



the dti

Department:
Trade and Industry
REPUBLIC OF SOUTH AFRICA

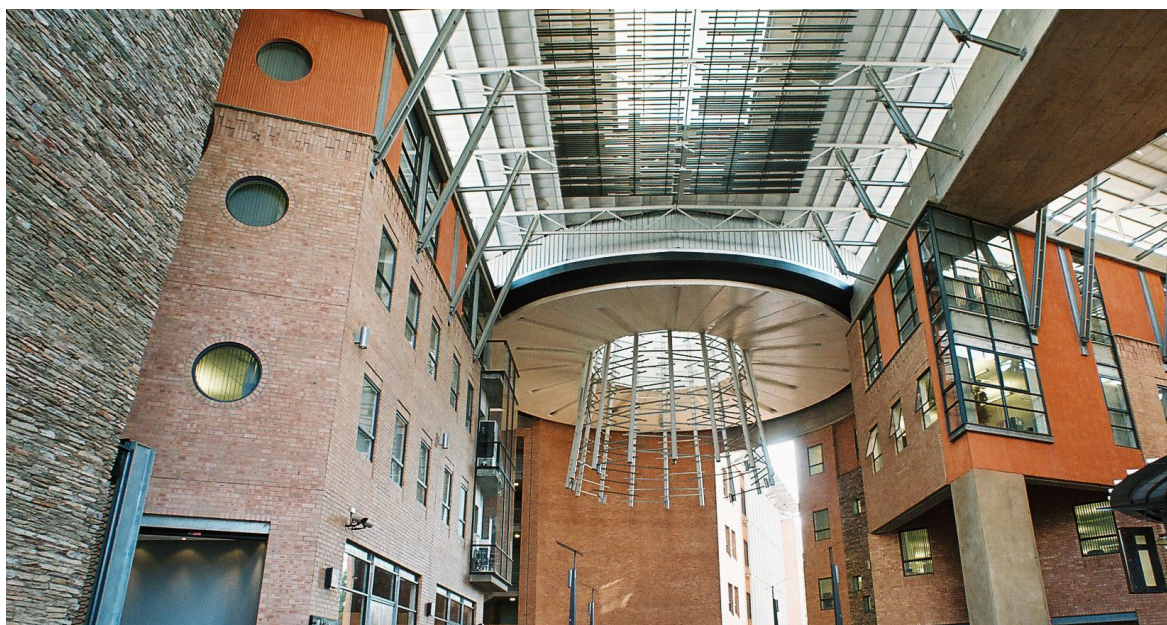
the dti

Annual Report
2018/19



the dti

Annual Report
2018/19



DEPARTMENT GENERAL INFORMATION

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Foreign Economic Offices

PART A

General Information



1. Abbreviations and Acronyms

Term	Definition
AC	Audit Committee
AfCFTA	African Continental Free Trade Area
Afreximbank	African Export-Import Bank
AGOA	African Growth and Opportunity Act
AGSA	Auditor-General South Africa
AIH	Automotive Investment Holdings
AIS	Automotive Investment Scheme
AMDP	Accelerated Management Development Programme
Amplats	Anglo American Platinum
APAT	Annual Performance Agreement Template
APP	Annual Performance Plan
APSS	Agro-Processing Support Scheme
AU	African Union
B-BBEE	Broad-Based Black Economic Empowerment
BCF	Bilateral Consultative Forum
BEE	Black Economic Empowerment
BIS	Black Industrialist Scheme
BIT	Bilateral Investment Treaty
BNC	Bi-National Commission
BPO	Business Process Outsourcing
BPS	Business Process Services
BRICS	Brazil, Russia, India, China, South Africa
CCRD	Consumer and Corporate Regulation Division
CEDO	Intercultural Centre for the Study of Deserts and Oceans
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CFTA	Continental Free-Trade Area
CGETI	Contact Group on Economic and Trade Issues
CGICT	Corporate Governance of ICT
CGS	Council for Geoscience
CIP	Critical Infrastructure Programme
CIPC	Companies and Intellectual Property Commission, a public entity reporting to the dti
Cisco	Cape Town Iron and Steel Works
CMT	Committee of Ministers responsible for Trade Matters
COMESA	Common Market of East and Southern Africa
CSIR	Council for Scientific and Industrial Research
CSPA	Comprehensive Strategic Partnership Agreement
CT	Companies Tribunal, a public entity reporting to the dti
CTCP	Clothing and Textiles Competitiveness Programme
DDG	Deputy Director-General

Term	Definition
DG	Director-General
DIRCO	Department of International Relations and Cooperation
DMR	Department of Minerals Resources
DORA	Division of Revenue Act
DPSA	Department of Public Service and Administration
EAC	East African Community
ECIC	Export Credit Insurance Corporation, a public entity reporting to the dti
EDC	Experience Delivery Company
EEIP	Equity Equivalent Investment Programme
EIP	Enterprise Investment Programme
EMDEs	Emerging market and developing economies
EMDP	Executive Management Development Programme
EMIA	Export Marketing and Investment Assistance
EPA	Economic Partnership Agreement
EQPRS	Electronic Quarterly Performance Reporting Systems
ERPC	Economic Research and Policy Coordination
ESEID	Economic Sectors, Employment and Infrastructure Development
EU	European Union
EVP	Employer Value Proposition
ExBo	Executive Board of the dti
EHW	Employee Health and Wellness
FDI	Foreign direct investment
FER	Foreign Economic Representative
FMCSA	Ford Motor Company of Southern Africa
FOCAC	Forum on China-Africa Cooperation
FRSC	Financial Reporting Standards Council
FTA	Free Trade Agreement
GBS	Global Business Services
GCR	General Controls Review
GDP	Gross domestic product
GEPP	Global Exporter Passport Programme
GFCF	Gross Fixed Capital Formation
GICT	Governance of ICT
GLP	Good Laboratory Practice
HDPs	Historically Disadvantaged Persons
HR	Human Resources
ICEA	International Conference on the Emergence of Africa
ICT	Information and Communications Technology
IDC	Industrial Development Corporation
IDD	Industrial Development Division
IDZ	Industrial Development Zone
IMCIP	Inter-Ministerial Committee on Intellectual Property
IMF	International Monetary Fund

Term	Definition
INES	Integrated National Export Strategy
IORA	Indian Ocean Rim Association
IP	Intellectual Property
IPA's	Investment Promotion Agencies
IPAP	Industrial Policy Action Plan
IPR	Intellectual Property Rights
IPRP	Industrial Park Revitalisation Programme
ISA	InvestSA
IT	Information Technology
JEC	Joint Economic Commission
KZN	KwaZulu-Natal
LoA	Letters of Authority
Logis	Logistical Information System
MBAP	Mineral Beneficiation Action Plan
MCEP	Manufacturing Competitiveness Enhancement Programme
MMSA	Mahindra & Mahindra South Africa
MoU	Memorandum of Understanding
MPAT	Management Performance Assessment Tool
MPRDA	Mineral and Petroleum Resources Development Act
MTSF	Medium Term Strategic Framework
MV	Medium Voltage
NAFTA	North American Free Trade Agreement
NCC	National Consumer Commission, a public entity reporting to the dti
NCOP	National Council of Provinces
NCR	National Credit Regulator, a public entity reporting to the dti
NCT	National Companies Tribunal, a public entity reporting to the dti
NDP	National Development Plan
NDRC	National Development Reform Commission
NEDLAC	National Economic Development and Labour Council
NEDP	National Exporter Development Programmes
NEF	National Empowerment Fund, a public entity reporting to the dti
NEPAD	New Partnership for Africa's Development
NGB	National Gambling Board, a public entity reporting to the dti
NIP	National Industrial Participation
NIPP	National Industrial Participation Programme
NLA	National Liquor Authority
NLC	National Lottery Commission, a public entity reporting to the dti
NLDTF	National Lottery Distribution Trust Fund
NMISA	National Metrology Institute of South Africa, a public entity reporting to the dti
NRCS	National Regulator for Compulsory Specifications, a public entity reporting to the dti
OCFO	Office of the Chief Financial Officer
OCRO	Office of the Chief Risk Officer

Term	Definition
OCSLA	Chief State Law Adviser
ODG	Office of the Director-General
OHS	Occupational Health and Safety
OPCW	Organisation for the Prohibition of Chemical Weapons
PAIA	Promotion of Access to Information Act
PFMA	Public Finance Management Act
PPA	Public Partnership Agreement
PPP	Public Private Partnership
PSA	Public Servants Association of South Africa
PTA	Preferential Trade Agreement
PV	Photo-Voltaic
PwD	People with Disability
QLFS	Quarterly Labour Force Survey
REIPPP	Renewable Energy Independent Power Producer Procurement
RETS	Resources Equipment and Technology Services
RIA	Regulatory Impact Assessment
RMC	Risk Management Committee
RTIE	Rural and Township Industrial Economy
SA	South Africa
SABS	South African Bureau of Standards, a public entity reporting to the dti
SACU	Southern African Customs Union
SADC	Southern African Development Community
SANAS	South African National Accreditation System, a public entity reporting to the dti
SARS	South African Revenue Bank
SCCL	Specialist Committee on Company Law
SCOPA	Standing Committee on Public Accounts
SEIAS	Socio-Economic Impact Assessment System
SEZ	Special Economic Zone
SMS	Senior Management Services
SOEs	State-Owned Enterprises
SPP	Strategic Partnership Programme
TDCA	Trade, Development and Cooperation Agreement
TFTA	Tripartite Free Trade Area
the dti	The Department of Trade and Industry
TISA	Trade Investment South Africa
TMH	Transmasholding
TNPA	Transnet National Ports Authority
TWIMS	Toyota Wessels Institute for Manufacturing Studies
UAE	United Arab Emirates
UK	United Kingdom
US	United States
UWC	University of the Western Cape

Term	Definition
WCT	WIPO Copyright Treaty
WIPO	World Intellectual Property Organisation
WPPT	WIPO Performances and Phonograms Treaty
WTO	World Trade Organisation
YES	Youth Employment Service

2. Foreword by the Minister



Mr Ebrahim Patel
Minister of Trade and Industry

It is my pleasure to table the 2018/19 Annual Report of the Department (the dti) to Parliament. This is the final report of the dti, which is now being merged to form the Department of Trade, Industry and Competition.

It sets out the results of the dti's work in the last year of the 5th Administration in South Africa.

The Report shows that industrial policy catalyses private-sector investment when it is well-designed; is supported across government; is adequately resourced; and informed by constructive stakeholder dialogue.

This is demonstrated in the automotive sector, where SA developed a world-class automotive production capability, with support from the state in an ongoing collaborative arrangement with global auto assemblers, component manufacturers and organised labour. Over the last five years, vehicle manufacturers made record investments of more than R35 billion, leading to a South African milestone of more than 351 000 cars and commercial vehicles exported in 2018,

the highest level of automotive exports yet by South Africa, worth more than R175-billion.

In the metal products value-chain, during a tough period on global markets, South Africa retained and developed important capabilities in areas such as capital equipment, rail and transport equipment, and structural steel.

Despite the success in building these capabilities, serious challenges were faced in key sub-sectors such as casting, tooling and foundries, due in part to the sustained increase in electricity prices over the last five years. In this highly competitive sector where energy is an important input cost, rising electricity prices led to enormous strain and plant closures. Our efforts to turn around these sub-sectors involved two important interventions implemented in partnership with industry players. The National Tooling Initiative and National Foundry Technology Network are targeted at increasing the competitiveness of these sectors through critical skills development, innovation and technology upgrades.

In addition, the dti supported additional tariff protection to the primary steel sector, which has been affected by the global steel glut. These efforts led to some positive results during the accounting period, though the industry remain under pressure. There is no doubt that without these interventions a number of primary steel plants would have closed permanently, with the loss of thousands of jobs and critical industrial capabilities. In the wake of the devastation of the textile, clothing, leather and footwear sector that followed from the liberalisation and restructuring of the industry in the 1990s, the sector has been stabilised. This incentive support from the dti as well as IDC support to the industry, and unblocking measures undertaken by the dti and EDD has helped to grow formal and informal employment in the sector. According to Stats SA, total employment (formal and informal) rose from 246 000 at the start of the administration to 269 000 by 31 March 2019.

Our competitiveness interventions played a key role in positioning firms in the sector to be able to compete with imports. In the new financial year, the Department will be stepping up collaboration with the South African Revenue Service (SARS) on addressing illegal and under-invoiced imports which undermine legitimate

domestic manufacturers. Industry task teams have been established for critical industries under pressure from illicit trade, including the clothing, textile, footwear and leather and metals sectors.

the dti has also taken the lead in establishing new growth sectors such as Business Process Outsourcing (BPO) and Film and TV in South Africa. In both cases, we introduced support programmes that respond directly to the needs of investors operating in the sector and provided a platform for rapid growth of the sector. As a result, an estimated 220 000 people many of whom are young – are now employed in the BPO sector. South Africa's film incentive has led to an increasing number of international studios choosing to shoot their films in South Africa, while the creation of a new incentive for black filmmakers has proved extremely popular and is assisting in developing a new generation of filmmakers.

A central pillar of our industrial policy has been to raise the investment rate in the manufacturing sector. We have sought to do this through the direct provision of financial support, high-quality infrastructure in Special Economic Zones (SEZs), and investment facilitation and unblocking by InvestSA. There are now 10 SEZs that have been designated to date, and some are already operational. The latest SEZs are Atlantis in the W Cape, launched in 2018, and Nkomazi in Mpumalanga, designated in January 2019.

Through its agency, Invest SA, the Department supported the President's investment mobilisation drive to attract \$100 billion over the next five years. The inaugural Investment Conference held in October 2018 led to investment pledges of about R300 billion. Transformation of the South African economy has been a focus of the work of the dti. Over the last decade, policy changes were effected to encourage broad-based empowerment that included development of skills, suppliers and new enterprises, as well as changes in ownership.

