Strategic Plan

2009/10 - 2011/12

Department: Minerals and Energy

the dme

Department:
Minerals and Energy
REPUBLIC OF SOUTH AFRICA

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1. STATEMENT OF POLICY AND COMMITMENT

Our President, in his reply to the debate on the State of the Nation address, described his target as "effective and efficient government", adding: "We will work harder and smarter."

That, supremely, must be our lodestar, our national objective. We shall follow it tenaciously and seek to see its realization. It will inform all the activities of the Department of Minerals and Energy, indeed, as it informs the activities of the nation at large.

In considering this Statement of Policy and Commitment, which introduces the Departmental Strategic Plan 2009/10 - 2011/12, we have been mindful of the challenges, but also the opportunities, presented in the coming split of DME into two separate departments: the Department of Energy and the Department of Mineral Resources. It will be up to all of us to forge ahead with the workstudy investigations and business case proposals, and other preparations, so as resolutely to get this show on the road - to use the President's words - in as effective and efficient a manner as we can.

The Strategic Plan sets out the vast challenges that face us, those that will help so crucially to keep the South African ship of state afloat in the years ahead - for instance, ensuring energy security, energy efficiency and demand side management, proper health and safety standards in our mines, solid black economic empowerment, sound management and regulatory framework, skills transfer, the pursuit of renewable energy including the use or otherwise of nuclear, job creation and as a priority serving the cause of the previously disadvantaged; and to do all this and more within reasonable environmental norms.

A developmental state, with so much yet to do to foster the material needs of a population so neglected in a bygone order, faces special additional challenges in getting the balance right. But we shall pursue the objectives of clean, efficient energy supply with real vigour. We shall not slip into cynicism or lethargy. We serve the nation and the public. We shall deliver to the emerging giant, the South African economy, what it needs to develop and prosper, and at the same time work to retain an acceptable environment in which all people may truly enjoy the best things in life.

Ensuring electrification, a mammoth task so filled with challenge, will proceed apace - and against the background of encouraging a mindset of economy and saving in the nation. Prudence in the use of power must be the watchword.

As we gear up for what can justly be described as the Greatest Show on Earth, the 2010 Soccer World Cup, on our own South African soil, we must ensure continuity of supply, and availability of resources of all types, so that these events are able to run their course without hindrance.

Overall, we need to lay the foundation for the advance that our nation will surely make, from the depths of the slump that has hit the world's finances and economy. We must meet, or indeed exceed, our sub-continental and African obligations. We must empower, without any subterfuge or tokenism, those who were marginalized in the past - the women, the youth, the people with disabilities and, indeed, the vast majority of the population who, just because they were black, did not have the racial passport to success inherent in the apartheid policy.

We can do these things - once again to borrow from the President's recent remarks - "working together" We need to forge new alliances which span the whole spectrum of South African endeavour, so as to ensure that we bring every able-bodied person into the national effort to create a better life for all.

2. ACCOUNTING OFFICER'S OVERVIEW

The Department of Minerals and Energy is honoured to present its Strategic Plan, for the year 2009/2010, to both the Minister of Energy, Ms Dipuo Peters and Ms Susan Shabangu, Minister of Mineral Resources, to Parliament, and to all South Africans. This strategic planning document, is aimed at providing the public with an insight into the workings of the Department of Minerals and Energy.

ENERGY

Our energy policies recognise the need for us to have energy security through diversification of energy sources. While we remain a coal based economy and continue to observe the international efforts to reduce green house gasses emission and other pollutants, we will continue to collaborate with our international partners in seeking environmentally benign solutions for our energy intensive economy. Amongst these will be energy efficiency, demand side management and renewable energy options. In this regard we will continue to invest in wind, solar technologies, carbon capture and storage and other clean coal technologies.

As part of the diversification of the energy mix, government remains committed to expanding the use of nuclear energy for electricity generation. Due to the global economic downturn which started last year, the state-owned utility Eskom could not go ahead with the process that would have resulted in the procurement of nearly 3500MW. However, we remain committed to the expansion of our nuclear energy programme as one of the low carbon emission energy solutions as outlined in government's Long Term Mitigation Scenarios.

The Electrification Programme continues to contribute to socio economic development, job creation, poverty alleviation and addressing the past social imbalances. The programme is faced with challenges in terms of eradicating the backlog due to the rugged terrain in the rural areas, sparsely populated areas, and lack of bulk infrastructure which makes it more expensive to realise connections. The electrification capital subsidy policy framework is reviewed on an annual basis in the context of these challenges, in order to make it more responsive to the quest for universal access by 2014.

South Africa faces significant liquid fuel supply infrastructure constraints. The inland infrastructure can no longer meet the demand. Investment in new refining capacity will be required. It is in this respect that we will actively promote the development of two mega projects, namely; Transnet's New Multi-Products Pipeline (NMPP) and the 400,000 barrels per day Crude Oil Refinery proposed for construction in Coega. Of importance also will be securing feedstock for the Mossel Bay GTL facility going into the future.

The need to integrate the various energy planning efforts has been identified. To this end a process will be developed that takes a holistic view of the energy sector and moves away from isolating electricity and liquid fuels. With the myriad of energy plans that are developed and implemented by various entities and the differences in the regulatory environment governing the two spheres of the energy sector developing a single integrated plan which guides infrastructure development within these sectors has been a challenge. The Department will, therefore initiate a process of reviewing how we approach this task and ensure that it is a successful one. This financial year we will be focusing on developing an Integrated Energy Planning Strategy that will detail the shape and form of our planning process.

The National Energy Act 34, 2008 establishes an entity, the South African National Energy Development Institute (SANEDI), to conduct energy research and development as well as implement energy efficiency programmes on behalf of the Department. The formal establishment of this entity will ensure that we are able to motivate and obtain funding for energy research activities which are of national importance and are linked to our strategic objectives as well as be able to implement our energy efficiency programmes more aggressively.

The Department will continue to work in close collaboration with other government departments and all other relevant parties in ensuring that required fuel is available throughout the country for the 2009 Confederations Cup as well as 2010 Soccer World Cup.

MINING

The global financial crisis necessitated the formation of the Mining Industry Growth, Development and Employment Task Team (MIGDETT), as an intervention to mitigate the severity of the crisis on the mining industry. The department invited all mining stakeholders, including government, business and labour to initiate a Task Team intended to recommend short to medium as well as long term interventions sought to this effect. Accordingly, the Task Team was mandated to develop recommendations that will ensure optimal development of the mining industry to benefit South Africa post this crisis. Some of the short term recommendations of the task team have already borne fruit, with the original extent of the envisaged retrenchments in the sector being significantly limited to unavoidable levels. The task team continues to identify other counter-cyclical interventions required in a medium to long term.

The State Diamond Trader (SDT) has been severely affected by the global economic crisis, with diamond prices loosing more than half their value in the first quarter of the crisis. The Department is assessing the prospect of a new business model for the SDT, which will allow the SDT to continue implementing its core mandate of promoting equitable access to and beneficiation of diamond resources, addressing distortions in the diamond industry and correcting historical market failures to develop and grow South Africa's diamond cutting and polishing industry

The role of small scale mining continues to be critical to the department's contribution to community upliftment, job creation and poverty alleviation, albeit the varying levels of success that has been attained to date. Consequently, during this year we will review a new approach to maximise the impact of small scale mining, with particular focus on community development. Plans to address training and safety in these operations are in the forefront.

An assessment of the aggregated impact of the Mining Charter began in earnest during the last quarter of 2008 and this will form the basis for the review of the Charter this year going forward. The Charter was implemented to give effect to the transformation objectives in the mining industry, as a result of the proclamation of the Mineral and Petroleum Resources Development Act (MPRDA). Provisions to review the Charter during this financial year are embedded in the Charter as an agreement among all stakeholders.

We have appointed an external service provider to work with us to develop our strategic road map. This has made it possible for us to improve our operational excellence as well as ensuring that we have clear performance targets by which to measure ourselves.

Adv S Nogxina
Director General

3. MANDATE, VISION, MISSION AND VALUES

MANDATE

Provision of services for effectual transformation and governance of minerals and energy industries for economic growth and development, thereby improving the quality of life

VISION

World-class minerals and energy sectors through sustainable development

MISSION

To regulate and promote the minerals and energy sectors for the benefit of all

VALUES

Batho-Pele	Excellence
Professionalism	Integrity
Equity	Loyalty

4. SERVICE DELIVERY AND ORGANISATIONAL ENVIRONMENT

ENERGY

We have fostered relations with multilateral structures such as the United Nations Framework Convention on Climate Change to enable all our climate change mitigation initiatives to be recognised and rewarded where applicable. We have also signed a number of bilateral agreements with countries that are of the same mind with our policy direction to assist us in getting the set energy mix targets. We are also seeking partnerships that will ensure poverty eradication through service delivery and job creation.

The Department will continue to improve the implementation of Energy Efficiency and Demand Side Management programmes as a low cost option of ensuring energy security and mitigation of climate change. We also recognise the need to tap into abundant renewable energy resources available to us.

A coherent renewable energy framework will be developed this year and funding models that are in place will be assessed to establish their appropriateness.

Nuclear
Feasibility studies into uranium beneficiation are proceeding as envisioned in the Nuclear Energy Policy. At the same time, more effort will go into the strengthening of the nuclear regulatory framework and improving efficiency of the nuclear regulator. We will also continue with the implementation of the Radioactive Waste Management Policy and Strategy, in terms of which we will establish the National Radioactive Disposal Institute. This is part of government's plans to ensure that proper institutional framework is in place for the safe management and disposal of radioactive waste. The implementation of the Nuclear Energy Policy will be accelerated.

Following the signing of the Energy Cooperation Agreement between South Africa and the French Republic in 2008, areas of implementation have been identified in the areas of nuclear energy, petroleum and coal and energy efficiency.

The strengthening of the Nuclear Non-proliferation enforcement is in progress including enhanced border controls. This has become a priority since the discovery of an international network trading illegally in nuclear material, equipment and technology. The Department and the SARS Border Control will conclude a memorandum of Understanding and will be working closely to ensure implementation of appropriate controls at the borders to deal with this matter.

The structures associated with the implementation of the nuclear energy policy will be put in place to ensure a coordinated approach. The feasibility studies associated with the attainment of some of the objectives of the policy are underway and will continue during this period.

Technology transfer and localization will play a big role in the development of the nuclear energy industrial complex, and indeed for the entire energy sector.

The strategy for the development of skilled personnel required to support this programme is being developed.

Electricity
In the 2009/10 financial year, electrification plans include, an additional 150 000 household connections and 10 new bulk infrastructure projects. The department is still committed to provide electricity infrastructure to all schools through grid and non-grid technologies by the end of the 2009/10 financial year. We will continue to monitor the programme, to ensure that the electrification budget is not only directed to electrification connections but also to socio-economic upliftment of communities. In this regard, we will work closely with the Rural Development Department to ensure that local economic development is realised and supported by a requisite energy infrastructure.

We will continue to give meaning to existing legislation by developing and refining regulations, norms and standards during the 2009/10 financial year. These instruments will include:

(i) Programs to improve supply disruptions at municipal distributors through QoS assessments and modelling
(ii) punitive measures in the event of breach of conditions of supply and
(iii) standards for quality of supply (frequency and duration of disruptions).

This will provide a framework within which the National Energy Regulator of South Africa (NERSA) will measure distributor performance and to then suggest interventions in order to close the gap that was identified during the Distribution Maintenance Summit of 2008 and the Renewable Energy Summit of 2009.

Hydrocarbons

The Department will also embark on an energisation programme which will diversify energy use, especially for thermal application, away from coal through the use of renewable energy interventions such as solar water heaters, and hydrocarbons and other biofuels.

The national strategic fuel stocks policy will be revised to include the holding of commercial stocks as well as emergency stocks. This policy is one of the most important aspects of the implementation of the Energy Security Master Plan in order to ensure continuity during fuel supply disruptions. The aim of this policy is to outline a framework for the storage of fuel stocks by the government as well as industry in order to guide the necessary investment decisions and to improve security of supply for liquid fuels sector. The current strategic stocks policy had some shortcomings in that amongst other things, it places no obligation on oil companies to hold prudent commercial stocks and that the strategic stocks held by the government are in crude oil form only.

In order to improve the predictability of the regulatory framework, the Department will undertake a study generally known as Task 141, which will allow the ring-fencing of regulated and unregulated activities of the downstream petroleum marketing activities. This is aimed at replacing the marketing of Petroleum Activities Return mechanism. It is expected that this will lead to a predictable rate of return on assets associated with storage, wholesaling and distribution as well as the benchmark service station.

In 2006 it was agreed that South African fuel specifications and standards would have to be revised. The new fuel specifications and standards will assist in ensuring that the South African economy can benefit from the latest engine technologies, which in the main are more efficient. The Department will work with other Government Departments to ensure that the roadmap for the new fuel standards and specifications is developed and that the negotiation process is completed by end of 2010. The new fuels specifications will then be promulgated to enable companies to make investment decisions in line with recommended specifications.

The prices of petrol, diesel and paraffin are currently regulated and benchmarked according to the international pricing system and this is expected to remain so in the medium term. The Department will continue to monitor international developments on liquid fuels and continuously evaluate the appropriateness of pricing framework.

The LPG Pricing Regulation is a concerted effort on the part of Government to ensure affordable and safe access to safe energy carrier for thermal purposes to the majority of South Africans who currently cannot afford to access LPG because of exorbitant prices. With regard to household fuel prices like Liquified Petroleum Gas (LPG), the Department has realised that market- determined prices are far too high compared with those prevailing in other markets. The Department has therefore embarked on a process to regulate LP Gas prices. Draft regulations were gazetted for public comment and it is envisaged that the regulations on pricing of LPG will be promulgated before the end of the financial year 2009/10.

With rising and volatile oil / liquid fuel prices Government will, in conjunction with relevant stakeholders, extend energy saving campaigns to cover transport fuels.

The Department will commission the piloting of safe paraffin appliance stoves in selected areas, the results of which would feed into the South Africa National Standards (SANS 1243). Together with stakeholders, awareness campaigns to educate consumers on how to handle and use paraffin appliances safely will be undertaken.

We will continue with the development of Integrated Energy Centres (IeCs) to fight energy poverty in rural communities and take energy services to the people. At least three new IeCs will be established this year to reach the phase of Environmental Impact Assessment.

The Department will continue with its efforts on carbon capture and storage (CCS) by actively participating in Carbon Sequestration Leadership Forum (CSLF), facilitate the official launching CCS Centre of excellence and the development of RSA's CCS Atlas. A preliminary report on the development of the Coal Roadmap will be concluded in March 2008.

We will resume annual publications, the Energy Digest and the Energy Price Report, as well as improve turn-around times for the dissemination of energy data and statistics to stakeholders. The National Energy Act empowers The Minister to develop regulations which will enable the collection of energy data and information from public and private entities. We aim to establish cooperative governance relationships with those entities that can provide us with energy data or even collect it on our behalf.

MINING

During the Parliamentary Portfolio Committee proceedings of last year, the department was ordered to amend the MPRDA Regulations to be consistent with the amendment of the Act. Amendments to the Regulations are currently underway. The department is also planning to present the Geoscience Act 100 of 1993 (Geoscience Amendment Bill [B 2007]) to parliament during the 2009 / 10 financial year.

The implementation of government policy on health and safety at mines will be our resolve. The challenges facing the Mine Health and Safety Inspectorate in the department are well known and plans are in place to deal with the challenges.

The Amendment Act establishes the Mine Health and Safety Inspectorate as an entity of Government. To this effect, DeLoitte was commissioned to prepare a business case for the amalgamation of the MHSC and MHSI. The case has been finalised and the preparation for implementation is underway.

The Department has signed a service level agreement with Wits University to develop a customised training package for inspectors and other units to enhance capacity and broader appreciation of OHS role in the sector.

To further enhance decision making and improve management of health and safety at mines, a project of developing a mine health and safety management system will be finalised.

The Inspectorate will work hard to realise the implementation of the outcomes of the Tripartite Leadership Summit on health and safety at mines and the recommendations from the Presidential audit Report. All stakeholders in the sector will be encouraged to continue to work together to improve health and safety performance of mines.

Implementation of the Amendment Act will alseo require the development of regulations, guidelines and codes of practices for mines. To further strengthen oversight of health and safety conditions, health and safety representatives will be trained.

Given the capacity constraints, the inspectorate will use information at its disposal to profile mines and working places in terms of health and safety. Proactive enforcement work will be informed by these OHS profiles in each province.

The Department currently chairs the beneficiation task team, constituted by the departments of Mineral Resources, National Treasury, Science and Technology, Public Enterprises and the Presidency. Cabinet approved circulation of the beneficiaton strategy to stakeholders, seeking their written submissions. The strategy was launched to all representative stakeholders on the 31st of March 2009, with a deadline for written submissions agreed for 15th May 2009. All submissions received are encouraging and are being consolidated in preparation for adoption of the mineral beneficiation strategy as policy, during this year.

The Coal Industry Task Team (CITT) was established to facilitate access to new coal export facilities for junior coal mining companies, made possible by the new regulatory framework in mining. To date, stakeholders have collectively secured 4Mt export capacity dedicated to these companies. However, the enabling environment created by MPRDA has led to a further increase in number of new entrants, requiring a significantly larger proportion of access to these facilities. The department continues to engage all stakeholders to seek supplementary solutions.

Last year we hosted the 6th plenary of the African Mining Partnership (AMP), constituted by African Mining Ministers. The plenary was notified of the decision of the African Union (AU) Heads of States, which endorsed the institutionalisation of AMP as a structure of AU. The AMP member Ministers tasked South Africa (the Department of Minerals and Energy) to lead the transition for two years, ending February 2011. We also finalised our membership of the African Diamond Producers Association (ADPA), which was endorsed by Cabinet last year. Preparations are underway to appoint a deputy executive secretariat to be deployed in Angola, where the role of the executive secretariat is permanently based.

The department has published a strategy in dealing with derelict and ownerless mines in South Africa, recognising the long heritage of mining and its inherent environmental liability.

During this MTEF period efforts will be made to reduce turnaround times in respect of applications for rights submitted in terms of the Mineral and Petroleum Resources Development Act, 2002. Plans will be put in place to handle the anticipated increase in the number of applications for the conversion of old order mining rights as the deadline for such applications is 30 April 2009. The empowerment of Historically Disadvantaged South Africans and women by obtaining rights in terms of the MPRDA will continuous matter as we ensure compliance with the Mining Charter.

Focus on the improvement and implementation of Social and Labour Plans in line with the Mining Charter to promote transformation in the mining industry is an additional area of emphasis for 2009 /10. Awareness levels of some communities and stakeholders in the mining industry are not satisfactory at present and emphasis will be placed on improvement thereof. Cooperative governance has similarly been identified as too low and efforts will be made to improve on it.

Emphasis will be placed on compliance and compliance inspections to advance sound environmental management, Mining Charter compliance and to ensure optimal utilization of mineral resources. MINTEK (a state owned entity reporting to the Minister of Minerals and Energy) will be contracted as a service provider for the rehabilitation of 13 identified derelict and ownerless asbestos mines, a project that will cost R 40 Million during the 2009 / 10 financial year.

PERFORMANCE REVIEWS

The Department will continue to enhance the implementation of the Balance Score Card approach to its strategic planning processes. This will entail the identification of all Balance Score Card perspectives and linking them to the core business mandates of the Department. The Branch specific objectives will be linked to the departmental initiatives, and these will be cascaded down to the operational levels of the Department, thus ensuring a co-ordinated and integrated approach to service delivery within the department of Minerals and Energy. A change management and communication intervention will be embarked upon to enhance awareness on planning and reporting through out the Department. We will continue to implement the following, as was initiated during the previous year:

- Continue implementation of Change Management interventions such as information sessions, consultations, one on one sessions with all affected client and stakeholders in the Department;
- Assist managers and employees with the cascading down of business plans and performance agreements from the Director General to the lowest levels in the department; This cascading process will ensure a clearer and strong link between the Departmental Business plan , Director General's performance agreement and all employees within the DME;
- Enhancement of the HR system to cater for Balanced Scorecard planning and reporting requirements ; and
- System roll out which include the training of employees on the automated HR system with specific reference to the PMDS module. This could not be realised in the previous year due major IT challenges.

The implementation of the Performance Management and Development System will be continued as required in terms of Public Service Regulations and relevant Cabinet decisions, and in particular pertaining to the Senior Management Service cadre. The automation of some of the HR functions also will be continued, with the prioritisation of the PMDS.

Integrated Human Resource Plan

The HR Plan provides a review and an identification of the current and future Human Resource capital needs of the department in order to ensure that it is able to meet its strategic objectives. The department will continue to implement the following key and priority aspects of the plan, in line with the ensuing MTEF period:

- Organisational Design;
- Talent Management Strategy (attraction, recruitment, retention and development);
- Systems and information Capacity; and;
- Knowledge Management Strategy

5. POLICY DEVELOPMENT

During the 2009/10 financial year, the Department plans to table the following bills:

- **The Geoscience Amendment Bill** - The main purpose is to align the Geoscience Act with the MPRDA and expand the functions of the Council for Geoscience. This will be done by clarifying the role of the CGS in relation to infrastructural development, put mechanism in place to address problems which are associated with infrastructure development, including development on dolomitic land, empower CGS to be a National Regulatory Authority in respect of life threatening geohazards that may affect infrastructure and development, provide for an appeal process for cases where one or other party is aggrieved by the decision taken by CGS, empower the CGS to be the custodian of all geotechnical data with the purpose of compiling a complete geotechnical risk profile of the country and widen the scope of CGS in enabling it to undertake exploration and prospecting specifically with the view of attracting investment into the mineral resource sector

- **Mineral and Petroleum Resources Development Regulations** - The Mineral and Petroleum Resources Development Act was first introduced in parliament in 2006 and was assented to by the President as law in March 2009. During PPC proceedings, parliament advised the department to amend the MPRD Regulations through Parliament to ensure that everything that was approved by parliament is captured in the right manner.

  The major amendments in the Regulations are the consultation process in terms of section 16 and 22 of the MPRDA to be undertaken by the applicants when applying for the prospecting or mining right.

- **Mine Health and Safety Amendment Bill** - The Act was introduced for consideration by parliament in March 2008. The President assented the Bill in April 2009 having suspended sections 16 and 26 for further deliberations because of constitutional concerns raised by stakeholders. The Bill will be taken back to parliament for finalization of those amendments and other refinements related to accident investigations and inquiries.

Integrated Household Energy Strategy

An Integrated Household Energy Strategy will be developed during this year. This strategy will, among other things, address the diversity of supply of household energy resources and energy services and affordability of such resources and services by the communities.

A Regulation enabling the use of payment cards to purchase petrol and diesel at fuel retail service stations will be promulgated before the end of July 2009.

Regulations regarding the display of prices of petroleum products offered for sale will be promulgated by the end of the financial year.

Regulations on the retail price of LPG sold to residential customers will be promulgated by the end of 2009/10 financial year.

