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PERFORMANCE AGREEMENT

BETWEEN

THE PRESIDENT OF THE REPUBLIC OF SOUTH AFRICA

AND

THE MINISTER FOR MINERAL RESOURCES AND ENERGY

PERIOD OF AGREEMENT

JUNE 2019 TO APRIL 2024

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CONSTITUTION AND LEGISLATION

The Constitution of the Republic of South Africa, 1996, stipulates in section 91 (2) that the President appoints the Deputy President and Ministers, assigns their powers and functions, and may dismiss them. *The Constitution of the Republic of South Africa, 1996*, stipulates in section 92 (1) that the Deputy President and Ministers are responsible for the powers and functions of the executive assigned to them by the President.

Executive Members' Ethics Act (No. 82 of 1998) state that members of the Cabinet must act according to a code of ethics, created by the President pursuant to the principles and framework established by the Executive Members' Ethics Act of 1998.

The principles of natural justice apply.

MINISTERIAL KEY RESPONSIBILITY AREAS

The constitutional imperatives and obligations contained in Chapter 5 of the Constitutions including but not limited to sections 92, 93, 96, 97, 98, 99, are applicable.

The contents of this agreement set out the powers and functions assigned to you by the President in accordance with Section 91(2).



KEY RESPONSIBILITY AREA 1: POLITICAL LEADERSHIP CONTRIBUTING TO THE COUNTRY'S TRIPLE CHALLENGES, NDP PRIORITIES AND MEDIUM TERM STRATEGIC FRAMEWORK (MTSF) 2019 – 2024

As Minister in the Cabinet you will contribute **individually and collectively** to addressing the triple challenges of poverty, inequality and unemployment and the MTSF 2019 - 2024.

Priority 2: Economic transformation and job creation

Target: Unemployment reduced to 20-24% with 2 million new jobs especially for youth; economic growth of 2-3% and growth in levels of investment to 23% of GDP

INVESTING IN ACCELERATED INCLUSIVE GROWTH				
Outcome				
Interventions	Indicators	Baseline	Targets	Minister's Responsibility
Ensure the macroeconomic policy alignment and coherence	Framework for a just transition to a low carbon economy developed and implemented	New Indicator	Framework for a just transition to a low carbon economy developed and implemented by 2022	Contribute in development of a just transition framework and ensure transition to an energy mix as per the IRP 2019.
Accelerate delivery through transformative innovation- Operation Phakisa Mining Lab- galvanising growth, investment and employment creation along the mining value chain and mining-related communities	% investment attracted in the mining cluster Number of direct jobs created per investment	New Indicator	6 percent investment attracted in the South African mining cluster by 2020; Increase in the number of direct jobs created as per investment, from zero in 2016 to 5 percent in 2020, with up to 979 888 additional jobs created	Ensure oversee of all the investments

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Outcome				
INDUSTRIALISATION, LOCALISATION AND EXPORTS				
Interventions	Indicators	Baseline	Targets	Minister's Responsibility
Create a conducive environment that enables national priority sectors to support industrialisation and localisation, leading to increased exports, employment, and youth- and women-owned SMME participation	<p>Mining Masterplan developed</p> <p>National priority sectors grow contribution to GDP growth of 3% and exports increase by 4%</p>	<p>Automotive and CTLF Masterplans</p> <p>New indicator</p>	<p>Mining master plans developed and implemented (to promote mining and oceans economy) by March 2021</p> <p>Exports for national priority sectors increased by 4%</p>	Ensure development and implementation of mining master plan

Target: INVESTMENT TO REACH 23% OF GDP BY 2024 WITH THE PUBLIC SECTOR CONTRIBUTING 8% OF GDP AND THE PRIVATE SECTOR CONTRIBUTING 15% OF GDP

Outcome				
SUPPLY OF ELECTRICITY SECURED				
Interventions	Indicators	Baseline	Targets	Minister's Responsibility
Improve energy availability factor to ensure constant supply of electricity	Increased energy availability factor	73.74 %	Above 80% by 2024	Create maintenance space for Eskom by augmenting supply with 2000 MW of emergency power, additional power from IPPs and generation for own use in line with IRP 2019. Implement the Integrated Resource Plan 2019

