | 30 |
| Total | 87 | 100 |

Table 18.11.5 Disputes lodged

| Number of disputes addressed | Number | Forum |
|--|-----------|-----------------------|
| Unfair labour practice | 10 | GPSSBC and High Court |
| Interpretation and application of a collective agreement | 6 | PSCBC |
| Dismissal | 3 | GPSSBC |
| Disclosure of information | 2 | CCMA |
| Benefits | 1 | GPSSBC |
| Total | 22 | |

Table 18.11.6 Strikes

| Strikes | Number |
|---------|--------|
| None | N/A |

Table 18.11.7 Precautionary suspensions

| Reason for suspension | Number | Number |
|--------------------------------------|----------|-----------|
| Misrepresentation and dishonesty | 2 | Finalised |
| Bribery and conflict of interest | 2 | Finalised |
| Breach of sabbatical leave policy | 1 | Finalised |
| Disgraceful / unprofessional conduct | 1 | Pending |
| Total | 6 | |

18.12 Skills development

Table 18.12.1 Training needs identified

| Occupational categories | Gender | Employment | Learnerships | Skills programmes and other short courses | Other forms of training | Total |
|---|---------------|--------------|--------------|---|-------------------------|--------------|
| Legislators, senior officials and managers | Female | 111 | 0 | 217 | 0 | 217 |
| | Male | 119 | 0 | 182 | 0 | 182 |
| Professionals | Female | 341 | 0 | 802 | 0 | 802 |
| | Male | 304 | 0 | 584 | 0 | 584 |
| Technicians and associate professionals | Female | 159 | 0 | 319 | 0 | 319 |
| | Male | 103 | 0 | 240 | 0 | 240 |
| Clerks | Female | 145 | 0 | 373 | 0 | 373 |
| | Male | 20 | 0 | 44 | 0 | 44 |
| Service and sales workers | Female | 8 | 0 | 7 | 0 | 7 |
| | Male | 9 | 0 | 14 | 0 | 14 |
| Skilled agriculture and fishery workers | Female | 0 | 0 | 0 | 0 | 0 |
| | Male | 0 | 0 | 0 | 0 | 0 |
| Craft and related trades workers | Female | 0 | 0 | 0 | 0 | 0 |
| | Male | 0 | 0 | 0 | 0 | 0 |
| Plant and machine operators, and assemblers | Female | 0 | 0 | 0 | 0 | 0 |
| | Male | 3 | 0 | 0 | 0 | 0 |
| Elementary occupations | Female | 17 | 0 | 0 | 0 | 0 |
| | Male | 5 | 0 | 3 | 0 | 3 |
| Subtotals | Female | 781 | 0 | 1 718 | 0 | 1 718 |
| | Male | 563 | 0 | 1 067 | 0 | 1 067 |
| Total | | 1 344 | 0 | 2 785 | 0 | 2 785 |

Table 18.12.2 Training provided

| Occupational categories | Gender | Employment | Learnerships | Skills programmes and other short courses | Other forms of training | Total |
|---|---------------|--------------|--------------|---|-------------------------|--------------|
| Legislators, senior officials and managers | Female | 111 | 0 | 34 | 0 | 34 |
| | Male | 119 | 0 | 48 | 0 | 48 |
| Professionals | Female | 341 | 0 | 286 | 0 | 286 |
| | Male | 304 | 0 | 236 | 0 | 236 |
| Technicians and associate professionals | Female | 159 | 6 | 298 | 0 | 304 |
| | Male | 103 | 0 | 215 | 0 | 215 |
| Clerks | Female | 145 | 0 | 136 | 0 | 136 |
| | Male | 20 | 0 | 40 | 0 | 40 |
| Service and sales workers | Female | 8 | 0 | 3 | 0 | 3 |
| | Male | 9 | 0 | 7 | 0 | 7 |
| Skilled agriculture and fishery workers | Female | 0 | 0 | 0 | 0 | 0 |
| | Male | 0 | 0 | 0 | 0 | 0 |
| Craft and related trades workers | Female | 0 | 0 | 0 | 0 | 0 |
| | Male | 0 | 0 | 0 | 0 | 0 |
| Plant and machine operators, and assemblers | Female | 0 | 0 | 0 | 0 | 0 |
| | Male | 3 | 0 | 0 | 0 | 0 |
| Elementary occupations | Female | 17 | 0 | 7 | 0 | 7 |
| | Male | 5 | 0 | 2 | 0 | 2 |
| Subtotals | Female | 781 | 0 | 764 | 0 | 764 |
| | Male | 563 | 0 | 548 | 0 | 548 |
| Total | | 1 344 | 0 | 1 312 | 0 | 1 312 |

18.13 Injury on duty

Table 18.13.1 Injury on duty

| Nature of injury on duty | Number | % of total |
|---------------------------------------|----------|------------|
| Required basic medical attention only | 4 | 100 |
| Temporary total disablement | 0 | 0 |
| Permanent disablement | 0 | 0 |
| Fatal | 0 | 0 |
| Total | 4 | 100 |