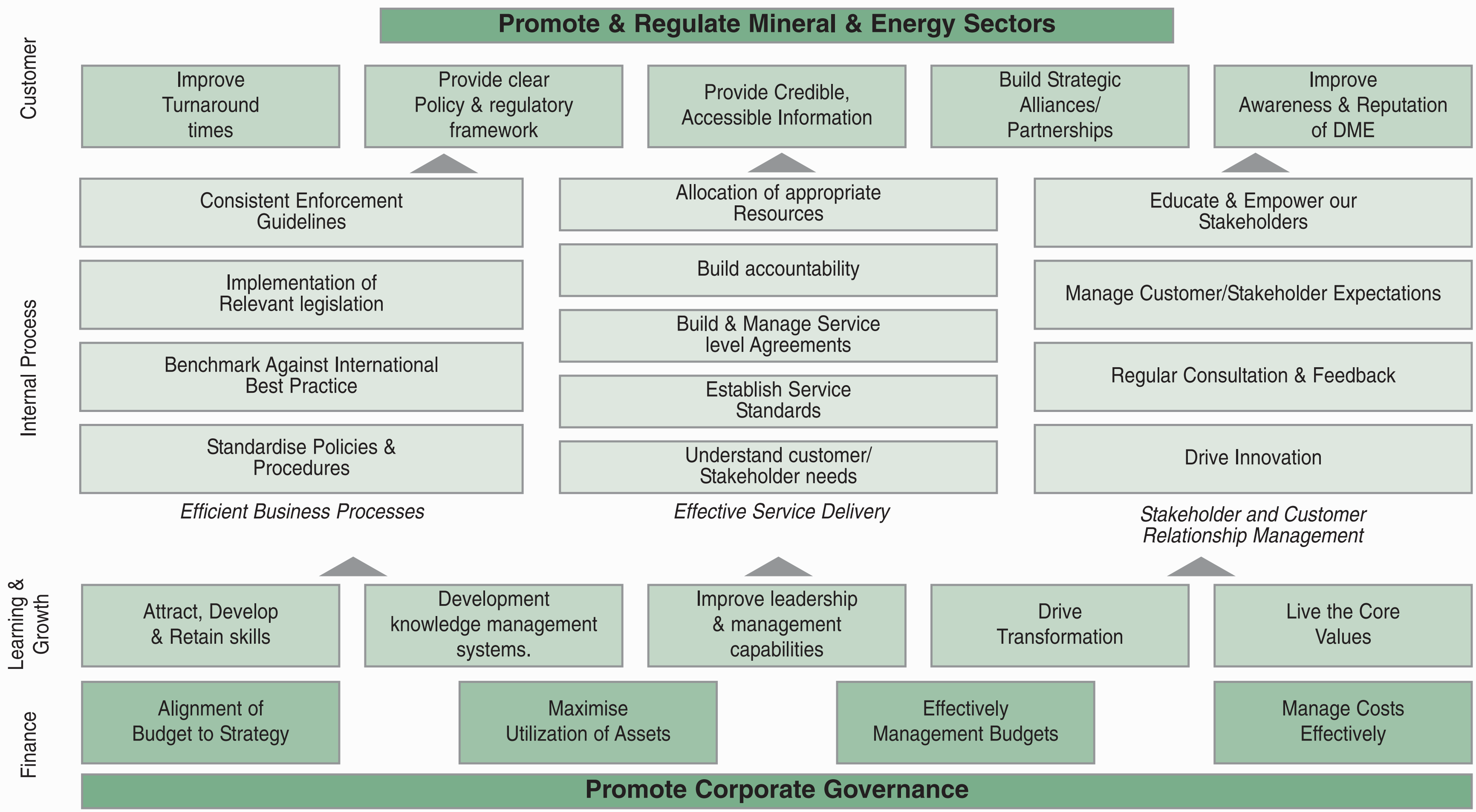
A draft upstream petroleum and gas strategy will be issued in the last quarter of the 2009/10 Financial Year.

6. DME STRATEGIC OBJECTIVES

The Strategy Map below illustrates the Department's objectives as grouped into the four perspectives of the Balanced Scorecard (Customer, Internal processes, Learning & growth and Financial). This is followed by detailed schedules that identify measures, targets and initiatives associated with the objectives.

(A) Key Strategic Objectives for the Department

DME Strategy Map



DME CORPORATE: Stakeholder/Customer Measures

	Objectives	Measures	Targets		
			2009 - 2010	2010 - 2011	2011 - 2012
Customer/Stakeholder	Promote & Regulate Mineral & Energy Sectors	Contribution to Sector GDP growth	GDP +1%	GDP +2%	GDP +3%
		% Increase in level of compliance to health and safety regulations	5%	10%	15%
	Improve turnaround times	Acknowledgement of queries	5 working days	5 working days	5 working days
		% Adherence to prescribed timeframes	100%	100%	100%
	Provide Clear Regulatory & Policy Framewok	%Reduction in identified policy & regulatory gaps	83%	92%	100%
	Providce Credible Accessible Information	% target audience reached	62%	69%	74%
		% improvement in systems availability	80%	90%	95%
	Build Strategic Alliances & Partnerships	Implemention of bilateral and multilateral agreements	4	4	6
		Increase in number of successful joint initiatives/-projects with stakeholders	Establish baseline and increase by 0%	10%	20%
	Improve Awareness & Reputation of DME	Increase in positive media coverage	25%	5%	5%
		Increase in DME brand rating	0%	5%	5%
		% implementation of communication Strategy	80%	90%	100%

DME CORPORATE: Stakeholder/Customer Measures

	Objectives	Measures	Targets		
	Efficient Business Processes		**2009 - 2010**	**2010 - 2011**	**2011 - 2012**
Internal Processes	Develop consistent Monitoring & Enforcement Guidelines	% of guidelines developed in line with legislation	85%	90%	95%
		Reduction in complaints relating to procedural inconsistency	Reduce by 90%	Reduce by 90%	Reduce by 90%
	Implementation of Relevant Legislation	Reduction in % of issues on non-compliance (internal)	23%	25%	27%
		% Improvement in stakeholder compliance (external)	27%	40%	50%
	Benchmark against Best Practice	% Standards that meet best practice	73%	85%	95%
	Standardise Policies & Procedures	% Policies & Procedures Standardised	72%	70%	80%
		% Procedures Aligned to Policies	68%	78%	88%
	Effective Service Delivery				
	Allocation of Appropriate Resources	% Alignment of resources to operational needs	79%	86%	90%
	Build Accountability	% Implementation of the BSC	100%	100%	100%
	Build & Manage Service Level Agreements	% Vetted SLAs	100%	100%	100%
		% Adherence to SLAs	96%	96%	97%
	Establish Service Standards	% Standards Established	95%	98%	100%
	Understand Customer/ Stakeholder Needs	Survey conducted to understand needs	1	1	1
	Stakeholder & Customer Relationship Management				
	Educate & Empower our Stakeholders	Frequency of workshops and information sessions convened	14	16	18
	Manage Customer/Stakeholder Expectations	% Rating on client satisfaction survey	64%	72%	80%
	Regular Consultation and Feedback	Frequency of consultation and feedback sessions	12	12	12
	Drive Innovation	% Of innovation projects implemented	13%	15%	18%

DME CORPORATE: Learning & Growth

	Objectives	Measures	Targets		
Learning & Growth	Efficient Business Processes		2009 - 2010	2010 - 2011	2011 - 2012
	Attract, Develop & Retain Skills	% Reduction in staff turnover rate	2%	2%	2%
		% Reduction in vacancies	5%	5%	5%
		% Implementation of PDPs that are aligned to departmental needs	50%	80%	100%
	Develop and Implement Knowledge Management Systems	% Completion of Knowledge Management systems Framework	100%	0	0
		% Implementation of Knowledge Management systems		50%	70%
		% Implementation of branch specific systems	62%	83%	93%
	Improve Leadership & Management Capabilities	% Of managers completed Leadership & Management courses	74%	76%	77%
		% Return on Investment on training & development	65%	65%	65%
	Drive Transformation	% Improvement in Employment Equity	Per DME EE Plan	Per DME EE Plan	Per DME EE Plan
		% Procurement spent on targeted groups	50%	65%	70%
	Live the Core Values	% Increase in nominations for the Batho Pele & Ubuntu award	50%	15%	15%
		Number of Core Value awareness sessions	4	4	4
		% Decrease in transgressions of the code of conduct	5%	2%	2%

DME CORPORATE: Finance

	Objectives	Measures	Targets		
	Objectives		2099 - 2010	2010 - 2011	2011 - 2012
Finance	Alignment of Budget to Strategy	% of budget aligned to strategic priorities	100%	100%	100%
	Maximise Utilization of Assets	Reduce redundant assets (physical)	Identify redundant assets and reduce by 30%	By 60%	By 90%
	Effectively Manage Budgets	% budget variance	5%	3%	2%
	Manage Costs Effectively	Reduction in confirmed fruitless, wasteful and unauthorised expenditure	20%	25%	30%
	Promote Corporate Governance	Compliance to PFMA	100%	100%	100%

7. RESOURCE PLAN

MINERALS AND ENERGY								
PROGRAMME	Audited Outcome			Adjusted Appropriation	Revised Estimate	Medium-term expenditure estimate		
R thousands	2005/06	2006/07	2007/08	2008/09		2009 - 2010	2010 - 2011	2011 - 2012
1. Administration	130,832	152,788	191,394	220,491	220,491	229,282	251,659	267,012
2. Promotion of Mine Safety and Health	99,008	105,130	104,283	126,953	126,953	133,027	142,690	151,171
3. Mineral Regulation	84,019	129,289	137,800	162,141	162,141	168,066	186,168	197,345
4. Mineral Policy and Promotion	84,256	75,323	73,554	64,945	64,945	62,363	67,084	71,037
5. Hydrocarbons and Energy Planning	20,576	31,205	35,632	45,911	45,911	55,285	60,552	64,130
6. Electricity and Nuclear	82,092	65,026	86,662	261,412	261,412	338,363	458,034	563,860
7. Associated Services	1,690,830	2,048,914	2,318,042	2,904,388	2,803,130	3,660,810	3,940,331	4,124,454
TOTAL EXPENDITURE	**2,191,613**	**2,607,675**	**2,947,367**	**3,786,241**	**3,684,983**	**4,647,196**	**5,106,488**	**5,439,009**
Change to 2008 Budget Estimate				190,818	89,560	328,971	517,300	671,188

	Audited outcome			Audited appropriation	Revised Estimate	Medium-term expenditure estimate		
ECONOMIC CLASSIFICATION	2005/06	2006/07	2007/08	2008/09		2009/10	2010/11	2011/12
Current payments	**417 899**	**500 954**	**573 385**	**654 329**	**654 329**	**678 584**	**678 584**	**801 454**
Compensation of employees	***217 070***	***246 154***	***290 561***	***349 098***	***349 098***	***394 280***	***394 280***	***451 339***
Goods and services consisting of:	***200 785***	***254 665***	***277 222***	***305 231***	***305 231***	***284 304***	***284 304***	***350 115***
Administrative fees	*2 065*	*2 860*	*1 529*	*26 638*	*26 638*	*34 795*	*34 795*	*41 696*
Advertising	*2 666*	*11 309*	*18 287*	*18 714*	*18 714*	*16 073*	*16 073*	*18 018*
Assets less than R5 000	*2 968*	*3 605*	*2 345*	*3 230*	*3 230*	*3 721*	*3 721*	*4 097*
Audit costs: External	*2 144*	*2 169*	*2 447*	*2 488*	*2 488*	*2 637*	*2 637*	*2 905*
Bursaries: Employees	*1 003*	*1 053*	*1 658*	*2 630*	*2 630*	*2 875*	*2 875*	*3 168*
Catering: Departmental activities	*566*	*2 346*	*2 486*	*3 251*	*3 251*	*2 433*	*2 433*	*2 679*
Communication	*11 027*	*11 720*	*12 911*	*7 542*	*7 542*	*12 028*	*12 028*	*14 716*
Computer Services	*5 895*	*10 006*	*9 483*	*29 566*	*29 566*	*26 863*	*26 863*	*29 590*
Consultants and professional services: Business and advisory services	*67 871*	*55 983*	*39 890*	*10 791*	*10 791*	*3 315*	*3 315*	*23 378*
Consultants and professional services: Infrastructure and planning	*4 244*	*34 796*	*36 031*	*61 571*	*61 571*	*58 532*	*58 532*	*69 688*
Consultants and professional services: Legal costs	*1 371*	*2 141*	*5 728*	*2 406*	*2 406*	*2 028*	*2 028*	*2 358*
Contractors	*1 338*	*2 903*	*8 265*	*11 087*	*11 087*	*7 499*	*7 499*	*8 133*
Agency and support / outsourced services	*33*	*324*	*11*	*13 565*	*13 565*	*15 366*	*15 366*	*18 741*
Entertainment	*1 262*	*270*	-	*365*	*365*	*396*	*396*	*436*
Inventory: Food and food supplies	*8*	*5*	-	-	-	-	-	-
Inventory: Fuel, oil and gas	*14*	*13*	*16*	*41*	*41*	*30*	*30*	*33*
Inventory: Learner and teacher support material	-	-	-	739	*739*	679	679	*748*

	Audited outcome			Audited appropriation	Revised Estimate	Medium-term expenditure estimate		
ECONOMIC CLASSIFICATION	**2005 - 2006**	**2006 - 2007**	**2007 - 2008**	**2008 - 2009**		**2009 - 2010**	**2010 - 2011**	**2011/ - 2012**
Inventory: Materials and supplies	*139*	*38*	*61*	*353*	*353*	*314*	*314*	*347*
Inventory: Medical supplies	*15*	*2*	*27*	*132*	*132*	*139*	*139*	*154*
Inventory: Other consumables	*191*	*224*	*115*	*449*	*449*	*488*	*488*	*539*
Inventory: Stationery and printing	*3 580*	*4 801*	*4 688*	*9 395*	*9 395*	*8 948*	*8 948*	*9 859*
Lease payments	*21 484*	*25 060*	*23 428*	*2 996*	*2 996*	*2 114*	*2 114*	*2 329*
Owned and leasehold property expenditure	*774*	*976*	*3 466*	*1 038*	*1 038*	*1 100*	*1 100*	*1 212*
Transport provided: Departmental activities	*13*	*3*	*26*	*53*	*53*	*56*	*56*	*62*
Travel and subsistence	*53 721*	*64 885*	*73 376*	*64 651*	*64 651*	*52 002*	*52 002*	*62 325*
Training and development	*2 930*	*2 083*	*4 966*	*7 307*	*7 307*	*7 757*	*7 757*	*8 545*
Operating expenditure	*9 750*	*10 996*	*15 164*	*14 657*	*14 657*	*14 025*	*14 025*	*15 445*
Venues and facilities	3 713	*4 094*	*10 818*	*9 576*	*9 576*	*8 091*	*8 091*	*8 914*
Financial transactions in assets and liabilities	44	135	5 602	-	-	-	-	-
Transfers and subsidies	**1 768 372**	**2 099 917**	**2 366 512**	**3 120 234**	**3 018 976**	**3 957 423**	**3 957 423**	**4 624 527**
Provinces and municipalities	298 153	390 903	462 507	595 637	494 379	1 107 957	1 107 957	1 376 612
Departmental agencies and accounts	204 187	206 187	262 148	257 164	257 164	270 025	270 025	220 225
Public corporations & private enterprises	1 264 886	1 500 494	1 639 783	2 266 035	2 266 035	2 578 157	2 578 157	3 026 223
Households	1 146	2 333	2 074	1 298	1 298	1 284	1 284	1 467
Payments for capital assets	5 342	6 804	7 470	11 678	11 678	11 189	11 189	13 028
Machinery and equipment	4 266	6 446	5 272	9 380	9 380	9 689	9 689	11 358
Software and other intangible assets	1 076	130	2 198	1,500	1,500	1,500	1,500	1 670
Land and subsoil assets	-	228	-	798	798	-	-	-
Total	**2 191 613**	**2 607 675**	**2 947 367**	**3 786 241**	**3 684 983**	**4 647 196**	**4 647 196**	**5 439 009**

Expenditure estimates Associated Services

SUB PROGRAMME	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
R tousand	2005 - 2006	2006 - 2007	2007 - 2008	2008 - 2009	2009 - 2010	2010 - 2011	2011 - 2012
Council for Mineral Technology Research	108 880	118 664	124 569	135 834	155 366	162 072	170 958
South African Nuclear Energy Corporation	256 796	356 353	388 256	554 726	564 144	595 374	628 100
National Nuclear Regulator	5 417	14 742	18 029	20 333	23 793	24 954	18 624
Council for Geoscience	86 078	93 100	122 622	122 672	129 486	135 365	105 384
Electricity Distribution Industry Holdings Company	59 240	62 794	65 934	69 250	72 214	75 595	58 511
National Electrification Programme	1 139 194	1 365 922	1 554 493	1 920 395	2 633 272	2 860 084	3 062 941
Assistance to mines	35 225	37 339	24 139	41 178	43 121	45 456	47 910
South African Diamond and Precious Metals Regulator	-	-	20 000	40 000	39 414	41 431	32 026
Total	1 690 830	2 048 914	2 318 042	2 904 388	3 660 810	3 940 331	4 124 454
Change to 2008 Budget estimate				-	79 400	168 630	223 291

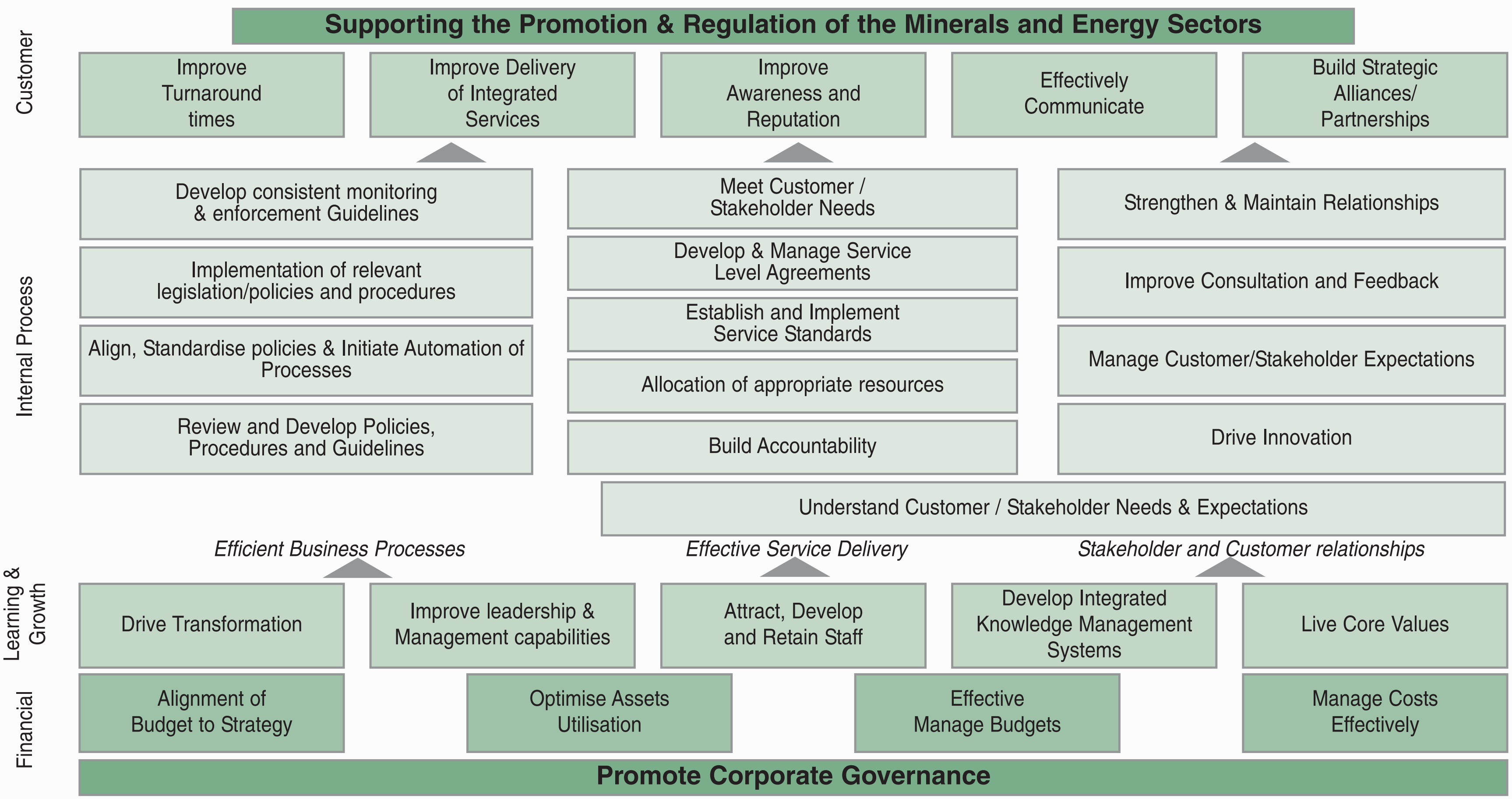
PART B: PROGRAMME BUSINESS PLANS

PROGRAMME 1: CORPORATE SERVICES

Purpose: To support the promotion and regulation of the Minerals and Energy Sectors

Corporate services strategic objectives are either identical or contributory to the Departments overall / corporate objectives. The strategy map below illustrates the objectives and is followed by detailed schedules that identify measure targets and initiatives associated with the balanced scorecard objectives.