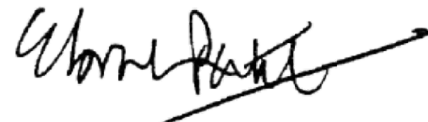
To support black enterprises more directly, the Black Industrialists Scheme (BIS) was introduced in 2016. The scheme supported more than 130 firms to date, leveraged investments of over R13.2 billion and is expected to create or retain more than 18 000 jobs. South Africa's trade and industrial policies have been carefully aligned. Our trade interests are guided by domestic industrial capabilities and the economic opportunities on the African continent. Significant new

agreements include the Tripartite Free Trade Area (T-FTA) agreement and, more recently, the African Continental Free Trade Area (AfCFTA) agreement. The AfCFTA is expected to have a market of 1.2 billion people and an annual gross domestic product of US\$2.5 trillion.

The 6th Administration of government, which commenced after the May 2019 elections, faces a challenging low-growth domestic economic environment that will require a much sharper focus on the implementation of growth-enhancing macro-economic and industrial policies.

Finally, the work of the dti is a reflection of the contributions of the Ministry, Director-General Lionel October and the many dedicated staff of the dti and its agencies as well as the support and assistance of the Parliamentary Portfolio and Select Committees of Trade and Industry. I would like to convey my sincere gratitude to each of them. I would also like to thank my predecessor, Rob Davies, who served as the Executive Authority of the dti for 10 years, and laid a strong basis on which the new Administration can build; and Gratitude Magwanishe, who served as Deputy Minister for Trade and Industry for two years.

Ebrahim Patel
Minister of Trade and Industry



Mr Ebrahim Patel
Minister of Trade and Industry



Mr Lionel October

Director-General: **the dti**

3.1 Overview of the operations of the department

As the custodian of the country's industrial policy, **the dti** is tasked with facilitating industrialisation and economic development that results in the promotion of trade, inclusive growth and employment creation. The department plays a leading role in the formation of trade and investment policy in South Africa with the

aim of promoting and facilitating sustainable growth and economic development.

This is achieved through building an equitable multilateral trading system that facilitates development, strengthens trade and investment links with key economies, and fosters African development through regional and continental integration.

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

3.2 Overview of the financial results of the department

3.2.1 Departmental receipts

During the 2018/19 financial year, departmental revenue collected amounted to R73 million, a decrease of R33 million when compared to R106 million in the 2017/18 financial year. The decrease is due to fines and penalties levied in the previous financial year in respect of non-performance by certain companies participating in the National Industrial Participation Programme (NIPP) and alternative dispute resolutions issued by the B-BBEE Commission. This was not the case in the 2018/19 financial year.

Other sources of revenue were from liquor licences, repayment of debts, Public Private Partnership (PPP) recoveries, patent examination fees and rental on parking.

3. Report of the Accounting Officer

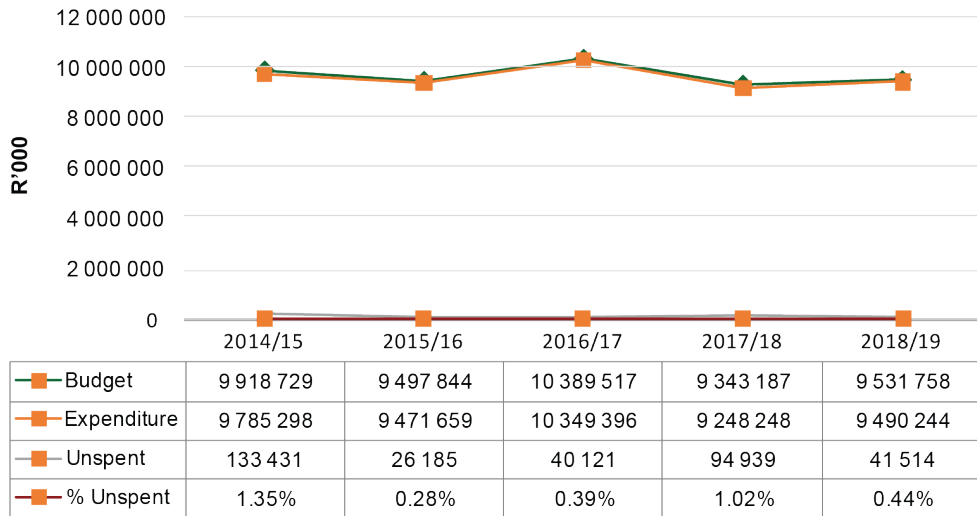
Departmental receipts	2018/2019			2017/2018		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Tax Receipts	4 800	3 773	1 027	5 200	4 239	961
Liquor licences	4 800	3 773	1 027	5 200	4 239	961
Sale of goods and services other than capital assets	610	632	(22)	617	652	(35)
Sale of scrap, waste and other used current goods	5	-	5			
Fines, penalties and forfeits	60	41	19	220	40 008	(39 788)
Interest, dividends and rent on land	1 650	279	1 371	550	1 390	(840)
Sale of capital assets	350	10	340	300	487	(187)
Financial transactions in assets and liabilities	66 253	68 570	(2 317)	62 113	59 870	2 243
Total	73 728	73 305	423	69 000	106 646	(37 646)

3.2.2 Programme expenditure

The department's spending as at 31 March 2019 was 99.6% of its allocated budget of R9.5 billion. The distribution of the budget of R9.5 billion was due to incentives at 66.5%, followed by transfers to departmental agencies at 12.9%, and other transfers at 2.5%. Compensation of employees, goods and services, and payments for capital assets were allocated 10.4%, 7.6% and 0.2%, respectively.

This spending of 99.6% should be read within the context of the main cost drivers being transfers to incentives, which amounted to 66.5% of the total expenditure, followed by transfers to departmental agencies at 12.9% and other transfers at 2.4%. Compensation of employees, goods and services, and payments for capital assets are 10%, 7.5% and 0.2%, respectively.

Figure 1 depicts that there has been consistency in the spending pattern of the department against its budgetary allocation over the past five years, during which the underspending has been below 2% of the allocated budget for each specific financial year.

Figure 1: Spending trend of the dti from 2014/15 to 2018/19

The table below reflects the department's expenditure categories.

Description	2018/19		2017/18	
	R'000	%	R'000	%
Payments to incentives	6 316 936	66.6	6 699 133	72.4
Incentives: capital	1 343 385	13.8	1 624 554	17.6
Other incentives	4 973 551	52.4	5 074 579	54.9
Payments to departmental agencies	1 226 674	12.9	727 576	7.9
Other transfer payments	234 150	2.4	204 734	2.2
Compensation of employees	982 100	10.4	946 790	10.2
Goods and services	711 890	7.5	643 727	6.9
Payments for capital assets	18 043	0.2	25 146	0.3
Payment for financial assets	451	0.0	1 142	0.01
Total expenditure	9 490 244	100	9 248 248	100

The table below reflects the department's expenditure on programme level.

Programme Name	2018/2019			2017/2018		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	819 163	813 518	5 645	809 902	772 696	37 206
International Trade Development	122 093	122 075	18	121 135	121 121	14
Special Economic Zones	136 100	121 963	14 137	108 937	95 699	13 238
Industrial Development	2 018 645	2 018 625	20	1 842 932	1 838 839	4 093
Consumer and Corporate Regulation	324 443	323 846	597	298 782	298 706	76
Incentive Development and Administration	5 571 701	5 560 651	11 050	5 636 659	5 600 528	36 131
Trade and Investment South Africa	460 818	460 194	624	456 696	456 154	542
Investment South Africa	78 795	69 372	9 423	68 144	64 505	3 639
Total	9 531 758	9 490 244	41 514	9 343 187	9 248 248	94 939

Programme 1: Administration

The expenditure in this programme increased from R772.7 million in 2017/18 to R813.5 million in 2018/19, an increase of 5.3%, which is mainly attributable to the annual increase on the PPP unitary payments.

Programme 2: The International Trade and Economic Development Division

During the period under review, the programme's expenditure increased from R121.1 million in 2017/18 to R122 million in 2018/19, an increase of 0.8%, which is mainly attributed to the cost-of-living adjustment.

Programme 3: Special Economic Zones and Economic Transformation Division

During the period under review, the programme's expenditure increased by 27.5%, from R95.7 million in 2017/18 to R122 million in 2018/19, which is mainly due to the Rural and Township Industrial Economy programme initiated through the Business Breakfast and Seminar Dialogues.

Programme 4: Industrial Development Division

The expenditure in this programme increased from R1.8 billion in 2017/18 to R2 billion in 2018/19, an increase of 11%, which is mainly attributed to the support provided to the clothing and textile production incentive as well as the testing of processed meat by the National Regulator for Compulsory Specifications (NRCS) at all production factories across the country.

Programme 5: Consumer and Corporate Regulation Division

The programme's expenditure increased from R298.7 million in 2017/18 to R323.8 million in 2018/19, an increase of 8.4%, which is mainly attributed to the support provided to the National Consumer Commission (NCC) for the establishment of the Opt Out Registry and enhancement of the Case Management system for the NRCS.

Programme 6: Incentive Development and Administration Division

During the period under review, expenditure in this programme decreased from R5.60 billion in 2017/18 to R5.56 billion in 2018/19. The decrease of 0.71% is mainly attributed to funds that could not be disbursed as incentive claims and are payable once all performance criteria agreed at application are met and verified.

Programme 7: Trade and Investment South Africa Division

During the period under review, expenditure in this programme increased from R456.1 million in 2017/18 to R460 million in 2018/19, an increase of 0.9%, which is mainly attributed to vouchers on the foreign mission offices received from the Department of International Relations and Cooperation (DIRCO).

Programme 8: Investment South Africa Division

During the period under review, expenditure in this programme increased from R64.5 million in 2017/18 to R69.3 million in 2018/19. This increase of 7.4% is mainly attributed to the department's investment drive.

3.2.3 Virements/rollovers

Virement from the following programme	Virement to the following programme	Amount (decrease)/ increase R'000	Reasons	Approved by
Programme 1: Administration		(18 117)	Reprioritisation of funds as a result of certain ICT initiatives, which were not fulfilled as well as stringent cost-containment measures implemented by the department.	NT and Accounting Officer
Programme 2: ITED		(2 680)	Reprioritisation of funds as a result of a favourable exchange rate on payments made to foreign organisations.	NT and Accounting Officer
Programme 3: SEZ&ET		(10 176)	Reprioritisation of funds due to B-BBEE Commission set-up related projects whose implementation was dependent on the commission's listing as a public entity.	NT and Accounting Officer
Programme 4: IDD		(11 132)	Reprioritisation of funds as a result of stringent cost-containment measures implemented by the department.	NT and Accounting Officer
Programme 5: CCRD		(5 904)	Reprioritisation of funds as a result of stringent cost-containment measures implemented by the department.	NT and Accounting Officer
	Programme 6: IDAD	3 844	To provide support for bulk infrastructure and top structures to existing IDZs and SEZs with the aim of improving industrialisation, regional development and foreign-investment attraction.	NT and Accounting Officer
	Programme 7: TISA	49 216	To cover expected vouchers from foreign mission offices, where the dti has a presence and placed officials to achieve the department's mandate.	NT and Accounting Officer
Programme 8: ISA		(5 051)	Reprioritisation of funds due to the Provincial One Stop Shop set-up related processes that are yet to be finalised.	NT and Accounting Officer

3.2.4 Unauthorised expenditure

The department did not incur any unauthorised expenditure for the 2018/19 financial year.

3.2.5 Fruitless and wasteful expenditure

The department did not incur any fruitless and wasteful expenditure for the 2018/19 financial year.

3.2.6 Future plans of the department

The department's future plans have been captured in the Strategic Plan 2015-2020 and the Annual Performance Plan 2018-2021, and are aligned with government priorities and outcomes over the 2014-2019 electoral period.

3.2.7 Public Private Partnerships (PPPs)

the dti has a PPP agreement for office accommodation in operation for a period of 25 years. The agreement commenced in August 2003 and provides for the design, financing, building, operation/maintenance and transfer of **the dti** Campus. This fully serviced office accommodation is provided to **the dti** and two other government departments as well as some public entities located on the campus.

A process is under way to review the scope of the PPP from the current six main-office-block configurations to include future expansion building in accordance with the original design. The building, located adjacent to the campus, Block G, is pre-enabled with the same aesthetics as the main campus and shares the campus infrastructure. The project, earlier embarked on to extend the current PPP agreement, was found not to be appropriate and was cancelled.

The National Treasury and Department of Public Works will be approached during 2019/20 to discuss the way forward.

Service delivery by the concessionaire remained problematic and **the dti** appointed an independent consulting firm consisting of suitably qualified experts to conduct a performance audit and perform benchmarking against other PPPs of similar nature in the country to quantify the extent of the challenge.

Further actions may arise depending on the findings and outcomes as a consequence of these reports.

3.2.8 Discontinued activities/activities to be discontinued

During the period under review, no activities were discontinued.

3.2.9 New or proposed activities

During the period under review, there were no new or proposed activities.

3.2.10 Supply chain management

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

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

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

3.2.12 Exemptions and deviations received from the National Treasury

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

3.2.13 Events after the reporting date

No events took place after the reporting date of 31 March 2019 that would impact on the financial position of **the dti**.