18.14 Use of consultants

Table 18.14.1 Consultant appointments using appropriated funds

| Project title | Total number of consultants who worked on the project | Duration (work days) | Contract value |
|---|---|----------------------|----------------|
| Consulting services to conduct the development of a consolidated baseline report for IPAP sectors in South Africa | 7 | 70 | 492 930.30 |
| Consulting services to conduct a job evaluation process for the National Liquor Trading Entity | 1 | 720 | 470 820 |
| Study on development of effective policy, regulations and incentives | 5 | 80 | 420 000 |
| Consulting services to conduct science and engineering due diligence on projects considered for the Technology and Human Resources Industry Programme | 5 | 60 | 472 500 |
| Study to review MCEP and develop an economic rationale for a manufacturing sector support programme | 4 | 70 | 663 936 |

| Project title | Total number of consultants who worked on the project | Duration (work days) | Contract value |
|---|---|----------------------|----------------------|
| Consulting services to provide communication research services | 4 | 120 | 748 250.40 |
| Study on the national state of transformation and trends analysis | 15 | 35 | 410 400 |
| Study against best practices on economic transformation | 5 | 60 | 346 843.90 |
| Mediation services between South African Farmer Development Association and South African Cane Growers Association | 1 | 10 | 320 636.40 |
| Impact assessment study on the empowerment Codes of Good Practice | 4 | 210 | 467 097.12 |
| Consulting services to develop country and sector value propositions for marketing South Africa | 4 | 720 | 4 858 949 |
| Conduct an assessment on SMS members for an organisational development intervention | 1 | 1 | 9 740.16 |
| Consulting services relating to the management of the hotline of the Broad-Based Black Economic Empowerment Commission | 4 | 240 | 41 040 |
| Consulting services to assist with SMS competency-based assessments | 5 | 240 | 152 120 |
| Consulting engineering services for manufacturing investment incentives | 5 | 80 | 500 000 |
| Consulting services to assist with a grievance process | 1 | 3 | 28 642.50 |
| Research and development of an industrial financing strategy | 10 | 720 | 2 272 982.59 |
| Consulting services to conduct investigations on behalf of the B-BBEE Commission | 3 | 60 | 445 204 |
| Quantity surveying services | 1 | 240 | 212 040 |
| Consulting services to conduct investigations on behalf of the B-BBEE Commission | 3 | 20 | 196 636 |
| Consulting services to conduct investigations on behalf of the B-BBEE Commission | 13 | 60 | 445 375 |
| Consulting services to conduct MBTI assessment on employees | 1 | 20 | 23 633.91 |
| Consulting services to conduct MBTI assessment on employees | 2 | 15 | 14 257.41 |
| Consulting services to assess capital equipment and machinery and/or processes, infrastructure and associated costs related to investment schemes | 30 | 720 | 5 000 000 |
| Consulting services to assist with a disciplinary process | 3 | 7 | 22 500 |
| Consulting services to assist with a disciplinary process | 3 | 5 | 16 500 |
| Total | 26 projects | 140 | 19 053 034.69 |

Table 18.14.2 Analysis of consultant appointments using appropriated funds

| Project title | % ownership by HDI groups | % management by HDI groups | Number of consultants from HDI groups who worked on the project |
|---|---------------------------|----------------------------|---|
| Consulting services to conduct the development of a consolidated baseline report for IPAP sectors in South Africa | 100 | 100 | 7 |
| Consulting services to conduct a job evaluation process for the National Liquor Trading Entity | 100 | 100 | 1 |
| Study on development of effective policy, regulations and incentives | 0 | 0 | 1 |
| Consulting services to conduct science and engineering due diligence on projects considered for the Technology and Human Resources Industry Programme | 100 | 100 | 4 |
| Study to review MCEP and develop an economic rationale for a manufacturing sector support programme | 100 | 40 | 3 |
| Consulting services to provide communication research services | 100 | 0 | 4 |
| Study on the national state of transformation and trends analysis | 25 | 20 | 7 |
| Study against best practices on economic transformation | 0 | 0 | 5 |
| Mediation services between South African Farmer Development Association and South African Cane Growers Association | 50 | 50 | 0 |
| Impact assessment study on the empowerment Codes of Good Practice | 0 | 0 | 4 |
| Consulting services to develop country and sector value propositions for marketing South Africa | 0 | 0 | 2 |
| Conduct an assessment on SMS members for an organisational development intervention | 0 | 0 | 0 |
| Consulting services relating to the management of the hotline of the B-BBEE Commission | 25 | 10 | 3 |
| Consulting services to assist with SMS competency based assessments | 100 | 100 | 1 |
| Consulting engineering services for manufacturing investment incentives | 53 | 18 | 2 |
| Consulting services to assist with a grievance process | 0 | 0 | 0 |
| Research and development of an industrial financing strategy | 0 | 0 | 7 |
| Consulting services to conduct investigations on behalf of the B-BBEE Commission | 30 | 9 | 2 |
| Quantity surveying services | 69 | 31 | 1 |
| Consulting services to conduct investigations on behalf of the B-BBEE Commission | 51 | 0 | 2 |
| Consulting services to conduct investigations on behalf of the B-BBEE Commission | 25 | 10 | 8 |
| Consulting services to conduct MBTI assessment on employees | 0 | 0 | 0 |