Corporate Services Strategy Map



BRANCH: CORPORATE SERVICES
Stakeholder/Customer Measures

	Objectives	Measures	Targets			Initiatives
			2009 - 2010	2010 - 2011	2011 - 2012	
Customer/Stakeholder	Improve turnaround times	Response days	Max 5 days (Queries)	Max 5 days (Queries)	Max 5 days (Queries)	Implementation of the correspondence management system
			Max 2 days (submissions) per desk	Max 2 days (submissions) per desk	Max 2 days (submissions) per desk	Implementation of the magic system
		% Adherence to prescribed timeframes	Establish base-line (2009_10)	100%	100%	Identification and documentation of all processes with prescribed turnaround times
	Improve delivery of integrated services	% Customer satisfaction	60% satisfaction result 2009	70% satisfaction result 2010	80% satisfaction result 2011	Development of a CS customer survey
						Implementation of survey
						Establish survey results
						Implement remedial action
	Effectively communicate	%Ttarget audience reached	External			
			60% 2009	70% 2010	80% 2011	Execution of marketing campaigns
						Execution of media and stakeholder enment plan
						Monitor and evaluate the strategy
			Internal			
			70% 2009	80% 2010	90% 2011	Quarterly production of internal news letter (Ntome-tsebe)
						Bi-monthly information sessions

	Objectives	Measures	Targets			Initiatives
			2009 - 2010	2010 - 2011	2010 - 2012	
Customer/Stakeholder	**Build strategic Alliances/ partnerships**	Implementation of signed bilaterial agreements	4	4	6	Implementation of the International Engagement strategy
						Monitor and evaluate the strategy
						Assist Hydrocarbons and Mineral Policy in co-ordinating implementation
		Increase in number of successful joint initiatives/ projects with stakeholders	Establish baseline and increase by 10% (2009)	Increase by 10% (2010)	Increase by 20% (2011)	Develop strategies for vulenerable groups (HIV/AIDS, disability, gender and youth)
						Implement strategies for vulnerable groups
						Monitor and evaluate the strategies
		Increase in positive media coverage	Establish base-line and increase by 25% (2009)	Increase by 5% (2010)	Increase by 5% (2011)	Implementation of media and stakeholder engagement plan
						Monitor and evaluate the plan
	Improve awareness and reputation of the DME	Increase in DME brand rating	Establish baseline	5% per annum	5% per annum	Implementation of the marketing plan
		% Implementation of communication Strategy	80% 2009	90% 2010	100% 2001	Monitor and evaluate effectiveness of communication strategy

BRANCH: CORPORATE SERVICES

Internal Processes

	Objectives	Measures	Targets			Initiatives
			2009 - 2010	2010 - 2011	2010 - 2012	
Internal Processes	**Efficient Business Processes**					
	Develop consistent monitoring & enforcement Guidelines	% Of guidelines issued in line with legislation	Establish baseline	10	10	Develop a framework for the review of policies and guidelines
						Implement the framework
						Monitor and evaluate
		Reduction in complaints relating to procedural inconsistency	Establish baseline 2009	10% reduction per year from 2010	10% reduction per year from 2011	Develop compliance framework (complaints register)
	Implementation of relevant legislation/policies/processes	Reduction in % of non-compliance issues (internal)	10% repeat of previous year's audit queries	5% repeat of previous year's audit queries	0% repeat of previous year's audit queries	Implement audit recommendations
		% Improvement in stakeholder compliance (external)	Establish baseline 2009	20% increase in stakeholder compliance per annum	20% increase in stakeholder compliance per annum	Develop compliance matrix
	Review and develop policies, procedures and guidelines	Number of policies, procedures and guidelines developed	Establish baseline (review)	30% 2010	60% 2011	Policy and standards audit to determine the baseline
						Identify GAPs
						Address the GAPs

Perspective	Objectives	Measures	Targets			Initiatives
			2009 - 2010	2010 - 2011	2011 - 2012	
Internal Processes	**Align, Standardise policies & initiate automation of processes**	% Policies & Procedures Standardised	Implementation of guideline 2009	30% 2010	60% 2011	Workshops and issue of guidelines
						Policy and standards audit to determine the baseline
						Identify GAPs
			30% 2009			Address the GAPs
		% Procedures Aligned to Policies	Establish baseline (review)	30%	60%	Audit to establish nr of procedures to be established
						Development and implementation of procedures
	Effective Service Delivery					
	Allocation of appropriate resources	% Alignment of resources to operational needs	Min 65% alignment	Min 65% alignment	Min 65% alignment	Align business plans to ENE
	Build accountability	% Implementation of the BSC	100%	100%	100%	Develop and Implement BSC implementation Plan
						Customise or build new IT system to support BSC reporting
						Cascading of BSC to all levels
		% Of Delegations of Authority approved	Establish baseline 2009	80% 2010	100% 2011	Gap analysis of required Delegations
						Compile and approve relevant Delegations
						Communicate Delegations to requisite components
		% Of approved delegations of authority implemented	60% 2009	80% 2010	100% 2011	Create awareness of approved Delegations
						Compile and complete compliance checklist

	Objectives	Measures	Targets			Initiatives
			2009 - 2010	2010 - 2011	2011 - 2012	
Internal Processes	**Meet customer/stakeholder needs**	Customer satisfaction	Min 60%	Min 60%	Min 60%10	Development of a CS customer survey
						Implementation of survey
						Establish survey results
						Implement remedial action
	Develop and manage service level agreements	% Vetted SLAs	External 100%	External 100%	External 100%	Benchmark SLA's against best practice
		No of SLA established between CS and Branches	1 consolidated SLA per annum	1 consolidated SLA per annum	1 consolidated SLA per annum	Determine areas where SLA are required, Office of DDG to Consolidate
		% Adherence to SLAs	100%	100%	100%	Implement and review compliance to SLA's
	Establish and implement service standards	% Standard Established	60%	80%	100%	Develop and implement SDIP
	Understand customer/stake-holder needs & expectations	No of surveys conducted to understand needs	1 consolidted sur-vey per annum	1 consolidted sur-vey per annum	1 consolidted sur-vey per annum	Communication and Special Projects to consolidate and compile
	Stakeholder & Customer Relationship Management					
	Strengthen and maintain relationships	Frequency of workshops and information sessions convened	Min 1 per function-al area per annum	Min 1 per function-al area per annum	Min 1 per function-al area per annum	Commincations chief directorate to co-ordinate sessions
	Manage customer/stakeholder expectations	% Rating on client satisfaction survey	60%	70%	80%	Develop client satisfaction survey
						Analyse responses to survey
	Improve consultation and feedback	Frequency of workshops and information sessions convened	Min 1 per func-tional area per annum	Min 1 per func-tional area per annum0%	Min 1 per func-tional area per annum	Commincations chief directorate to co-ordinate sessions
	Drive innovation	% Of innovation projects implemented (Improvement in the way we do business)	20% per annum	20% per annum	20% per annum	Indentify potential innovation projects
						Conceptualise, streamline and implent most viable projects

BRANCH: CORPORATE SERVICES
Learning & Growth

	Objectives	Measures	Targets			Initiatives
			2009 - 2010	2010 - 2011	2010 - 2012	
Learning & Growth	Drive transformation	% Procurement spent on targeted groups	50%	65%	70%	Inform suppliers to register on database
		% Improvement in employment equity	Achieve %'s as per DME EE plan	Achieve %'s as per DME EE plan	Achieve %'s as per DME EE plan	Implementation of EE Plan
	Improve leadership and management capabilities	% Of managers completed Leadership & Management courses	70% per annum	70% per annum	70% per annum	Extension of WITS program
		% Return on Investment on training & development	Min 65%	Min 65%	Min 65%	360 degree survey tool
	Attract, develop and retain staff	% Reduction in staff turnover rate	2% per annum	2% per annum	2% per annum	Implementation of the HR Plan
		% Reduction in staff turnover rate	5% per annum	5% per annum	5% per annum	
		% Implementation of PDPs that are aligned to departmental needs	Establish baseline and implement at least 50% in 2009	80%	100%	Implement HRD Plan
	Develop Integrated knowledge management system	% Completion of Knowledge Management systems framework	100%			Establish task team headed by communications chief directorate
						Finalise framework and develop IT platform

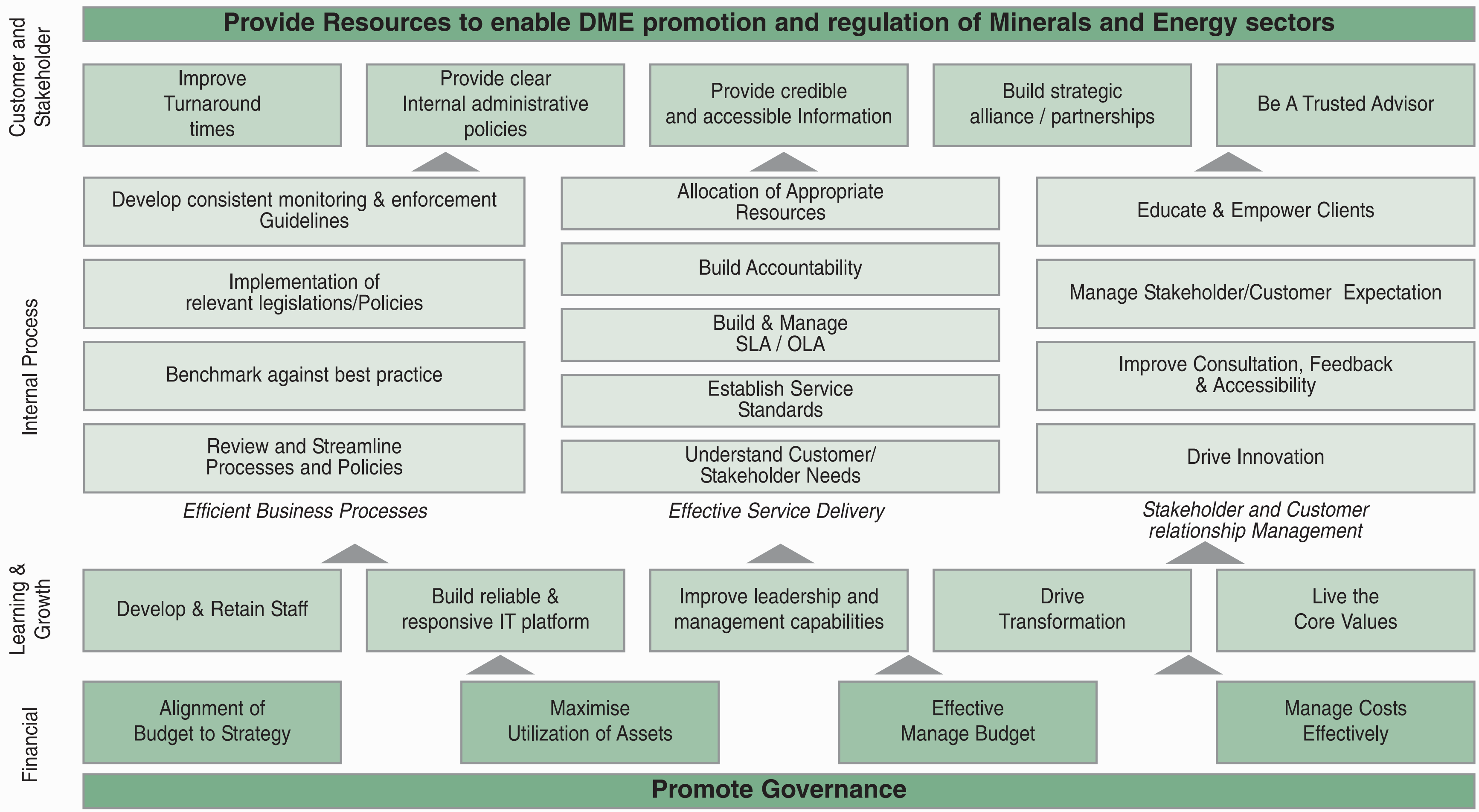
	Objectives	Measures	Targets			Initiatives
			2009 - 2010	2010 - 2011	2011 - 2012	
Internal Processes		% Implementation of Knowledge Management system Plan	50%	65%	70%	Update Knowledge Management System
	Live core values	% Increase in nominations for the Batho Pele & Ubuntu award		50%	80%	Promotion of awards system and link to values
		Number of Core Value awareness sessions	Min 2 per annum	Min 2 per annum	Min 2 per annum	Values Workshops
		% Decrease in number of transgressions	5%	2%	1%	DME Code of Conduct workshops
						Custimise induction to include Code of Conduct

BRANCH: CORPORATE SERVICES
Finance

	Objectives	Measures	Targets			Initiatives
			2009 - 2010	2010 - 2011	2011 - 2012	
Finance	**Align budget to strategy**	% of Budget aligned to branch strategic priorities	100%	100%	100%	Develop spending plans in conjunction with finance
	Optimise asset utilisation (assets - PFMA)	Reduce redundant assets (physical)	Identify redundant assets and reduce by 30%	By 60%	By 90%	Implement asset maintenance and disposal strategy
	Manage costs effectively	Reduction in confirmed fruitless, wasteful and unauthorised expenditure (Branch)	100%	100%	100%	Attend workshops arranged and conducted by CFO's Office Respond to identified incidents within time frames determined by CFO's office
	Effectively manage budget	% Budget variance (Branch)	5% 2009	3% 2010	2% 2011	Monitor actual expenditure against budget (spending plans)
	Promote Corporate Governance	% Compliance to PFMA	100%	100%	100%	Implement compliance framework

PROGRAMME: 1.1 FINANCE (CFO)

CFO Strategy Map



BRANCH: CFO
Stakeholder/Customer Measures

	Objectives	Measures	Targets			Initiatives
			2009 - 2010	2010 - 2011	2011 - 2012	
Customer/Stakeholder	**Objectives**	Acknowledgement of queries	5 working days	5 working days	5 working days	Develop a query management system
	Improve turnaround times	% Adherence to legislated time frames	100%	100%	100%	Develop & publish a calendar of legislative time frames
		% Adherence to defined turnaround times	100%	100%	100%	Define turn around time for all processes
						Submit Monthly reports on achievement of turn around time
	Provide clear internal administrative policies and procedures	Improvement in the External Audit Report	No emphasis of matter	No emphasis of matter	No emphasis of matter	Reduce the number of reportable audit queries
		Admin. Processes and Policies published	80%	90%	100%	Develop pocket hand books for approved policies
						Publish all internal processes on the intranet
	Provide credible and accessible information	% Target audience reached	70%	80%	90%	Identify targeted audience
						Submit Monthly Reports on number of targeted audience reached
		% Improvement in systems availability	80%	90%	95%	Setup monitoring tools
						Submit Monthly reports on systems availability
	Build strategic alliances/ partnerships	Number of agreements signed and implemented	12	12	12	Identify strategic partners
						Develop and sign co-operative agreement

BRANCH: CFO
Internal Processes

	Objectives	Measures	Targets			Initiatives
			2009 - 2010	2010 - 2011	2011 - 2012	
Internal Processes	**Efficient Business Processes**					
	Develop consistent monitoring & enforcement guidelines/ procedures	Procedures issued in line with approved policy	100%	100%	100%	Align procedures to policies
		Reduction in Complaints relating to procedural inconsistency	90%	90%	90%	Develop a central register of complaints
						Communicate the complaints process and monitor progress
	Implementation of relevant legislation & policies	Reduction in % of non-compliant issues reported	40%	50%	60%	Implementation of procurement plan
						Maintain and Monitor progress report on irregular, fruitless and Wasteful expenditure
	Benchmark Against Best Practice	Percentage Standards that meets best practice	50%	80%	100%	Identify relevant standards
						Align processes to best practice
	Review and streamline policies and processes	% Policies & Procedures Standardised	50%	60%	70%	Review identified policies
		% Procedures Aligned to Policies	70%	80%	90%	Review identified procedures and align to policies
	Effective Service Delivery					
	Allocation of appropriate resources	Resources allocated in line with operational needs	80%	90%	95%	Adopt priority driven Budget allocation
	Build accountability	% Implementation of the BSC	100%	100%	100%	Align Business Plan to strategic plan
		% Vetted SLAs	N/A	N/A	N/A	N/A

	Objectives	Measures	Targets			Initiatives
			2009 - 2010	2010 - 2011	2011 - 2012	
Internal Processes	**Build and manage service level agreements**	% Of Identified SLA's signed	70%	90%	100%	Identify critical services that require SLA Sign and register all identified SLA
		% Adherence to signed SLA's	100%	100%	100%	Establish and Monitor a Reporting Mechanism on adherence to SLA
	Establish service standard	Standards established	100%	100%	100%	Develop and Implement SDIP
	Understand customer needs	Survey conducted to understand needs	1 per annum	1 per annum	2 per annum	Establish Clientele and conduct survey to understand needs
		GAP Analysis Report	1 per annum	1 per annum	1 per annum	Reconcile current standards with survey results
	Stakeholder & Customer Relationship Management					
	Educate & Empower clients	Workshops of approved policies	4	4	4	Develop and Implement Policies Communication Strategy
		Signed OLAs'	1 branch per annum	1 branch per annum	1 branch per annum	Develop and sign OLAs'
	Manage Customer / Stakeholder expectations	% Rating on client satisfaction survey	60%	70%	80%	Conduct customer satisfaction survey based on signed OLAs'
	Improve Consultation, Feedback and Accessibility	Frequency of consultation and feedback sessions	2	1	1	Facilitate Feedback Sessions
	Drive Innovation	% Of innovation projects implemented	20%	25%	30%	Identify and Implement Innovative Projects Create enabling environment for innovation

BRANCH: CFO
Learning & Growth

	Objectives	Measures	Targets 2009 - 2010	Targets 2010 - 2011	Targets 201 1- 2012	Initiatives
Learning & Growth	Develop and retain staff	% Reduction in staff turnover rate	2%	2%	2%	Implement Integrated HR Plan
						Development Supervisory & Management capabilities
						Implement Integrated HR Plan
		% Reduction in vacancies	5%	5%	5%	Implement Integrated HR Plan
		% Implementation of PDPs that are aligned to departmental needs	50%	50%	50%	Implement Integrated HRD Plan
	Build reliable and responsive IT platform	Implementation of Approved DRP/BCP	100% compliance to plan	100% compliance to plan	100% compliance to plan	Develop, approve and implement DR plan
		% Implementation of reviewed MSP	100% compliance to plan			Review MSP
						Conduct Due Diligence Assessment
						Implement stabilisation Plan
						Review, develop and implement a system development & maintenance plan
						Review, develop and implement infrastructure maintenance plan
			60%	80%	80%	Completed and Approved MSP being Implemented

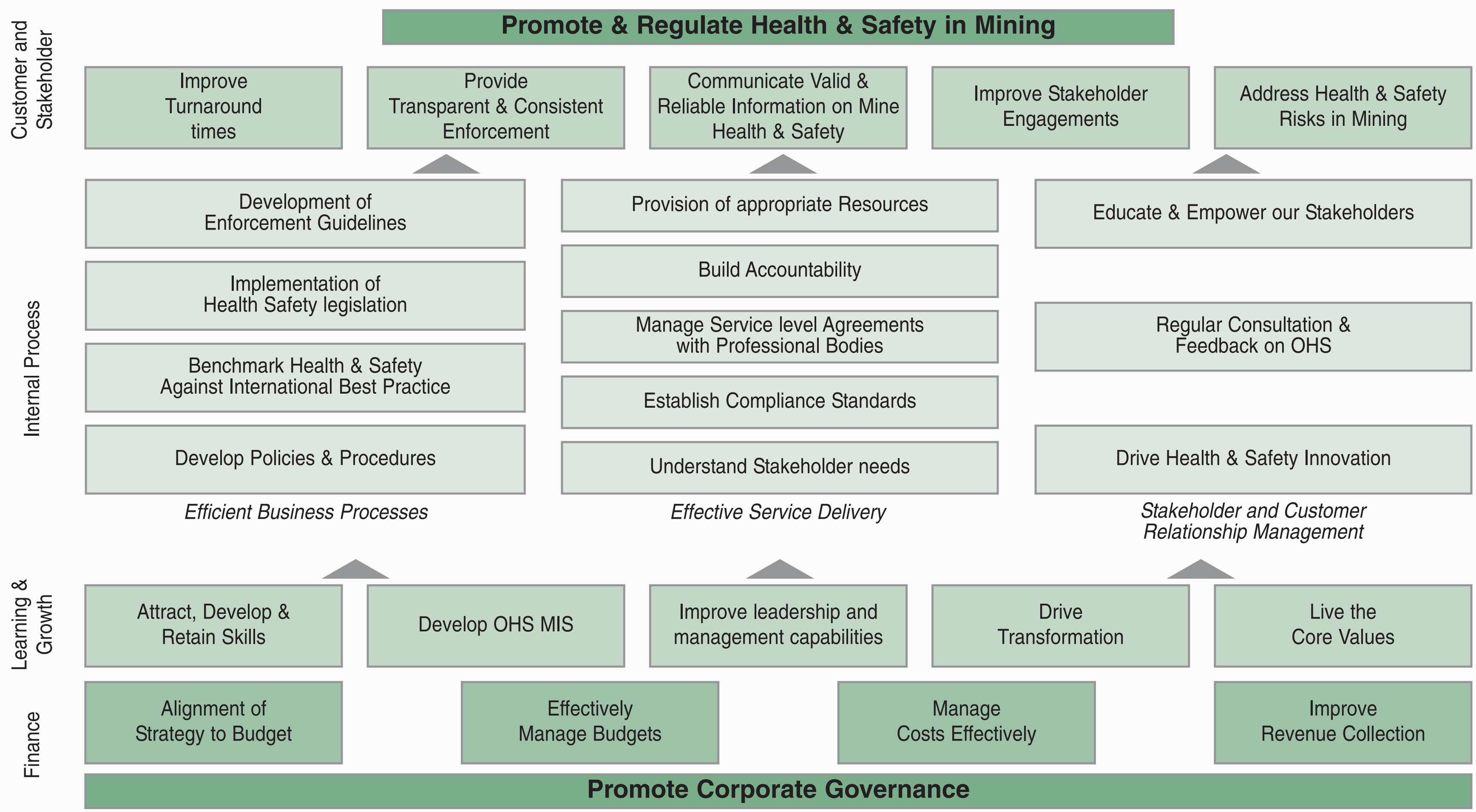
	Objectives	Measures	Targets			Initiatives
			2009 - 2010	2010 - 2011	2011 - 2012	
Learning & Growth	Improve leadership & management capabilities	% Of Managers completed Leadership and management courses	70%	70%	70%	Extension of WITS Program
						Develop partnership with learning institutes
						Establish feedback mechanism on impact of training
		% Return on Investment on training & development	65%	65%	65%	Implement 360 degree survey tool
						Develop KPIs' inline with acquired knowledge
	Drive Transformation	% Improvement in Employment Equity	Per DME EE Plan	Per DME EE Plan	Per DME EE Plan	Instill a culture of recruiting inline with the departmental EE plan
		% Procurement spent on targeted groups	50%	65%	70%	Review/update supplier database
						Co-ordinate Supplier Information Sessions
	Live the core values	% Increase in nominations for the Batho Pele and Ubuntu award	50%	50%	50%	Align individual work plan with the Directorate business plan
		% Decrease in transgressions of the code of conduct	100%			Establish and sign off code of conduct
			5%	2%	2%	System to record and monitor breaches of conduct
		Number of Core Value awareness sessions	2	2	2	Convene General Staff meetings to educate on values

BRANCH: CFO
Finance

	Objectives	Measures	Targets 2009 - 2010	Targets 2010 - 2011	Targets 2010 - 2012	Initiatives
Finance	**Alignment of Budget to Strategy**	% Of Alignment between the budget and strategy	90%	95%	95%	Facilitate Development of Spending plans
		% Procurement aligned to spending plan and strategy	90%	95%	95%	Develop Procurement Plan
	Maximise Utilisation of Assets	Asset disposal strategy implemented	100% compliance to timelines	100% compliance to timelines	100% compliance to timelines	Develop Asset maintenance and disposal strategy
		Facilities Management Plan Implemented	100% compliance to timelines	100% compliance to timelines	100% compliance to timelines	Develop Accommodation Management Plan Develop facilities management plan in line with norms and standards
	Manage Costs Effectively	Reduction in confirmed fruitless, wasteful and unauthorised expenditure	20%	25%	30%	Conduct workshops on financial procedures and policies Set time frames for response on identified incidents
		% Saving on allocated budget	5%	5%	5%	Implement the cost reduction initiatives
		Strategic Sourcing Implemented	80%	90%	95%	Review and implement sourcing strategy
	Promote Corporate Governance	Percentage compliance to PFMA	100%	100%	100%	Review compliance certificate Submit Monthly Compliance Certificate
		Clean Audit Report Maintained	Annually	Annually	Annually	Implement Management representation measure for all processes
	Effectively Manage the Budget	% Budget Variance	5%	3%	2%	Monitoring Actual expenditure against spending plans Conduct quarterly budget review against departmental performance

PROGRAMME 2:
MINE HEALTH AND SAFETY INSPECTORATE

Mine Health & Safety Inspectorate Strategy Map



BRANCH: MINE HEALTH AND SAFETY INSPECTORATE
Customer and Stakeholder

	Objectives	Measures	Targets			Initiatives
			2009 - 2010	2010 - 2011	2011 - 2012	
Stakeholder	**Promote and Regulate Minerals and Energy Sectors**	% Increase in level of compliance to health and safety regulations	0%	10%	10%	Annual Analysis and review of OHS audits
	Improve turnaround times	Response days	5 working days	5 working days	5 working days	Implement document management system
		% Adherence to to prescribed timeframes	100%	100%	100%	Skilling of employees and provide adequate systems
	Provide transperant and consistent enforcement	Number of appeals completed	80%	90%	100%	Develop and implement policies and procedures
		% Completion of National MHS System	30%	60%	100%	Regular review of OHS system implementation plan
	Communicate valid and reliable information on mine health and safety	% Target audience reached	60%	80%	90%	In conjuntion with communication strategy
		% Of data verified	100%	100%	100%	Verification of records submitted by mines
		Number of MHS reports	1	1	1	publication of MHS annual report
	Improve stakeholder engagements	Number of meetings with labour	4	4	4	Meetings with unions
		Number of meetings with employers	4	4	4	Meetings with employer formations
		Number of meetings with government departments	4	4	4	Meetings with DOH, DOL, DPP
	Address health and safety risks in mining	% Of audits conducted	100%	100%	100%	Conduct OHS audits
		% Of inspections conducted	100%	100%	100%	Conduct regular inspections
		% Of investigations completed	80%	80%	80%	Conduct regular investigation
		% Of inquries completed	80%	80%	80%	Conduct regular enquiries
		% Increase in the compliance levels	0%	10%	10%	Annual Analysis and review of OHS audits