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Outcome				
SUPPLY OF ELECTRICITY SECURED				
Interventions	Indicators	Baseline	Targets	Minister's Responsibility
				Minister of DMRE will support Minister of DPE in improving energy availability factor
Increase reserve margin to counter load shedding	Increased electricity reserve margin	4.3 %	15% by 2024	Augmenting supply with 2000 MW of emergency power Implement the Integrated Resource Plan 2019 Minister of DMRE will support Minister of DPE in improving energy availability factor
Explore embedded generation options to augment Eskom capacity	Additional megawatts commissioned	New indicator	1000 MW by 2024	Enable generation for own use through schedule 2 of the Electricity Act and IRP2019. Enable municipalities in good financial standing to procure own generation Implement the Integrated Resource Plan 2019 Minister of DMRE will support Minister of DPE in improving energy availability factor
Separation and unbundling of Eskom to eliminate cross-subsidisation and improve efficiency	Independent transmission company under Eskom Holdings established	New indicator	Transmission company established by 2024	Provide legislative and regulatory framework for a restructured electricity supply industry
Diversify energy sources by implementing the approved Integrated Resource Plan	Share of alternative energy sources	5.9 %	Share of alternative energy sources at 11 % by 2024	Expedite Independent Power Producers applications approvals and setting up of transmission company Implement capacities in the IRP 2019.



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Outcome				
SUPPLY OF ELECTRICITY SECURED				
Interventions	Indicators	Baseline	Targets	Minister's Responsibility
Strengthen NERSA's regulatory oversight of Eskom and relevant municipalities	NERSA review completed with recommendations adopted by Cabinet and implemented	New indicator	NERSA review completed with recommendations adopted by Cabinet and implemented by the end of 2020	Strengthen NERSA's regulatory oversight of Eskom and relevant municipalities through amendment of legislation
Security of supply and diversify liquid fuels	Strategy and plan on liquid fuels reviewed and updated	Integrated Energy Plan (IEP)	strategy and plan for liquid fuels updated by 2022	Expedite strategy and plan for liquid fuels.
Security of supply and diversify liquid fuels	Feasibility study completed	Draft feasibility study	Feasibility study on new oil refinery completed by 31 March 2021 and final investment decision made	Ensure finalisation of feasibility studies for the project in Richards Bay and decide on site and project implementation.
Implement the Nuclear New Build Programme at scale and pace that the country can afford to ensure security of energy supply	Additional 2500MW nuclear energy procured	New indicator	2500MW nuclear energy procured by 2024	Ensure continuous supply of electricity for grid stability
Koeberg Nuclear Power Plant life extended beyond 2024 by 20 years	Koeberg Nuclear Power Plant life extension completed	New indicator	Koeberg Nuclear Power Plant life extension completed by 20 years beyond 2024	Provide Policy guidance and support for the Plant Life Extension Program
Establishment of the Centralised Interim Facility for sustainable management of radioactive waste	Centralised Interim Storage Facility procured	New indicator	Centralised Interim Storage Facility procured by 2024	Ensure the Policy oversight and direction for the establishment of the CISF project



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Outcome				
SUPPLY OF ELECTRICITY SECURED				
Interventions	Indicators	Baseline	Targets	Minister's Responsibility
Replacement of SAFARI-1 Research Reactor by New Multi-Purpose Reactor	New Multi-Purpose Reactor procured	New indicator	New Multi-Purpose Reactor procured by 2024	Ensure the Policy oversight and direction for the implementation of Multi-Purpose Reactor project

Priority 3: Education, skills and Health

Target: Monitoring of COVID-19 interventions in the mining sector

Outcome				
Promote health and safety in the mining sector				
Interventions	Indicators	Baseline	Targets	Minister's Responsibility
Promote health and safety including on mitigation of COVID-19 in the mining sector.	Number of inspectors and audits conducted.	New Indicator	8800 inspections and audits conducted.	Ensure the promotion of health and safety in the mining sector.

Priority 5: Spatial Integration, Human Settlements and Local Government

Target: Natural resources are managed and sectors and municipalities are able to respond to the impact of climate change

Outcome				
GHG REDUCTION				
Interventions	Indicators	Baseline	Targets	Minister's Responsibility
Implement 4 sectors GHG emission reduction implementation plan (contribution from the largest emitters of GHG)	Percentage reduction in total GHG emissions by 2024	New	42% reduction in total GHG emissions by 2024	Ensure implementation of the GHG emission reduction sector plans.



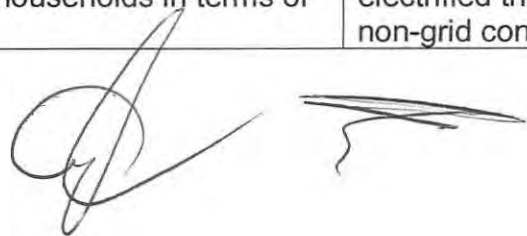
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Target: Natural resources are managed and sectors and municipalities are able to respond to the impact of climate change

Outcome		STATE OF ECOLOGICAL INFRASTRUCTURE IMPROVED		
Interventions	Indicators	Baseline	Targets	Minister's Responsibility
4 plans finalised (energy, transport, agriculture, waste)	Number of transition plans developed for high carbon emitting sectors by 2024	New indicator	4 transition plans developed	Ensure development and finalisation of 4 transition plans for high carbon emitting sectors.
Strategy developed for Acid Mine Drainage Mitigation	Number of strategies developed for AMD Mitigation	New indicator	1 strategy developed for AMD Mitigation	Ensure development of strategy for AMD mitigation.
Mine water/wastewater management plans implemented	Number of mine water/wastewater management plans implemented	New indicator	3 mine water/ wastewater management plans implemented	Ensure implementation of 3 mine water/ wastewater management plans.