| Project title | % ownership by HDI groups | % management by HDI groups | Number of consultants from HDI groups who worked on the project |
|---|---------------------------|----------------------------|---|
| Consulting services to conduct MBTI assessment on employees | 0 | 0 | 0 |
| Consulting services to assess capital equipment and machinery and/or processes, infrastructure and associated costs related to investment schemes | 50 | 0 | 10 |
| Consulting services to assist with a disciplinary process | 0 | 0 | 3 |
| Consulting services to assist with a disciplinary process | 0 | 0 | 3 |

Table 18.14.3 Consultant appointments using donor funds

| Project title | Total number of consultants that worked on the project | Duration (work days) | Donor and contract value (R) |
|---------------|--|----------------------|------------------------------|
| None | N/A | N/A | N/A |

| Total number of projects | Total individual consultants | Total duration (work days) | Total contract value (R) |
|--------------------------|------------------------------|----------------------------|--------------------------|
| None | N/A | N/A | N/A |

Table 18.14.4 Analysis of HDI consultant appointments using donor funds

| Project title | Percentage ownership by HDI groups | Percentage management by HDI groups | Number of consultants from HDI groups who worked on the project |
|---------------|------------------------------------|-------------------------------------|---|
| None | N/A | N/A | N/A |

18.15 Filling of SMS posts

Table 18.15.1 SMS post information as at 31 March 2017

| SMS level | Total number of funded SMS posts per level | Total number of SMS posts per level | % of SMS posts filled per level | Total number of SMS posts vacant per level | % of SMS posts vacant per level |
|----------------------|--|-------------------------------------|---------------------------------|--|---------------------------------|
| DG/HOD | 1 | 1 | 100 | 0 | 0 |
| Level 16 but not HOD | 0 | 0 | 0 | 0 | 0 |
| Level 15 | 13 | 13 | 100 | 0 | 0 |
| Level 14 | 64 | 66 | 94 | 4 | 6 |
| Level 13 | 175 | 183 | 85 | 28 | 15 |
| Total | 253 | 263 | 88 | 32 | 12 |

Table 18.15.2 SMS post information as at 30 September 2016

| SMS level | Total number of funded SMS posts per level | Total number of SMS posts per level | % of SMS posts filled per level | Total number of SMS posts vacant per level | % of SMS posts vacant per level |
|----------------------|--|-------------------------------------|---------------------------------|--|---------------------------------|
| DG/HOD | 1 | 1 | 100 | 0 | 0 |
| Level 16 but not HOD | 0 | 0 | 0 | 0 | 0 |
| Level 15 | 13 | 13 | 100 | 0 | 0 |
| Level 14 | 62 | 66 | 92 | 5 | 8 |
| Level 13 | 166 | 182 | 88 | 21 | 13 |
| Total | 242 | 262 | 90 | 26 | 11 |

Table 18.15.3 Advertising and filling of SMS posts as at 31 March 2017

| SMS level | Advertising | Filling of posts | |
|----------------------|---|--|--|
| | Number of vacancies per level advertised within 6 months of becoming vacant | Number of vacancies per level filled within 6 months after becoming vacant | Number of vacancies per level not filled within 6 months but filled within 12 months |
| DG / HOD | 0 | 0 | 0 |
| Level 16 but not HOD | 0 | 0 | 0 |
| Level 15 | 0 | 0 | 0 |
| Level 14* | 2 | 0 | 1 |
| Level 13** | 6 | 0 | 2 |
| Total | 8 | 0 | 3 |

* None advertised after 6 months; 1 filled after 12 months

** 5 advertised after 6 months and 14 not yet advertised; 2 filled after 12 months

Table 18.15.4 Reasons for not having complied with the filling of funded vacant SMS posts advertised within 6 months and filled within 12 months after becoming vacant

| |
|--|
| Reasons for vacancies not advertised within 6 months |
| Moratorium on filling of posts in place. Posts advertised only after approval was obtained to fill certain priority posts |
| Reasons for vacancies not filled within 12 months |
| Recruitment process delayed due to moratorium on filling of posts. All posts were filled within 12 months from obtaining DG approval to fill as priority posts |
| Reasons for vacancies not advertised within 12 months |
| Moratorium on filling of posts in place. Posts have not been identified as priority posts and therefore remain unadvertised |
| Disciplinary steps taken not complying with the prescribed timeframes from filling of SMS posts within twelve months |
| None |