BRANCH: MINE HEALTH AND SAFETY INSPECTORATE
Internal Processes

	Objectives	Measures	Targets			Initiatives
			2009 -2010	2010 - 2011	2011 - 2012	
Internal Processes	**Efficient business processes**					
	Development of enforcement guidelines	No of identified guidelines developed	70%	80%	90%	Review existing guidelines
		No of guidelines implemented	70%	80%	90%	Implement enforcement guidelines
	Implementation of H & S egislation	% Of guidelines revised in line with current legislation	70%	80%	90%	Identify guidelines that need to be revised
		% Reduction in issues of non-complience (internal)	20%	20%	20%	Implement compliance framework
	Benchmark H & S against international best practice	% Increased H & S standards	70%	80%	90%	Identify H & S international best practice and align them to our standards
		% Of identified policies & procedures developed	50%	60%	70%	Conduct Policy studies
		% Of identified policies & procedures developed	50%	60%	70%	Conduct research and Develop procedures
	Efficient business processes					
	Provision of adequate resources	% Alignment of resource operational needs	80%	90%	100%	Develop spending plans in line with strategy
	Build accountability	% Implimentation of BSC	100%	100%	100%	Monitor implementation of the BSC

	Objectives	Measures	Targets			Initiatives
			2009-2010	2010-2011	2011-2012	
Internal Processes	**Manage service level agreements with Professional bodies**	% SLA,s signed with agreed timeframes	100%	100%	100%	Develop TOR for investigations and resarch contracts
		% Adherence to SLAs	100%	100%	100%	Review of implemented SLA's
	Establish complience standards	% Standards established	100%	100%	100%	Incorporate research guidelines into OHS regulations
	Understand stakeholder needs	Number of stakeholder surveys conducted (once every 3 years)	1	0	0	Conduct regular surveys
	Stakeholder & customer relationship management					
	Educate and empower our stakeholders	Number of workshops-/information sessions held as identified	4	4	4	Conduct regular workshops
	Regular consultation & feed-back on OHS	Feedback/consultation sessions held as identified	8	8	8	Attendance of Board meetings
	Drive H & S innovations	% Of innovation projects impli-mented to improve business practice	50%		70%	Hold regular meeting
						Idendify implementation challenges
						Determine a research agenda
						Develop intervention strategies

BRANCH: MINE HEALTH AND SAFETY INSPECTORATE
Learning and growth

	Objectives	Measures	Targets 2009 - 2010	Targets 2010 - 2011	Targets 2011 - 2012	Initiatives
Learning and Growth	Attract develop & retain skills	% Reduction in staff turnover	70%	80%	90%	Implement Integrated HR Plan
		% Reduction in vacancies	70%	80%	90%	Implement Integrated HR Plan
		% Implimentation of PDP,s that are aligned to departmental needs	50%	70%	80%	Implement HRD plan
		MHSI training academy in place	20%	50%	70%	MOU with MQA
	Develop OHS MIS	Integrated OHS Management Information System in place	50%	80%	100%	Regular review on OHS MIS implementation plan
	Improve leadership & management capabilities	% Of managers that have completed Leadership & Management development courses	70%	70%	70%	Extension of WITS Program
		% Return on Investment on training & development	65%	65%	65%	Implement 360 degree survey tool
	Drive transformation	% achieved against DME Employment Equity targets	100%	100%	100%	Implement Employment Equity Plan
		% Procurement spent on targeted groups	50%	65%	70%	Inform requisite suppliers to register on database
	Live the core values	% Increase in number of Batho Pele & Ubuntu awards nominees	70%	80%	90%	As per Corporate Services plans
		Number of core value awareness sessions	4	4	4	As per Corporate Services plans
		% Decrease in transgressions of the code of conduct	5%	2%	1%	As per Corporate Services plans

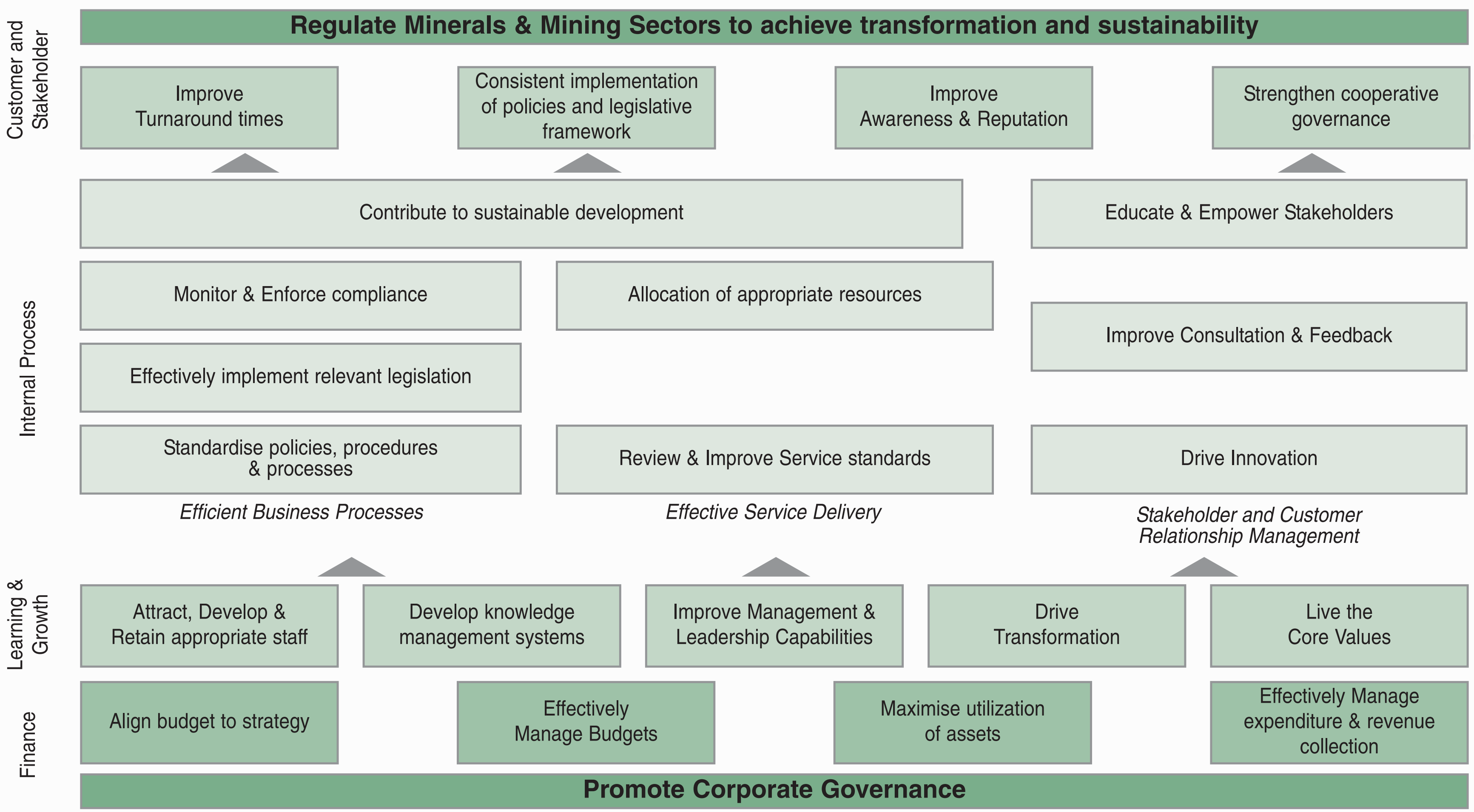
BRANCH: MINE HEALTH AND SAFETY INSPECTORATE

Finance

	Objectives	Measures	Targets			Initiatives
			2009 - 2010	2010 - 2011	2011 - 2012	
Finance	**Allignment of Strategy to budget**	% Of budget aligned to strategy	100%	100%	100%	Develop spending plans in conjunction with finance
	Effectively manage budget	% Budget variance	5%	3%	2%	Monitor actual expenditure against budget (spending plans)
	Manage costs effectively	Reduction in confirmed fruitless, wasteful and unauthorised expenditure	100%	100%	100%	Attend workshops arranged and conducted by CFO's Office
						Respond to identified incidents within time frames determined by CFO's office
	Improve revenue collection	% Of funds due to MHSI collected	100%	100%	100%	Verification of operating mines for levy purposes
	Promote Corporate Governance	Compliance to PFMA and Treasury Regulations	100%	100%	100%	Implement compliance framework

PROGRAMME 3: MINERAL REGULATION

Mineral Regulation Strategy Map



BRANCH: MINERAL REGULATION
Stakeholder / Customer Perspective

	Objectives	Measures	Targets			Initiatives
			2009 - 2010	2010 - 2011	2011 - 2012	
Customer / Stakeholder	Regulate mineral and mining sector to achieve transformation and sustainability	Processing of all applications in terms of approved policies and legislation within prescribed time frames	100%	100%	100%	Improve and adhere to existing work processes
						Adjudicate applications in terms of approved work processes
						Adjudication of applications giving equal consideration to social, economic, environmental and transformation aspects
						Register rights and record permits within prescribed time frames
		Number of rights granted to HDSA's	27	36	36	Processing of applications
		Number of women led companies licenced	18	27	27	Evaluate empowerment transactions and provide guidance to meet compliance criteria
		Number of workshops conducted with mineral and mining industry stakeholders	10 industry workshop (1 per region)	10 industry workshop (1 per region)	10 industry workshop (1 per region)	Conduct Industry workshops
	Improve turnaround times	Response to queries	5 working days	5 working days	5 working days	Implement document management system
		% Adherence to prescribed timeframes	100%	100%	100%	Process the application as per legislation and approved business processes

	Objectives	Measures	Targets			Initiatives
			2009-2010	2010-2011	2011-2012	
Customer / Stakeholder	**Consistent implementation of policies and legislative framework**	% Reduction in identified policy and regulatory gaps	80%	90%	100%	Review existing policies, legislation and guidelines
						Issue directives
						Development and implementation guidelines
						Monthly Branch meetings Specialist workshops Annual Performance
	Improve awareness and reputation	Number of workshops conducted with mineral and mining indusy stakeholder	10 industry workshop (1 per region)	10 industry workshop (1 per region)	10 industry workshop (2 per region)	Conduct Industry workshops
	Strengthen cooperative governance	Inter-departmental-stakeholders initatives	24	24	24	Attendance of meetings/Workshops

BRANCH: MINERAL REGULATION
Internal Process

	Objectives	Measures	Targets			Initiatives
			2009 - 2010	2010 - 2011	2011 - 2012	
Internal Processes	**Efficient Business Processes**					
	Monitor and enforce compliance	Number of charter inspections	140	169	169	Conduct inspections and enforce compliance
		Number of EMP inspections	1 380	1380	1380	Conduct inspections and enforce compliance
		Number of PWP & MWP inspections	302	302	302	Conduct inspections and enforce compliance
		Reduction in complaints relating to procedural inconsistency	90%	90%	90%	Institute complaints register and reporting system
						Head Office review of regional assessment reports
						Root cause analysis of appeals register
	Effectively implement relevant legislation	Number of assessement workshops with the applicants/ holder of rights	27	27	27	Conduct industry engagement workshops
	Standardise procedures and processes	Number of standardised procedures and processess	1	1	1	Review existing procedures and processes
		Number of procedures and processess aligned to policies	1	1	1	Alignment of processes and procedures

	Objectives	Measures	Targets			Initiatives
			2009 - 2010	2010 - 2011	2011 - 2012	
Customer/Stakeholder	**Effective Service Delivery**					
	Allocation of appropriate resources	% Alignment of financial resources to operational needs	100%	100%	100%	Budget workshop Costing of all activities Analysis of budget Submission of budget proposal
		% Implementation of the BSC	100%	100%	100%	Per corporate services Plan
	Review & improve service standards	% Of service standards reviewed and improved	100%	100%	100%	Development and review service standards in line with Batho Pele Publish service standards
	Stakeholder & Customer Relationship Management					
	Educate and empower stakeholders	Number of Information work-shops with communities	16	16	16	Conduct workshops
	Improve consultation and feedback	Frequency of consultation and feedback sessions	10 industry workshop (1 per region)	10 industry workshop (1 per region)	10 industry workshop (2 per region)	Conduct Industry workshops
	Drive innovation	% Of innovation projects implemented	20%	30%	40%	Identify, plan, implement and monitor projects
	Contribute to sustainable development	Number of identified Derelict and Ownerless rehabilitation projects	13	12	12	Oversee implementation of contract with service provider
		Identified and prioritised unrehabilitated and unsafe mining impact	1	1	1	Secure funding, conclude contract with dentified service provider

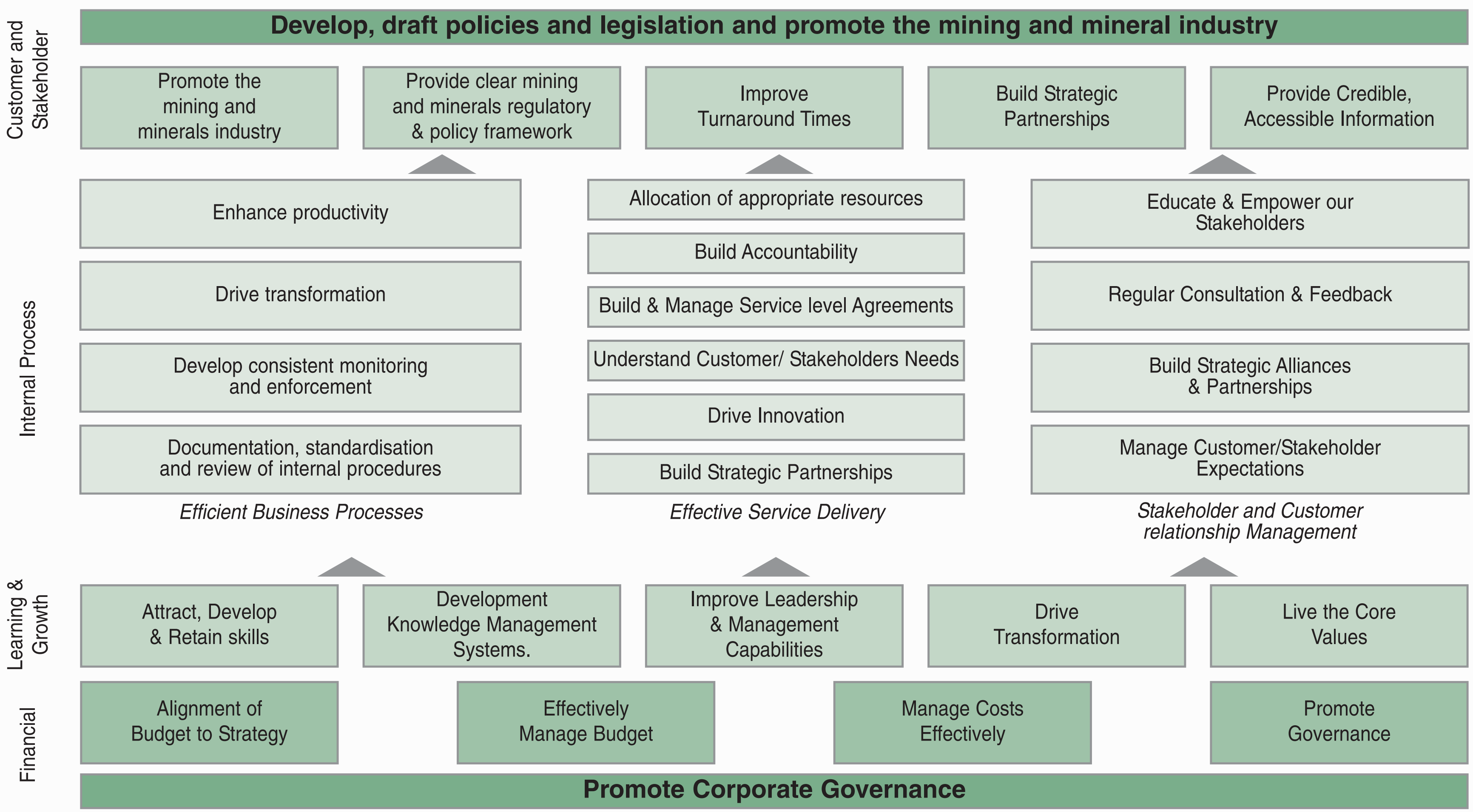
BRANCH: MINERAL REGULATION
Learning & Growth

	Objectives	Measures	Targets			Initiatives
			2009 - 2010	2010 - 2011	2011 - 2012	
Learning & Growth	Attract, develop & retain appropriate staff	% Reduction in staff turnover rate	2%	2%	2%	Implement HR plan
		% Reduction in vacancies	5%	5%	5%	Implement HR plan
		% Implementation of PDPs that are aligned to departmental needs	50%	80%	100%	Implement HRD plan
	Develop knowledge management systems	% Completion of Knowledge Management systems plan	100%			Establish task team headed by communications chief directorate
						Finalise framework and develop IT platform
		% Implementation of Knowledge Management system Plan		50%	80%	Update Knowledge Management System
	Improve leadership& management capabilities	Number of managers completed Leadership and Management courses	100% new managers	100% new managers	100% new managers	Extension of WITS Program
		% Return on Investment on training & development	65%	65%	65%	Implement 360 degree survey tool
	Drive Transformation	% Improvement in Employment equity	Per DME EE Plan	Per DM EE Plan	Per DME EE Plan	Implementation of DME EE Plan
		% Procurement spent on targeted groups	50%	65%	70%	As per Corporate Services plans
	Live the core values	% Increase in nominations for the Batho Pele & Ubuntu award	50%	10%	10%	As per Corporate Services plans
		% Decrease in transgressions of the code of conduct	5%	2%	2%	As per Corporate Services plans
		Number of core values awarenes programs	10	10	10	Conduct internal workshops

BRANCH: MINERAL REGULATION
Finance

	Objectives	Measures	Targets 2009 - 2010	Targets 2010 - 2011	Targets 2011 - 2012	Initiatives
Finance	**Align budget to strategy**	% Of budget aligned to strategic priorities	100%	100%	100%	Develop spending plans in conjunction with finance
	Effectively manage budget	% Budget variance (Branch)	5%	3%	2%	Monitor actual expenditure against budget (spending plans)
	Maximise utulization of assets	Reduce redundant assets (physical)	Identify redundant assets and reduce by 30%	By 60%	By 90%	Implement asset maintenance and disposal strategy
	Effectively manage expenditure & revenue collection	Reduction in confirmed fruitless, wasteful and unauthorised expenditure (Branch)	100%	100%	100%	Attend workshops arranged and conducted by CFO's Office
						Respond to identified incidents within time frames determined by CFO's office
		% Debts collected	100%	100%	100%	Monitor debtors on a monthly basis and conduct audits of mine income
	Promote Corporate Governance	% Compliance to PFMA	100%	100%	100%	Implement compliance framework

Mineral Policy and Promotion Strategy Map



BRANCH: MINERAL POLICY AND PROMOTION
Stakeholder Perspective

Perspective	Objectives	Measures	Targets 2009 - 2010	Targets 2010 - 2011	Targets 2011 - 2012	Initiatives
Stakeholder Perspective	Draft & Develop Policies & Legislation / Promote the Mining & Mineral Industry	Contribution to sector GDP growth	GDP + 1%	GDP + 2%	GDP + 3%	Publish and disseminate industry promotional material at local and international investment events (Conferences, workshops, exhibition, etc.)
						Participation in Regional and International Co-operation to strengthen trade relations (AMP, KPCS, Bi and Multilateral agreements, etc)
		Development and implementation of beneficiation strategy	Strategy adopted	2% Implementation	5% Implementation	Workshop to obtain consensus on the implementation plan for the beneficiation strategy
						Publication of implementation plan for beneficiation strategy
		Ensure optimal contribution to sustainable development	Strategy developed	100% SA report to the UNCSD	Monitoring of the commitments made on SD	Development of the National strategy for Sustainable Development in the mining sector of South Africa and reporting to the UNCSD
		Ensure environmental best practices in the mining industry of South Africa	60% best practices adopted	70% best practices adopted	80% best practices adopted	Develop best practices on environmental management for the mining sector in South Africa
		Contribution to employment creation	5%	5%	5%	Quantify number of jobs created in the industry (absolute terms)
	Provide clear Mining and Minerals Regulatory and Policy Framework	% Reduction in identified policy and regulatory gaps	80%	90%	100%	Review the Mining Charter
						Constant review of policies and regulations and international benchmarks
						Develop new policies where necessary
	Improve Turnaround times	Acknowledgement of queries	within 3 days	within 3 days	within 3 days	Build a query database
		Response time to query	within 10 days	within 10 days	within 10 days	Develop a query management system
		% Adherence to prescribed time frames	100%	100%	100%	Compliance with prescribed timeframes in legislation, regulations and SLAs

Perspective	Objectives	Measures	Targets			Initiatives
			2009 - 2010	2010 - 2011	2011 - 2012	
Stakeholder Perspective	**Build Strategic Partnerships**	Number of strategic partnerships established (e.g with Bureau of Economic Research, Universities)	2	2	2	Establish partnerships with scientific bodies to enhance quality of data
		Implementation of bilateral and multilateral agreements	2	2	2	Identify implementing agents and conclude implementation plans
	Provide Creditle, Accessible Information	Monthly provision of mining data	12	12	12	Produce Statistical Bulletins
		Number of minerals and mining publications and directories	33	36	36	Maintain currency in data management systems (SAMINDEX, SIAT, EDSS)
		Exhibitions/ Conferences and workshops	24	24	24	Participation in Local and International promotion events (Investment and technical conferences, workshops, exhibition, etc.)