Target: Improve access to basic services – access to safe drinking water (95%), access to adequate sanitation and hygiene (90%), wastewater treatment works operational (100%) and households with access to electricity (100%), national usage of public transport (60%)

Outcome		IMPROVED CAPACITY TO DELIVER BASIC SERVICES, QUALITY INFRASTRUCTURE AND INTEGRATED PUBLIC TRANSPORT TO INCREASE HOUSEHOLD ACCESS TO BASIC SERVICES.		
Interventions	Indicators	Baseline	Targets	Minister's Responsibility
Grid connections to households in terms of the National Electrification Plan	Number of households electrified through grid connection	1.285 million connections between 2014-2019	1 million additional connections by 2024	Ensure electrification of targeted households through grid connections.
Non-grid connections to households in terms of	No. of households electrified through non-grid connection	85 993 connections	75 000 additional connections by 2024	Ensure electrification of targeted households through non-grid connections



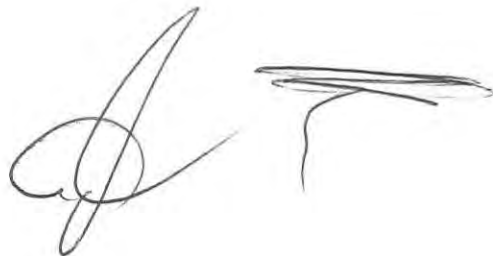
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the National Electrification Plan		between 2014-2019		
NERSA to enforce compliance with the conditions of the license on maintenance and refurbishment of municipal electricity networks supported	Percentage of municipal revenue allocated to maintenance and refurbishment	0-3%	6%	Assist NERSA to enforce compliance with license conditions.
Develop and rollout municipal electricity asset management framework	Percentage of Municipal where the framework has been rolled out	New	50% of licenced municipalities by 2024	Develop Electricity Asset Management Framework.

Priority 6: Social Cohesion and Safer Communities

Target: EQUAL OPPORTUNITIES, INCLUSION AND REDRESS

Outcome				
A DIVERSE SOCIALLY COHESIVE SOCIETY WITH A COMMON NATIONAL IDENTITY				
Interventions	Indicators	Baseline	Targets	Minister's Responsibility
Produce and coordinate implementation of a national strategic plan (NSP) to end gender-based violence	Level of implementation of the NSP	Integrated Government POA on addressing violence against women and children and persons with disabilities	100 % implementation of NSP by 2024	Ensure the implementation of the NSP commitments.



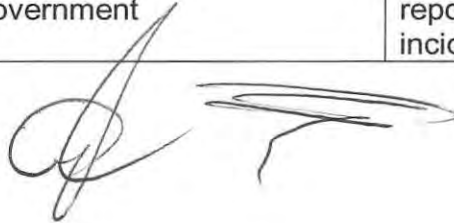
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KEY RESPONSIBILITY AREA 2: PRIORITY 1: CAPABLE, ETHICAL AND DEVELOPMENTAL STATE

This MTSF priority has a few transversal interventions that apply to all Ministers as per the table below:

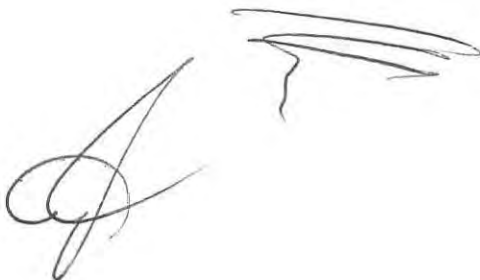
Targeted impact: Public value and trust; Active citizenry and partnerships in society

Outcome	FUNCTIONAL, EFFICIENT AND INTEGRATED GOVERNMENT			
Interventions	Indicators	Baseline	Targets	Minister's Responsibility
Measures taken to eliminate wasteful, fruitless and irregular expenditure in the public sector	Percentage elimination of wasteful and fruitless expenditure in public sector institutions	2018 Baseline	100% elimination of wasteful and fruitless expenditure incrementally from baseline of 2019 by 2024	Eliminate wasteful and fruitless expenditure
	Percentage reduction of irregular expenditure in public sector institutions	2018 Baseline	75% reduction of irregular expenditure incrementally from baseline of 2019 by 2024	Ensure irregular expenditure is reduced and where it occurs make sure action is taken
	Percentage reduction of qualified audits in the public sector	2018 Baseline	75 % reduction of qualified audits incrementally from baseline of 2019 by 2024	To maintain at least an unqualified audit opinion in your department/s and entities
Programme to prevent and fight corruption in government	Percentage resolution of reported incidents of	Trends from the Anticorruption Hotline and Crime Statistics	95% resolution of reported incidents of corruption by	Enforce consequences for corruption and misconduct