Part F

Foreign Economic Offices



| East Africa and SADC | | |
|---|--|--|
| Mission | Economic office staff | Telephone / Fax / E-mail |
| Addis Ababa South African Embassy, Higher 23, Kebele 10, House No 1885, Addis Ababa, Ethiopia PO Box 1091, Addis Ababa, Ethiopia +1 hour | Mr Thabo Chauke Counsellor (economic) Vacant Marketing officer | T 00251 11 371 1002 M 00251 922 73 9017 (Thabo) F 00251 11 371 3035 E ChaukeJ@dirco.gov.za |
| Harare South African High Commission, 7 Elcombe Road, Belgravia, Harare, Zimbabwe PO Box A1654, Avondale, Harare, Zimbabwe 0 hours | Mr Frank Stevens Counsellor (economic) Mr Keith Goto Marketing officer Vacant Secretary | T 00263 4 251 849 00263 4 251 853 M 00263 78 270 3972 (Frank) 00263 772 135 344 (Keith) F 00263 4 753 185 00263 4 749 657 E fstevens@saembassy.co.zw trade@saembassy.co.zw trademarketing@saembassy.co.zw |
| Kampala South African High Commission, 15A Nakasero Road, Kampala, Uganda PO Box 22667, Kampala +1 hour | Vacant Counsellor (economic) Mr Andrew Byaruhanga Marketing officer | T 00256 41 770 2100 M 00256 782 161 541 (Andrew) F 00256 41 434 8216 E mmkhize@thedti.gov.za ByaruhangaA@dirco.gov.za |
| Kinshasa South African Embassy, 77 Avenue Ngongo Lutete, Gombe, Kinshasa, Democratic Republic of the Congo Boite Postale 7829, Kinshasa 1, Democratic Republic of the Congo -1 hour | Ms Louisa Buthelezi Counsellor (economic) Vacant Marketing officer Mr Victor M Mulenda Driver | T 00243 81 556 6597 M 00243 82 000 4993 (Louisa) 00243 82 850 2631 (Vanessa) F 00243 E KasongoV@dirco.gov.za l_buthelezi@yahoo.com |
| Luanda South African Embassy, Condominio Ouro Verde II, Premio Dubai Road, Municipio da Samba Sector ZRGA, Talatona, Luanda, Angola -1 hour | Vacant Counsellor (economic) Mr Antonio Coutinho dos Santos Marketing officer Vacant Driver | T 00244 22 33 9126 M 00244 93 778 2753 (Antonio) F 00244 222 39 8730 E coutinhosantossaembassy@gmail.com |
| Maputo South African High Commission, Avenida Eduardo Mondlane 41, Caixa Postal 1120, Maputo, Mozambique 0 hours | Mr Matome Kgowedi Counsellor (economic) Mr Luis Labo Marketing officer Ms Nadia Babar Secretary | T 00258 21 243000 x 52262 M 00258 84 311 5946 (Matome) 00258 84 398 7120 (Luis) 00258 84 737 6870 (Nadia) F 00258 21 488896 E saeconomic@tropical.co.mz satrade@tropical.co.mz saeconomic.mail@tropical.co.mz |

| | | | |
|--|---|---|---|
| Nairobi South African High Commission, 5th floor Roshmaer Building, Lenana Road, Kilimani, Nairobi, Kenya PO Box 42441, Nairobi, Kenya +1 hour | Njabulo Mbewe Counsellor (economic) | T | 00254 20 282 7000/7218 (direct) |
| | Mr Gerald Ockotch Marketing officer | M | 00254 71 460 6812 00254 70 037 9951 (Njabulo) |
| | Ms Verydiana Selebwa Secretary | F | 00254 20 282 7219 / 7236 |
| | | E | gockotch@thedti.gov.za selebwa@dirco.gov.za MbeweN@dirco.gov.za |
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| West Africa and Middle East | | |
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| Accra South African High Commission, 10 Klotey Crescent, North Labone, Accra, Ghana PO Box 298, Trade Fair, Accra, Ghana -2 hours | Ms Nompumelelo Hlela Counsellor (economic) | T 00233 302 740465 |
| | Mr Stephen Nii Kotey Marketing officer | M 00233 244 340 200 (Nompumelelo) 00233 249 113 750 (Stephen) |
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| Cairo South African Embassy, Building 11, Intersection Road 200 & 203, Digla-Maadi, Cairo, Egypt +1 hour Work week is from Sunday – Thursday | Vacant Counsellor (economic) | T 00 202 253 53000 / 53019 00 202 253 53018 (direct) |
| | Ms Abeer Aboul Enein Marketing officer | M 00 201 00 545 1355 (Abeer) 00 201 00 148 6148 |
| | Ms Dina Omar Nosseir Secretary | F 00 202 2521 3261 |
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| <p>Dubai</p> <p>South African Consulate, Khalid Bin Waleed Street, Al Karama, Bur Dubai, United Arab Emirates</p> <p>PO Box 34800, Dubai, United Arab Emirates</p> <p>+2 hours</p> <p>Work week is from Sunday – Thursday</p> | <p>Mr Sake van der Wal Consul (economic)</p> <p>Mr Sidharth Mehta Marketing officer</p> <p>Ms Joy Marie Buensalido Trade assistant</p> | <p>T 00971 4 370 9901 (direct) 00971 4 397 5222 (switchboard)</p> <p>M 00971 50 558 3491 (Sidharth)</p> <p>F 00971 4 397 9602</p> <p>E SvdWal@thedti.gov.za satrade@thedti.ae tradeassistant@thedti.ae marketingofficer@thedti.ae</p> |
| <p>Riyadh</p> <p>South African Embassy, 150 King Kalid Street, Um Al-Hammam District East, Riyadh, Kingdom of Saudi Arabia</p> <p>PO Box 94006, Riyadh 11693, Kingdom of Saudi Arabia</p> <p>+1 hour</p> <p>Work week is from Saturday – Wednesday</p> | <p>Mr Jardine Omar Counsellor (economic)</p> <p>Mr Raza Ali Humayun Marketing officer</p> | <p>T 00 966 1 442 9716</p> <p>M 00 966 5 5882 6556 (Jardine) 00 966 5 0565 8611 (Raza)</p> <p>F 00 966 1 442 9708</p> <p>E Jardineo@thedti.gov.za rahumayun@thedti.gov.za</p> |
| <p>Tehran</p> <p>South African Embassy, No. 5 Yekta Street, Bagh-e-Ferdows, Vali-e-Asr Avenue, Tajrish, Tehran, Islamic Republic of Iran</p> <p>PO Box 11365-7476, Tehran, Iran</p> <p>+2.5 hours</p> <p>Work week is from Sunday – Thursday</p> | <p>Ms Sara Dien Counsellor (economic)</p> <p>Mr Fariborz Farzaneh Marketing officer</p> <p>Ms Maryam Samari Secretary</p> | <p>T 0098 21 2270 2866 – 9 x 304</p> <p>M 0098 912 114 8474 (Sara)</p> <p>F 0098 21 2271 6192</p> <p>E ffarzaneh@satrade.ir msamari@satrade.ir SDien@satrade.ir</p> |