BRANCH: MINERAL POLICY AND PROMOTION
Internal Business Processes Perspective

	Objectives	Measures	Targets			Initiatives
			2009 -2010	2010 - 2011	2011 - 2012	
Internal Business Processes	**Efficient Business Processes**					
	Enhance productivity	Progress against business plan commitments	90%	90%	90%	Regular monitoring and evaluation of progress
		Contribution to the UNCSSD Reporting	Establish reporting standatrds	Finalise and submit report	Monitoring	Provide inputs within the National Strategy for Sustainable Development
		Development of sustainable development strategies (mine closure strategy; derelict & ownerless mines strategy)	Strategies completed	Facilitate that 5% of strategy is implemented	Facilitate that 15% of strategy is implemented	Catalyse the implementation of the Regional Mine Closure Strategies (Witwatersrand and KOSH)
						Maintenance and update of the database of derelict and ownerless mines
	Drive transformation	Develop and review mining policies and legislation	2	3	3	Review the Mining Charter
						Constant review of policies and regulations and international benchmarks
						Develop new policies where necessary
		Number of sustainable SMMEs established and supported	35 SMMEs	40 SMMEs	45 SMMEs	Establish new and support existing SMME
						Develop and finalise SMME development strategy in mining

	Objectives	Measures	Targets			Initiatives
			2009-2010	2010-2011	2011-2012	
Internal Business Processes	**Documentation, standardisation and review of internal procedures**	Number of internal procedures documented and standardised	Documentation finalised	Annual review	Annual review	Constantly develop and review guidelines
	Develop consistent monitoring and enforcement guidelines	Reduction in complaints relating to procedural in-consistency	90%	90%	90%	Document complaints
		Number of Guidelines developed in line with legislation	1	1	1	Develop guidelines for mining policies and legislation
	Effective Service Delivery					
	Allocation of Appropriate Resources	% alignment of resources to operational needs	60%	80%	90%	Evaluate job profiles to be relevant to job requirements (qualifications and material resources), and update continuously
						Alignment of resources to customer needs/ expectation
	Build Accountability	% Implementation of the Balance Score Card	100%	100%	100%	Ensure that all officials adopt the Balance Score Card approach in their Performance Agreements
		Perfomance agreements and appraisals finalised within target	All	All	All	Complete & monitor performance agreements
	Build and Manage Services Level Agreements	Establish service standards (internally & externally)	100%	100%	100%	Ensure compliance to existing agreements and develop new ones where necessary
		% Adherence to Service Level Agreements	100%	100%	100%	Ensure compliance to existing agreements and develop new ones where necessary
	Establish service standards	% standards Established	100%	100%	100%	Complete & monitor Service Delivery Improvement Plan

	Objectives	Measures	Targets			Initiatives
			2009-2010	2010-2011	2011-2012	
Internal Business Processes	**Understand Customer / Stakeholders Needs**	Customer needs service conducted	1	0	1	Develop a strategy to understand our customers (eg development of a survey questionnaire; suggestion box)
		Customer satisfaction survey conducted	0	1	1	Develop a strategy to understand our customers (eg development of a survey questionnaire; suggestion box)
	Drive Innovation	Number of innovation projects implemented	2	2	2	Improve service delivery through innovative solutions
	Stakeholder & Customer Relationship Management					
	Educate and Empower our Stakeholders	Number of mining/mineral workshops and information sessions	24	24	5	Participation in Local and International promotion events (E.g. Mining Task Team, Conferences, workshops, exhibition, etc.)
	Regular Consultation and Feedback	Frequency of consultation and feedback sessions	5	5	5	Consultation and feedback session in respect of policy development/review, strategies developed (e.g. beneficiation), etc.
	Build Strategic Alliances & Partnership	Participation in bilateral and multilateral agreements and implemention of relevant agreements	5	5	85	Profile Countries of strategic siginificance
						Undertake a review of all Minerals and Mining Agreements and implement
	Manage Customer/ Stakeholder Expectations	% Rating on client satisfaction survey	70	80	24	Conduct a survey on stakeholder expectations

BRANCH: MINERAL POLICY AND PROMOTION

Learning & Growth

	Objectives	Measures	Targets			Initiatives
			2009 -2010	2010 - 2011	2011 - 2012	
Learning & Growth	Attract, Develop and Retain Skills	% Reduction in staff turnover rate	2%	2%	2%	Implementation of HR Plan
		% Reduction in vacancies	5%	5%	5%	Implementation of HR Plan
		% Implementation of PDPs that are aligned to departmental needs	50%	80%	100%	Implementation of HRD Plan
	Develop Knowledge Management System	Investment in information capital (SIAT and business plan evaluation tools)	10% of resources	10% of resources	10% of resources	Invest 10% of Branch resources
		Contribution to DME knowledge management (KM) systems plan	Branch KM requirements finalised	Give inputs to the DME plan	Give inputs to the DME plan	Document internal processes and update them to ensure preservation of institutional memory
	Improve Leadership & Management Capabilities	% of managers completed Leadership & Management courses	70%	70%	70%	Extension of WITS program
		% Return on Investment on training & development	65%	65%	65%	360 degree survey tool

	Objectives	Measures	Targets			Initiatives
			2009-2010	2010-2011	2011-2012	
Learning & Growth	**Drive Transformation**	% Improvement in Employment Equity	Per DME EE Plan	Per DME EE Plan	Per DME EE Plan	Implement DME EE Plan
		% Procurement spent on targeted groups	50%	65%	70%	Inform requisite suppliers to register on database
	Live the Core Values	Number of Core Value awareness sessions	4 sessions per year	4 sessions per year	4 sessions per year	As per Corporate Services plans
		% Increase in nominations for the Batho Pele & Ubuntu award	50%	10%	10%	As per Corporate Services plans
		% Decrease in transgressions of the code of conduct	5%	2%	2%	As per Corporate Services plans

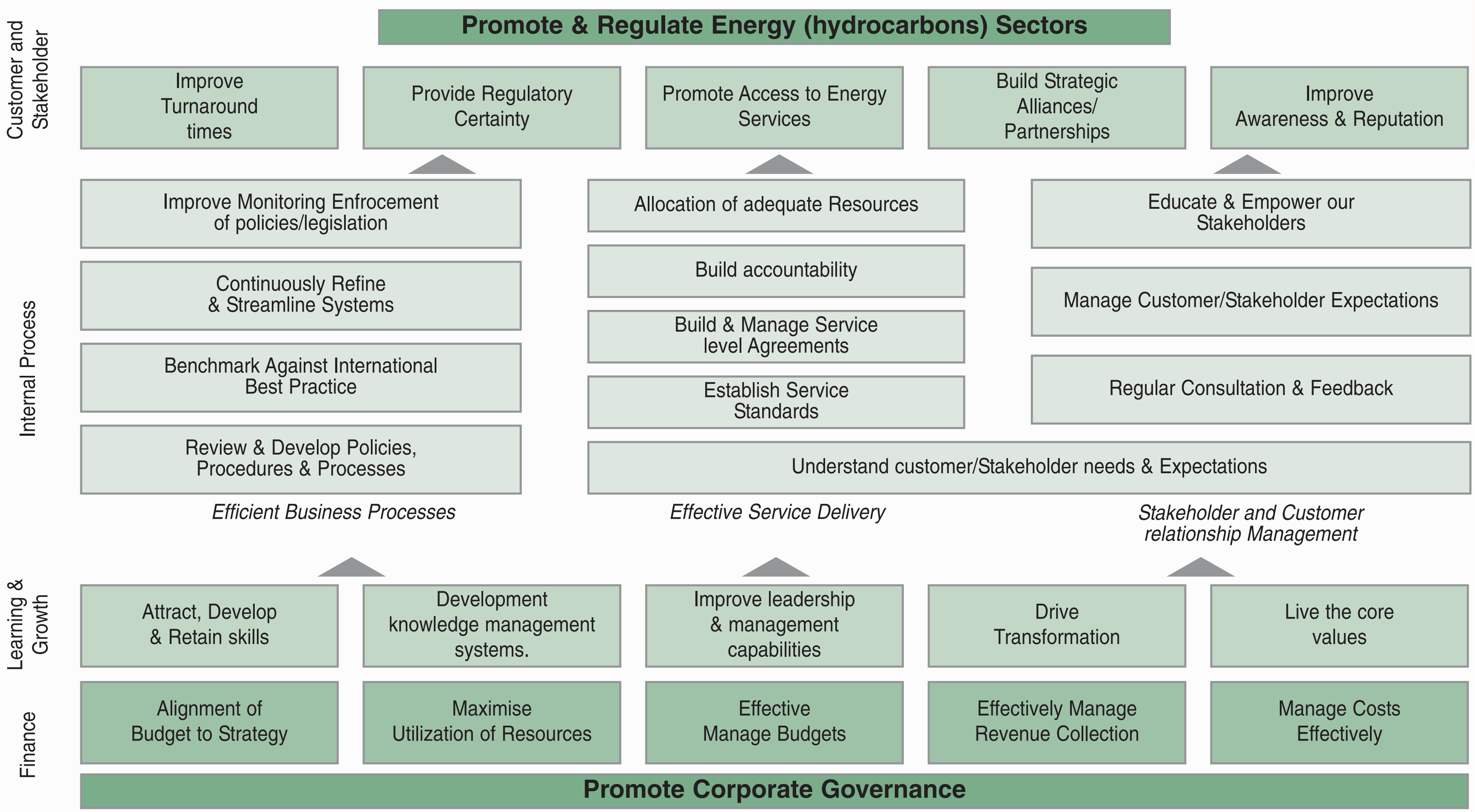
BRANCH: MINERAL POLICY AND PROMOTION

Financial Perspective

	Objectives	Measures	Targets			Initiatives
			2009 -2010	2010 - 2011	2011 - 2012	
Finance	Alignment of Budget to Strategy	% Budget aligned to strategic priorities	90%	90%	90%	Develop spending plans in conjunction with finance
	Effectively Manage Budget	Utilization of human capital	70%	80%	90%	Alignment of human resources to budget
		% Budget Variance	5%	3%	2%	Ensure that expenditure management is a permanent item of monthly management meetings
						Monitor actual expenditure against budget (spending plans)
	Manage Cost Effectively	% Of confirmed fruitless, wasteful and unauthorised expenditure	0%	0%	0%	Attend workshops arranged and conducted by CFO's Office
						Respond to identified incidents within time frames determined by CFO's office
	Promote Governance	% Compliance to PFMA	100%	100%	100%	Implement compliance framework

PROGRAMME 5: HYDROCARBONS AND ENERGY PLANNING

Hydrocarbons Strategy Map



BRANCH : HYDROCARBONS & ENERGY
Stakeholder/Customer Measures

	Objectives	Measures	Targets			Initiatives
			2009 -2010	2010 - 2011	2011 - 2012	
Customer/Stakeholder	Improve turn around time	% Adherence to prescribed time-frames	100%	100%	100%	Attraction and retention of competent analysts, Working overtime, staff training, educating applicants
						% Reduction in finalising processing of licensing applicatins
						Number of regulations promulgated
						% Reduction in finalising processing of licensing applications
		Acknowledgement of Queries	5 days	5 days	5 days	Implementation of the correspondence management system
	Provide regulatory certainity	Implementation of Analytical capability to guide decision making	Consultants appointed to develop system. Phase 1 of Project	Phase 2 finalised	Phase 3 finalised	Development and Implementation of a National Integrated Energy Modelling System (NIEMS)
		Integrated Energy Plan (IEP)	Develop an Integrated Energy Planning Strategy & Energy Strategy	Develop Phase 1(of 2) of IEP	Develop Phase 2 of IEP	1. Develop an Integrated Energy Planning strategy which outlines the operating framework and process for developing an Integrated Energy Plan. 2. Put in place structures to support the operating framework proposed in the IEP strategy 3. Develop the IEP guided by the processes and supported by the structures defined in the IEP strategy

Perspective	Objectives	Measures	Targets 2009-2010	Targets 2010-2011	Targets 2011-2012	Initiatives
Customer/Stakeholder	**Provide regulatory certainity**	% Completion of regulatory accounting system	100%			Consulting firm developing model
		% Implementation of regulatory accounting system	80%	90%	100%	Review of functionality of the model
		% Reduction in identified policy and regulatory gaps	80%	90%	100%	Review and ammendment of policies and regulations, develop regulation under National Energy Act
	Promote access to energy services	Number of new petroleum products licenses issued	1200 per annum	1200 per annum	1200 per annum	Information awareness dissemination programme
		Number of IeCs established	1	1	1	Mobilies partners within the IeC framework (Communities, Local Government and Oil Companies)
		Number of IeCs commissioned and operationalised	1	1	1	Establish co-operatives in line with IeC framework
	Provide credible accessible information	Number of reports on regional stakeholder engagements	Every 2 months	Quarterley	Quarterley	Meetings, workshops and / or seminars with (Communities, industry and other organs of state)
		Number of concluded of bilateral agreements	3	2	2	Identify countries of strategic importance and initiate bilateral negotiations
		Number of concluded of multilateral agreements	3	2	2	Identify countries of strategic importance and initiate multilateral negotiations
		% Implementation of bilateral/multilateral agreements	30%	60%	90%	Establish number of existing agreements and MOU's pending implementation
						Identify implementing agents and conclude implementation plans

	Objectives	Measures	Targets			Initiatives
			2009-2010	2010-2011	2011-2012	
Customer/Stakeholder	Provide credible accessible information	Number of awareness camapaigns conducted (Number of PPAA awareness campaigns conducted - road shows, workshops, audio & visual advertisement, exhibitions)	at least 2 roadshows per quarter/region 1 Quarterly workshop per region 1. Bi-annual press release	at least 3 roadshows per quarter/region; 1 Quarterly workshop per region; 1. Bi-annual press release	at least 4 roadshows per quarter/region 1 Quarterly workshop per region 1. quarterly press release	PPAA awareness campaign to consciountise people about the rules and regulations pertaining to the licesing of petroleum operations, products and compliance monitoring and enforcement thereto
		% Improvement in provision of accurate, reliable and timely data (JODI Data, Energy Price Report, APPA Data and other data)	50%	70%	90%	1. Improve data collection methodology, which includes (involvement of data suppliers by meeting regularly) 2. Setup institutional arrangements to encourage the sharing of data in a timely manner
		Provide credible accessible data and timely Energy Balance data	Reduce lag in data supply 30 months	Reduce lag in data supply 24 months	Reduce lag in data supply 18 months	1. Signing and implementation of MOU between DME and StatsSA. 2. Develop an Energy Statistics Methodology Manual 3. Ensure data suppliers are au fait with our needs to release and publish data regularly and early
		Number of publications of energy data	2	2	3	Engage data suppliers to prevent publications being delayed
		Status report on petroleum licence applications listed on DME website	1 per month	1 per month	1 per month	Licensing directorate to compile report and post on website

BRANCH : HYDROCARBONS & ENERGY PLANNING

Internal Processes

	Objectives	Measures	Targets 2009 -2010	Targets 2010 - 2011	Targets 2011 - 2012	Initiatives
Internal Processes	**Efficient Business Processes**					
	Improve monitoring & enforcement of policies / legislation	% Of guidelines developed in line with legislation	70%	80%	90%	Establish number of guidelines required
						Develop guidelines
		% Implemantation of the signed MOU between DME & SARS: Fuel specifications and standards	quarterly progress report	quarterly progress report	quarterly progress report	DME and SARS initiative to monitor compliance and enforce the fuel specifications and standards Regulations
		% Reduction in complaints relating to procedural inconsistency	90%	90%	90%	Institute complaints register and reporting system
						Institute process for documenting complaints
	Improve monitoring & enforcement of policies / legislation	Number of licensee compliance inspections	120 per month	120 per month	120 per month	Identify provinces with high prevalence of contraventions of regulations
						Conduct compliance inspections
		% Improvement in stakeholder compliance (external)	50%	70%	90%	Implement penalties resulting from non compliance
						Analyse compliance inspection reports
		Establish SA National Energy Development Institute	A Business Plan for SANEDI	Listing of SANEDI		Develop a Business Plan & budget with DST, NEEA and SANERI for the establishment of SANEDI

	Objectives	Measures	Targets			Initiatives
			2009-2010	2010-2011	2011-2012	
Internal Processes	**Improve monitoring & enforcement of policies / legislation**	Implementation of the Energy Secutiry Master Plan (ESMP) for liquid fuels	Address the short-term strategic objectives of ESMP as well as the policy and regulation dependencies	Report on implementation of ESMP Objectives by industry, monitoring and reporting by DME	Report on implementation of ESMP Objectives by industry, monitoring and reporting by DME	1. Setup a task team to focus on ensuring the adequate supply of fuel during the WC2010 2. Monitor and report on progress of industry and SOE wrt to the implementation of ESMP initiatives/projects
	Benchmark Against International Best Practice	% Standards that meet best practice	100%	100%	100%	Indentify policies, procedures and processes that require benchmarking
						Align policies, procedures and processes to best practice
	Review and develop policies, procedures and processes	% Policies & Procedures Standardised	100%	100%	100%	Workshops and issue of guidelines
						Policy and standards audit to determine the baseline
						Identify GAPs
						Address the GAPs
		% Procedures Aligned to Policies	100%	100%	100%	Audit to establish nr of procedures to be established
						Development and implementation of procedures
	Efficient Service Delivery					
	Allocation of adequate resources	% Alignment of resources to operational needs	50%	60%	70%	Align business plans to ENE

	Objectives	Measures	Targets			Initiatives
			2009-2010	2010-2011	2011-2012	
Internal Processes	Build accountability	% Implementation of the balanced scorecard	100%	100%	100%	Per CS initiatives
	Build & manage service level agreements	% Vetted SLAs	100%	100%	100%	Benchmark SLA's against best practice
		% Adherence to SLA's	70%	75%	80%	Implement and review compliance to SLA's
	Establish service standards	% Standards established	100%	100%	100%	Develop and implement SDIP
	Understand Customer/Stakeholder	Surveys conducted to understand stakeholder needs	1	1	1	Draft and circulate customer satisfaction survey
						Analyse results of survey
	Stakeholder & Customer Relationship Management					
	Educate and empower our stakeholders	Frequency of workshops, conferences, seminars and summits and information sessions convened (to be specific)	at least 2 roadshows per quarter/region 1 Quarterly workshop per region 1. Bi-annual press release	at least 3 roadshows per quarter/region; 1 Quarterly workshop per region; 1. Bi-annual press release	at least 4 roadshows per quarter/region 1 Quarterly workshop per region 1. quarterly press release	PPAA awareness campaign to consciountise people about the rules and regulations pertaining to the licesing of petroleum operations, products and compliance monitoring and enforcement thereto
		Frequency of workshops, conferences, seminars and summits and information sessions convened(to be specific)	Improve and integrate energy planning rocess			1. A clearly defined Integrated Energy Planning stakeholder engagement process which would form part of the IEP strategy
	Manage customer/ stakeholder expectations	% Rating of client satisfaction survey	60%	70%	80%	Improve accuracy of reporting
	Regular consultation and feedback	Frequency of consultation and feedback sessions	Weekly & as & when necessary	Weekly & as & when necessary	Weekly & as & when necessary	Keep regularly contact by telephone

BRANCH: HYDROCARBONS & ENERGY PLANNING

Learning & Growth

	Objectives	Measures	Targets			Initiatives
			2009 -2010	2010 - 2011	2011 - 2012	
Learning & Growth	Attract, Develop & Retain Skills	% Reduction in staff turnover rate	2%	2%	2%	Implementation of HR Plan
		% Reduction in vacancies	5%	5%	5%	Implementation of HR Plan
		% Implementation of PDPs that are aligned to departmental needs	50%	80%	100%	Implementation of HRD Plan
		% Of trainees successfully completed sector specific programs	70%	80%	90%	Mentor trainees regularly
		Number of employees on mentorship/learnership programs	10	10	10	1. Ensure transfer of skills from senior and well experienced staff members to junior staff members with limited experince 2. Work with employees to transfer knowledge
	Develop Knowledge management systems	% Completion of Knowledge Management systems plan	100%			Establish task team headed by communications chief directorate
						Finalise framework and develop IT platform
		% Implementation of Knowledge Management system Plan		50%	80%	Update Knowledge Management System

	Objectives	Measures	Targets			Initiatives
			2009-2010	2010-2011	2011-2012	
Learning & Growth	Improve leadership & management capabilities	% Of managers completed leadership and management courses	70%	80%	90%	Extension of WITS program
		% Return on Investment on training & development	65%	65%	65%	360 degree survey tool
	Drive transformation	% Improvement in Employment Equity	Per DME EE Plan	Per DME EE Plan	Per DME EE Plan	Implement DME EE Plan
		% Procurement spent on targeted groups	50%	65%	70%	Inform requisite suppliers to register on data-base
		% Compliance to the Liquid Fuels Charter	60%	100%	100%	Review implentation of charter
	Drive transformation	Number of Core Values awareness sessions	2 per quarter	1 per quarter	1 per quarter	As per Corporate Services plans
		% Decrease in transgressions of the code of conduct	5%	2%	2%	As per Corporate Services plans
		% Increase in nominations for the Batho Pele & Ubuntu	50%	10%	10%	As per Corporate Services plans

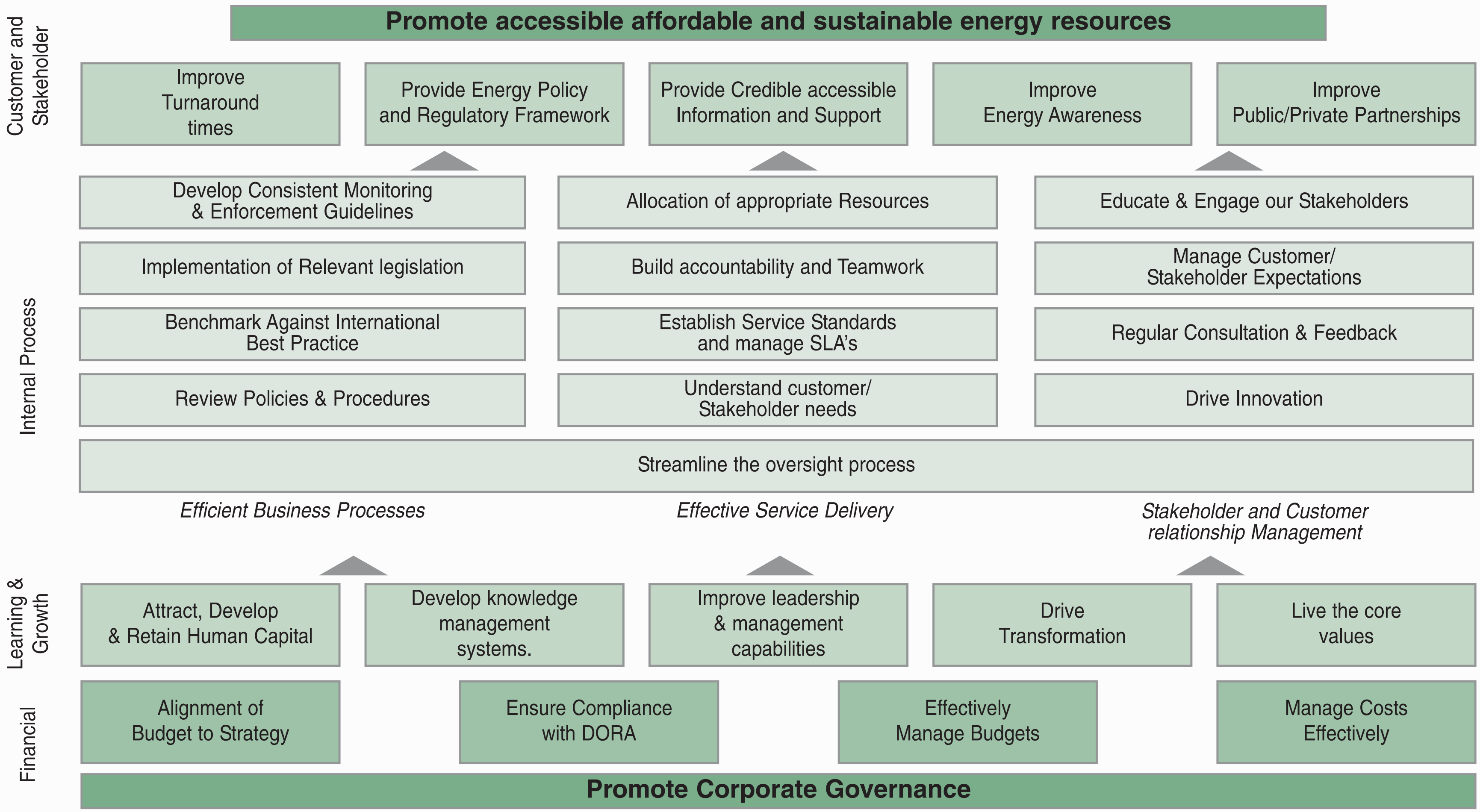
BRANCH: HYDROCARBONS & ENERGY PLANNING

Finance

	Objectives	Measures	Targets			Initiatives
			2009 -2010	2010 - 2011	2011 - 2012	
Finance	**Alignment of budget to strategy**	% of budget aligned to strategic priorities	100%	100%	100%	Develop spending plans in conjunction with finance
	Maximise utilisation of resources	Reduce redundant assets (physical)	Identify redundant assets and reduce by 30%	By 60%	By 90%	Implement asset maintenance and disposal strategy
	Effectively manage budgets	% budget varience	5%	3%	2%	1. Monitor actual expenditure against budget (spending plans) 2. adequate project planning
	Effectively manage revenue collection	% increase on license fee revenue collection	70%	80%	90%	Develop and implement a petroleum license monitoring and evaluation revenue collection framework
	Manage costs effectively	Reduction in confirmed fruitless, wasteful and unauthorised expenditure	75%	85%	95%	1. Regularly compare expenditures to budget 2. Cut down on unnecessary expenditure
	Promote Corporate Governance	% Compliance to PFMA	100%	100%	100%	Implement compliance framework

PROGRAMME 6: ELECTRICITY & NUCLEAR

Electricity and Nuclear Strategy Map



BRANCH: ELECTRRICITY, NUCLEAR AND CLEAN ENERGY
Stakeholder/Customer Measures

	Objectives	Measures	Targets 2009 -2010	Targets 2010 - 2011	Targets 2011 - 2012	Initiatives
Customer/Stakeholder	Improve turnaround times	% Adherence to prescribed/ legislated timeframes	100%	100%	100%	Compliance with prescribed timeframes in legislation, regulations and SLAs
		Response to queries	5 working days	5 working days	5 working days	Implement document management system
		SLA entered into which identifies stakeholders	100%	100%	100%	Identify Stakeholders to enter into SLAs with
	Improve Energy Awareness	Number of awareness raising workshops, switch-ons and meetings	10	10	10	Hosting of awareness raising workshops, switch-ons and Public Safety Information Forum meetings
	Improve Public/Private Partnerships	Introduction of New Generation Capacity - renewable/non renewable	100MW	100MW	100MW	Introduce IPP Bid Programme
	Provide Energy Policy and Regulatory Framework and Streamline the Oversight Process	Number of relevant policies introduced	4	4	4	Develop new guidelines and implementation plans
		Number of Regulatory Framework documents and Plans introduced for Renewable Energy and Energy Efficiency	3	3	3	Development of the Regulatory Framework and Plans
		Promulgation of relevant Regulations	9	6	2	Develop regulations under relevant legislation
		Alignment of SOE activities with DME Objectives	100%	100%	100%	Review Shareholder compacts and Business plans of identified entities