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Outcome	FUNCTIONAL, EFFICIENT AND INTEGRATED GOVERNMENT			
Interventions	Indicators	Baseline	Targets	Minister's Responsibility
	corruption in the government		2024 via disciplinary and criminal interventions	
	Ensure functionality of ethics structures and adequate capacity	New	Establish ethics committees and adhere to terms of reference	Oversee the implementation of the ethics structures
Develop and implement district/metro joined-up plans	% joined-up plans	New	100% joined-up plans	Contribute to the development of the economic development component of the joined-up plan



KEY RESPONSIBILITY AREA 3: INSTITUTIONAL OVERSIGHT OF THE HOD AND DEPARTMENT

Management Area	Key activities	Performance indicators	Targets				
			2019/20	2020/21	2021/22	2022/23	2023/24
Executive Authority oversight over the Deputy Minister							
Executive Authority oversight over the Deputy Minister	Delegation of powers and functions to the Deputy Minister	Annual updated delegations	Updated delegations	Updated delegations	Updated delegations	Updated delegations	Updated delegations
Executive Authority oversight over the Accounting Officer							
Executive Authority oversight over the Accounting Officer	Management of the performance of the Director General	Implementation of Head of Department Performance Management and Development System	Conclusion of the Performance Agreement, Implementations of the midterm review and Annual Assessment of the DG	Conclusion of the Performance Agreement, Implementations of the midterm review and Annual Assessment of the DG	Conclusion of the Performance Agreement, Implementations of the midterm review and Annual Assessment of the DG	Conclusion of the Performance Agreement, Implementations of the midterm review and Annual Assessment of the DG	Conclusion of the Performance Agreement, Implementations of the midterm review and Annual Assessment of the DG
	Delegation of Public Service Act powers	Annual updated delegations of the Minister to DG	Updated delegation register	Updated delegation register	Updated delegation register	Updated delegation register	Updated delegation register
	Monitor compliance to	Monitoring report with	Annual 30 day payment report	Annual 30 day payment report	Annual 30 day payment	Annual 30 day	Annual 30 day payment

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Management Area	Key activities	Performance indicators	Targets				
			2019/20	2020/21	2021/22	2022/23	2023/24
Executive Authority oversight over the Deputy Minister							
	30 day payments requirement	corrective measures where applicable	with corrective measures implemented where applicable	with corrective measures implemented where applicable	report with corrective measures implemented where applicable	payment report with corrective measures implemented where applicable	report with corrective measures implemented where applicable
<i>The oversight and achievement of departmental strategic goals and annual performance plans and budget</i>							
Political oversight on strategic planning and reporting	Oversee the development of departmental Strategic and Annual Performance Plans and monitor the implementation thereof.	Approval of Strategic Plan, Annual Performance Plans	Approved Strategic Plan and Annual Performance Plan	Approved Annual Performance Plan	Approved Annual Performance Plan	Approved Annual Performance Plan	Approved Annual Performance Plan
		Consideration and approval of Quarterly Performance Reports and Annual report	4 Quarterly and Annual report reports approved	4 Quarterly and Annual report reports approved	4 Quarterly and Annual report reports approved	4 Quarterly and Annual report reports approved	4 Quarterly and Annual report reports approved
<i>The oversight and achievement of gender responsive departmental strategic goals and annual performance plans and budget as per the Gender responsive planning, budgeting, monitoring, evaluation and auditing framework</i>							
Political oversight on strategic	Oversee the development of gender responsive departmental	Approval of a gender responsive Strategic Plan, Annual	Approved gender responsive Strategic Plan and Annual Performance Plan	Approved Annual gender responsive Performance Plan	Approved gender responsive Annual	Approved gender responsive Annual	Approved gender responsive Annual