| Asia (east region) | | |
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| <p>Hong Kong (also Macau)</p> <p>South African Consulate General, Hong Kong SAR, Room 1906-8, 19th floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong</p> <p>+6 hours</p> | <p>Mr Davy Chiu Marketing officer</p> | <p>T 00 852 3926 4300</p> <p>M 00 852 6906 7383</p> <p>F 00 852 2577 4532</p> <p>E satrade@dtihk.org.hk davychiu@dtihk.org.hk</p> |
| <p>Seoul</p> <p>South African Embassy, 104 Dokseodang, Hannam-dong, Yongsan-ku, Seoul, Republic of Korea</p> <p>+7 hours</p> | <p>Mr Harold Manamela Counsellor (economic)</p> <p>Mr Kwangsu Jin Marketing officer</p> <p>Mr Sung-Wan Im Trade secretary</p> | <p>T 0082 2 795 0948 / 792 4855</p> <p>M 0082 10 9038 0948 (Harold) 0082 10 3467 9668 (Kwangsu)</p> <p>F 0082 2 795 0949</p> <p>E satrade@korea.com hmanamela@southafrica- embassy.or.kr</p> |
| <p>Shanghai</p> <p>South African Consulate-General, 222 Yan An Road East, 27th floor, Room 2705/6, Shanghai, People's Republic of China</p> <p>+6 hours</p> | <p>Mr Thulani Mpetsheni Consul (economic) (x114)</p> <p>Mr Jonathan Ni Wen Xiang Marketing officer (x103)</p> | <p>T 0086 21 5359 4977</p> <p>M 0086 136 7183 3084 (Thulane) 0086 139 0189 2719 (Jonathan)</p> <p>F 0086 21 6335 2820</p> <p>E dtishanghai@rsaconsulate.com Jonathan.ni@rsaconsulate.com sacg_marketing@yahoo.com TMpetsheni@thedti.gov.za MpetsheniT@dirco.gov.za</p> |
| <p>Tokyo</p> <p>South African Embassy, 4th floor, Hanzomon First Building, 1-4 Kojimachi, Chiyoda-ku, Tokyo 102-0083, Japan</p> <p>+7 hours</p> | <p>Mr Manley Barnard Counsellor (economic)</p> <p>Vacant Marketing officer</p> <p>Ms Tomoko Yamaguchi Marketing officer</p> <p>Ms Keiko Ishihara Administrative officer</p> | <p>T 0081 3 3265 2126 / 3366</p> <p>M 0081 90 1429 3880</p> <p>F 0081 3 3261 6445</p> <p>E counsellor@sajapan.org mbarnard@thedti.gov.za ishihara@sajapan.org yamaguchi@sajapan.org</p> |