	Objectives	Measures	Targets			Initiatives
			2009-2010	2010-2011	2011-2012	
Customer/Stakeholder	**Provide Credible Accessible information and support**	Information and documentation provided to targeted audience	100%	100%	100%	Hosting of awareness raising workshops, switch-ons and Enegy Forums
		Number of Engineering Students Deployed at Municipalities	100	100	100	Co-ordinating with and Supporting Municipalities
	Promote accessible, affordable, & sustainable energy resourses	Number of households, schools connected and substations built	150000, 2800, 10	200000, 0, 10	300000, 0, 10	Plan, implement and oversee the Intergrated National Electrification Programme
		Socio-economic impact of the implementation of Integrated National Electrification Programme	5000 New Jobs created, 800 New Learners trained	5000 New Jobs created, New 800 Learners trained	5000 New Jobs created, New 800 Learners trained	Monitoring and evaluation of the Intergrated National Electrification Programme

BRANCH: ELECTRRICITY, NUCLEAR AND CLEAN ENERGY
Internal Processes

	Objectives	Measures	Targets			Initiatives
			2009 -2010	2010 - 2011	2011 - 2012	
Internal Processess	**Efficient Business Processes**					
	Review Internal Policies and Procedures	Number of identified Policies and Procedures Reviewed and implemented	100%	100%	100%	Identify all outdated policies and procedures for internal business processes and align with the revised processes
	Develop Consistent Monitoring and Enforcement Guidelines	% Of guidelines issued in line with legislation	100%	100%	100%	Develop guidelines in line with legislation
	Implementation of Relevent Legislation	% Improvement in stakeholder compliance (external)	30%	30%	40%	Monitor compliance with legislation
	Benchmark against Best Practice	% Of standards benchmarked against best practice	70%	80%	90%	Review standards in line with best practice
	Effective Service Delivery					
	Build Accountability and Teamwork	% Implementation of the Balanced Score Card	100%	100%	100%	As per corporate services plan
	Establish Service Standards and Manage Service level Agreements	% Service Standards Established with revelant branches	100%	100%	100%	Establish Service Standards with relevant branches
		% Adherence to SLAs	100%	100%	100%	Continuous engagement with relevant branches
		% Alignment of financial resources to operational needs	100%	100%	100%	Budget workshop Costing of all activities Analysis of budget Submission of budget proposal

	Objectives	Measures	Targets			Initiatives
			2009-2010	2010-2011	2011-2012	
Internal Processess	**Allocation of Appropriate Resources**	% Of resources per function	100%	100%	100%	Align human capital and other resource requirements to functions
	Allocation of Appropriate Resources	Survey conducted to understand customer needs	0	2	1	Socio economic impact study on electrification
						Conduct nuclear stakeholder survey
						Conduct clean energy stakeholder survey
	Stakeholder & Customer Relationship Management					
	Educate and engage stakeholders	Number of awareness raising workshops, switch-ons and meetings	10	10	10	Hosting of awareness raising workshops, switch-ons and Public Safety Information Forum meetings
	Manage Customer/Stakeholder Expectations	% Rating on client satisfaction survey	60%	70%	80%	Conduct annual client satisfaction survey
						Review results of survey and address material issues arising
	Regular Consultation and Feedback	Frequency of consultation and feedback sessions	10	10	10	Hosting of awareness raising workshops, switch-ons and Public Safety Information Forum meetings
	Drive Innovation	% Of innovation projects implemented	10%	10%	10%	Identify, plan, implement and monitor projects

BRANCH: ELECTRICITY, NUCLEAR AND CLEAN ENERGY

Finance

	Objectives	Measures	Targets			Initiatives
			2009 -2010	2010 - 2011	2011 - 2012	
Finance	**Alignment of Budget to Strategy**	% Of Budget aligned to strategic priorities	100%	100%	100%	Develop spending plans in conjunction with finance
	Effectively Manage Budgets	% Budget Variance	5% variance	3% variance	2%Variance	Monitor actual expenditure against budget (spending plans)
	Manage Costs Effectively	Reduction in confirmed fruitless, wasteful and unauthorised expenditure	100%	100%	100%	Attend workshops arranged and conducted by CFO's Office
						Respond to identified incidents within time frames determined by CFO's office
	Ensure Compliance to DORA	Monthly DORA Reports	100%	100%	100%	Compile the monthly report as required by DORA
	Promote Corporate Governance	Compliance to PFMA and Treasury Regulations	100%	100%	100%	Implement Compliance framework

SERVICE DELIVERY IMPROVEMENT PLANS
BRANCH: CORPORATE SERVICES

Key Service	Service Beneficiary	Current standard (2008/9)		Desired Standard (2009/10)	
Key Service					
Develop and implement Physical and Intellectual Risk Plan	DME personnel and visitors	Quantity:	Ensure implementation of Minimum information Security Standards (MISS) Physical Security Information Security Personnel Security Communication Security	Quantity:	**Standardised security as per SAPS and NIA security recommendations**
		Quality:	High level of uncertainty	Quality:	Reduction of risk
		Consultation	National Intelligence Agency and South African Police Services	Consultation	National Intelligence Agency and South African Police Services
		• Access	Presentations of security awareness	• Access	Officials taking security as their responsibility
		• Courtesy	Orientation of New employees and security report at EXCO	• Courtesy	Senior managers attending Orientation programmes
		• Open & Transparent	Most Officials understand security only at access control measures	• Open & Transparent	Total understanding of MISS
		• Information	Security policy on the intranet	• Information	Security guide lines and procedures on the intranet
		• Redress	Chief directorate give EXCO reports during directorate meetings	• Redress	Market security at Chief directorate meetings
		• Val for Mon	Less security breaches	• Val for Mon	Protection of information
		Time:	End march 2010	**Time:**	12 months
		Cost	Compensation of employee as per budget	**Cost**	Compensation of employee as per budget
		HR:	Existing personnel	**HR:**	Existing personnel

Key Service	Service Beneficiary	Current standard (2008/9)		Desired Standard (2009/10)	
Special Projects/Programme					
Redress the past imbalances and create access for the vulnerable groups to benefit from the minerals and energy sectors	All designated vulnerable groups resident in areas in and around mining and energy industry operations i.e. Women youth disabled children and the aged	Quantity:	According to South African demographics	Quantity:	Same
		Quality:	Give high standards of service delivery as per demographics (equity)	Quality:	Same
		Consultation	All stakeholder organizations and vulnerable groups	Consultation	All provinces to be reached
		• Access	Create access to the opportunities in the Minerals and energy sectors	• Access	Ensure information dissemination to all vulnerable groups through workshops, information sessions and consultations
		• Courtesy	Respect and value all our clients	• Courtesy	Ensure no discrimination on the basis of age, race, gender and disability
		• Open & Transparent	Ensure openness in dealing with legislation and all opportunities	• Open & Transparent	Interpret all enquiries send to the department in a fair and transparent manner
		• Information	Reach out to all the vulnerable groups through advocacy work	• Information	Continue with information sessions as per plan of action
		• Redress	Ensure equity in line with targets	• Redress	Monitor equity through surveys and data collection
		• Val for Mon	Use all resources provided to benefit the vulnerable groups equally	• Val for Mon	
		Time:	2012	**Time:**	
		Cost		**Cost**	
		HR:		**HR:**	

Key Service	Service Beneficiary	Current standard (2008/9)		Desired Standard (2009/10)	
Communications Chief Directorate					
Provide an efficient External and Internal communication service to both the DME and Ministry	South African Public, DME stakeholders and Internal staff	Quantity:	Ensure implementation of the Media/Marketing Plans within the Communication Strategy	Quantity:	Streamline all DME External events Revamp all service related publications Strengthen Internal Communications Embark on at least three Marketing campaigns Host more content driven Izimbizo / Public Liaison events
		Quality:	Public Liaison and Media engagement is being done but not extremely content driven Publications available but outdated	Quality:	Updated and new publications developed More stakeholder and public liaison events to be host-ed. Internal communications events held more frequently Marketing campaigns rolled out
		Consultation	Engage Media players Line function branches for strategic communications On Internal matters engage HR and CFO's office more especially those that provide a service to internal DME staff	Consultation	Office the Director-General and Ministry
		Access	Presentation on what Communications is there for and what it is required to do as a government function	Access	Routine submission of updated information on all DME service related programmes, monthly meetings with DDG's
		Courtesy	Continuous unheeded requests for Line function plans/programmes that need Communication support	Courtesy	Proactive line function submission of their plans/-programmes each year by November of the current year
		Open & Transparent	Communication Strategy is available to all EXCO and other staff members	Open & Transparent	Continuous interaction and consultations on the changing needs of line function branches
		Information	Security policy on the intranet	Information	Security guide lines and procedures on the intranet

Key Service	Service Beneficiary	Current standard (2008/9)		Desired Standard (2009/10)	
Communications Chief Directorate (Continued)					
		Redress	Chief directorate give EXCO reports during directorate meetings	Redress	Market security at Chief directorate meetings
		Val for Mon	All communications services are being offered within the 'value for money' concept, but this is not always possible as requests come in very late, reducing time on getting value for the money used	Val for Mon	Properly procured services to ensure value for money
		Time	End march 2010	**Time**	12 months
		Cost	As per budget allocation	**Cost**	More proactive involvement in the budgeting process to ensure allocation is streamlined with priorities
		HR:	Existing personnel	**HR:**	Existing personnel

SERVICE DELIVERY IMPROVEMENT PLANS
BRANCH: CHIEF FINANCIAL OFFICE

Key Service	Service Beneficiary	Current standard (2008/9)		Desired Standard (2009/10)	
Expenditure Management					
Pay creditors invoices within 30 days on receipt of invoice	External and internal stakeholders	Quantity:	30 days	Quantity:	21 days
		Quality:	<7% rejection due to incorrectly loaded bank details	Quality:	<3% rejection due to incorrectly loaded bank details
		• Consultation	Reactive: telephone and e-mail	• Consultation	Informative: circulars, memos, letters, telephones and e-mails
		• Access	Manual and electronic Invoice and book-out registers	• Access	Integrated registers on S: Drive
		• Courtesy	Reasons for delayed payment provided inconsistently	• Courtesy	Reasons for delayed payment provided consistently
		• Open & Trans-parency	Reactive: delays explained on enquiry	• Open & Trans-parency	Proactive: delays explained immediately on identification
		• Information	Remittance advice/payment stubs	• Information	Policy and Procedures, templates, remittance advice/payment stubs
		• Redress	Complaints made in an ad hoc manner	• Redress	Established complaints centre
		• Value for Money	Timely payments that do not attract finance charges	• Value for Money	Timely payments that do not attract finance charges
		Time:	By March 2009	**Time:**	By March 2010
		Cost:	None	**Cost:**	Remuneration for additional staff

Key Service	Service Beneficiary	Current standard (2008/9)		Desired Standard (2009/10)	
Expenditure Management					
Reconcile Payments	External and internal stakeholders	Quantity:	90% of payments reconciled	Quantity:	100% of payments reconciled
		Quality:	Origin of all payments is verified	Quality:	Payment to transactions not originated from DME is prevented
		• Consultation	Reactive: anomalies picked up upon enquiry	• Consultation	Proactive: daily reconciliation enable anomalies to be picked up before EFT is effected
		• Access	Ticked disbursement list	• Access	Reconciliation statement on S: Drive
		• Courtesy	Reasons for un-reconciled items is provided regularly	• Courtesy	Reasons for un-reconciled items is provided daily upon reconciliation
		• Open & Transparency	Report on exceptions only	• Open & Transparency	Inclusive and compulsory reporting
		• Information	Disbursement report	• Information	Disbursement report and Reconciliation statement
		• Redress	Invalid transaction identified after disbursement	• Redress	Invalid transaction identified and intercepted before funds are disbursed
		• Value for Money	Portion of money is recoverable	• Value for Money	Funds transferred to valid beneficiaries only
		Time:	Within the same month of payment and ongoing	**Time:**	Within a day of payment run and ongoing
		Cost:	Cost of investigating fraudulent cases	**Cost:**	Remuneration of dedicated official to implement control measures

Key Service	Service Beneficiary	Current standard (2008/9)		Desired Standard (2009/10)	
Expenditure Management					
Improve turnaround time	External and internal stakeholders		All processes	Quantity:	All processes
			Average turnaround time per month is exceeded by not more than 7%	Quality:	Average turnaround time per month is exceeded by not more than 5%
			Reactive: on enquiry and on compilation of monthly reports	• Consultation	Proactive: weekly review and feedback sessions, road shows and workshops
			SMS, e-mail, standard letters, telephone	• Access	SMS, e-mail, standard letters, telephone
			Reasons for delayed responses are provided inconsistently	• Courtesy	Reasons for delayed responses are provided consistently
			Stubs, reports, statistics and SMS	• Open & Transparency	Stubs, reports, statistics and SMS
			Monthly report, statistics	• Information	Monthly reports, statistics, integrated reports and registers on S: Drive
			Poor response time to clients queries	• Redress	Prompt feedback to clients is provided
			More time spent on responding to queries	• Value for Money	Increased production and lesser queries
			By 31 March 2009	**Time:**	By 31 March 2010
			None	**Cost:**	Remuneration for additional staff

Key Service	Service Beneficiary	Current standard (2008/9)		Desired Standard (2009/10)	
Financial Planning and Management Accounting					
Re-funding of Rehabilitation (EMP) cash provisions	Permit/license holders	Quantity:	Average is 7 refund applications per month	Quantity:	All applications lodged
		Quality:	Conforms to guidelines and refund procedure	Quality:	Reduction in queries
		• Consultation	Liaise with beneficiary telephonically where necessary	• Consultation	Liaise with beneficiary telephonically where necessary
		• Access	Offices open during week days between 7:30- 17:00	• Access	Offices open during week days between 7:30- 17:00
		• Courtesy	Advise on status of refund application	• Courtesy	Advise on status of refund application Issue proof of payment
		• Open & Transparency	Annual Financial Statements	• Open & Transparency	Annual Financial Statements
		• Information	None	• Information	Document refund process flow
		• Redress	None	• Redress	Provide client feedback for unfavourable applications
		• Value for Money	None	• Value for Money	None
		Time:	Process refunds within 5 working days of receipt	**Time:**	Process refunds within 5 working days of receipt
		Cost:	Monthly salary of staff	**Cost:**	Monthly salary of staff

Key Service	Service Beneficiary	Current standard (2008/9)		Desired Standard (2009/10)	
Financial Planning and Management Accounting					
Process cash/cheque for DME services	Applicants (Information, Petroleum licences, mining licences) Debtors	Quantity:	Average is 76 receipts per month	Quantity:	Process all monies received
		Quality:	System generated receipts	Quality:	System generated receipts
		• Consultation	Issue receipt	• Consultation	Issue receipt
		• Access	Offices open during week days between 7:30- 16:30	• Access	Offices open during week days between 7:30- 16:30
		• Courtesy	Annual Financial Statements	• Courtesy	Send statement of balances
		• Open & Transparency	None	• Open & Transparency	Annual Financial Statements
		• Information		• Information	
		• Redress	None	• Redress	Provide client feedback for unfavourable applications
		• Value for Money	Issue receipt within 5 minutes of cash/cheque receipt	• Value for Money	None
		Time:	Monthly salary of staff	**Time:**	Issue receipt within 5 minutes of cash/cheque receipt
		Cost:		**Cost:**	Monthly salary of staff

Key Service	Service Beneficiary	Current standard (2008/9)		Desired Standard (2009/10)	
Supply Chain Management					
Supplier Management	Service Providers DME Users	Quantity:	Un-prequalified Service Providers registered	Quantity:	Credible/Prequalified Service Providers readily available per strategic commodity
		• Consultation	Inputs request was ad hoc	• Consultation	Commodities identified from Procurement plans
		• Access	Forms on internet, intranet and reception	• Access	Forms on internet, intranet and reception
		• Courtesy	Users and Service Providers treated with respect	• Courtesy	Users and Service Providers with respect
		• Open & Transparency	Advert placed on Newspapers, Tender Bulletin and Internet	• Open & Transparency	Advert placed on Newspapers, Tender Bulletin and Internet
		• Information	Inconsistent feedback given	• Information	Structured template for Feedback to users and Service providers
		• Redress	Unavailability of service providers/Delayed payments due to verification process	• Redress	Vetted Supplier available
		• Value for Money	Limited supplier to quote	• Value for Money	Enough suppliers to promote cost effective through quote comparison
		Time:	No clear timeframes set	**Time:**	End of June 2009
		Cost:		**Cost:**	

Key Service	Service Beneficiary	Current standard (2008/9)		Desired Standard (2009/10)	
Supply Chain Management					
Bid & Contract Administration	Service Providers DME Users DME Management National Treasury	Quality:	Ambiguous TOR/Specs are sometimes advertised	Quality:	Correct bid information advertised
		Consultation	Reactive with bid adverts	Consultation	Better consultation through BSC
		• Access	Bid adverts and documents available on the internet and Tender Bulletin	• Access	Bid adverts and documents available on the internet and Tender Bulletin. Newspaper advert to be encouraged on more technical bids
		• Courtesy	Users and Service Providers treated with respect	• Courtesy	Users and Service Providers with respect
		Open & Transparency	Bid award advertised on the same advert mode. Public opening of bids upon request	Open & Transparency	Bid award advertised on the same advert mode Public opening of bids upon request. BEC/BAC Charter made available to all Committee members
		• Information	Reporting as and when required. BAC members trained on appointment	• Information	Structured reporting intervals. Annual training of BAC members conducted
		• Redress	Limited service providers bidding for technical bids 45% Bids awarded to SMME Poor project management on contracts	• Redress	Increased participation on technical bids Increased SMME spent to 60% Implementation of Contract Management strategy
		• Value for Money	Limited supplier to bid	• Value for Money	Enough suppliers to promote cost effective through bid comparison
		Time:	2 months from bid closure	**Time:**	6 weeks from bid closure
		Cost:		**Cost**:	

Key Service	Service Beneficiary	Current standard (2008/9)		Desired Standard (2009/10)	
Supply Chain Management					
Logistics Management: Prompts delivery of goods and service	Service Providers DME Users	Quality:	Re-active process in order management and non adherence to timelines for delivery of inventory items	Quality:	Orders expedited upon placing to ensure prompt delivery Strict adherence to the turnaround times for delivery of inventory items
		• Consultation	Minimal consultation with Service Provider for delivery	• Consultation	Constant follow up on outstanding orders
		• Access	No clear defined contact centres	• Access	Clearly defined contact centres for users and service provides
		• Courtesy	Attend to queries upon request	• Courtesy	Avoid queries
		• Open & Transparency	Users unaware of the turnaround times	• Open & Transparency	Turnaround times published
		• Information	Insufficient description on orders	• Information	Inventory items published
		• Redress	Late delivery	• Redress	Description on orders linked to quotation
			Unavailability of goods and services decreasing productivity		Delivery according to agreed lead time
		• Value for Money	Throughout 2008/9 Financial year	• Value for Money	Increased productivity
		Time:		**Time:**	Throughout 2009/10 Financial year
		Cost:		**Cost:**	

Key Service	Service Beneficiary	Current standard (2008/9)		Desired Standard (2009/10)	
Information Technology					
Network Optimization	External and internal stakeholders	Quality:	50% Uptime	Quality:	95% Uptime
		Quality:	Slow response time	Quality:	Bandwidth Management
		Consultation	Unstructured	Consultation	Liaise with Change Control and Website Committees
		• Access	Ad hock	• Access	24 X 7 Accessibility
		• Courtesy	Ad hock	• Courtesy	Advise on status and have a dedicated resource
		• Open & Transparency	Communicate highlighted issues	• Open & Transparency	Provide Performance Statistics
		• Information	Communicate Policies and Procedures	• Information	Informative communiqué
		• Redress	None	• Redress	Establish Service Evaluation Analysis
		• Value for Money	None	• Value for Money	Within budget
		Time:	Financial Year 2008/ 2009	**Time:**	Financial Year 2009/ 2010
		Cost:	Within budget	**Cost:**	Negotiate cost reduction

Key Service	Service Beneficiary	Current standard (2008/9)		Desired Standard (2009/10)	
Systems Development and Maintenance					
National Mining Promotions System (NMPS)	External and internal stakeholders	Quantity:	1	Quantity:	1
		Quality:	• All licence types are currently issued by the system • Couple of modules yet to be added	Quality:	• All licence types are currently issued by the system • Fewer modules yet to be added
		• Consultation	Change Control is held on monthly basis for all enhancements requested	• Consultation	Change Control is held on monthly basis for all enhancements requested
		• Access	Electronic access provided User Code and Password are given	• Access	Electronic access provided User Code and Password are given
		• Courtesy	Change Control is held on monthly basis for all enhancements requested	• Courtesy	Change Control is held on monthly basis for all enhancements requested
		• Open & Transparency	System audited from time to time and AG report issued	• Open & Transparency	System audited from time to time and AG report issued
		• Information	Queries and reports available from the system	• Information	Queries and reports available from the system
		• Redress	Continuous change control on enhancement requested are done with the help of GISCOE	• Redress	Established complaints centre
		• Value for Money	Less complaint from the users about the system errors	• Value for Money	Less complaint from the users about the system errors
		Time:	By March 2009	**Time:**	By March 2010
		Cost:	None	**Cost:**	None

Key Service	Service Beneficiary	Current standard (2008/9)		Desired Standard (2009/10)	
Systems Development and Maintenance					
Petroleum Products Licensing System (PPALS)	External and internal stakeholders	Quantity:	100% of all license types are currently issued by the system	Quantity:	100% of all license types are currently issued by the system
		Quality:	There is backlog of annual returns as a consequence of module developed lately	Quality:	There should be no backlog of annual returns
		• Consultation	Change Control meetings for enhancements	• Consultation	Change Control meetings for enhancements
		• Access	Electronic access	• Access	Electronic access
		• Courtesy	A patch is in place for errors that cannot be done on the system	• Courtesy	A patch is in place for errors that cannot be done on the system
		• Open & Transparency	System audited from time to time and AG management report issued	• Open & Transparency	System audited from time to time and AG management report issued
		• Information	All petroleum license types, reports and system queries	• Information	All petroleum license types, reports and system queries
		• Redress	Patch built for correction of incorrect transaction and audit trail is available	• Redress	Patch built for correction of incorrect transaction and audit trail is available
		• Value for Money	All Petroleum license types are issued from the system	• Value for Money	All Petroleum license types are issued from the system
		Time:	As and when required	**Time:**	As and when required
		Cost:	None	**Cost:**	None

Key Service	Service Beneficiary	Current standard (2008/9)		Desired Standard (2009/10)	
Systems Development and Maintenance					
Mine Health and System Magic Systems	External and internal stakeholders	Quantity:	8 Systems	Quantity:	8 Systems
		Quality:	Reports and levies are generated as when required	Quality:	Reports and levies are generated as when required
		• Consultation	Change Control minutes	• Consultation	Change Control minutes
		• Access	Electronic access	• Access	Electronic access
		• Courtesy	Enhance are processed through change control	• Courtesy	Enhancements are processed through change control
		• Open & Transparency	Reports and queries from the system	• Open & Transparency	Reports and queries from the system
		• Information	Data and reports	• Information	Data and reports
		• Redress	Poor response times as a result of IT infrastructure	• Redress	Poor response times as a result of IT infrastructure
		• Value for Money	Queries, reports and levies generated from the system	• Value for Money	Queries, reports and levies generated from the system
		Time:	As and when required	**Time:**	As and when required
		Cost:	None	**Cost:**	None