3.2.14 Report in terms of section 32 of Promotion of Access to Information Act, 2000 (PAIA)

Reporting period: 01 April 2018 to 31 March 2019	Total Number	Comments
(a) Number of Promotion to Access of Information Act (PAIA) requests received	26	One request still in process. One request withdrawn.
(b) Number of requests granted in full	10	
(c) Number of requests granted despite there being a ground for refusal, but granted in the public interest	0	
(d) Number of requests: (Note: Three parts to be completed)		
(i) refused in full	3	
(ii) refused partially	11	
(iii) number of times a provision of PAIA was relied on to refuse a request in full/partially	14	
(e) Number of instances the 30-day period to deal with a request was extended	6	
(f) Number of internal appeals (Note: 2 parts to be completed)		
(i) lodged with the relevant authority	3	
(ii) number of cases where requests were granted as a result of an internal appeal	0	
(g) Number of internal appeals lodged on account of a deemed refusal	0	
(h) Number of applications to court on the grounds that an internal appeal was dismissed by the relevant authority failing to give notice of its decision in the timeframes stated in section 77(3)	0	
Comments including those relating to implementation, application, requests or areas of PAIA in respect of which reforms are recommended	0	

3.2.15 Donor funds managed by the dti


Employment Creation Fund	
Donor	European Union
Amount	€100 million
Period of commitment	3 years
Purpose of funding	Employment creation, sector policy support to the economic cluster programme of action.
Expected output	the dti is the spending agency of the RDP Fund as defined in the RDP Act. This support contributes to creating equality for the economically marginalised, improving the business-enabling environment and increasing capacity and skills in the productive sectors of the economy.

Employment Creation Fund

Actual output achieved	Employment-creating projects supported. Most of these projects are in rural and peri-urban areas. Their nature ranges from agriculture, agro-processing, manufacturing, green industries, niche products manufacturing, industrial research and development, entrepreneurship and business incubation, and SMME development.
Amount received in the current financial year	R56 451 524.26
Amount spent by the dti	R43 836 524.26
Monitoring mechanism by donor	The ECF programme is audited by the Auditor-General of SA as part of the annual statutory audit by external auditors at the request of the donor.

3.2.16 Appreciation

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



Mr Lionel October
Director-General
Date: 31 May 2019

4. Statement of responsibility and confirmation of accuracy for the annual report

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

- All information and amounts disclosed throughout the annual report are consistent.
- The annual report is complete, accurate and free from any omissions.
- The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.

The Annual Financial Statements (Part E) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury.

- The Accounting Officer is responsible for the preparation of the Annual Financial Statements and for the judgments made in this information.
- The Accounting Officer is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the Human Resources information and the Annual Financial Statements.
- The external auditors are engaged to express an independent opinion on the Annual Financial Statements.

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 2019.

Yours faithfully



Mr Lionel October

Accounting Officer

Date: 31 May 2019

5. Economic overview

Global growth

The global economic environment weakened noticeably during the second half of 2018. This was primarily as a result of the escalating US-China trade tensions; macro-economic stress in Argentina and Turkey; disruptions to the auto sector in Germany; tighter credit policies in China; and the normalisation of monetary policy in the larger advanced economies, which contributed to the loss of economic momentum in the global economy in the second half of 2018 (IMF: World Economic Outlook: April 2019).

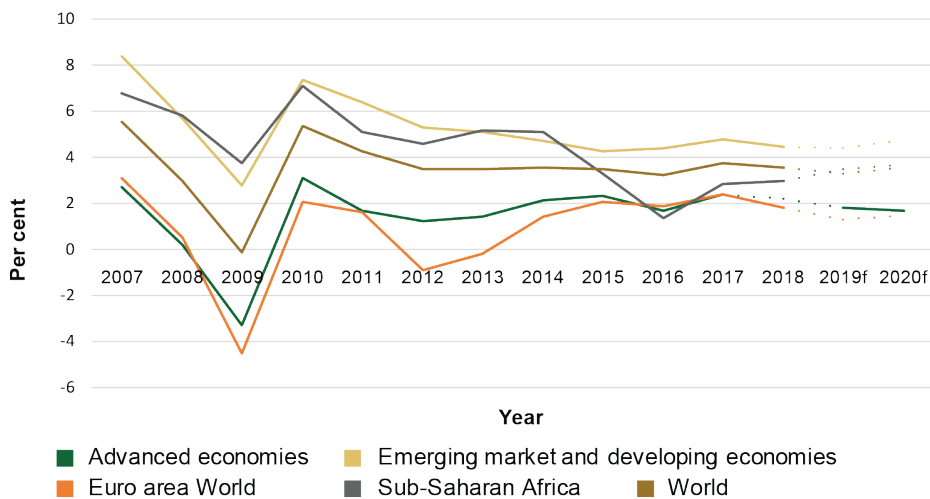
As a result of these developments, global economic growth softened to 3.6% in 2018, from the 3.8% recorded in 2017. In 2019, global economic growth is forecast to slow further to 3.3% as global tension and uncertainties continue to weigh on business confidence.

The Euro area is likely to be severely affected as consumer and business confidence continues to weaken. In 2018, real output in the Euro area expanded at just 1.8%, compared with 2.4% in 2017. For 2019 and 2020, a further slowdown is forecast with growth of 1.3% and 1.5% respectively (IMF: World Economic Outlook: April 2019). Economic activity in sub-Saharan Africa grew by 3.0% in 2018, compared with 2.9% in 2017. Economic growth is forecast to accelerate further to 3.5% in 2019 and 3.7% in 2020.

Moreover, a number of downside risks to these forecasts have emerged, including:

- a further escalation of trade tensions and the associated increases in policy uncertainty;
- stalemate in the United Kingdom's (UK) exit from the European Union (EU) leading to disruptions in global trade;
- sudden changes in the monetary policy stance of the United States' (US) Federal Reserve, which could lead to a tightening of global financial conditions; and
- increased incidence of climate-change-linked environmental disasters that are likely to affect vulnerable countries disproportionately (IMF: World Economic Outlook: April 2019).

Figure 2: Global GDP growth rates



Source: IMF

The forecast slowdown in global growth and the associated downside risks present a challenging external environment for South Africa. The slowdown in South Africa's major trading partners of the US, the Euro area and China are likely to have significant spillover effects on the domestic economy. Furthermore, an escalation in trade tensions could erode external demand and consequently dampen export growth. The latter has been an important factor underpinning the recent rebound in economic activity and any weakening of export growth could undermine the current economic recovery further (World Bank: April 2019).

Domestic Economic Context

GDP Growth

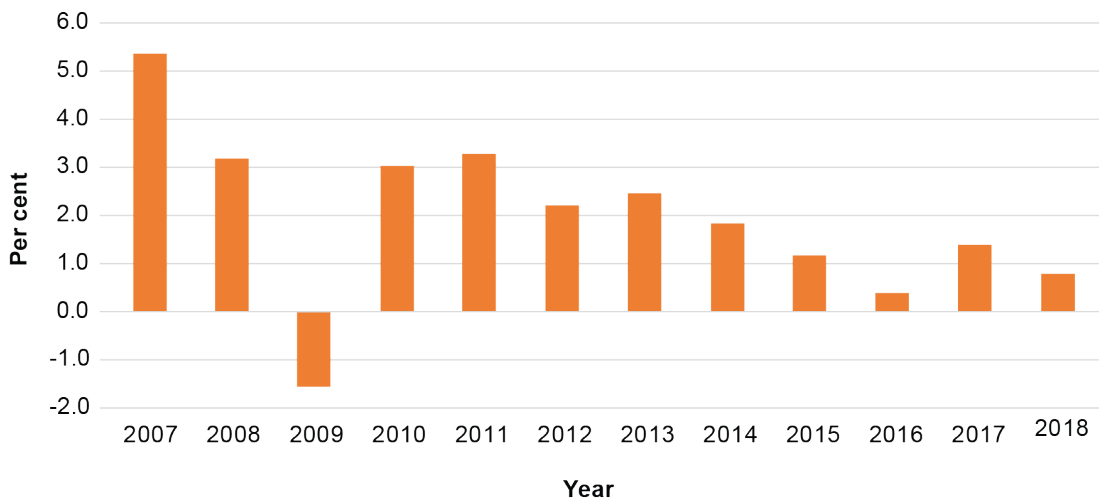
The South African economy grew by a disappointing 0.8% in 2018, compared with 1.4% in 2017. This was largely due to the economy falling into a technical recession in the first half of 2018, following two consecutive quarters of negative growth. In the second half of the year, however, the domestic economy recovered, with quarterly GDP growth rates of 2.6% and 1.4% in the third and fourth quarters respectively. The South African economy is forecast to grow by 1.2% in 2019 and 1.5% in 2020. **the dti** views these forecasts as fairly conservative. Continued growth in commodity prices, fiscal consolidation and a clear economic policy statement after the May 2019 elections would increase the likelihood of a strong economic recovery.

The real GDP growth of 0.8% in 2018 was driven by increased economic activity in finance, real estate and business services, which grew by 1.8%, and general government services, which grew by 1.3%. Other industries with a positive contribution of 0.1 percentage points include manufacturing; trade, catering and accommodation; transport, storage and communication; and personal services.

Three industries contracted in 2018, namely agriculture, forestry and fishing (-4.8%), mining and quarrying (-1.7%) and construction (-1.2%). The construction industry continues to underperform as the sector also contracted by 0.6% in 2017.

Although the economy as a whole grew in 2018, the rate of growth remains substantially below the NDP target of 5.4% per annum.

Figure 3: South Africa GDP growth rates



Source: StatsSA

Investment Performance

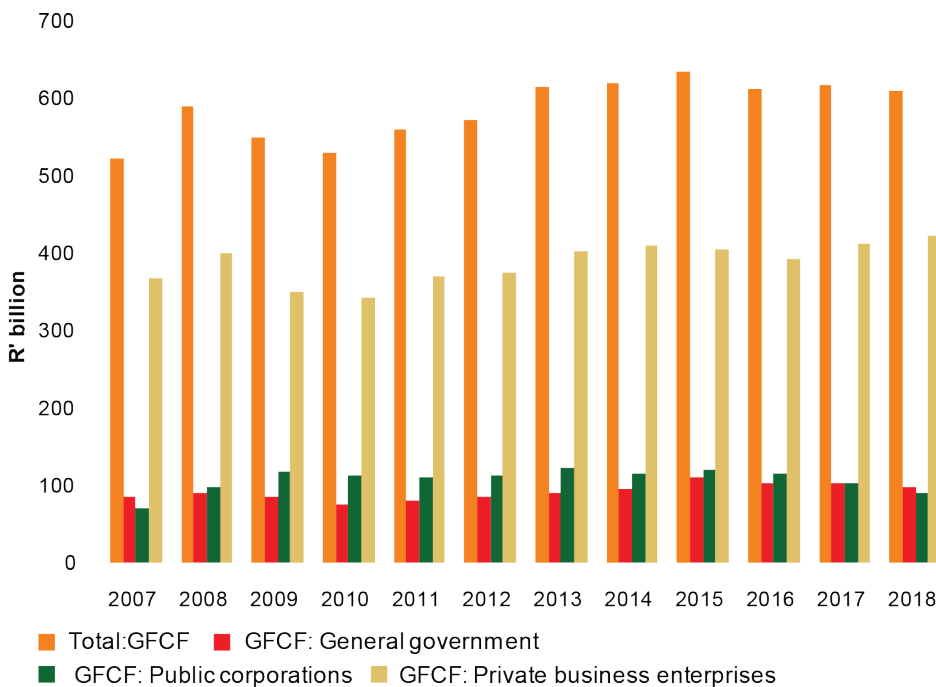
Gross Fixed Capital Formation

Low business confidence, partly driven by the slow pace of structural reforms, is holding back investment growth in South Africa. Domestic capital expansion is dwindling as reflected by the slowdown in the level of domestic fixed investment, particularly by private business and state-owned enterprises (SOEs).

Gross Fixed Capital Formation (GFCF) declined from R618 billion in 2017 to R609 billion in 2018. Limited fiscal space and financial difficulties are constraining the ability of general government and several SOEs to increase spending, whether for operational or capital investment purposes. It was not surprising to see the level of investment by both government and public enterprises decreasing in 2018. This poor investment performance not only affects economic growth at the present time, but also the economy's growth potential in the years ahead.

In the short to medium term, fixed investment activity is expected to gain some momentum following recently announced initiatives by government to revive business and investor confidence, especially if some of the major bottlenecks are removed and the domestic environment becomes more conducive for business to invest.

Figure 4: GFCF by organisation type



Source: SARB

Investment Conference

South Africa hosted the Investment Conference in October 2018 to mobilise domestic and foreign business to contribute to President Cyril Ramaphosa's target of unlocking R1.2 trillion in new investment projects over the next five years. During the investment conference, several domestic and foreign companies made firm commitments to invest in the domestic economy, including the following:

- Anglo American pledged to invest R71.5 billion
- Mercedes Benz pledged to invest R10 billion
- Naspers pledged to invest R6 billion
- Aspen Pharmacare pledged to invest R3.4 billion at its Port Elizabeth plant to manufacture sterile anaesthetics
- Paper and timber companies Sappi and Mondi announced multibillion-rand investments into South Africa

to support government efforts at reigniting economic growth

- Rwanda-based technology company Mara Corporation pledged to invest \$100 million in South Africa to make affordable, high-tech smartphones

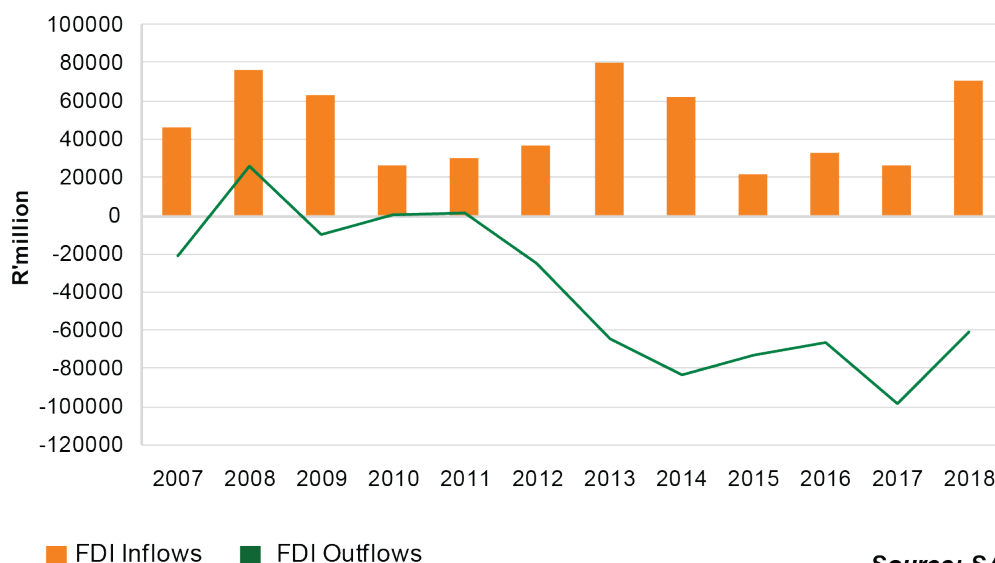
Foreign Direct Investment (FDI)

The preliminary FDI estimates show that global FDI inflows fell by 19% in 2018 to US\$1.2 trillion, down from US\$1.47 trillion in 2017. This was a result of a sharp decline (40%) in developed economies' FDI flows due to changes in the US tax liability (structural) reforms that encouraged repatriation of profits with limited or reduced tax liability prior to 2018 (UNCTAD, January: 2019). Despite the subdued global FDI performance, developing economies posted a modest rise in 2018, estimated at 3%, supported by better performance in developing Asia and Africa (rising by 6%).