| Asia (west region) | | |
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| <p>Canberra (also New Zealand)</p> <p>South African High Commission, Rhodes Place, State Circle, Yarralumla, Canberra, ACT 2600, Australia</p> <p>+8 hours</p> | <p>Mr Syed M H Jaffry Marketing officer</p> <p>Kala Govind Trade assistant</p> | <p>T 0061 2 6272 7300 (switchboard) 0061 2 6272 7328 (direct)</p> <p>M 0061 416 197 460</p> <p>F 0061 2 6273 4995</p> <p>E samarket@optusnet.com.au satrade@optusnet.com.au</p> |
| <p>Jakarta</p> <p>South African Embassy, 7th floor, Wisma GKBI, Site 705, JL. Jend. Sudiman No. 28 Jakarta 10210, Indonesia</p> <p>+5 hours</p> | <p>Vacant Marketing officer</p> | <p>T 0062 21 574 0660</p> <p>M 0062 861 137 7339</p> <p>F 0062 21 572 2206 0062 21 574 0661 / 0655</p> <p>E satrade2@indo.net.id</p> |
| <p>Kuala Lumpur (also Philippines and Brunei)</p> <p>South African High Commission, Suite 22-01, Level 22, Menara HLA, No. 3 Jalan Kia Peng, 50450 Kuala Lumpur, Malaysia</p> <p>+6 hours</p> | <p>Ms Chang Hou Yea Marketing officer</p> | <p>T 0060 3 2170 2400</p> <p>M 0060 12 636 6573</p> <p>F 0060 3 2168 8591</p> <p>E changh@dirco.gov.za changh@sahckl.net</p> |
| <p>Mumbai</p> <p>South African Consulate General, Gandhi Mansion, 20 Altamount Road, Cumballa Hill, Mumbai 400026, India</p> <p>+3.5 hours</p> | <p>Mr Phillip Mtsweni Consul (economic)</p> <p>Mr Rajan Kumar Marketing officer</p> <p>Mr Ravi Ramaiah Driver</p> | <p>T 0091 22 2351 3725 0091 22 2352 8900</p> <p>M 0091 998 7346 622 (Phillip) 0091 998 7345 599 (Rajan) 0091 998 7590 967 (Ravi)</p> <p>F 0091 22 2352 1158</p> <p>E pmtsweni@dtimumbai.com rajan@dtimumbai.com</p> |
| <p>New Delhi</p> <p>South African High Commission, B-18 Vasant Marg, Vasant Vihar, New Delhi, 110045, India</p> <p>+3.5 hours</p> | <p>Mr Recado Andrews Minister counsellor (economic)</p> <p>Vacant Marketing officer</p> <p>Mr Ravi Issar Marketing officer</p> <p>Ms Sonu Batra Secretary</p> | <p>T 0091 11 2614 8606</p> <p>M 0091 98 1817 5505 (Recado) 0091 98 1817 5507 (Ravi)</p> <p>F 0091 11 2614 3605</p> <p>E RAndrews@thedti.gov.za rissar@thedti.gov.za SBatra@thedti.gov.za</p> |

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| Brussels (also Luxembourg) South African Embassy to Belgium and Luxembourg and the South African Mission to the EU, Rue Montoyer 17-19 (B-1000), 1040 Brussels, Belgium -1 hour | Mr Sudhir Sooklal Minister (economic) | T | 0032 2 285 4400 0032 2 285 4441 (secretary) |
| | Mr Julian van Hille Marketing officer | M | 0032 472 29 55 29 (Sudhir) 0032 473 864 436 |
| | Vacant Marketing officer | F | 0032 2 502 01 24 |
| | Ms Marcia Kennof Secretary | E | ssooklal@thedti.be trade@thedti.be jvanhille@thedti.be mkennof@thedti.be |
| London South African High Commission, South Africa House, Trafalgar Square, London WC2N 5DP, United Kingdom -2 hours | Ms Thobile Mazibuko Minister (economic) | T | 0044 20 7451 / 7243 / 7248 / 7251 |
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| | | W | www.southafricahouse.com |
| Milan South African Consulate-General, Vicolo San Giovanni, Sul Muro 4, 20121, Milano, Italy Casella Postale 1468, 20101 Milano, Italy -1 hour | Ms Marcella Uttaro Marketing officer | T | 0039 02 885 8581 |
| | Mr Anwar Majal Secretary | M | 0039 3483 333043 |
| | | F | 0039 02 7200 2834 |
| | | E | muttaro@thedti.gov.za dtimilan@thedti.gov.za majala@dirco.gov.za |
| Moscow (also Belarus, Ukraine, Georgia, Armenia and Kazakhstan) South African Embassy, Granatny Per1, Building 9, Moscow 123001, Russia +1 hour | Mr Moloko Leshaba Minister (economic) | T | 007 495 926 1177 |
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| Europe region 2 | | |
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| Munich South African Consulate-General, Sendlinger-Tor-Platz 5, 80336 Munich, Germany -1 hour | Mr Jacob Moatshe Consul (economic) Mr Marc Mueller Marketing officer Vacant Trade secretary | T 0049 89 2311 6354 M 0049 17 2906 4917 (Jacob) 0049 17 5864 4571 (Marc) F 0049 89 2311 6350 E moatshe@suedafrika.org mueller@suedafrika.org |
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| Americas | | |
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| Mission | Economic office staff | Telephone / Fax / E-mail |
| Buenos Aires (also other Latin American countries except Brazil) South African Embassy, Marcelo T de Alvear 590, 8th floor, Capital Federal, 1058 Buenos Aires, Argentina -5 hours | Ms Florencia Achcar Marketing officer | T 0054 11 43172900 0054 11 43172923 (direct) M 0054 911 4171 5685 F 0054 11 4311 8991 E achcarf@dirco.gov.za W www.sudafrica.org.ar |
| Chicago South African Consulate-General, 200 South Michigan Ave, Suite 600, Chicago, Illinois 60604, US -7/8 hours | Ms Shakira Motan Consul (economic) Mr Ignatius Masebe Marketing officer Vacant Trade and investment promotion | T 001 312 939 9230 (Ignatius) 001 312 939 6529 M 001 312 515 5501 (Shakira) F 001 312 939 2588 E satradechicago@gmail.com ignatiusmasebe@gmail.com |
| New York South African Consulate-General, 333 East 38th Street, 9th floor, New York, New York 10016, US -7/8 hours | Mr Jeffrey Govan Marketing officer Ms Bing Alo-Villareal Marketing officer Myrna x2427 Sandra x2494 | T 001 212 692 2428/27 M 001 917 496 5007 (Jeff) 001 917 496 5006 (Bing) F 001 212 856 1576 E govanj@dirco.gov.za alo-villarealb@dirco.gov.za peraltam@dirco.gov.za nwes@dirco.gov.za |
| Sao Paulo South African Consulate-General, Avenida Paulista 1754, 17th floor, 01310-920, Sao Paulo, SP, Brazil -5 hours | Ms Shanaaz Ebrahim Consul (economic) Mr Mark T Rabbitts Marketing officer | T 0055 11 3265 0441 / 2 / 3 0055 11 3284 6533 M 0055 11 98579 1964 (Shanaaz) 055 11 97140 7741 (Mark) F 0055 11 3288 3742 E shanaazbrazil@gmail.com sa.trade@hotmail.com safrica@terra.com.br |
| Toronto South African Consulate-General, Toronto, 110 Sheppard Avenue East, Suite 600, Toronto, Ontario, Canada, M2N 6Y8 -6/7 hours | Vacant Marketing officer Vacant Marketing officer Ms Sybil Miller Assistant: Trade section (x23) | T 001 416 944 8825 (switchboard) 001 416 730 7283 001 416 730 7284 (Sybil) F 001 416 944 2761 E satrade@thedti.org smiller@thedti.org |