Key Service	Service Beneficiary	Current standard (2008/9)		Desired Standard (2009/10)	
Transport, Facilities and Records Management					
Applications for access to information	External and internal stakeholders	Quantity:	70	Quantity:	70
		Quality:	Files are opened and delivered to Deputy Information Officers(DIO)	Quality:	Files opened and delivered to Deputy Information Officers(DIO)
		• Consultation	Liaise with Line functions and the public	• Consultation	Liaise with Line functions and the public
		• Access	Intranet and telephone	• Access	Electronic Access
		• Courtesy	Reason for delay is provided inconsistently	• Courtesy	Reason for delay to be provided consistently and regularly
		• Open & Transparency	Monthly reports are provided	• Open & Transparency	Monthly reports and statistics to be provided
		• Information	Reports and statistics	• Information	Reports and statistics
		• Redress	Delay in response to the public	• Redress	Prompt feedback
		• Value for Money	Less complains from the line functions and the public	• Value for Money	Minimise complains from the public
		Time:	Within 30 days	**Time:**	Within 30 days
		Cost:		**Cost:**	

Key Service	Service Beneficiary	Current standard (2008/9)		Desired Standard (2009/10)	
Transport, Facilities and Records Management					
Processing of correspon-dence (letters) from the public	External and internal stakeholders	Quantity:	1000	Quantity:	1000
		Quality:	Letters are distributed to the users	Quality:	Letters distributed daily
		• Consultation	Liaise with users and post office	• Consultation	Liaise with users and post office
		• Access	Telephone	• Access	Telephone and E-mail
		• Courtesy	Reason for delay in delivery of mail is provided inconsistently	• Courtesy	Reason for delay to be provided regularly
		• Open & Transparency	Registers and monthly reports	• Open & Transparency	Register mail regularly
		• Information	Registers and reports	• Information	Provide statistics according to categories
		• Redress	Lost mail	• Redress	Minimise lost mail
		• Value for Money	Complaints from the users	• Value for Money	Minimise complaints from the users
		Time:	Within a day	**Time:**	Within a day
		Cost:		**Cost:**	

MINE HEALTH AND SAFETY INSPECTORATE
SERVICE DELIVERY IMPROVEMENTS PLANS

Key Service	Service Beneficiary	Current standard (2008/9)		Desired Standard (2009/10)	
Systems Development and Maintenance					
Address health and safety risks in mining through: • Number of Audits conducted • Number of Inspections conducted • Number of Investigations conducted • Number of Inquiries completed	Mining Operations	Quantity:	100% of planned audits as per capacity 59% of planned inspection as per capacity 88% of planned investigations as per capacity 85% of planned inquiries as per capacity	Quantity:	100% of planned audits as per capacity 100% of planned inspections as per capacity 100% of planned investigations as per capacity 100% of planned inquiries as per capacity
		Quality:	Implementation and compliance to standardised Policies and Procedures	Quality:	Implementation and compliance to standardised Policies and Procedures
		• Consultation	Quarterly consultation with mining operations	• Consultation	Monthly consultation with mining operations
		• Access	Regional level	• Access	Regional level
		• Courtesy		• Courtesy	
		• Open & Transparency	Policies and Procedures is public documents	• Open & Transparency	Policies and Procedures is public documents
		• Information	Information is shared on a monthly basis with mines	• Information	Information is shared on a monthly basis with mines and an electronic management system would improve the availability of information
		• Redress		• Redress	
		• Value for Money	Ensure the optimum utilisation of voted funds	• Value for Money	Ensure the optimum utilisation of voted funds
		Time:		**Time:**	
		Cost:		**Cost:**	

MINERAL REGULATION
SERVICE DELIVERY IMPROVEMENTS PLANS

Key Service	Service Beneficiary	Current standard (2008/9)		Desired Standard (2009/10)	
Increased number of HDSA's and women participation in the Mining industry	HDSA's (blacks, coloureds and Indians)	Quantity:	45 rights granted to HDSA	Quantity:	63 rights granted to HDSA's
		Quality:	Audited	Quality:	Audit
		• Consultation	Meetings and workshops with Communities and Mining industry	• Consultation	Meetings and workshops with Communities and Mining industry
		• Access	Communication- DME website, telephonic and written	• Access	Communication- DME website, telephonic and written
		• Courtesy	Help desk, Workshops, Meetings	• Courtesy	Help desk, Workshops, Meetings
		• Open & Transparency	Clearly defined and displayed business processes	• Open & Transparency	Clearly defined and displayed business processes, better access to the DME website
		• Information	Guidelines, Information workshops, application procedures in the DME website	• Information	Guidelines, Information workshops, application procedures in the DME website
		• Redress	Feedback meetings, corrective actions	• Redress	Feedback meetings, corrective actions
		• Value for Money	Acquisition of shares and Ownership in the mining industry	• Value for Money	Representative and transformed industry
		Time:	Six months for Prospecting Rights and Mining Permits, Twelve months for Mining Rights	**Time:**	Six months for Prospecting Rights and Mining Permits, Twelve months for Mining Rights
		Cost:	Prospecting fees and Rehabilitation fees/financial provision	**Cost:**	Prospecting fees and Rehabilitation fees/financial provision

Key Service	Service Beneficiary	Current standard (2008/9)		Desired Standard (2009/10)	
Consistent turnaround times in processing prospecting and mining rights applications	Mining industry, Players in the industry	Quantity:	All submitted applications	Quantity:	All submitted applications
		Quality:	Audited and finalised applications	Quality:	Audited and finalised applications
		• Consultation	DWAF, DEAT, DLA, Communities, Local Authorities, National Parks Boards	• Consultation	DWAF, DEAT, DLA, Communities, Local Authorities, National Parks Boards
		• Access	Communication- email, telephonic and written	• Access	Communication- DME website, email telephonic and written
		• Courtesy	Help desk, Industry assessment workshops	• Courtesy	Help desk, Industry assessment workshops, access to NMPS
		• Open & Transparency	Clearly defined and displayed business processes	• Open & Transparency	Clearly defined and displayed business processes, better access to the DME website/NMPS
		• Information	Industry workshops on business processes, application procedures in the DME website, Guidelines	• Information	Industry workshops on business processes, application procedures in the DME website, Guidelines/NMPS
		• Redress	Feedback meetings, corrective actions	• Redress	Feedback meetings, corrective actions
		• Value for Money	Achievement of objectives of the MPRDA	• Value for Money	Transformed industry
		Time:	Six months for Prospecting Rights and Mining Permits, Twelve months for Mining Rights	**Time:**	Six months for Prospecting Rights and Mining Permits, Twelve months for Mining Rights
		Cost:	Prospecting fees and Rehabilitation fees/financial provision	**Cost:**	Prospecting fees and Rehabilitation fees/financial provision

MINE POLICY AND PROMOTION BRANCH:
SERVICE DELIVERY IMPROVEMENT PLANS

Key Service	Service Beneficiary	Current standard (2008/9)		Desired Standard (2009/10)	
Promote the mining and mineral industry of South Africa	The public, government departments, DME, DME associated institutions, mining industry, prospective investors	Quantity:	28 Publications 20 Promotional events Establish and support 33 sustainable SMMEs Develop /review policy and legislation	Quantity:	33 Publications 24 Promotional events 35 new and existing SMMEs supported Develop/ review 2 policies/legislation
		Quality:	Relevant content in publications	Quality:	Provide credible, accessible information through publications and consultations/ promotional events
		• Consultation	Meetings/ workshops, road shows, media interviews	• Consultation	Meetings/ workshops, road shows, media interviews
		• Access	Written, telephonic, visits, website, e-communication	• Access	Written, telephonic, visits, website, e-communication
		• Courtesy	Batho Pele Principles	• Courtesy	Batho Pele Principles
		• Open & Transparency	Annual Report	• Open & Transparency	Annual Report
		• Information	DME Website, publications and promotional events	• Information	DME Website, publications and focus on local events
		• Redress	Policies on transforming industry. As issues raised	• Redress	Policies on transforming industry Document all complaints and feedback provided
		• Value for Money	Within budget	• Value for Money	Effective service delivery (higher impact) with the reduced budget
		Time:	Annually	**Time:**	Annually
		Cost:		**Cost:**	

HYDROCARBONS AND ENERGY PLANNING BRANCH
SERVICE DELIVERY IMPROVEMENT PLANS

Key Service	Service Beneficiary	Current standard (2008/9)		Desired Standard (2009/10)	
		Quality:	Petroleum Products Act Licensing System (PPALS) is updated daily therefore it will necessary to wait until the end of March to update the statistics. Petroleum License statistics as at 27 February 2009: 14 193 Licence applications captured and accepted on PPALS. 341 - licences refused 17 - rejected 5 348 - licences granted 3 158 - licences Issued Total number of all license types processed:8 864- 5 116 - Outstanding accepted applications to be processed	Quality:	1 400 New licenses for all license types must be issued per annum N.B a site and retail license for this purpose are not accounted for as separate licenses
		• Consultation	Communication to Associations, oil companies and other stakeholders. Local radio broadcasting	• Consultation	Road shows, Advertisements, visual and audio media
		• Access	DME Website Fax on request Post on request	• Access	Regional Representation Provision of mobile services
		• Courtesy	Development of guidelines Help desk	• Courtesy	Help desk at regional offices and User manuals. More user-friendly licence applications guidelines
		• Open & Transparency	Publication of information in Government Gazette and also distribution to Oil companies	• Open & Transparency	More media exposure through adverts in newspapers, radio and TV

Key Service	Service Beneficiary	Current standard (2008/9)		Desired Standard (2009/10)	
		• Information	Information available on Request, via help desk, website	• Information	Regional representation, more collaboration with stakeholders Pamphlets; Workshops and seminars, Flyers
		• Redress	Redress past imbalances Improve BEE participation	• Redress	Improve technology used to speed up the issuing process, more electronic services to government Advocacy programs on Petroleum sector specific initiatives
		• Value for Money	Not enough client interface	• Value for Money	Robust client interface and improved turnaround times
		Time:	Planning to issue 1 200 new licenses by end of March 2010. N.B a site and retail license for this purpose are not accounted for as separate licenses	**Time:**	All new licenses issued in line with prescribed timelines
		Cost:	Initiating programmes to reach out to stakeholders which should costed	**Cost:**	Adequate costing
		HR	Attract and retain staff	**HR**	Improved productivity and employee satisfaction. Train people to acquire more qualitative and quantitative analysis skills

ELECTRICITY, NUCLEAR AND CLEAN ENERGY BRANCH
SERVICE DELIVERY IMPROVEMENT PLAN

Key Service	Service Beneficiary	Current standard (2008/9)		Desired Standard (2009/10)	
Alleviate poverty through increased access to Morden energy Carries	Households and Schools	Quantity:	150 000 households,700 Schools and 10 bulk sub-stations	Quantity:	150 000 households,2800 Schools and 10 bulk substations
		Quality:	Audited	Quality:	Audit
		• Consultation	IDP, Eskom, Municipalities	• Consultation	IDP Process, Eskom, Municipalities, Housing , DPLG ,DOE
		• Access	E-mail ,telephone	• Access	E-mail ,Telephone
		• Courtesy	Ad hoc	• Courtesy	Implement Batho Pele programmes
		• Open & Transparency	Provincial workshop	• Open & Transparency	Provincial Workshops
		• Information	Ad hoc	• Information	Website and workshops
		• Redress	Ad hoc	• Redress	Client feedback and query escalation processes
		• Value for Money	Unspent fund by municipalities	• Value for Money	Budget spent in line with priorities as allocated
		Time:	End March 2009	**Time:**	End March 2010
		Cost:	Unspent fund by municipalities	**Cost:**	Budgeted

Key Service	Service Beneficiary	Current standard (2008/9)		Desired Standard (2009/10)	
Facilitate Private Sector participation in the electricity sector	South African public and industry players	Quantity:	100 MW	Quantity:	1000 MW
		Quality:	Peaking Power	Quality:	Peaking Power
		• Consultation	Eskom, NERSA	• Consultation	Eskom, NERSA
		• Access	Email, telephone, Meeting	• Access	Email, telephone, Meeting
		• Courtesy	Ad hoc	• Courtesy	Implement Batho Pele programmes
		• Open & Transparency	Meetings, Government Gazette	• Open & Transparency	Meetings
		• Information	Ad hoc	• Information	Website and workshops
		• Redress	Ad hoc	• Redress	Client feedback and query escalation processes
		• Value for Money	Ad hoc	• Value for Money	Budget spent in line with priorities as allocated
		Time:	End June 2009	**Time:**	End March 2011
		Cost:	Budget	**Cost:**	Budget

Key Service	Service Beneficiary	Current standard (2008/9)		Desired Standard (2009/10)	
Electricity, Nuclear and Clean Energy Branch					
Providing funding through Renewable Energy Finance and Subsidy Office(REFSO) to entrepreneurs and BEEs	Entrepreneurs applying for funding to develop and implement renewable energy projects	Quantity:	3 Subsidized projects	Quantity:	5 Subsidized projects
		Quality:	Commercial viable renewable energy projects	Quality:	Commercial viable renewable energy projects
		• Consultation	• Press release • Website • Workshops across the country	• Consultation	• Intensify awareness campaign • Renewable energy investor conference
		• Access	Through officials at the Head Office	• Access	Involve municipalities and work with DME colleagues at the Region
		• Courtesy	• Meetings • Telephonically • Workshops and conferences	• Courtesy	• Meetings • Telephonically Workshops and conferences
		• Open & Transparency	Clear application procedure and clear appeal process for aggrieved applicants	• Open & Transparency	Clear application procedure and clear appeal process for aggrieved applicants
		• Information	Project information dissemination help desk	• Information	Project information dissemination help desk
		• Redress	Ad hoc	• Redress	Client feedback and query escalation processes
		• Value for Money	Contribution of total subsidize project is 124 GWh	• Value for Money	Additional 300 GWh per annum should be added to energy mix through REFSO support
		Time:	March 2009	**Time:**	March 2011
		Cost:	R 5 million	**Cost:**	R 10 million

Key Service	Service Beneficiary	Current standard (2008/9)		Desired Standard (2009/10)	
Electricity, Nuclear and Clean Energy Branch					
Regulatory Framework for large scale implementation and monitoring of energy efficiency	The South African public and industry	Quantity:	National Energy Efficiency Strategy of 2005	Quantity:	National Energy Efficiency Policy document reviewed for 2008 approved by Cabinet for public comment with disaggregated targets for industry
		Quality:	A well drafted document with action plans for the next 3 year cycle	Quality:	A well drafted document with action plans until 2015 and strategic direction up to 2050
		• Consultation	26-27 October 2008 workshops with all stakeholders	• Consultation	Continued consultation and establishment of an intergovernmental working group to ensure the implementation and coordination at different government department levels
		• Access	Available on the website of the DME	• Access	Making a mechanism available for individuals, companies, building owners etc. to determine their carbon footprint based on their energy consumption and measured to implement energy efficiency
		• Courtesy	Currently only voluntary to ensure readiness to implement before making it mandatory	• Courtesy	Keeping it voluntary as far as possible but commencing with regulations on areas where the voluntary approach is not functioning. Incentives have been announced and should be implemented as soon as possible
		• Open & Transparency	The Strategy has been presented at every possible occasion to workshops, exhibitions and conferences	• Open & Transparency	Continued discussions and presentations at different local national and international fora
		• Information	The document contains all the relevant information for implementation	• Information	Providing more information for each sector specifically including standards, codes of practice, implementation guidelines and checklists to ensure the implementation of energy efficiency on a large scale

Key Service	Service Beneficiary	Current standard (2008/9)		Desired Standard (2009/10)	
Electricity, Nuclear and Clean Energy Branch					
		• Redress	The strategy encourages the establishment of SMMEs to undertake energy efficiency projects and the creation of jobs	• Redress	Provide assistance by means of low interest loans and other incentives for the SMMEs to continue and training of more operators of equipment at different levels by ensuring unit standards
		• Value for Money	Energy efficiency is by its nature value for money as it saves the environment, the economy and will ensure social development.	• Value for Money	Payback periods will continue to decrease as the price of energy is increasing. More and more projects will become financially viable which will have a positive impact on the economy of the country
		Time:	The Strategy has a target for 2015 for the medium term and a 2050 target for the long term	**Time:**	The energy efficiency improvements in the country will have to continue and be accelerated to address global warming and climate change up to 2050
		Cost:	The monitoring of the targets must be done and the cost associated with that is R8million over 3 years	**Cost:**	The monitoring will have to continue up to 2050 but the costs will significantly reduce once the modelling mechanism has been implemented. It will then only be the cost of data gathering and personnel to analyse the data
			The large scale implementation of projects amounts to R1.55 billion over the next 3 years		The continued funding of projects will be required to create the incentives for implementation

STATE OWNED ENTITIES (SOE) REPORTING TO THE MINISTER OF MINERALS AND ENERGY

Purpose: Provide related services in support of the Department's mandate through funded and non-funded statutory bodies and organizations.

Measurable Objective: Enhance the Department's objectives through policies and directives, promoting its legislative mandate and leading to the creation of an environment conducive to investment and the improvement of the quality of life of South Africans.

The DME has oversight responsibilities over the following ten (10) State Owned Entities (SOE) which are either classified as schedule 2 or 3 in the PFMA. These include subsidiaries of these entities, which according to PFMA are taken as listed entities in their own right.

Annual strategy meetings/workshops chaired by the Minister of Minerals and Energy will be held around June/July of every year. These meetings, which are compulsory, will be attended by the Chairpersons and the Deputy Chairpersons of the boards, the CEOs of all SOEs, and EXCO members from the department. (The Minister will invite the chairpersons and CEOs of subsidiaries if deemed necessary.)

The main purpose of these meetings will be for the shareholder to address the strategic direction of the department and its entities. This process should provide absolute role clarity by key players (the shareholder and the board). There must be a clear mandate for the entities in terms of what needs to be delivered and what performance is expected.

Following these workshops, the SOEs Chairpersons will be responsible for ensuring that each entity undergoes its strategic planning session within the prescribed time, and provide the necessary information to the Department.

The representatives of the entities will be required to make presentations before the **Department's strategic plans review committee (made up of the following sections: Compliance Office, Finance, Internal Audit and responsible line function)** on their strategic plans, business plans and budget proposals. The review committee, which will be chaired by the Deputy Director General for Corporate Services, will then make appropriate recommendations to the Director General and Executive Authority on the reviewed information. Depending on circumstances, further presentations to the Minister may be recommended.

The annual and quarterly performance reviews are performed by the Strategy Review Committee, which looks at all areas encompassing the operations of the SOE including finance, technical, research, etc and where necessary appropriate corrective action is recommended.

Governance Arrangements

The enabling legislation requires the Minister to appoint members of the boards of all state owned entities reporting the Minister of Minerals and Energy. Board members, with the exclusion of CEOs, are non-executive. The department is represented on all of these boards, except for NERSA where there is representative of the Department. Boards are ultimately accountable and responsible for the performance of the entities. They give strategic directions to the entity in line with the mandate and this is in turn implemented by management.

Expenditure Estimates
State Owned Entities

Sub programme		Estimated Outcome	Medium-term estimate		
R thousands		2008/09 R000	2009/10 R000	2010/11 R000	2011/12 R000
Council for Mineral Technology Research (MINTEK)	**Total Revenue**	**421 966**	**462 643**	**465 659**	**470 986**
	Sale of goods and services	286 132	307 277	303 587	300 028
	Transfers	135 834	155 366	162 072	170 958
	Total expenses	**355 311**	**395 571**	**433 413**	**484 632**
	Surplus / (Deficit)	**66 635**	**67 072**	**32 246**	**(13 646)**
South African Nuclear Energy Corporation (NECSA)	**Total Revenue**	1 200 731	1 276 961	1 384 124	1 478 696
	Sale of goods and services	667 252	712 817	788 750	850 596
	Transfers	533 479	564 144	595 374	628 100
	Total expenses	1 176 554	1 224 367	1 324 537	1 396 706
	Surplus / (Deficit)	24 177	52 594	59 587	81 990
National Nuclear Regulator (NNR)	**Total Revenue**	**90 295**	**112 329**	**123 306**	**129 246**
	Sale of goods and services	69 962	88 536	98 352	110 622
	Transfers	20 333	23 793	24 954	18 624
	Total expenses	**91 402**	**117 774**	**132 595**	**148 835**
	Surplus / (Deficit)	**(1 107)**	**(5445)**	**(9 289)**	**(19 589)**
Council for Geoscience (CGS)	**Total Revenue**	**246 542**	**265 093**	**281 301**	**264 700**
	Sale of goods and services	123 870	135 607	145 936	159 316
	Transfers & reserve withdrawals	122 672	129 486	135 365	105 384
	Total expenses	**246 542**	**265 093**	**281 301**	**264 700**
	Surplus / (Deficit)	**0**	**0**	**0**	**0**
Electricity Distribution Industry Holdings Company (EDIH)	**Total Revenue**	**70 200**	**72 764**	**76 173**	**59 117**
	Sale of goods and services	0	0	0	0
	Transfers	70 200	72 764	76 173	59117
	Total expenses	**76 861**	**70 568**	**75 634**	**79 476**
	Surplus / (Deficit)	**(6 661)**	**2 196**	**538**	**(20 359)**
South African Diamond and Precious Metals Regulator (SADPMR)	**Total Revenue**	**64 082**	**50 647**	**52 497**	**42 580**
	Sale of goods and services	24 082	11 233	11 066	10 554
	Transfers	40 000	39 414	41 431	32 026
	Total expenses	**41 515**	**53 633**	**59 523**	**65 593**
	Surplus / (Deficit)	**22 567**	**(1 986)**	**(7 026)**	**(23 013)**

Sub programme		Estimated Outcome	Medium-term estimate		
R thousands		2008/09 R000	2009/10 R000	2010/11 R000	2011/12 R000
Central Energy Fund Group (CEF)	**Total Revenue**	**13 302 763**	**12 911 814**	**17 247 120**	**16 063 652**
	Sale of goods and services	10 475 061	11 043 259	15 318 603	14 599 652
	Transfers	2 827 702	1 868 555	1 928 517	1 464 000
	Total expenses	**18 072 169**	**13 789 784**	**13 888 760**	**12 829 419**
	Surplus / (Deficit)	**(4 769 406)**	**(877970)**	**3 358 360**	**3 234 233**
National Energy Regulator of South Africa (NERSA)	**Total Revenue**	**117 737**	**143 980**	**187 426**	**216 983**
	Sale of goods and services	117 737	143 980	187 426	216 983
	Transfers	0	0	0	0
	Total expenses	**112 879**	**182 743**	**199 419**	**210 512**
	Surplus / (Deficit)	**4 858**	**(38 763)**	**(11 993)**	**6 471**
State Diamond Trader (SDT)	**Total Revenue**	**448 274**	**614 117**	**632 540**	
	Sale of goods and services	448 274	614 117	632540	
	Transfers	0	0	0	
	Total expenses	**442 916**	**607 060**	**625 152**	
	Surplus / (Deficit)	**5 359**	**7057**	**7388**	
Mine Health And Safety Council (MHSC)	**Total Revenue**	**64 822**	**66 133**	**70 034**	**74 236**
	Sale of goods and services	59 913	61 015	64 676	68 556
	Transfers	4 909	5 118	5 358	5 680
	Total expenses	**64 822**	**66 133**	**70 034**	**74 236**
	Surplus / (Deficit)	**0**	**0**	**0**	**0**

REGULATORS

1. NATIONAL NUCLEAR REGULATOR (NNR)

Strategic overview: 2005/06 - 2011/12

The National Nuclear Regulator was established in terms of the National Nuclear Regulator Act (1999), which came into effect in February 2000. The act mandates the regulator to regulate diverse activities in the nuclear sector, including the operation of nuclear power plants, power reactors, research reactors, nuclear fuel fabrication, nuclear technology applications, and the mining and processing of uranium and other radioactive ores.