South Africa also bucked the global trend and is estimated to have attracted a substantial US\$7.1 billion of FDI in 2018 from US\$1.3 billion recorded in 2017. Increasing FDI was evidenced by loans from parent companies to subsidiaries in South Africa, and included funding by the China Development Bank, which provided financial support to domestic SOEs.

In terms of FDI outflows, the slowdown in outward FDI by South African investors reflects the weaker economic environment globally and especially in sub-Saharan Africa. Given the widespread acceptance of the concept of investment-driven trade policy on the continent, as demonstrated in the Tripartite and African Continental Free Trade Areas, outward FDI by South Africa is likely to remain an important source of investment funds for African countries. This is an important and positive development for both South Africa and the continent as South African firms are able to access larger and, in some cases, faster-growing markets, while the continent benefits from access to investment funds and the associated benefits of FDI.

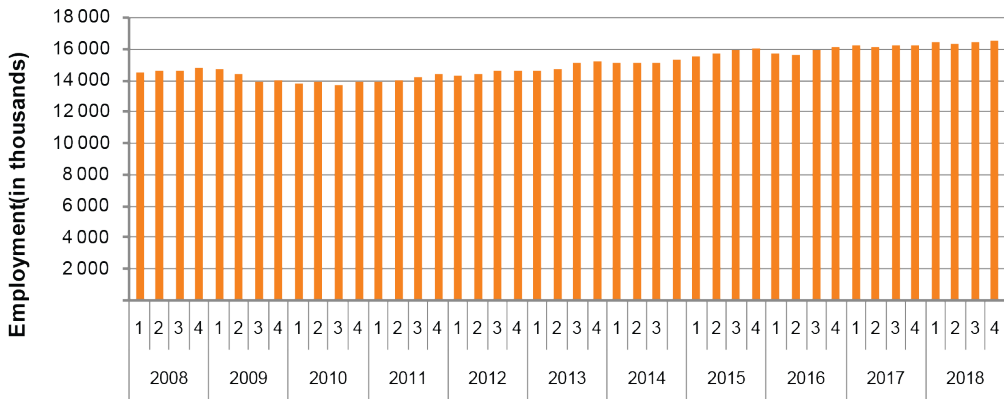
Figure 5: FDI inflows and outflows



Source: SARB

Total employment

Employment levels in South Africa increased from 13.7 million in the first quarter of 2010 to reach 16.5 million at the end of the fourth quarter of 2018. In addition, the official unemployment rate declined marginally to 27.1%, from 27.5% in the third quarter of 2018. In an effort to stimulate employment creation, government and social partners agreed on a number of interventions to secure substantially faster growth in the agriculture, mining and manufacturing sectors. Agreements reached by government, labour, community and business at the Presidential Jobs Summit are expected to lead to the creation of an additional 275 000 direct jobs per annum.

Figure 6: Total employed: Quarterly Labour Force Survey

Source: Data SARB and graph the dti

Trade performance

In 2018, the global trading system was under exceptional pressure as world trade stagnated. A number of factors contributed to this stagnation, including rising protectionism by the US, which implemented a series of protectionist measures targeting specific sectors (such as steel and aluminium) against a number of countries, including China. While these new tariffs initially targeted a limited number of products and a small proportion of US trade, the coverage in terms of goods gradually increased. The trade conflict has intensified, with China imposing retaliatory measures of its own.

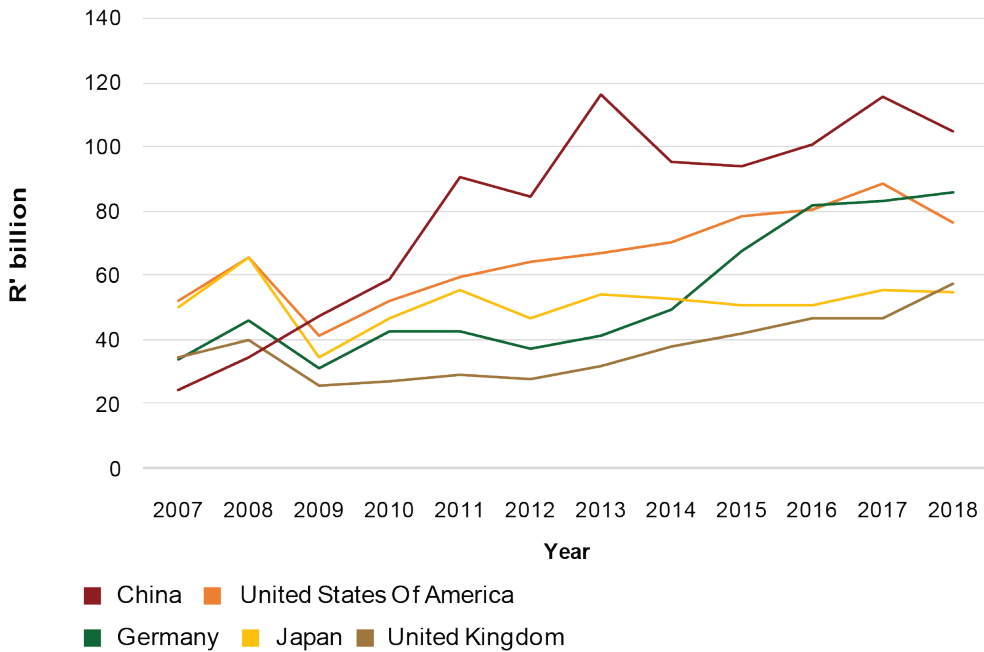
The UK's exit from the EU (Brexit) has also brought uncertainty in the global trading arena (Mold, 2018). As a result of these developments, global trade growth is projected to slow from 4.7% in 2017 to 3.9% in 2018. In 2019, global trade expansion is expected to slow further by 0.2 percentage points (World Trade Organisation, 2019).

South Africa's top five export destinations

South Africa's export sector is likely to follow developments in respective external markets. In certain products, the demand may slow down in markets such as the Eurozone, China and the US. In the UK, the full impact on South African trade depends on the modalities of Brexit, but government has made significant progress in ensuring that South Africa's trade with the UK is no worse off under Brexit than it is currently.

In 2018, South Africa's exports to China declined from R115 billion in 2017 to R105 billion. Exports to the US also declined to R76 billion in 2018, from R88 billion in 2017. The decline in trade with the US is not surprising, as South Africa has only been partially exempted from the US steel and aluminium tariffs.

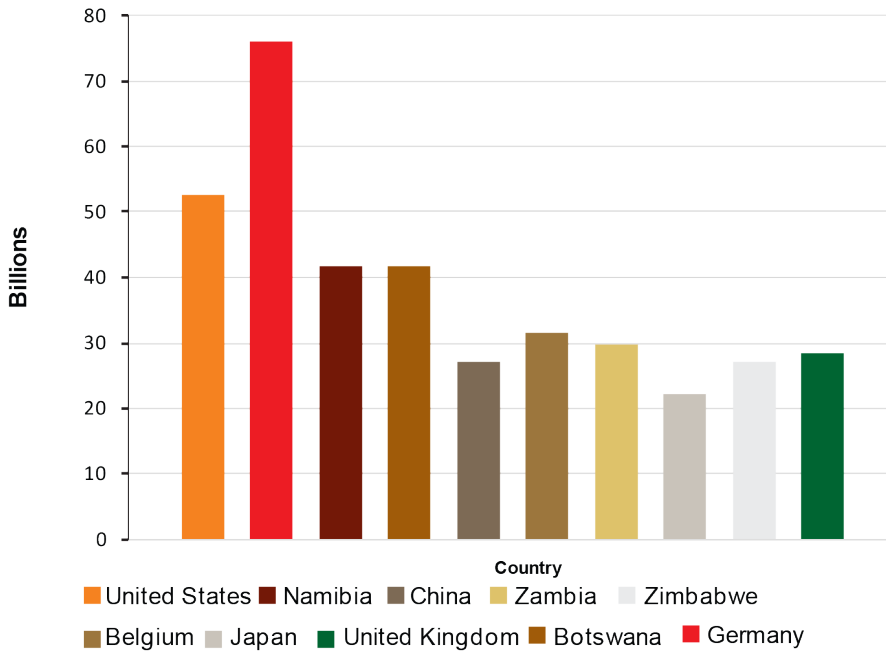
Despite the uncertainty regarding Brexit, South Africa's trade with the UK increased by 23% in 2018 to reach R57 billion, from R46 billion recorded in 2017.

Figure 7: Top five export destinations

Source: Data SARB and Graph the dti

South Africa's top 10 export destinations for manufactured products

South Africa's top 10 export destinations for manufactured products are dominated by African countries such as Namibia, Botswana, Zambia and Zimbabwe. This is not surprising because of the existing regional trading arrangements and the continued effort by government to diversify and promote intra-African trade. South Africa's exports to Africa are highly concentrated on the Southern African Development Community (SADC), and this shows that the market penetration potential in African economies remains largely untapped. In 2018, Germany and the US were key manufacturing export destinations, at least in part due to the preferential trading arrangements captured in the EU Trade and Development Cooperation Agreement (TDCA) and the African Growth and Opportunity Act (AGOA).

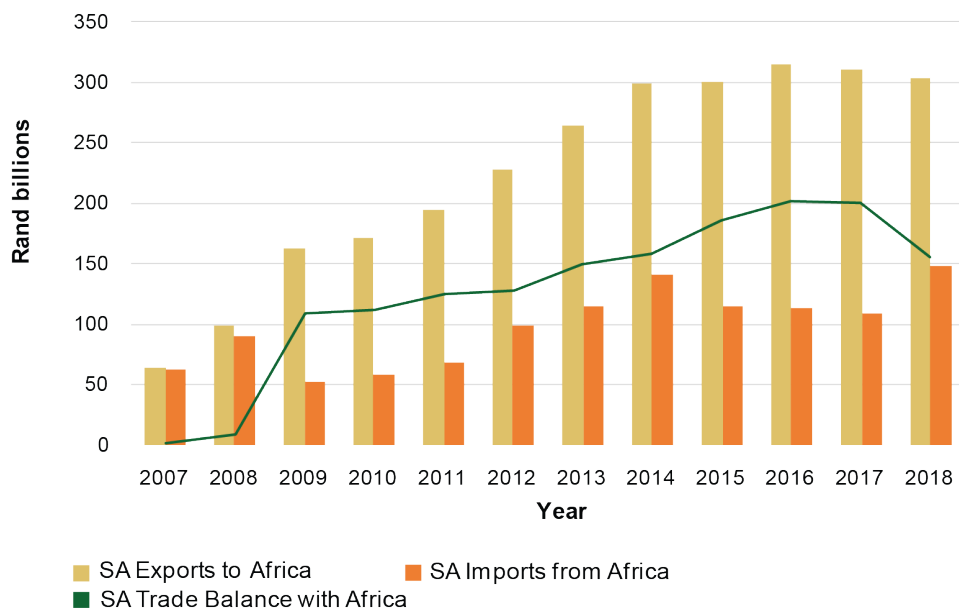
Figure 8: Top 10 Manufacturing Export Destinations in 2018

Source: Data SARB and graph the dti

South Africa's trade with Africa

Exports to Africa decreased by R7 billion to reach R303 billion in 2018, from R310 billion in 2017. Despite this marginal decline in exports, the trade balance with the rest of Africa remains positive at R157 billion in 2018. South African exports to the continent are largely destined for the SADC region, principally other South African Customer Union (SACU) member states. With the opening of markets in Africa through the Continental Free Trade Area, export penetration to other sub-Saharan African economies is anticipated to increase.