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Management Area	Key activities	Performance indicators	Targets				
			2019/20	2020/21	2021/22	2022/23	2023/24
Executive Authority oversight over the Deputy Minister							
planning and reporting	Strategic and Annual Performance Plans and monitor the implementation thereof.	Performance Plans			Performance Plan	Performance Plan	Performance Plan
		Consideration and approval of a gender responsive Quarterly Performance Reports and Annual report	4 Quarterly and Annual gender responsive report(s) approved	4 Quarterly and Annual gender responsive report(s) approved	4 Quarterly and Annual gender responsive report(s) approved	4 Quarterly and Annual gender responsive report(s) approved	4 Quarterly and Annual gender responsive report(s) approved
<i>National Department facilitates public involvement, participation and service delivery improvement initiatives</i>							
Support good governance through leading participatory governance and social compacts with stakeholders	Ensure optimal functioning of sectoral participatory governance mechanisms	Development and implementation of Public/Stakeholder Participatory Strategies and Plan	80% implementation of Public/Stakeholder Participatory Plan	80% implementation of Public Participatory/Stakeholder Plan	80% implementation of Public/Stakeholder Participatory Plan	80% implementation of Public/Stakeholder Participatory Plan	80% implementation of Public Participatory Plan
<i>National Departments' and entities' involvement and contribution to the District Development Model</i>							

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Management Area	Key activities	Performance indicators	Targets				
			2019/20	2020/21	2021/22	2022/23	2023/24
Executive Authority oversight over the Deputy Minister							
Involvement and contribution to the District Development Model (DDM)	Participation in the DDM where applicable	Contribute to the development of the "One Plan" and monitor the implementation against the plan	80% achievement of own commitments in the "One Plan"	80% achievement of own commitments in the "One Plan"	80% achievement of own commitments in the "One Plan"	80% achievement of own commitments in the "One Plan"	80% achievement of own commitments in the "One Plan"



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KEY RESPONSIBILITY AREA 4: POLITICAL LEADERSHIP AND OVERSIGHT

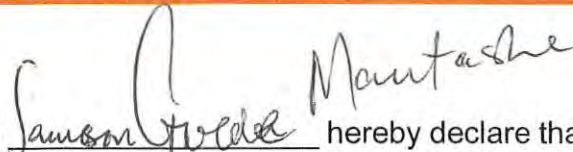
Management Area	Key activities	Performance indicators	Targets				
			2019/20	2020/21	2021/22	2022/23	2023/24
Government structures							
Active participation in Inter-Ministerial Committees, MINMEC's, Cabinet Clusters and other Executive Structures	Attendance of Executive structure meeting and performing the tasks related to the structures	Participation in Executive Structures	Attend and implement 80% of tasks associated to member	Attend and implement 80% of tasks associated to member	Attend and implement 80% of tasks associated to member	Attend and implement 80% of tasks associated to member	Attend and implement 80% of tasks associated to member
Parliamentary Accountability							
Accountability to the Parliament	Responding to Parliamentary Questions and ensuring accountability of own departments and entities to Parliament	Timely response to Parliamentary Questions and tabling of Plans, Budget and Reports	100% accountability to the Parliament	100% accountability to the Parliament	100% accountability to the Parliament	100% accountability to the Parliament	100% accountability to the Parliament

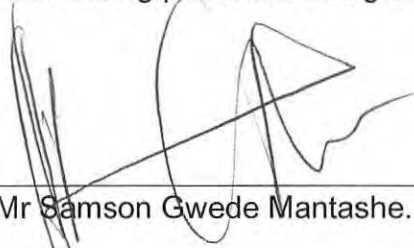
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Management Area	Key activities	Performance indicators	Targets				
			2019/20	2020/21	2021/22	2022/23	2023/24
Government structures							
Oversight on State Owned Companies and Public Entities/Agencies							
Oversight over Public Entities	Perform oversight over the governance and performance of entities	Enter into shareholder compacts and oversee the development of Annual Plans and regular governance and performance of the Entities	Shareholder compact updated, plans approved and performance monitored	Shareholder compact updated, plans approved and performance monitored	Shareholder compact updated, plans approved and performance monitored	Shareholder compact updated, plans approved and performance monitored	Shareholder compact updated, plans approved and performance monitored

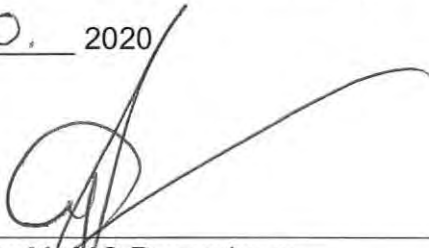
SIGNATURES


I Samson Gwede Mantashe hereby declare that the information provided in this performance agreement has been agreed upon by myself and the President of South Africa. This is a legal and binding performance agreement that will **be used for assessment purposes.**