The mandate of the regulator encompasses the provision of protection to persons, property and the environment against nuclear damage by establishing safety standards and regulatory practices, exercising regulatory oversight and control over any action that may cause nuclear damage, and over nuclear installations including vessels propelled by nuclear power or that contain radioactive material. The regulator issues nuclear authorisations and enforces compliance. It has to ensure that provisions for nuclear emergency planning are in place, and ensure compliance with the International Atomic Energy Agency's regulations for safe transport. The regulator is also mandated to advise the Minister of Minerals and Energy on all nuclear related matters.

The National Nuclear Regulator's strategic objectives over the MTEF period are to:

- develop, review and implement regulatory policies and practices and enforce compliance by strengthening the analytical verification capability and capacity of the regulator's laboratory and conducting research that will contribute to strengthening the regulatory regime
- improve the sourcing and talent management of technical experts
- establish partnerships with institutions with credible technical expertise
- optimise resource utilisation in line with the regulator's expansion plans
- improve international cooperation and liaison to enable professionals and specialists from the regulator to extend their knowledge by participating in international forums and technical visits
- strengthen corporate governance by developing and maintaining sound policies and instituting appropriate control.

2. NATIONAL ENERGY REGULATOR OF SOUTH AFRICA (NERSA)

NERSA's mandate is anchored on four primary Acts namely the National Energy Regulator Act, 2004 (Act No. 40 of 2004); the Electricity Regulation Act, 2006 (Act No. 4 of 2006); the Gas Act, 2001 (Act No. 48 of 2001); and the Petroleum Pipelines Act, 2003 (Act No. 60 of 2003).

NERSA derives its revenues by, amongst others, imposing prescribed levies on the regulated industries following a prescribed transparent procedure. The imposition of such levies are governed by the Gas Regulator Levies Act, 2002 (Act No. 75 of 2002); the Petroleum Pipelines Levies Act, 2004 (Act No. 28 of 2004); and Section 5B of the Electricity Act, 1987 (Act No. 41 of 1987). In terms of the National Energy Regulator Act, NERSA is funded through money appropriated by Parliament; levies imposed by or under separate legislation

The priorities from the Strategic Framework and Intent are:

1. To implement relevant energy policy efficiently and effectively;
2. To implement relevant energy law efficiently and effectively;
3. To implement relevant energy regulations efficiently and effectively;
4. To identify, develop and implement relevant energy rules efficiently and effectively;
5. To establish the credibility, legitimacy and sustainability of NERSA as an independent and transparent energy regulator;
6. To create an effective organisation that delivers on its mandate and purpose; and
7. To evaluate the Energy Regulator's effectiveness.

Key focus areas for the 2009/10 financial year

In accordance with our mandate, some of the key focus areas for NERSA for 2009/10 will be:

1. Issuing of licences with conditions;
2. Setting and/or approving tariffs and prices;
3. Monitoring and enforcing compliance with licence conditions;
4. Dispute resolution including mediation, arbitration and the handling of complaints

The associated key projects relating to these are:

a) the development of a pricing mechanism for municipal electricity distributors,
b) transmission grid code amendments,
c) monitoring and approval of piped gas tariffs,
d) determination of Sasol's Dispensation period in terms of the Mozambique Gas Pipeline Agreement,
e) petroleum pipelines tariff setting,
f) implementation of the Regulatory reporting Manuals and
g) the roll out of the licence Information system

3. SOUTH AFRICAN DIAMOND AND PRECIOUS METALS REGULATOR (SADPMR)

The SA Diamond Board was established in terms of the Diamond Act, (Act No. 56 of 1986 as amended). Both the Diamond Amendment Act and the Precious Metals Act have ushered in a new era in the regulation of the mineral industry in the country by creating an enabling environment for the beneficiation of the country's mineral resources by widening access to rough diamonds and precious metals. The Diamond and Precious Metals Regulator replaced the South African Diamond Board from 1 July 2007, which resulted in the delisting of the South African Diamond Board in terms of the PFMA.

The regulatory activities of the South African Diamond and Precious Metal Regulator encompass diamonds, platinum group metals and gold. The Diamond Bourse of South Africa was incorporated into the regulator. The acts mandate the regulator to regulate the diamond, platinum and gold industries, and have broadened its mandate in order to accelerate beneficiation in the jewellery industry

South Africa's competitive edge in the global mining industry relies on the presence of world class known deposits of gold, platinum, diamonds and other various mineral commodities which have been exploited by big mining companies and exported as raw materials, by so doing denying the local manufacturing industries an opportunity to participate in the value chain. The regulator will create opportunities of the expansion of this industry to include HDSA's and SMMEs.

Key priorities for the coming MTEF period:

- Regulate the diamond and precious metals industries for the benefit of all South Africans,
- To ensure efficient and cost effective administration at a minimum compliance cost to the regulated industries,
- To ensure that the precious metals and diamond resources of South Africa are exploited and developed in the best interest of the people of South Africa;
- To promote equitable access to, and local beneficiation of South Africa's precious metals and diamonds,
- To promote the sound development of precious metals and diamond enterprises in South Africa.

RESEARCH AND DEVELOPMENT

4. COUNCIL FOR GEOSCIENCE (CGS)

The Council for Geoscience (CGS) was established in terms of the Geoscience Act, Act 100 of 1993. The objectives underlying the establishment of the CGS are to develop and publish world-class Geoscience-knowledge products and to render Geoscience-related services to the South African public and industry.

The mandate of the CGS, as defined in the above Act includes:

- The systematic reconnaissance and documentation of the geology of the earth's surface and continental crust, including all offshore areas within the territorial boundaries of South Africa.
- The compilation of all Geoscience data and information, particularly the geological, geophysical, geochemical and engineering-geological data in the form of maps and documents, which are placed in the public domain.
- To manage a number of national Geoscience facilities on behalf of the state, these facilities include the National Geoscience Museum, the National Borehole library, the National Seismological network and the South African Infrasound Observatory etc.

Key priorities for the coming MTEF period:

- Growth of the CGS and development of the first economy (ensuring that the CGS grows as an organisation and also contributes to economic development - people, scientific and financial)
- Regulatory, systems and stakeholder (ensuring that the CGS compliance with legislative requirements, development of CGS regulatory systems and alignment with national mandates)
- Rural development and poverty eradication (ensuring that the CGS contributes to the development of the second economy)
- Innovation (development of products, systems and services)
- Africa development (CGS assistance in the development of Africa and its people by upgrading the continent's geosciences infrastructure)
- Skills development (building capacity in respect of scientific, administrative and managerial/leadership skills)
- Transformation (business and people).

Key focus areas for the 2009/10 financial year

- To drive stakeholder and customer satisfaction by the development of world class products and services.
- To develop and implement effective policies and procedures

a) To drive preferential procurement

- To implement a corporate planning and reporting procedure
- To generate revenue and manage overheads effeciently
- To build a positive organisational culture
- To attract and retain a skilled workforce.

5. COUNCIL FOR MINERAL TECHNOLOGY RESEARCH (MINTEK)

Strategic overview: 2005/06 - 2011/12

The ongoing development and application of innovative and knowledge intensive technologies is essential for socioeconomic growth purposes. The Council for Mineral Technology and Research develops technologies aimed at strengthening the competitiveness of the traditional mineral processing cluster and fostering new opportunities.

Over the MTEF period, Mintek will focus on:

- **Improved investment in the undergraduate and graduate bursary programmes and rigorous human resource development**: the council's capacity is being constrained by the high turnover of experienced scientists and engineers, who move to higher paying positions in the private sector. The salaries of these professionals are being adjusted to close the gap and the council has initiated a programme to recruit a small number of experienced engineers from abroad. The council aims to reach a professional staff turnover rate of 16 per cent or less in 2009/10.

- **Uranium research and development:** following the upswing in the uranium market, the council has re-established itself as one of the foremost uranium laboratories in the country. Systematic research is carried out on the processing of different types of uranium mineralisation found in South Africa to provide enabling technology for the beneficiation of these deposits.

- Titanium research and development: there is a growing need and pressure to establish a South African titanium industry. Developing key primary and downstream technologies will enable a competitive world scale titanium metal industry to be established concurrently, allowing South Africa to capture the benefits of an emerging international light metals industry.

Some of the key projects that Mintek is planning on embarking in order to achieve its strategic objectives include:

a) the development of new technologies for the processing of ore bodies that are not currently exploited as a result of their low grade, impurity levels or complexity.
b) the development of advanced process control and performance monitoring for flotation and milling
c) develop commercial applications for precious metals use in biomedicine (cancer, HIV), catalysis, nanoscience and nano-technology
d) Mintek will also develop two (2) new SMMEs per year for the next three years and support the existing ones to be self sufficient
e) The company will also develop methods to establish infrastructure to identify the source of diamonds through trace elements analysis as part of the

Diamond Finger Printing Project with the South African Diamond and Precious Metals Regulator

6. CENTRAL ENERGY FUND GROUP (CEF)

CEF is a private company, incorporated in terms of the Companies Act and is governed by the CEF Act, 1997 (Act No. 38 of 1997). The purpose of CEF in terms of the CEF Act is to give effect to the objectives of the Central Energy Fund which are to finance and promote:

- The acquisition of coal, the exploitation of coal deposits, the manufacture of liquid fuel, and other products from coal, the marketing of the said products and any other matter connected with the said acquisition, exploitation, manufacture and marketing;
- The acquisition, generation, manufacture, marketing or distribution of any other form of energy, and research connected therewith;
- Any other object for which the said Central Energy Fund must be applied, and which has been designated or approved by the Minister of Mineral and Energy with the concurrence of the Minister of Finance.

Activities

The CEF group of companies operates in the energy sector and is made up of entities with commercial, strategic, licensing and development roles. The group consists of five operating subsidies - PetroSA, IGas, Petroleum Agency SA, OPCSA, and SFF.

CEF is involved in the search for appropriate energy solutions to meet the future energy needs of South Africa, SADC and the sub-Saharan Africa region, including oil, gas, electrical power, solar energy, low-smoke fuels, biomass, wind and renewable energy sources. CEF also manages the operation and development of the oil and gas assets and operations of the South African government.

CEF, through its integrated oil company subsidiary, PetroSA, is involved in the exploration for oil and gas onshore and offshore South Africa, as well as the rest of Africa; the production of environmentally friendly petroleum fuels and petrochemical products from gas and condensate at its synfuels refinery outside Mossel Bay; and the management of oil storage facilities. SFF manages South Africa's strategic reserves of crude oil.

CEF's Energy Development Corporation (EDC) division pursues commercially viable investments in renewable energy sources (with the exception of natural oil and other already commercialized and developed energy technologies in Southern Africa.). This division focuses on a number of niche areas, commercial projects; developmental projects, which catalyze the renewable energy sector, and social projects, which benefit previously disadvantaged communities.

CEF subsidiary company, Oil Pollution Control SA, provides oil prevention, control, and clean-up services, mainly in South Africa ports and coastal areas, in terms of South Africa's National Environmental Management Act (NEMA).

CEF, through its subsidiary Petroleum Agency South Africa, manages the promotion and licensing of oil and gas exploration, development and production in South Africa and the coastal areas offshore South Africa as part of creating a viable upstream oil industry in the country. As already indicated above, Petroleum Agency SA's main business is to act as the agent of the Republic of South Africa in promoting exploration for and exploitation of natural oil in the Republic of South Africa. In essence, PASA performs regulatory and promotional functions in respect of oil and gas exploration and production.

CEF subsidiary iGas acts as the official agent of the South African Government for the development of the hydrocarbon gas industry, comprising natural gas (LNG) and petroleum gas (LPG), in South Africa.

Key priorities for the coming MTEF period:

- Manage the Energy business for the benefit of all South Africans.
- Ensure long term sustainability of the group.
- Improve energy security of supply through diversifying sources and by building and managing strategic energy stocks and energy infrastructure
- Develop human capacity and invest in relevant energy R&D.
- To manage and optimally exploit local strategic and related resources.
- Invest in and develop alternative and clean renewable energy technologies that will improve energy efficiency and the quality of life for low income households.
- Establish a strategy for project investment and obtain

financing for group projects.
- Transformation.
- Minimise environmental impact and maximise sustainable development

Key focus areas / projects for the 2009/10 financial year

- Increase hydrocarbon gas busage in South Africa through participation in the ROMPCO pipeline and other potential pipelines
- Investigate and develop LNG options for Gas supply
- Invest in a number of renewable energy projects in the Nelson Mandela Bay Metro
- Conclude feedstock and Power Purchase Agreements, procure and commission equipment
- Manage environmental liabilities efficiently and provide pollution control services.
- Use carbon reduction projects to generate income through marketing CER on the international carbon market.

7 SOUTH AFRICAN NUCLEAR ENERGY CORPORATION (NECSA)

The Nuclear Energy Corporation of SA (Necsa) has been incorporated in terms of the Nuclear Energy Act no 46 of 1999. Its main functions are to undertake and promote research and development in the field of nuclear energy and radiation sciences and technology and subject to the Safeguards Agreement, to make these generally available; process source material, special nuclear material and restricted material and to reprocess and enrich source material and nuclear material; and co-operate with any person or institution in matters falling within these functions subject to the approval of the Minister. In addition to its research mandate, NECSA is also responsible for the following institutional obligations on behalf of the state: decommissioning and decontamination of past strategic nuclear facilities; management of nuclear waste disposal on a national basis; application of radiation technology for scientific and medical purposes; operation of the SAFARI-1 nuclear reactor; operation of the Pelindaba site and accompanying services; and execution of the safeguards function.

At the heart of Necsa's activities lies the obligation to adhere to its nuclear R&D mandate as iterated in section 13 of the NEA. To initiate the regeneration of its nuclear R&D activities, the organisation was reconfigured according to best international practice. Necsa also expanded its portfolio of R&D activities by re-establishing a nuclear fuel cycle development group as well as a biosciences programme.

The Nuclear Energy Corporation of South Africa supports the development of viable nuclear fuel cycle options for the Eskom new build programme, which has the potential to open up important opportunities for the nuclear and manufacturing industry to secure the energy supply, contribute to minerals beneficiation, develop the manufacturing industry and train technically skilled people.

The Nuclear Energy Policy issued in June 2008 designates NECSA as the lead agency in nuclear R&D, and as the agency responsible for the development of viable nuclear fuel cycle options and opportunities for security of nuclear energy supply, mineral beneficiation, industrial development, job creation and technical skills for South Africa

Priorities over the MTEF period include:

- responding to the new build programme by establishing fuel cycle capabilities, localising nuclear manufacturing and building key partnerships
- expanding the corporation's commercial revenue and developing appropriate products
- developing the corporation's nuclear facilitation capacity, including licensing, promoting safeguards, and nuclear security
- collaborating more closely with the Pebble Bed Modular Reactor programme
- intensifying human resource development activities.

Key focus areas / projects for the 2009/10 financial year

- Developing its role as the lead agency in nuclear R&D in South Africa
- Supporting the Eskom nuclear new build programme
- Forging closer cooperation with the PBMR programme
- Establishing key collaborative agreements and partnerships
- Expanding the Necsa group's commercial revenue and its development linkage with R&D

- Developing Necsa's nuclear facilitation capacity: licensing, safeguards and security
- Attending to the shape and size of Necsa's human resources and
- Developing and promoting nuclear technology and the Necsa brand

8. MINE HEALTH AND SAFETY COUNCIL (MHSC)

The Mine Health and Safety Council (MHSC) functions in terms of the Mine Health and Safety Act (No 29 of 1996), to advise the Minister of Minerals and Energy on OHS legislation and research outcomes focused on ameliorating and promoting occupational health and safety at South African mines.

The Council was constituted in 1996 on recommendations made by the Leon Commission of Inquiry into Health and Safety in the Mining Industry, and which resulted in the promulgation of the Mine Health and Safety Act (MHSA, Act 29 of 1996).

The Council as well as its three statutory tripartite Permanent Committees consists of 15 non-executive members representing the State, Employers and Employees under Chairmanship of the State. The Permanent Committees were established in terms of Section 44 (3) (a-e) and Section 44 (4) (a-d) of the Mine Health and Safety Act and comprises of the following:

- The Mining Regulations Advisory Committee (MRAC) is responsible for advising the council on proposed changes to legislation, Guidelines for codes of practice and for Standards approved by the South African National Standards (SANS).
- The Mining Occupational Health Advisory Committee (MOHAC) is responsible for advising the Council on health policies, regulations, research, the management of health risks and data management.
- The Safety in Mines Research Advisory Committee (SIMRAC) reviews OHS risks and solicit research projects, manage the conclusion of those projects and advice on the technology transfer of its results.

The key long-term objectives of the Council are to eliminate fatalities, reduce injuries (especially disabling injuries) and reduce occupational diseases in the mining sector.

Key priorities for the coming MTEF period:

- Promote and facilitate the development of a preventative Occupational Health and Safety (OHS) culture (promote occupational health and safety in the mining industry);
- Support the achievement of 2013 milestones within the mining industry (mainly implement research outcomes and support the MHSI to drive OHS);
- Promote the understanding and implementation of legislation;
- Advise the Minister on health and safety issues;
- Promote the development of OHS capacity and
- Ensure the effective operation of the Council (setup and implement an effective and efficient governance structure).

Key focus areas for the 2009/10 financial year

- Implementation of the SIMRAC project on the elimination of silicosis
- Implementation of the SIMRAC project on the elimination of Noise induced hearing loss
- Implement communication plan on the promotion of occupational health and safety in the mining sector
- Develop an occupational health and safety research programme
- Develop a human factor research programme

OTHER

9. ELECTRICITY DISTRIBUTION INDUSTRY HOLDINGS (EDIH)

Electricity Distribution Industry Holdings Company (Pty) Ltd was created for the sole purpose of executing the Government's strategic objectives of restructuring the Electricity Distribution Industry (EDI) as per the requirement of the Energy White paper of 1998, the EDI Restructuring Blueprint of 2001, and as amplified by subsequent cabinet decisions. The aim of the restructuring is to provide all South Africans, including the poorest, with affordable, reliable and sustainable electricity, which will lead to an improved standard of living. The restructuring is being facilitated by an interdepartmental task team comprising the departments of minerals and energy, public enterprises, and provincial and local government, and

National Treasury, and the Electricity Distribution Industry Holdings Company.

The objectives of the EDIH are to ensure:

- Plan, control and manage the process of the establishment and implementation of 6 financially viable REDs.
- Retain effective control over the REDs through special voting shares.
- Manage the provision of short term support by strong and electricity providers.
- Ensure sustainable supply to low income consumers, regardless of location or affordable prices
- Future REDs to operate on a financially viable basis a independent businesses
- Future REDs to provide secure employment to their employees, provide skills development and training consistent with high technology modern distribution business
- Transition to be done within the context of a comprehensive human strategy and an agreed social plan.
- Prepare and implement an electricity distribution industry- wide social plan and other plans.

Key priorities for the coming MTEF period:

Key priorities for the MTEF period are reflected by the EDI Holdings mandate to restructure the existing Electricity Distribution Industry entities, into financially viable Regional Electricity Distribution companies as resolved by Cabinet on 25 October 2006, and in accordance with National Government policy which is to implement Affordable and Reliable Electricity Distribution to the Poorest of the Poor, improving Standard of living of the all South Africans, enhancing Universal Access to Electricity in the whole of South Africa by 2010 and beyond.

Some of the key priorities for the EDI Restructuring approach for the planning period are as follows:

- Providing thought leadership and strategic advice for the electricity distribution industry
- Ensuring the creation of 6 wall to wall REDs.
- Ensuring that the REDs deliver on the national objectives of Electricity Distribution Industry reform
- Being catalyst and champions of the EDI restructuring process through proactive and continuous advocacy

Key focus areas for the 2009/10 financial year

1. The Deal
   a. Recognising that buy-in from current asset owners and key stakeholders is critical in ensuring success of restructuring, a 'Deal' which will amongst others include compensation; Valuation; shareholding; RED governance will have to be designed and negotiated amongst stakeholders in order to establish trade-offs between competing vested interests.
   b. Consultation and Negotiations with Organized Labour to ensure sufficient Consensus on all the principles of the EDI Restructuring, including agreement on the Future Bargaining Structure for the Industry, and an agreement on the Conditions of Service Harmonisation Framework/Salary Harmonisation.
   c. The Intensification of stakeholder management and communications to support readiness preparations, the Deal making process and the envisaged Strategic Implementation Plan for RED establishment.

2. EDI Holdings Contribution to the Legislative/Policy processes
   a. RED Establishment Bill and associated regulations
   b. Constitution

3. Municipal and Eskom Readiness Projects
   a. Ring fencing
   b. MSA section 78 compliance processes
   c. Due Diligence

4. RED Establishment Roadmap/Transition Path
   a. In response to the 25 October 2006 Cabinet Decision to guide the move from the current state to the desired 6 wall to wall public entity REDs

5. Contributions to the National Electricity Response Team projects

10. STATE DIAMOND TRADER

The State Diamond Trader (SDT) is a statutory company established in terms of Schedule 3b of the Public Finance Management Act (PFMA). Its establishment is underpinned by the Diamonds Act, 56 of 1986 as amended. The Diamond Trader started its operations on September 1, 2007.

The objectives of the SDT are to promote equitable access to beneficiation of diamond resources. The main aim of the SDT is to address the distortions in the diamond industry and correct historical market failures to develop and grow South Africa's diamond cutting and polishing industry.

The SDT strategic objectives are as follows:

- To promote equitable access to and beneficiation of rough diamonds;
- To facilitate the development services to State Diamond Trader clients;
- To facilitate research and development on the diamond trade,
- To provide a clear strategic approach to the African diamond market.

Key priorities for the coming MTEF period:

Key priorities for the MTEF period are reflected by the SDT vision and mandate to promote equitable access to the beneficiation of diamond resources. The following are the identified key priorities for the MTEF period:

- To build an effective diamond trading company that possesses a sound vision and strategy and a solid business case for implementation
- To create and establish a conducive environment for the South African cutting and polishing industry to grow by facilitating value-adding partnerships and networks among key stakeholders and thereby helping customers to achieve success in their own businesses.
- To define and adopt the strategic direction of the diamond industry that is aligned with new legislation, industry sectors, stakeholder interests and international markets and focussed on asset of initiatives that serve to provide a coherent framework of action for key stakeholders.
- Build adequate capacity of the SDT to fulfil its mandate based on knowledge, skills, resources and procedures that draw on its management and technical teams and value adding partnerships and collaborations
- Build a financially sound company with financial systems that are transparent, predictable, and accountable and institute prudent procurement practices.

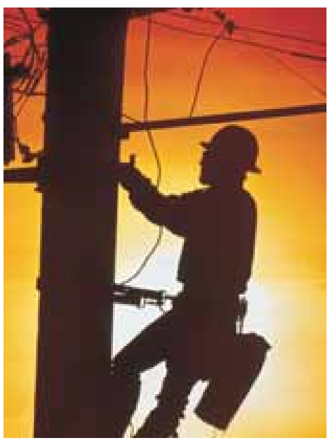
Split of the Department of Minerals and Energy in line with the directives on Macro Re-Organisation of the State.

In line with the announcement made by the President that the Department of Minerals and Energy should split into two departments, namely the Department of Energy and the Department of Mining, a process has commenced to investigate the Interim and End-State options and models, within the frameworks of both the Appropriation Act and the Public Service Act, as well as the Guidelines on the Transformation and Restructuring of the Public Service. The Department will embark on a full-scale Workstudy investigation with a view to developing a business case proposal with options analysis for the split of the department into two (2).

This will be preceded by a detailed submission to the Minister of Public Service and Administration, of a business case proposal on the split of the Department, who will in turn make a determination to be considered by parliament, on the amendment of Schedule 1 of the Public Service Act, as well as issuing a Proclamation in this regard

Strategic Plan

2009/10 - 2011/12



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