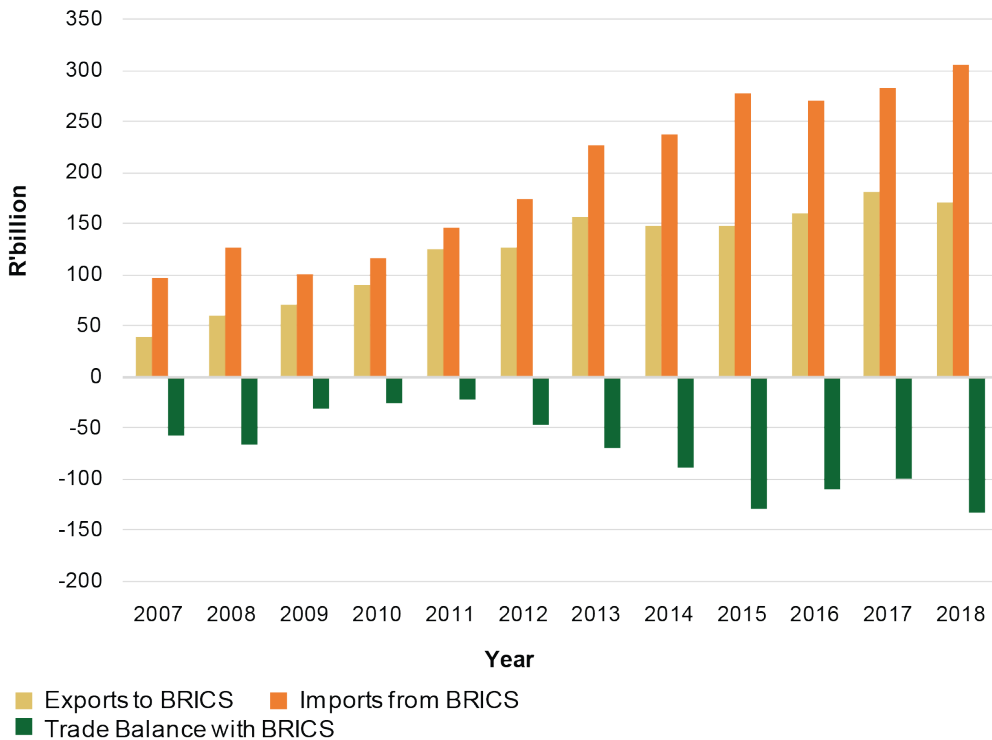
In an effort to rebalance trade with fellow African countries, South Africa has prioritised developmental trade with investment-led industrial and infrastructure development as key levers to unlock the potential of African countries. Furthermore, government together with the private sector signed the Codes of Good Business Practice for South African companies operating in Africa, committing to a broader developmental approach to regional development, going beyond just trade.

Figure 9: SA's trade with the rest of Africa*Source: the dti*

South Africa's trade with BRIC

Although trade with BRIC (Brazil, Russia, India, China) has grown faster than any other country and/or region in the world, the performance of South Africa's trade within the BRICS has not been entirely positive. The increase in imports, particularly of manufactured products from BRIC remains three times higher than that of South Africa's exports to BRIC on average. This disparity is reflected in the country's trade balance, which has been consistently negative. South Africa's exports to BRIC are largely relatively unbeneficiated minerals.

In 2018, exports to BRIC decreased by R12 billion to reach R169 billion, from the R181 billion recorded in 2017. Part of the decline could be attributed to a decline in the demand for coal from India in particular, which accounts for 48% of South Africa's total coal exports. During 2018, India installed more than 40 renewable energy power plants. This led to the closure of a number of coal plants as demand declined (Mining Review Africa, 2019). The trade balance increased from -R101 billion in 2017 to -R134 billion in 2018. This dominance of raw material exports to BRIC adversely impacted South Africa's trade balance with the rest of the BRICS partners.

Figure 10: SA's Trade with BRIC*Source: the dti*

6. Strategic overview

6.1 Vision

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

6.2 Mission

the dti's mission is to:

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

6.3 Values

the dti values are:

- operational excellence – service delivery standards, international best practice, Batho Pele principles, continuous improvement and ethical conduct
- intellectual excellence – continuous shared learning, innovation, relevant knowledge and skills improvement and knowledge management
- quality relationships – improved and continuous communication, honesty, respect, integrity, transparency, professionalism, ownership, leadership and teamwork

7. Legislative and other mandates

the dti's work is governed by a broad legislative framework, as outlined below:

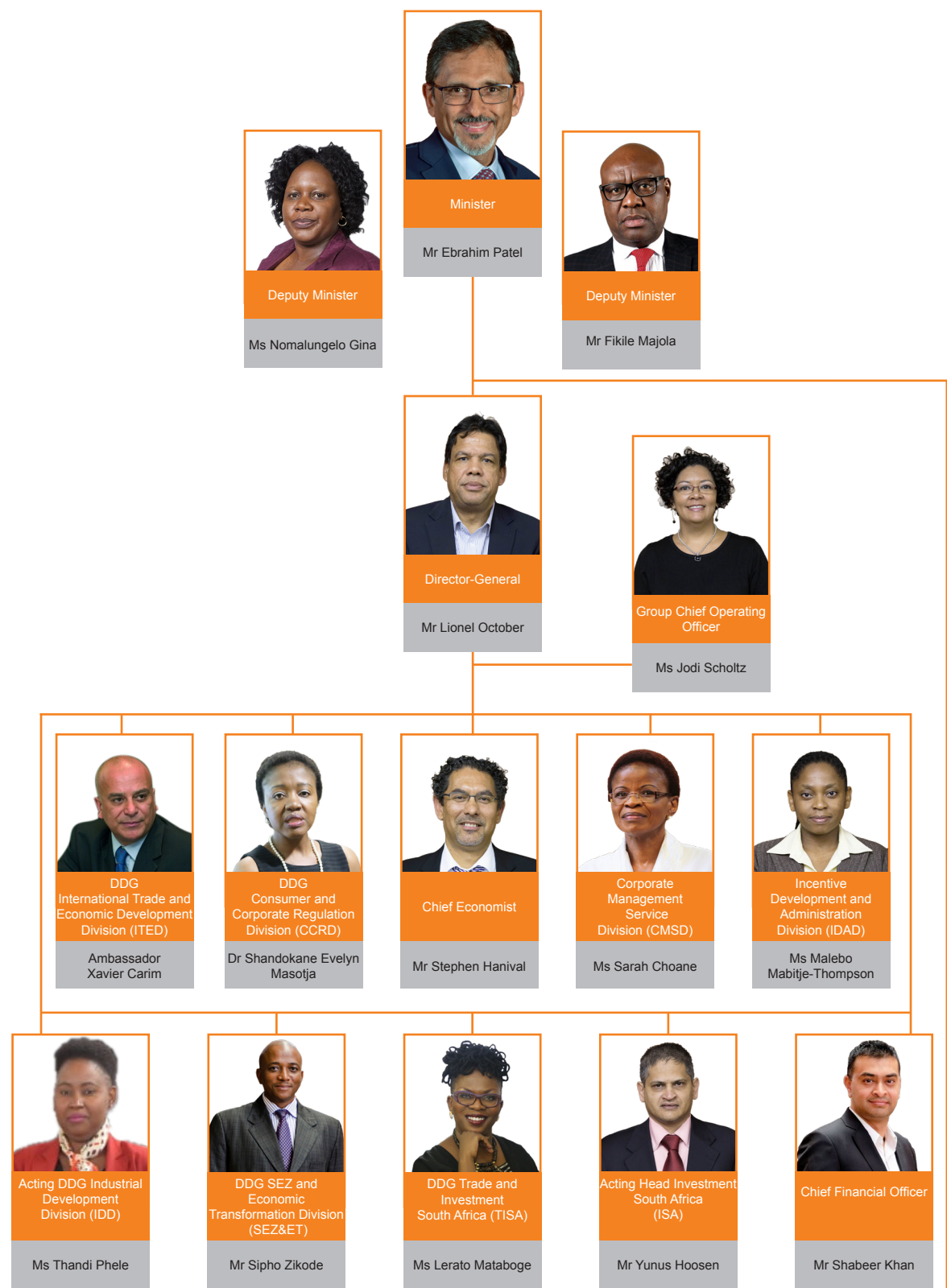
Name of Act	Purpose
Abolition of the Fuel Research Institute and Coal Act, 1983 (Act No. 30 of 1983)	Repeal the Fuel Research Institute and Coal Act, 1963, and provide for the vesting of the assets and liabilities, and the transfer of the employees of the Fuel Research Institute in and to the Council for Scientific and Industrial Research (CSIR).
Accreditation for Conformity Assessment, Calibration and Good Laboratory Practice Act, 2006 (Act No. 19 of 2006)	Provide for an internationally recognised and effective accreditation and monitoring system for the Republic of South Africa by establishing the South African National Accreditation System (SANAS) as a juristic person; to recognise SANAS as the only accreditation body in the Republic of South Africa for the accreditation of conformity assessment and calibration as well as the monitoring of good laboratory practice (GLP).
Alienation of Land Act, 1981 (Act No. 68 of 1981)	Regulate the alienation of land in certain circumstances and to provide for matters connected therewith.
Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003)	Establish a legislative framework for the promotion of black economic empowerment (BEE); empower the Minister to issue codes of good practice and publish transformation charters; establish the B-BBEE Advisory Council; and provide for matters connected therewith.
Companies Act, 2008 (Act No. 71 of 2008)	Provide a new legislative framework for the incorporation, registration and management of companies; establish a Companies and Intellectual Property Commission (CIPC) and Companies Tribunal; and provide for matters connected therewith.
Consumer Protection Act, 2008 (Act No. 68 of 2008)	Promote a fair, accessible and sustainable marketplace for consumer products and services, and for that purpose to establish national norms and standards relating to consumer protection; provide for improved standards of consumer information; prohibit certain unfair marketing and business practices; promote responsible consumer behaviour; promote a consistent legislative and enforcement framework relating to consumer transactions and agreements; establish the National Consumer Commission (NCC); and repeal certain laws.
Convention on Agency in the International Sale of Goods Act, 1986 (Act No. 4 of 1986)	Provide for the application in the Republic of South Africa of the Convention on Agency in the International Sale of Goods adopted by the United Nations International Institute for the Unification of Private Law.
Copyright Act, 1978 (Act No. 98 of 1978)	Regulate copyright in respect of, among other things, artistic works, dramatic works, computer programs, and musical and literary works.
Counterfeit Goods Act, 1997 (Act No. 37 of 1997)	Strengthen prohibitions on trade in counterfeit goods; confer powers on inspectors and the police to enter and search premises, with and without a warrant; and confer powers on customs and excise to seize and detain suspected counterfeit goods.
Designs Act, 1993 (Act No. 195 of 1993)	Consolidate the law relating to designs; provide for the registration of designs; and delineate the rights pertaining thereto.
Export Credit and Foreign Investments Insurance Act, 1957 (Act No. 78 of 1957)	Establish the Export Credit Insurance Corporation (ECIC) and promote trade with countries outside the Republic of South Africa by providing for the insurance, on behalf of the Government of the Republic of South Africa, of contracts in connection with export transactions, investments and loans or similar facilities connected with such transactions.
Expropriation (Establishment of Undertakings) Act, 1951 (Act No. 39 of 1951)	Provide for the expropriation of land and the taking of the right to use land temporarily for or in connection with the objects or undertakings of national importance.
Housing Development Schemes for Retired Persons Act, 1988 (Act No. 65 of 1988)	Regulate the alienation of certain interests in housing development schemes for retired persons, and provide for matters connected therewith.

Name of Act	Purpose
Intellectual Property Laws Rationalisation Act, 1996 (Act No. 107 of 1996)	Provide for the integration of intellectual property rights subsisting in the former homelands (Transkei, Bophuthatswana, Venda and Ciskei) into the national system; extend South African intellectual property rights legislation throughout the Republic of South Africa; and repeal certain intellectual property laws.
International Convention for Safe Containers Act, 1985 (Act No. 11 of 1985)	Provide for the application in the Republic of South Africa of the International Convention for Safe Containers so as to maintain a high level of safety of human life in the handling, stockpiling and transporting of containers.
Legal Metrology Act, 2014 (Act No. 9 of 2014)	Provide for the administration and maintenance of legal metrology technical regulations in order to promote fair trade and protect public health and safety and the environment; and provide for matters connected therewith.
Liquor Act, 2003 (Act No. 59 of 2003)	Establish national norms and standards to maintain economic unity within the liquor industry; provide for essential national standards and minimum standards required for the rendering of services; provide for measures to promote cooperative governance in the area of liquor regulation; and provide for matters connected therewith.
Lotteries Act, 1997 (Act No. 57 of 1997)	Establish a National Lotteries Commission (NLC), and regulate and prohibit lotteries and sports pools.
Manufacturing Development Act, 1993 (Act No. 187 of 1993)	Establish the Manufacturing Development Board; provide for the establishment of programmes for manufacturing development; and provide for matters incidental thereto.
Measurement Units and Measurement Standards Act, 2006 (Act No. 18 of 2006)	Provide for the use of the measurement units of the International System of Units; provide for the designation, keeping and maintenance of national measurement units and standards; provide for the establishment and functions of the National Metrology Institute of South Africa (NMISA); and provide for the repeal of certain laws.
Merchandise Marks Act, 1941 (Act No. 17 of 1941)	Make provision concerning the marking of merchandise and of coverings in or with which merchandise is sold, and the use of certain words and emblems in connection with business.
National Building Regulations and Building Standards Act, 1977 (Act No. 103 of 1977)	Provide for the promotion of uniformity in the law relating to the erection of buildings in the areas of jurisdiction of local authorities and for the prescribing of building standards.
National Credit Act, 2005 (Act No. 34 of 2005)	Establish the National Credit Regulator and National Consumer Tribunal and promote a fair and non-discriminatory marketplace for access to consumer credit, and for that purpose provide for the general regulation of consumer credit and improved standards of consumer information.
National Empowerment Fund Act, 1998 (Act No. 105 of 1998)	Establish a trust for the promotion and facilitation of ownership of income-generating assets by historically disadvantaged persons; set out the objects of the trust; provide for the powers, appointment and mode of operation of the trustees; provide for the establishment of other investment entities for the attainment of the objects; provide for the powers of the Minister to give implementation directives; provide for the sale of shares in state-owned commercial enterprises at a discount to the trust or by the trust to the beneficiaries; provide for the control of the financial affairs of the trust; provide for the establishment of an investment holding company by the trust; provide for the promulgation of regulations; provide for the dissolution of the trust; and provide for other incidental matters.