Hon: Mr Samson Gwede Mantashe, MP
Minister of Mineral Resources and Energy

30. 10. 2020



His Excellency Mr MC Ramaphosa
President of the Republic of South Africa

30. 10. 2020

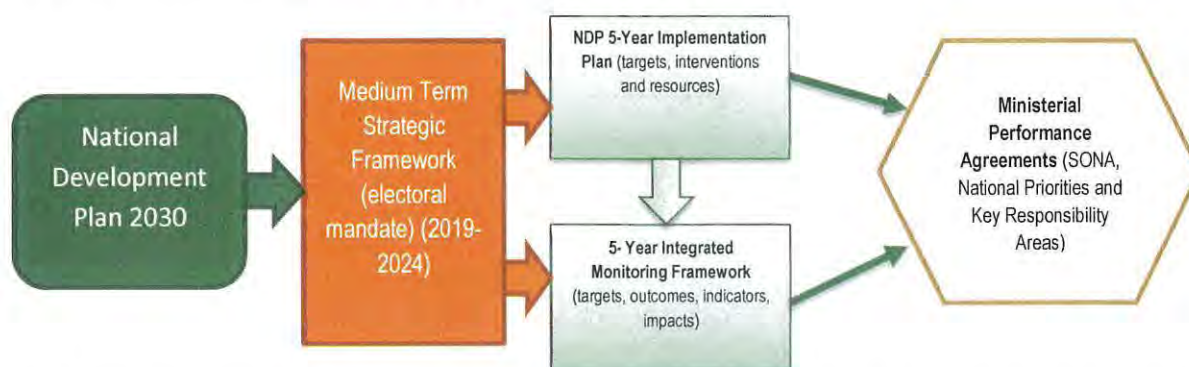
ANNEXURE 1: EXPLANATORY GUIDELINE

1. CONSTITUTION AND LEGISLATION

This aspect highlights constitutional imperatives, obligations, powers and functions of the President relating to the implementation of Ministerial Performance Agreements. It also points out key legislation in this regard.

2. BACKGROUND AND CONTEXT

In October 2019, Cabinet considered and approved the 2019 – 2024 Medium-Term Strategic Framework (MTSF). The MTSF translates the electoral mandate and the National Development Plan into a 5-year programme of government and comprises the 5-Year Implementation Plan and the Integrated Monitoring Framework, containing clear targets, interventions, resource implications and impacts.



In his State of the Nation Address (SONA) on 20 June 2019, the President confirmed the 7 national priorities, based on the electoral mandate, as follows:

Priority 1: A capable, ethical and developmental state

Priority 2: Economic transformation and job creation

Priority 3: Education, skills and health

Priority 4: Consolidating the social wage through reliable and quality basic services

Priority 5: Spatial integration, human settlements and local government

Priority 6: Social cohesion and safer communities

Priority 7: A better Africa and world

In his reply during the SONA debate, the President further elaborated on why the above 7 priorities are important and demonstrated that government has a clear plan for the road ahead. The key task is speedy and effective implementation. The new Cabinet has a

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central role in ensuring that the commitments made in the SONA are implemented with the necessary urgency and vigour.

To this end the Ministerial Performance Agreements (MPAs) will be based on the commitments in the State of the Nation Address and selected priority actions from the 2019 - 24 MTSF. Each annual MPA contains a set of specific targets backed by measurable performance indicators to be achieved over the 5- year electoral period, the purpose of which is to put the country on a positive path towards our national development goals and objectives.

As you are aware, upon the announcement of the new Cabinet, the President made the following undertaking to the people of South Africa:

The people who I am appointing today must realise that the expectations of the South African people have never been greater and that they will shoulder a great responsibility. Their performance – individually and collectively – will be closely monitored against specific outcomes. Where implementation is unsatisfactory, action will be taken

It is the aim of this Performance Agreement to give effect to this undertaking.

2. KEY RESPONSIBILITY AREA 1: POLITICAL LEADERSHIP CONTRIBUTING TO THE COUNTRY'S TRIPLE CHALLENGES, NDP PRIORITIES AND MEDIUM TERM STRATEGIC FRAMEWORK (MTSF) 2019 – 2024

This aspect draws directly from the content of the MTSF and SONA and highlights specific responsibilities of the Minister in relation to a particular priority, indicator and target. This will help focus the work of the Minister concerned to the strategic agenda of government. As Minister in the Cabinet you will contribute **individually and collectively** to addressing the triple challenges of poverty, inequality and unemployment and the MTSF 2019 - 2024.

- **Priority:** indicates which of the 7 priorities are directly applicable to the Minister concerned. The Minister is still expected to contribute to the rest of the MTSF as part of the National Executive collective.
- **Target:** provides context to the medium to long-term impact we are seeking to achieve e.g. economic growth.
- **Outcome:** highlights the broad result area we want to make a difference within a year up to 5 years.
- **Indicators, baselines and targets:** are measures that are directly taken from the MTSF.
- **Minister's responsibility:** this column emphasizes the specific contribution that the Minister must make towards delivery of the intervention in the short to medium term. Where a Minister is mentioned as a lead, he or she must take responsibility to convene other relevant stakeholders towards the implementation of a particular intervention. Where a Minister is mentioned as contributing department, it indicates



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a need for the Minister to take initiatives towards working with Cabinet colleagues and stakeholders to deliver on the specific intervention. The Cluster system will help with further clarification of these roles and responsibilities.