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| Washington South African Embassy, 3051 Massachusetts Avenue, NW Washington, DC, 20008, US -6/7 hours | Mr Malose Letsoalo Minister (economic) | T | 001 202 232 4400 001 202 274 7975 (Cheong) 001 202 274 7977 (Nomsa) |
| | Ms Jennifer Cheong Marketing Officer | M | 001 202 390 6402 (Malose) |
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| International Trade and Economic Development Division | | | |
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| Geneva South Africa Permanent Mission, 65 Rue du Rhone, 1204 Geneva, Switzerland -1 hour | Mr Xavier Carim Ambassador to WTO (economic) | T | |
| | Ms Thembi Mlangeni Counsellor (economic) | | |
| | Mustaqeem De Gama Counsellor (economic) | M | |
| | Vahini Naidu Counsellor (Economic) | | |
| | Miguel Ghannam Secretary | F | |
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Annexures

Annexure A: B-BBEE initiatives

In terms of Section 13G(1) of the B-BBEE Act, 2003 (Act No. 53 of 2003), read with Regulation 12(1) and Regulation 12(2), all organs of state and public entities are required to report on their compliance and report to the B-BBEE Commissioner within 30 days of the audited Annual Financial Statements and Annual Report being approved.

The summary below sets out the dti's compliance with this Act and regulations

the dti implemented the B-BBEE Amendment Act, 2013 (Act No. 46 of 2013) regulations and code of good practice. The regulations were gazetted in June 2016. The finalisation of the regulations gave effect to the implementation of the B-BBEE Commission, and provided an allowance for the implementation of Section 10 of the Act, which includes deviation or exemption from a code of good practice. During this process, the department incorporated public comments and proposed a threshold for major B-BBEE transactions. The commission is playing an important role in the advocacy and enforcement of the B-BBEE Act and its regulations.

In an effort to promote economic transformation, the department fully implemented the requirements of the B-BBEE Amendment Act and its regulations for all procurement requirements within the dti.

The department has engaged in a number of initiatives to ensure the transformation and inclusivity of the economy. To support black entrepreneurs more effectively, especially in townships, the department launched a programme to revitalise South Africa's local industrial parks. This has rapidly proven itself to be an important and effective mechanism to support black enterprises. Given the large number of people dependent on these industrial parks for direct and indirect employment, the department is convinced that further support to industrial parks is a critical investment in South Africa's long-term development.

In 2016/17, the department embarked on the first phase to revitalise 10 identified industrial parks. Botshabelo Industrial Park in Free State was the first to be launched, followed by Seshego Industrial Park in Limpopo, Isithebe Industrial Park in KwaZulu-Natal and Queendustria Industrial Park in Eastern Cape. The first phase of the revitalisation programme included security infrastructure upgrades, the replacement of top structure and repairs to wastewater treatment plants.