Name of Act	Purpose
National Gambling Act, 2004 (Act No. 7 of 2004)	Provide for the coordination of concurrent national and provincial legislative competence over matters relating to casinos, racing, gambling and wagering; provide for the continued regulation of those matters, and for that purpose establish certain uniform norms and standards applicable to national and provincial regulation and the licensing of certain gambling activities; provide for the creation of additional uniform norms and standards applicable throughout the Republic of South Africa; retain the National Gambling Board; establish the National Gambling Policy Council; repeal the National Gambling Act, 1996; and provide for matters incidental thereto.
National Regulator for Compulsory Specifications Act, 2008 (Act No. 5 of 2008)	Provide for the administration and maintenance of compulsory specifications in the interest of public safety, health and environmental protection; and provide for the establishment of the National Regulator for Compulsory Specifications (NRCS).
National Supplies Procurement Act, 1970 (Act No. 89 of 1970)	Empower the responsible Minister to manufacture, produce, acquire, hire or import goods; acquire, hire or supply services; exercise control over goods and services, and the manufacture, production, processing and treating of goods; and provide for the establishment and administration of a National Supplies Procurement Fund.
Non-Proliferation of Weapons of Mass Destruction Act, 1993 (Act No. 87 of 1993)	Provide for control over weapons of mass destruction and establish a council to control and manage matters relating to the proliferation of such weapons in the Republic of South Africa; determine its objectives and functions; and prescribe the manner in which it is to be managed and controlled.
Patents Act, 1978 (Act No. 57 of 1978)	Provide for the registration and granting of letters, patents for inventions, and for the rights of a patentee.
Performers' Protection Act, 1967 (Act No. 11 of 1967)	Provide for the protection of the rights of performers of literary and artistic works.
Property Time-Sharing Control Act, 1983 (Act No. 75 of 1983)	Regulate the alienation of time-sharing interests pursuant to property time-sharing schemes.
Protection of Businesses Act, 1978 (Act No. 99 of 1978)	Restrict the enforcement in the Republic of South Africa of certain foreign judgments, orders, directions, arbitration awards and letters of request; and prohibit the furnishing of information relating to businesses in compliance with foreign orders, directions or letters of request.
Protection of Investment Act, 2015 (Act No. 22 of 2015) [Assented to by the President on 15 December 2015, but has not yet commenced]	Provide for the protection of investors and their investments; achieve a balance of rights and obligations that apply to all investors; and provide for matters connected therewith.
Rationalisation of Corporate Laws Act, 1996 (Act No. 45 of 1996)	Provide that certain corporate laws shall apply throughout the Republic of South Africa; repeal certain corporate laws; and provide for the retrospective incorporation of certain putative close corporations.
Registration of Copyright in Cinematograph Films Act, 1977 (Act No. 62 of 1977)	Provide for the registration of copyright in cinematograph films and for matters connected therewith.
Share Blocks Control Act, 1980 (Act No. 59 of 1980)	Control the operation of share block schemes – any scheme in terms of which a share, in any manner whatsoever, confers a right to or an interest in the use of immovable property.
Space Affairs Act, 1993 (Act No. 84 of 1993)	Provide for the establishment of a council to manage and control certain space affairs in the Republic of South Africa; determine its objects and functions; and prescribe the manner in which it is to be managed and controlled.
Special Economic Zones Act, 2014 (Act No. 16 of 2014)	Provide for the designation, development and management of Special Economic Zones; establish an advisory board and a fund; regulate the issuing, suspension, withdrawal and transfer of permits; and provide for matters connected therewith.




Name of Act	Purpose
Standards Act, 2008 (Act No. 8 of 2008)	Provide for the development, promotion and maintenance of standardisation and quality in connection with commodities and the rendering of related conformity assessment services and for that purpose provide for the continued existence of the South African Bureau of Standards (SABS) as the peak national institution; provide for the repeal of the Standards Act, 1993; and provide for transitional arrangements.
Sugar Act, 1978 (Act No. 9 of 1978)	Consolidate and amend the laws relating to the sugar industry and provide for matters incidental thereto.
Temporary Removal of Restrictions on Economic Activities Act, 1986 (Act No. 87 of 1986)	Empower the president to suspend temporarily laws or conditions, limitations or obligations thereunder if their application unduly impedes economic development or competition.
Trade Marks Act, 1993 (Act No. 194 of 1993)	Consolidate the law relating to trademarks; and provide for the registration of trademarks, the certification of trademarks and collective trademarks, and for the protection of rights relating thereto.
Unauthorised Use of Emblems Act, 1961 (Act No. 37 of 1961)	Provide for the continued operation of certain laws relating to the use of certain emblems and representations; and extend the scope of such laws.

8. Organisational Structure








9. Entities reporting to the Minister

The table below indicates the entities that report to the Minister:

Name of public entity	Legislative Mandate	Financial relationship	Nature of operations
<p>Companies and Intellectual Property Commission (CIPC)</p>  <p>Companies and Intellectual Property Commission a member of the dti group</p>	Companies Act, 2008 (Act No. 71 of 2008), as amended	Self-funded	<p>The CIPC was established by the Companies Act, 2008 (Act No. 71 of 2008) as a juristic person to function as an organ of state within the public administration, but as an institution outside the public service. The main functions of the commission are:</p> <ul style="list-style-type: none"> • registration of companies, cooperatives and intellectual property (IP) rights (trademarks, patents, designs and copyright), and the maintenance thereof; • disclosure of information on its business registers; • promotion of education and awareness of company and IP law; • promotion of compliance with relevant legislation; • efficient and effective enforcement of relevant legislation; • monitoring compliance with and contraventions of financial reporting standards, and making recommendations thereto to Financial Reporting Standards Council (FRSC); • licensing of business rescue practitioners; and to report, research and advise the Minister on matters of national policy relating to company and IP law.
<p>Export Credit Insurance Corporation (ECIC)</p> 	Export Credit and Foreign Investments Insurance Act, 1957 (Act No. 78 of 1957)	Transfer payment	<p>The ECIC is established by the Export Credit and Foreign Investment Re-Insurance Amendment Act, 1957 (Act No. 78 of 1957), as amended. It promotes trade with countries outside South Africa by providing for the insurance, on behalf of the Government of the Republic, of contracts in connection with export transactions, investments and loans or similar facilities connected with such transactions, and provides for matters connected therewith.</p>
<p>National Consumer Commission (NCC)</p>  <p>NATIONAL CONSUMER COMMISSION</p>	Consumer Protection Act, 2008 (Act No.68 of 2008)	Transfer payment	<p>The NCC is charged with the responsibility to enforce and carry out the functions assigned to it in terms of the Act, which aims to:</p> <ul style="list-style-type: none"> • promote a fair, accessible and sustainable marketplace for consumer products and services, and for that purpose, establish national norms and standards relating to consumer protection; • provide for improved standards of consumer information; • prohibit certain unfair marketing and business practices; • promote responsible consumer behaviour; and • promote a consistent legislation and enforcement framework relating to consumer transactions.

Name of public entity	Legislative Mandate	Financial relationship	Nature of operations
National Consumer Tribunal (NCT) 	National Credit Act, 2005 (Act No. 34 of 2005), as amended	Transfer payment	The NCT adjudicates any application that may be made to it and makes any order provided for in respect of such an application; or allegations of prohibited conduct by determining whether prohibited conduct has occurred and, if so, by imposing a remedy. It grants orders for costs, and can exercise any other power conferred on it by law. It also reviews decisions made by the National Credit Regulator (NCR), the NCC and single-member panels of the tribunal. Decisions made by a three-member panel of the tribunal may in turn be taken on appeal or review to the High Court.
Companies Tribunal (CT) 	Companies Act, 2008 (Act No. 71 of 2008), as amended	Transfer payment	The CT adjudicates in relation to any application that may be made to it in terms of the Act, and makes any order provided for in the Act in respect of such an application. It also assists in the resolution of disputes as contemplated in Part C of Chapter 7 of the Act; and performs any other function assigned to it by or in terms of the Act, or any law mentioned in Schedule 4.
National Credit Regulator (NCR) 	National Credit Act, 2005 (Act No. 34 of 2005), as amended	Transfer payment	The NCR promotes a fair and non-discriminatory marketplace for access of consumer credit; provides for the general regulation of consumer credit and improved standards of consumer information; promotes black economic empowerment and ownership within the consumer credit industry; promotes responsible credit granting and use; provides for debt reorganisation in cases of over-indebtedness; regulates credit information; and provides for the registration of credit providers, credit bureaus and debt-counselling services.
National Empowerment Fund (NEF) 	National Empowerment Fund Act, 1995 (Act No. 105 of 1995)	Self-funded	The NEF's focus is to promote and facilitate black economic equality and transformation. The NEF provides finance and financial solutions to black business across a range of sectors, and structures accessible retail savings products for black people based on state-owned equity investments. Its mandate and mission is to be government's funding agency in facilitating the implementation of B-BBEE in terms of the BEE Codes of Good Practice.
National Gambling Board (NGB) 	National Gambling Act, 2004 (Act No. 7 of 2004)	Transfer payment	The NGB was established to monitor and investigate when necessary the issuing of national licences by provincial licensing authorities. It establishes and maintains national registers regarding various gambling activities.

Name of public entity	Legislative Mandate	Financial relationship	Nature of operations
<p>National Lotteries Commission (NLC)</p> 	National Lotteries Act, 1997 (Act No. 57 of 1997)	Self-funded	The NLC monitors and enforces the implementation of the national lottery. It manages the National Lottery Distribution Trust Fund, which distributes proceeds from its share of the lottery sales to worthy causes.
<p>National Metrology Institute of South Africa (NMISA)</p> 	Measurement Units and Measurement Standards Act, 2006 (Act No. 18 of 2006)	Transfer payment	NMISA is responsible for realising, maintaining and disseminating the International System of Units. It maintains and develops primary scientific standards of physical quantities for South Africa, and compares those standards to other national standards to ensure global measurement equivalence.
<p>National Regulator for Compulsory Specifications (NRCS)</p> 	National Regulator for Compulsory Specifications Act, 2008 (Act No. 5 of 2008)	Transfer payment	The NRCS is responsible for the administration and maintenance of compulsory specifications, and the implementation of regulatory and compliance systems for compulsory specifications.
<p>South African Bureau of Standards (SABS)</p> 	Standards Act, 2008 (Act No. 8 of 2008)	Transfer payment	The SABS aims to develop, promote and maintain South African national standards; promote quality in connection with commodities, products and services; and render conformity-assessment services and matters connected therewith.
<p>South African National Accreditation System (SANAS)</p> 	Accreditation for Conformity Assessment, Calibration and Good Laboratory Practice Act, 2006 (Act No. 19 of 2006)	Transfer payment	The aim of SANAS is to accredit or monitor, for GLP compliance purposes, organisations that fall within its scope of activity; promote accreditation as a means of facilitating international trade and enhancing South Africa's economic performance and transformation; promote the competence and equivalence of accredited bodies; and promote the competence and equivalence of GLP-compliant facilities.

PART B

Performance Information





10. AG's report: predetermined objectives

The AGSA currently performs certain audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management under the 'Predetermined Objectives' heading in the Report on other legal and regulatory requirements section of the auditor's report.

Refer to paragraphs 14 to 20 of the Report of the Auditor-General.

11. Overview of departmental performance

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

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

Sector highlights

Automotive sector

Ford Motor Company of Southern Africa (FMCSA) expanded its Struandale engine plant in Port Elizabeth, Eastern Cape, as part of a R3-billion investment in its South African operations. Mahindra & Mahindra South Africa (MMSA) initiated a contract assembly of its Mahindra and Bolero vehicles in KwaZulu-Natal.

The production volume is 2 500 a year on a single-shift system, but can be increased to 4 000 units a year. The combined investment between MMSA and Automotive Investment Holdings (AIH) in the plant is about R10 million.

Mercedes Benz invested R10 billion into the expansion of its East London plant. The upgrade extended the production space of the existing plant by up to two-thirds to produce the next generation of the C-Class and also manufacture the GLC SUVs.

BMW Group South Africa (BMW SA) started production of the new BMW X3 at its Rosslyn plant in Tshwane. The firm has invested R6 billion in South Africa since November 2015 to prepare the plant to produce the BMW X3. BMW X models account for more than 30% of the group's global worldwide sales.

The Minister launched the newly established Toyota Wessels Institute for Manufacturing Studies (TWIMS) to develop world-class capabilities and drive African industrialisation in Kloof, Durban, KwaZulu-Natal, where the institute will be based. Komatsu Africa Holdings, the Southern African division of global capital equipment player Komatsu, opened a new industrial hub, built to the value of R985 million, in Germiston, Johannesburg.

Metal fabrication, capital and rail transport equipment

Russian rolling stock manufacturer Transmasholding (TMH) launched its R500-million investment in a South African manufacturing facility through its newly acquired subsidiary TMH Africa. TMH Africa, which is 70% owned by TMH and 30% by empowerment partner Mjisa Investments, acquired a rail rolling contractor, DCD Rolling Stock, and will modernise and develop the 45 000m² manufacturing facility in Boksburg, on the East Rand.

Plastics, pharmaceuticals, chemicals and cosmetics

The Minister launched Aspen's R1-billion high-containment facility, which will create more than 500 jobs, in Port Elizabeth. The facility was established as a result of a partnership between **the dti** and Aspen.



Plastics, pharmaceuticals
chemicals and cosmetics

the dti + Aspen + R1bn

500 jobs

Mineral beneficiation

The Cape Town Iron and Steel works (Cisco) plant was officially opened in Kuils River, near Cape Town. The plant created 300 direct and 120 indirect jobs, with another 200 in the pipeline. DHT, the new Turkish owners of Cisco, invested R550 million, while the Industrial Development Corporation (IDC) invested about R230 million.