3. KEY RESPONSIBILITY AREA 2: PRIORITY 1: CAPABLE, ETHICAL AND DEVELOPMENTAL STATE

This MTSF priority has a few transversal interventions that apply to all Ministers, hence it must be included in all Ministerial Performance Agreements. Its content also ties in closely with the next key responsibility areas.

4. KEY RESPONSIBILITY AREA 3: INSTITUTIONAL OVERSIGHT OF THE HOD AND DEPARTMENT

*Shows how you will **provide strategic leadership, direction and oversight** to own departments through the DG in the following areas:*

- *Show how you will manage the performance of Heads of Department and Department*
 - The Minister will enter into Performance Agreement with the Director-General and monitor adherence to this agreement.
- *Describe how in executing your role and responsibility you will provide oversight in performing the functions below.*

5. KEY RESPONSIBILITY AREA 4: POLITICAL LEADERSHIP AND OVERSIGHT

- *Describe how in executing your role and responsibility you will provide oversight in performing the functions below.*
- *Show how you will actively participate and contribute to the different governance structures, for example, the Cluster/Committee/s system; to Inter-Ministerial Committees and MinMecs*
 - Minister will provide guidance and leadership in the Economic Sectors, Investment, Employment and Infrastructure Development Cluster as Co-Chair.
 - Minister commits to a minimal attendance rate of 80%
 - Appoint dedicated senior officials to represent the department and support the running of the ESIEIDC.
- *Show how you will provide leadership and oversight to State Owned Entities/Agencies that you are responsible for*
 - Undertake a review of mandates of SOEs towards their rationalization
 - Regular meetings with Boards and Executive Management
 - Review of Quarterly performance, alignment of strategic and annual plans to the DMRE framework



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- Enter into Shareholder compacts with the SOEs
- *The oversight and achievement of departmental strategic goals and annual performance plans and budget*
 - In year monitoring and annual review of performance
- *National Department facilitates public involvement, participation and Service Delivery Improvement Initiatives*
 - Commitment on effective and efficient service delivery improvement plans and development of a plan to improve public participation and involvement.
- *National Department involvement, participation in the District Planning Model*
 - Plans for three pilot sites for mineral and energy sector interventions developed and implemented.

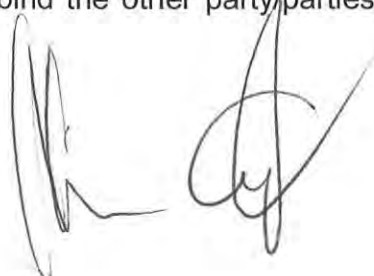
6. IMPLEMENTATION

To improve the likelihood of achieving the targets above, you are advised to ensure that senior managers in your department translate the priority actions and targets in this agreement into a delivery plan with the following elements:

- Formulating the aspiration: A clear statement of goals, outcomes and targets to be achieved for each priority arising out of a rigorous problem analysis, needs assessment and diagnosis;
- A coherent theory of change – articulating the best way to achieve the aspiration based on relevant theoretical literature and research on local and international cases as well an assessment of current policies and whether they are enablers or constraints. If the latter, then they should be revised and amended accordingly. To note is that in many instances policy development is not a problem, implementation is. However, in some cases revisions to policies may be required and in rare situations new policies may be required to enable the achievement of the priority;
- Setting specific milestones to be reached with leading indicators.
- Interventions (addressing inhibitors/constraints and identifying drivers of performance). Agreeing on who is involved and how those involved will go about contributing to the priority and
- A delivery trajectory mapping out the points from current performance (base line) and showing how implementation of initiatives will shift performance towards the set outcome and target. Points along the delivery trajectory will be used to conduct rapid impact assessments to establish whether real improvement is happening on the ground.

The delivery plan therefore essentially specifies what will be achieved (impact, outcome, target), where it will be achieved, who is involved and how those involved will go about achieving the priority.

Where cooperation from and or coordination with other parties (provincial MECs, National Ministers, Executive Mayors) is required to achieve the priority actions and targets, it is your responsibility to seek out this cooperation and bind the other party/parties to the



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commitments necessary to achieve the targets. In the event that cooperation was not forthcoming, details to this effect as well as how the non-cooperation and coordination failure affected the achievement of the target should be reported on at the bi-annual meeting with President.