Six industrial parks (Phuthaditjhaba, Garankuwa, Seshego, Nkowankowa, Ekandustrial, and Bodirelo) were approved for refurbishment under the Critical Infrastructure Programme, and 13 SEZ projects were approved for top structure infrastructure.

To date, the EEIP has made provision for the approval of seven multinational companies, including a company approved in January 2017. Two-thirds of the existing programmes are in the ICT sector, with the rest in the engineering sector. The total investment value of the initial six programmes is R980 million. This includes research, and skills and enterprise development, and has led to the creation of 241 job opportunities. The largest EEIP approved in 2016/17, totalling R1.3 billion for supplier development, was Caterpillar (Pty) Ltd. It is expected that 2 300 jobs would be created. The total investment of the EEIP is expected to be R2.2 billion. Other applications in the pipeline under review are in the agriculture and engineering sectors.

the dti and IBM South Africa signed a memorandum of understanding in August 2016 for developing digital platforms aimed at creating an interactive electronic environment for black industrialists. The department and Trade Invest Africa led trade missions to Nigeria, Ghana and Madagascar to seek trade and investment opportunities. Seven black industrialists participated in these missions during the period under review.

The previous financial year saw the implementation of the first-ever policy of radical economic transformation, which seeks to address the need for an inclusive, transformed and growing economy. The Black Industrialists Policy, which was approved by Cabinet in November 2015, is a catalyst for the implementation and realisation of the ethos of B-BBEE Act. Therefore, it aims to assist with the removal of barriers to access to capital and markets, and non-financial support for black-owned manufacturing companies in the IPAP sectors of the economy.

The policy seeks to achieve the following objectives:

- Accelerate the quantitative and qualitative increase and participation of black industrialists in the national economy, selected industrial sectors and value chains, as reflected by their contribution to growth, investment, exports and employment.
- Create multiple and diverse pathways and instruments for black industrialists to enter strategic and targeted industrial sectors and value chains.

The Black Industrialists Programme, through the Black Industrialists Scheme, provides access to capital for black industrialists. Financial support will be provided through concessional loans, investment grants, concessional export insurance funding and export market exploration support.

Summary of the incentive

- The Black Industrialists Scheme offers a cost-sharing grant ranging from 30% to 50% to a maximum of R50 million.
- The quantum of the grant will depend on the level of black control, and the project's economic benefit and value.

The Black Industrialists Policy calls for the leveraging of the state's capacity to unlock the industrial potential that exists within black-owned and managed businesses through deliberate, targeted and well-defined financial and non-financial interventions.

This policy emphasises a need for government departments and state-owned companies to set targeted procurement for the promotion of black industrialists in manufacturing sectors, and for the private sector to explore collaborations with government to assist black Industrialists with sustainable procurement opportunities.

The policy outlines that state-owned companies, as tools of government delivery across strategic sectors of the economy, can anchor the Black Industrialists Policy through procurement and supplier development mechanisms.

The department is working with various institutions to facilitate market access opportunities.

Summary of the incentive

The Black Industrialists Policy calls for further technical support to enable the sustainability of black industrialists. Such support includes training and capacity building, research and innovation support, quality standards and productivity support, and information and other relevant technical support.

High-level engagements with various institutions, including Productivity SA, CSIR, SABS, and the Technology Innovation Agency, are at an advanced stage to provide technical support to black industrialists.

The B-BBEE Act allows for the development of a sectoral approach to transformation using a sector charter as an instrument intended to address sector-specific challenges and peculiarities on transformation that would otherwise not be addressed fully by generic provisions of the policy. The sector charter development process enables sector stakeholders and social partners to negotiate and graft a roadmap for sector-specific transformation imperatives. To create a standardised and consistent application and measurement of B-BBEE across all sectors, the legislation prescribes that all

sector codes must be aligned with the B-BBEE policy and that approval is therefore the responsibility of the Minister of Trade and Industry.

The department will commence with the monitoring and evaluation of the Black Industrialists Programme to provide feedback to Cabinet, through the Minister, biannually, as per the policy.

To date, the department has supported 36 black industrialists to the value of R3 billion, creating about 7 000 jobs, mainly in IPAP sectors such as agro-processing; renewable energy; electronics; pulp, paper and furniture; clothing and textiles; plastic; automotive components; and pharmaceutical, electro equipment and metals.

Annexure B: Auditor-General's responsibility for the audit

1. As part of an audit in accordance with the International Standards of Auditing, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements, and the procedures performed on reported performance information for selected programmes and on the department's compliance with respect to the selected subject matters.

Financial Statements

2. In addition to my responsibility for the audit of the financial statements as described in the auditor's report, I also:
 - identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the department's internal control;
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer;
 - conclude on the appropriateness of the accounting officer's use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the department's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. My conclusions are based on the information available to me at the date of the auditor's report. However, future events or conditions may cause a department to cease to continue as a going concern; and
 - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

3. I communicate with the Accounting Officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the Accounting Officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, here applicable, related safeguards.



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Department:
Trade and Industry
REPUBLIC OF SOUTH AFRICA