Green industries

South Africa signed renewable energy contracts worth \$4.7 billion with independent power producers.

Fuel cells

The introduction of platinum-using fuel cells received another boost with the latest success in hydrogen compression announced by Anglo American Platinum (Amplats). Amplats revealed plans for a fuel cell bulldozer, uses of hydrogen in liquid, to make a 2019 debut in one of its underground mines.

R780M invested in
Cisco plant

300

direct jobs created

120

indirect jobs created

200 jobs in the pipeline

Business process services (BPS)

Global business process outsourcing (BPO) firm Webhelp partnered with not-for-profit organisation Harambee to boost BPO skills in South Africa. Webhelp aims to train about 400 South Africans with BPO skills by 2020. The Minister launched the Global Business Services (GBS) Incentive at SA House in London, UK. Changes include a reduction in the minimum criteria of 50 jobs across all levels of work to a minimum of 30 jobs for medium- to high-complexity jobs.

To ensure that South Africa delivers the best quality services at the right price, the eligibility criteria were amended to include a minimum salary threshold of R60 000 per annum for entry-level agent roles.

Marine manufacturing

The R200-million vessel-repair facility built at the port of Port Elizabeth in recent years started to generate a return on investment, according to the Transnet National Ports Authority (TNPA). The facility has serviced more than 140 local and foreign fishing vessels since its completion in April 2016.

Regional integration

South Africa has signed the African Continental Free Trade Area agreement with the African Union (AU). The African Export-Import Bank (Afreximbank) and the Export Credit Insurance Corporation of South Africa (ECIC) signed an MOU for a \$1-billion financing programme to promote and expand trade and investments between South Africa and the rest of Africa.

National industrial participation

The launch of the Rolls-Royce Engine Availability Centre took place on 3 October 2018.

The Special Economic Zone (SEZ) planning guidelines were finalised. Regulations on the composition of SEZ entities and operators were developed to enable SOEs to function as operators and entities. The Framework Agreement was signed between **the dti** and the National Development Reform Commission (NDRC) for partnership in the undertaking of industrial development projects in South Africa, with a special focus on Musina-Makhado SEZ. **the dti** facilitated and witnessed the signing of a memorandum of understanding (MoU) between Musina-Makhado SEZ and 10 potential investors from China, with a value of \$10 billion.

the dti in partnership with the Chinese Government trained 50 South African government officials on SEZ planning and development. The training took place in Tianjing, China, in May 2018.

The SEZ Advisory Board recommended the approval of the Gauteng Industrial Development Zone (IDZ) application on land expansion. The Atlantis SEZ was designated in May 2018 and launched in December 2018. The Nkomazi SEZ was designated in December 2018. Application for the designation of the Bojanala SEZ was recommended by the SEZ Advisory Board on 29 March 2019 for approval by the Minister.

The Rural and Township Industrial Economy (RTIE) programme was initiated through regional Business Breakfast and Seminar Dialogues held in five provinces: Atlantis, Western Cape (24 April 2018); Kabokweni, Mpumalanga (21 May 2018); Durban, KwaZulu-Natal (11 June 2018); Mahikeng, North West (2 July 2018); and Seshego, Limpopo (10 July 2018). During the year under review, the Phuthaditjaba Industrial Park was launched on 30 October 2018. Siyabuswa, Kabokweni, Madadeni and Ezakheni were added to the Industrial Park Revitalisation Programme (IPRP), bringing to 16 the total number of industrial parks. Six applications have been received for IPRP Phase 2.

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

the dti recognises the importance of promoting trade, inward investment and encouraging exports to leverage global growth for the development of our economy, focusing on regional integration and enhancing our trade and investment relations with the rest of Africa, our main/traditional trading partners and dynamic, fast-growing emerging markets. This is achieved through efforts to build an equitable multilateral trading system that facilitates development, strengthens trade and investment links with key economies, and fosters African development through regional and continental integration; as well as development cooperation in line with the New Partnership

for Africa's Development (Nepad) and the AU's Agenda 2063.

Regional economic integration remains South Africa's overriding priority. The aim is to pursue the broadening of integration across existing regional communities within a development integration framework. Practically, this means not only taking steps to enlarge existing free trade areas, but also complementing this with active cooperation to promote industrial and infrastructure development. The key objective of these initiatives is to promote intra-African trade and support industrialisation through the creation of large regional markets that can support the development of regional value chains, and thus expand productive capabilities and move up the value chain. This approach is compatible with trends in successful emerging economies. Total trade with the rest of Africa amounted to R451.2 billion in 2018, representing 19% of South Africa's global trade. The regional integration efforts in the African continent aim to create a larger market that can stimulate intra-African trade and investment, and contribute to South Africa's industrialisation and job-creation objectives.

Within the Southern African Customs Union (SACU), **the dti** continues to prioritise efforts to review the 2002 SACU Agreement with the aim of transforming SACU into a development integration arrangement that contributes to the structural transformation of its economies. This includes providing for a financing mechanism to facilitate the implementation of cross-border industrial and infrastructure projects; developing an appropriate architecture for tariff setting; identifying public policy interventions and tools to promote industrial development and regional value-chains, using the SADC Industrialisation Strategy as a basis; and strengthening existing cooperation and collaboration on trade facilitation to improve border efficiencies and address behind-the-border issues. In addition, SACU continues to adopt a unified engagement in trade negotiations with third parties, ensuring that the common external tariff is preserved.

The consolidation of the SADC Free Trade Area continues to be the major area of focus for **the dti**. The department continues to engage within SADC through bilateral engagements on outstanding commitments in the implementation of the Free Trade Agreement (FTA). In relation to trade in services, negotiations were concluded on four sectors, namely: communication, tourism, transport and financial services. Negotiations continue in the area of energy-related services and construction. The operationalisation of the SADC Industrialisation Strategy has gained momentum with the selection of priorities for value-chain development, which would be the basis for collaboration among member states.

The Common Market of East and Southern Africa (COMESA), East African Community (EAC) and SADC Tripartite Free Trade Agreement (TFTA) remain an important building block for the African Continental Free Trade Area (AfCFTA). Significant progress has been made beyond the adoption of the legal framework to operationalise the free trade area. Tariff negotiations have commenced between the parties, with the key bilateral negotiations for South Africa being the SACU-EAC tariff negotiations, as well as with Egypt. Significant progress has been achieved in the SACU-EAC negotiations, with a few remaining issues in relation to tariffs and rules of origin. During 2018, the Annex on Movement of Business People was also finalised. The Annex seeks to facilitate the movement of business persons between the TFTA countries and commits to the issuing of long-term visas in line with domestic legislation. South Africa became the fourth country to ratify the TFTA agreement and deposited its instrument of ratification in December 2018. The agreement requires 14 ratifications to come into force.

The AU Assembly launched the AfCFTA negotiations during the 25th Ordinary Summit of Head of States and Governments on 15 June 2015 in Johannesburg, South Africa. The envisaged AfCFTA is expected to build an integrated market in Africa that will culminate in a market of more than one-billion people and a GDP of approximately US\$3.3 trillion.

Significant progress in the negotiations led to the launch of the AfCFTA and the adoption of the legal instruments establishing the AfCFTA by the Heads of State and Government of the AU on 21 March 2018 in Kigali, Rwanda.

The AfCFTA comprises 55 African countries and, once into force, will constitute the largest Free Trade Area globally. Once operational, it will facilitate free movement of goods and services across the African continent and will unlock opportunities to attract investment. The AfCFTA is anchored on the development integration approach, which places emphasis on market integration, infrastructure development, and industrial development; in order to boost intra-African trade and support the continental development imperatives of sustainable economic growth. In support of these objectives, the AfCFTA agreement covers both goods and services under Phase I and will include investment, intellectual property and competition under Phase II of the negotiations.

South Africa has signed and ratified the AfCFTA and it will come into force after 22 member states deposit their instruments of ratification.

The 11th World Trade Organisation (WTO) Ministerial Conference in Buenos Aires, Argentina, in December 2017 failed to reach any significant multilateral outcomes, which is a reflection of long-standing divergences among members on how to advance the multilateral trading system. For many developing countries, including South Africa, the core objective is to ensure the centrality of development in the work of the WTO and that multilateral trade rules promote inclusive growth.

In addition, the preservation of policy space to promote structural transformation of developing countries and Africa in particular is critical to ensure integration of developing countries in the global economy. South Africa will continue to both defend and pursue its trade and developmental interests, including by strengthening its coordination and alliance with African countries and other like-minded WTO members to advance these objectives. South Africa has notified its commitments under the Trade Facilitation Agreement of the WTO and has established the National Committee on Trade Facilitation to oversee the implementation of the agreement. The Trade Facilitation Agreement is expected to expedite movement, release and clearance of goods and improve cooperation between customs and other border authorities with a view to facilitating trade.

South Africa continues to implement a developmental trade policy that ensures that tariffs are instruments for industrial development. From 2013 to 2018, the share of value-added exports to South Africa's total exports has increased from 41% to 42.8%.

The major export destinations for South Africa are the African continent, EU and China, accounting for almost 59% of its total exports. The African market was a destination for 26.5% of South Africa's exports in 2018. South Africa will continue to focus on diversification of its export base and export destinations so as to support its industrialisation objectives. It will continue to strengthen relations with various trade partners, including Eastern and South East Asia, India, the US and the Middle East, as well as BRICS countries.

In terms of export performance, exports to the rest of Africa and China have grown faster than average export growth and this is consequently reflected in the increased share of South African exports destined for these markets. Exports to the rest of Africa have grown from 20.2% of South Africa's total export value in 1999 to 26.5% in 2018, while exports to China have grown from 2.5% to 9.2% over the same period. The Middle East quadrupled its share of South Africa's global exports to 3.8% over the period.

The EU remains South Africa's key trading partner, with total trade increasing consistently from R449 billion in 2013 to R621.4 billion in 2018, an increase of 38.4%. South African exports to the EU have increased from R167 billion in 2013 to R269 billion in 2018, while imports increased from R282 billion to R341 billion in the same period. The trade deficit has been declining over the past five years, recording a 31% decline from R121 billion in 2013 to R83.6 billion in 2018.

Globally, the US accounts for 6.7% of total South African exports to the world. In 2018, the US was South Africa's third-largest export destination by country. Trade relations between South Africa and the US are underpinned by the Africa Growth and Opportunity Act (AGOA), which has been the cornerstone of the US-Sub-Saharan Africa commercial relations and has generated tremendous goodwill for the US in the continent. For South Africa, AGOA underpins the strong and growing mutually beneficial trade and investment relationship between South Africa and the US. AGOA enabled South Africa to increase exports of value-added products to the US, thereby contributing positively to our national imperatives to boost industrialisation and create jobs. South Africa and the US enjoy relatively balanced trade relations. Bilateral trade has grown from R129.2 billion in 2013 to R149.8 billion in 2018. South African exports to the US grew from R66.9 billion in 2013 to R76.7 billion in 2018. US exports to South Africa increased from R63 billion to R73.1 billion over the same period.

On 30 March 2017, the UK submitted an official notice triggering its exit from the EU. South African and UK exports have been benefiting from the preferential access into each other's markets through the SADC-EU Economic Partnership Agreement (EPA). The UK is the second-biggest trading partner of South Africa in the EU and a very significant destination for South African agricultural exports in particular. To ensure that the UK's exit from the EU does not lead to market access interruptions for South African exports, South Africa and other SACU member states and Mozambique have been engaging in discussions with the UK with a view to concluding a stand-alone roll-over agreement based on the SADC-EU EPA. The objective is to eliminate trade disruption and ensure a predictable arrangement when the UK officially exits the EU. SACU, Mozambique and the UK have made significant progress in discussing a post-Brexit arrangement that builds on the EPA.

As the state's statutory body on non-proliferation, the South African Council for the Non-Proliferation of Weapons of Mass Destruction has engaged other stakeholders to protect the interests, carry out the responsibilities and fulfil the obligations of South Africa with regard to the non-proliferation of weapons of mass destruction. This was achieved through cooperation with specialised entities, council committees and outreach to industry. The council effectively fulfilled its mandate to control the non-proliferation of weapons of mass destruction through the implementation of the Non-Proliferation Act and government policy on non-proliferation.

The council, through the Non-Proliferation Secretariat, achieved its objective of controlling, registering and inspecting controlled goods and verified the manufacture, import, export, re-export, transit (including trans-shipment) and end use of controlled goods. The council also ensured compliance with the international conventions, treaties and regimes to promote South Africa's image as a responsible and reliable producer, possessor, trader and recipient of sensitive goods and technologies, thereby facilitating trade.

In accordance with the Integrated National Export Strategy (INES), **the dti** has sought to stimulate global demand for South Africa's industrial output and services. This has been pursued through increasing our exporter base and promoting value-added exports and services in international markets. **the dti** achieved export sales, facilitated through its various instruments, to the value of R4,425 billion, surpassing the annual target of R4 billion. **the dti** assisted 1 023 companies into international markets. This significant improvement was achieved through the employment of strategic export promotion tools.

the dti also leveraged a series of high-level engagements for improved market access for South African products and services as well as increased investment attraction.