Senior officials in your department/s are required to reflect the priority actions and targets in the Strategic Plans and Annual Performance Plans of the Department to ensure they are planned for and properly resourced. Moreover, I also expect that you will enter into a performance agreement with your Director-General that will reflect the priority actions and targets contained in this agreement, in addition to the other key performance areas of the Department.

I expect that you will formally delegate specific areas of responsibility to your Deputy Minister(s) to provide some support to you regarding the priority actions and targets in this agreement, in addition to the other key performance areas of the Department.

7. PERFORMANCE MONITORING AND REVIEW

The process of performance monitoring, evaluation and reporting against the targets will be as follows:

- i. The DPME will prepare a report card on progress with the targets in the respective agreements for the benefit of the President
- ii. In preparation of the scorecard, DPME will obtain initial progress reports with supporting evidence from your department.
- iii. The progress report should provide a succinct summary of progress, current and emerging issues, key actions required or key actions taken, early warning of risks as well as decisions or recommendations to be taken forward and any other comment on progress.
- iv. The report and data will be analysed and validated and a draft scorecard will be produced by DPME. This will be discussed with your department to resolve queries before finalisation. Validation will also include random onsite visits by DPME to verify if delivery took place and within the specifications as set out in the agreement.

The DPME will prepare the scorecard which includes key issues affecting delivery, early warning risks and emerging policy issues for the President a copy of which will be sent to you prior.

In the instance where performance is sub-optimal, a meeting between the President and Minister will be convened. The outcome of the dialogue will be an agreement between the President and Minister on areas of improvement (the remedial actions). These will be incorporated in the performance score-card of the next performance review. It is only in the case of under-performance that the President may take any action he deems necessary.



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Over and above this Cabinet will closely monitor the overall implementation of the 2019 - 24 MTSF. In this regard you are expected to table bi-annual progress reports to Cabinet on progress with regards to your commitments in the MTSF. It will not be sufficient to state in these reports that a particular action has been implemented. What must also be reported on is what the implementation of the action led to in terms of a result or the likely value it would create for society.

Your officials will need to collect administrative data that will allow oversight on progress and make these available to DPME when requested. DPME will triangulate this data with budget expenditure data and output level indicators, where available, and provide its own progress reports to Cabinet. The bi-annual progress reports will also form the basis of the meetings between the President and Ministers to identify and tackle obstacles to implementation.

8. POLITICAL OVERSIGHT OF THE DEPARTMENT

Beyond the priority actions and targets that you will be responsible for (which is the subject of this agreement), your Ministerial responsibilities also extend to:

1. Ensuring an optimal political – administrative interface;
2. Political leadership and oversight: providing strategic leadership to the department for the implementation of the relevant aspects of the electoral mandate/ oversee implementation of MTSF priorities relevant to the sector;
3. Support international and regional integration programmes and commitments (where applicable); and
4. Support good governance in the department by providing institutional oversight of the HOD and Department

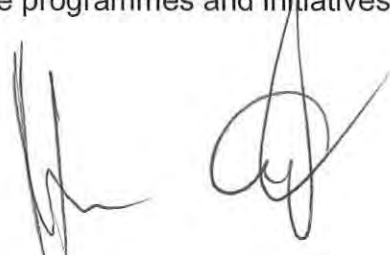
9. SPIRIT AND INTENT

There is no question that given the prevailing social, political and economic dynamics and environment, our actions require greater urgency and focus. While (and as I have stated before) there are no short-cuts and quick fixes, it is within our grasp to do the important things, to do them well and to do them without delay.

We have a duty to follow-through on our policy promises to the nation and make greater advances in terms of closing the gap between our development vision and the realities on the ground. The spirit and intent of the MPAs is to keep us focused on achieving our important targets.

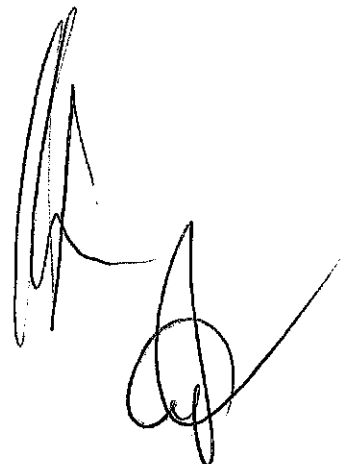
10. PROFESSIONAL DEVELOPMENT

While the MPAs seek to promote results-oriented performance and accountability, the aim of the performance agreements is also to facilitate the professional development of all Ministers as leaders in government tasked with driving the development agenda of the country. In this regard you are encouraged to pursue programmes and initiatives that will



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provide you with the necessary competencies and tools to carry out your tasks and responsibilities. The Presidency and DPME will endeavour to provide Ministers with support and technical advice should the need exist.

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