These engagements include: the 10th Session of the BRICS Business Forum in July 2018; the State Visits to the United Arab Emirates (UAE) and Saudi Arabia in July 2018; the Joint Economic Commission with Saudi Arabia; the Joint Commission with the UAE; the fourth meeting of the South Africa-Vietnam Partnership Forum; the State Visit by President Cyril Ramaphosa to India in January 2019; the Joint Working Group on Trade and Investment meeting between South Africa and India in January 2019; the third Forum on China-Africa Cooperation (FOCAC) in September 2018; the trade and investment Roundtable and Business Forum with the President during the 73rd session of UNGA 2018 in New York City in September 2018; the third International Conference on the Emergence of Africa (ICEA) in Senegal in January 2019; the third Session of the Congo-South Africa Senior Officials Meeting in February 2019, facilitated the signing of a MoU on Economic Cooperation between South Africa and Mozambique on the sidelines of the first Meeting of the Joint Council of the EU-SADC Economic Partnership Agreement in February 2019; the RSA-Zimbabwe Bi-National Commission (BNC) in March 2019; the Egypt-South Africa Trade and Investment Seminar in Johannesburg from 14 to 15 March 2019; the sixth Session of the Kenya-South Africa Joint Trade Committee Meeting in March 2019; and facilitated business forums during the State Visit by the President of Ghana to South Africa.

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

- 49 export awareness-raising and capacity-building initiatives were undertaken in all nine provinces of the country;
- 610 companies benefitted under the GEPP training intervention;
- 644 clients were assisted with export information through Export Help Desk services;
- 729 trade leads were disseminated to exporters for supply of goods to global markets; and
- **the dti**-Export Council quarterly engagement was held on 20 and 21 August 2018.

Key outcomes from the engagement included the pursuance of a clustering approach among export councils, and an in-principle approval for an increase of the matching grant financial support from R1 million to R2 million per annum based on transformation plans and targets met by councils. This underscores the importance for export councils to strive and achieve real transformation targets as a precondition for future increased financial support.

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

A MoU between **the dti** and the CIPC was extended to allow the CIPC to issue B-BBEE Certificates for Exempted Micro Enterprises through self-service terminals. During the period between 1 April 2018 and 19 March 2019, 122 278 B-BBEE certificates were issued by the CIPC. The reopening of the B-BBEE Management Development Programme for SANAS Technical Signatories took place on 13 June 2018. In February 2019, the Online CIPC Platform was expanded to ensure that the statistics for black unemployed ownership, black youth ownership, black people living in rural areas ownership, black disabled ownership and black military veterans ownership is captured. The National B-BBEE Rural and Township Economy Summit was held on 19 and 20 July 2018.

The Defence Sector Code Gazette No. 42021 aligned to the B-BBEE Act No. 53 of 2003 as amended was published on 9 November 2018. On 28 August 2018, the Youth Employment Service (YES) initiative was gazetted for implementation through Section 9 (1) of the B-BBEE Act.

In March 2019, the department submitted the final amendments to B-BBEE Statements 000, 300, 400 and Schedule 1 to the Minister for approval and gazetting. Memoranda of Agreement (MoAs) were signed with Microsoft and Samsung under the Equity Equivalent Investment Programme (EEIP). Two multinationals, Amazon and Pharma Dynamics, have been approved to participate in the EEIP.

The YES initiative has a committed activation of R522 million in personal income to youth previously unemployed and unable to contribute to the South African economy. Since November 2018; 15 715 jobs have been created under the initiative.

the dti signed strategic partnerships (MoUs) with the Central Energy Fund Group and the Mpumalanga Provincial Department of Economic Development and Tourism under the Black Industrialist Programme.

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

During the 2018/19 financial year, **the dti** prioritised the development and processing of six Bills on gambling, liquor, credit, companies, copyright and performers protection and the department's three key targets on its Annual Performance Plan (APP). The department performed well, exceeding one of its targets on education and awareness.

Three Bills (Copyright, Performers Protection and Credit Amendment) were referred to the President for signing into the Act of Parliament. In addition, three treaties were adopted by the Select Committee. These were the WIPO Copyright Treaty (WCT), WIPO Performances and Phonograms Treaty (WPPT) and the Beijing Treaty on Audio Visual Performances.

The Gambling Amendment Bill, 2018, seeks to improve the regulation of gambling in South Africa. The original Bill was revised and prioritised a few key amendments. The Bill proposed improved enforcement measures against illegal operators and the restructuring of the National Gambling Board (NGB), among others. The Bill has been introduced to the National Council of Provinces (NCOP) and was directed to the provinces for voting and mandates. Five provinces (Mpumalanga, Limpopo, Northern Cape, Free State and North West) voted in favour of the Bill; three (Western Cape, Gauteng and KwaZulu-Natal) voted against; and one (Eastern Cape) abstained. The Bill has been referred to the Select Committee on Trade and International Relations.

The Companies Amendment Bill, 2018, seeks to support the priorities of the National Development Plan (NDP) and produce a more effective socioeconomic environment, a simpler regulatory environment, employment creation and better governance. Stakeholders were engaged and submitted input, and further updated the Bill, which was then presented at Nedlac on 27 March 2019.

The draft Liquor Amendment Bill seeks to reduce socio-economic harms associated with liquor abuse and restructure the liquor industry to promote wider participation and encourage transformation. The Bill has been put on hold until the sixth Parliament. Research, however, is being conducted to address the areas of concern.

Thirty-two education and awareness workshops were held in all nine provinces with the aim of educating members of communities on departmental legislation and, where possible, gathering potential policy issues to be

considered by **the dti**. The workshops focused on the liquor, gambling, lotteries, credit, consumer protection, copyright, performers protection and companies acts. The workshops were successful as they were presented in languages spoken in those communities. The communities appreciated the workshops and, in some instances, the municipalities requested workshops to be convened in neighbouring areas where there was a need.

The department concluded three research studies in the areas of consumer protection and credit. In addition, seminars and research forums were convened with the purpose of gathering information to inform future policy development and sharing knowledge as well as to keep abreast with the latest information, research, regulatory developments and trends nationally and internationally across a range of sectors such as gambling, liquor, copyright, consumer, lotteries, companies and credit.

The department is also charged with the responsibility of regulating the macro manufacturing and distribution tiers of the liquor industry by registering macro manufacturers and distributors of liquor. In an attempt to improve the registration of liquor licences, the department has introduced an online application system and various modules of the system have been deployed.

The National Liquor Authority (NLA) facilitated the signing of Guidelines for Good Practice for South African Companies Operating on the African Continent. The companies that signed the guidelines were Distell, Heineken, Diageo, Pernod Ricard, SALBA and Vinpro. The guidelines aim to encourage companies to align their involvement and practices with the South African government's integration and development objectives on the continent and build mutual confidence.

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

the dti steadfastly continues to promote an environment that is professional, ethical, dynamic, competitive and customer-focused to ensure effective and efficient service delivery in **the dti**. The department continues to be one of the forerunners in the public sector in promoting excellence in the provision of corporate services. 2018 has been an exciting and eventful year for the division in terms of achievements, coupled with some governance challenges.

the dti Values

The conduct of our employees is informed by **the dti** values of quality relationships, and operational and intellectual excellence. These values are not only the glue that promotes cohesive teams, but they are also the bedrock for building a high-performing department that places great emphasis on caring for its employees.

Value Discipline Triangle



Quality relationships

The value dimension of quality relationships is intended to create a culture and an environment where people are valued, there is respect for one another, teamwork and ethical conduct is promoted.

Ethical and effective leadership

Taking into account the questionable morality issues relating to corruption and state capture that have been plaguing our country and the fact that leadership plays a crucial role in influencing an ethical environment in an organisation, the department, in collaboration with the University of Cape Town, rolled out an ethical leadership training programme to raise awareness and equip senior managers with skills to make ethical decisions.



the dti hosted an ethical leadership and public accountability executive short course for Senior Management Services (SMS) officials in Pretoria from 13 to 16 November 2018. The course was presented by the University of Cape Town's Nelson Mandela School of Public Governance.



towards full-scale industrialisation and inclusive growth



In pursuance of promoting healthy leader-staff relationships, **the dti** successfully rolled out a senior management coaching programme, attended by 48 senior managers. The programme also sought to equip managers with skills to become self-aware, mindful and resonant leaders. To date, 41 senior managers have completed all their allocated individual sessions (participant meeting a coach). Two group sessions were also held.

Recruitment efforts and retention rate

For the 2018/19 financial year, **the dti** recruited 136 employees, of whom 105 were new (including interns) and 31 were internal promotions. The vacancy rate as at 31 March 2019 was 1.2%, excluding unfunded vacancies. The vacancy rate will continue to be managed to remain below the public service target of 10%.

A turnover rate of 4.7% was reported in respect of employees permanently appointed to the establishment. This resulted in a retention rate of 95.3%. Further stability was brought to the workforce in that only one manager on Deputy Director-General level resigned.

Employment equity

Employment equity is another key aspect of building cohesive but diverse teams. **the dti** has been robust in promoting a transformed workplace and is, to this end, one of the forerunners in the public service. People with Disability represent 3.8% of the workforce, exceeding the 2% target set by Cabinet. **the dti** has also exceeded the target of 50% for women in senior management positions by 4%, with representation of women in senior positions now standing at 54%. These great strides have prompted the Department of Labour to nominate **the dti** to participate in the Annual Employment Equity Awards.

11.2 Service delivery improvement plan

Operational excellence is the second value that focuses on service delivery with an emphasis on Batho Pele, service delivery standards and continuous improvement. The Operational Plans of the various divisions in **the dti** are supported by service delivery improvement plans based on Batho Pele Service Standards.

11.2.1 Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Provision of financial support through the Black Industrialist Scheme (BIS) incentive	Medium and large black businesses	Completed applications approved within 60 working days after receipt	Approved completed applications within 50 working days after receipt	Approved completed applications within 50 working days after receipt

11.2.2 Batho Pele arrangements with beneficiaries

Current/actual arrangements	Desired arrangements	Actual achievements
80 information-sharing and consultative sessions were conducted with strategic stakeholders	Conduct 100 information-sharing and consultative sessions with strategic stakeholders	Conducted 106 information-sharing and consultative sessions with strategic stakeholders

11.2.3 Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
Brochures were distributed in regional offices and information about incentive posted on the dti website	Distribute brochures in 1 national office and 3 regional offices and upload information about incentive on the dti website	Distributed brochures in 1 national office and 3 regional offices and uploaded information about incentive on the dti website
Conducted workshops, and advertised in print and voice media annually.	Conducted 4 BIS workshops Increase awareness regarding BIS by advertising in 1 print and 1 voice media	Conducted 12 BIS workshops Increased awareness regarding BIS by advertising on radio and in the newspaper

11.2.4 Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
90% of enquiries and complaints responded to within 48 hours	100% of enquiries and complaints responded to or referred to relevant office within 48 hours	100% of enquiries and complaints responded to or referred to relevant office within 48 hours
Send an apology to applicant for application not processed within 60 working days	Send an apology to applicant for application not processed within 50 working days	Sent an apology to applicant for application not processed within 50 working days

11.3 Organisational environment

the dti continues to be one of the forerunners in the public sector in promoting excellence in the provision of corporate services. 2018 has been an exciting and eventful year for the department in terms of achievements, coupled with some governance challenges.

Employer Value Proposition

The Employer Value Proposition (EVP), underpinned by the aforementioned values of **the dti**, positions the department as an employer of choice. It provides prospective employees with career offerings in terms of what is in it for them should they choose to join **the dti**. The EVP encourages employees to want to stay at **the dti** by providing a benchmark of what they stand to lose out on should they leave.

Workforce

the dti workforce has remained stable due to austerity measures that prompted the scaling down of our recruitment efforts. In order to ensure that operations were not adversely affected, the department focused its energies on the optimisation of staff through reassignment of roles and responsibilities.

Employment Relations

the dti continues to maintain a healthy working relationship with organised labour, with a view to promoting good relations between employer and employees. Some of the matters of common interest discussed at the Departmental Bargaining Chamber are:

- Various HR policies
- Recognition of improved qualifications
- FER (Foreign Economic Representative) dispute by PSA (Public Servants Association of South Africa) - extension of FER contracts
- Alleged unilateral deviations from policy
- Skills audit

Dispute on JE processes in posts in GSSSD

The number of disciplinary matters during the 2018/19 financial year was recorded as 36. Of these, 26 were informal and 10 were formal cases, and were dealt with within average periods of 25 and 250 days, respectively. The majority of cases revolved around the failure to disclose financial interests. Alleged unprofessional conduct (one), fraud and forgery (three), dereliction of duties (one) and disgraceful/unprofessional conduct/assault (one) resulted in six suspensions.

Meeting the turnaround time to resolve grievances at Senior Management Services (SMS) level as well as below-SMS level is still a challenge. **the dti** dealt with 67 grievances from 1 April 2018, which resulted in turnaround times of 82 days for below-SMS (62 cases) and 106 days (five cases) for SMS, against targets of 30 days and 45 days, respectively. This represents 5.1% of the employees of the department, which is not a significant number, taking into account the headcount of 1 194. In the interest of a conducive environment as well as contributing to the value of quality relationships, it is important that we deal with grievances efficiently and focus on closing them as soon as possible. In this regard, 90% of the grievances dealt with during the period under review were resolved.

Potential strike action was averted during the 2018/19 financial year when organised labour challenged management with regard to certain decisions that were taken regarding employees' career incidents. Consultations were held with organised labour to diffuse the situation and management decisions had to be rectified.

Six employees were under suspension for alleged disgraceful/unprofessional conduct (two cases – of which one was also due to alleged assault), alleged fraud and forgery (three cases) and dereliction of duties (one case).

Ethics training

It became necessary to educate **the dti** officials on ethics in order to address the above challenges. Measures have been put in place to create ethical awareness among employees and compulsory training will be conducted over a period of three years, commencing in the 2019/20 financial year.

Integrity and reliability of systems

Cyberattacks continue to be one of the significant risks that could adversely affect the security of information and the continuity of business operations. We are pleased to report that, as at March 2019, there was no successful cyberattack, though attempts were made, indicative of effective general and firewall controls. Availability of key systems averaged 99.14%.

Outreach programmes

In its drive to reach out to People with Disability, **the dti** donated two wheelchairs to the Sizanani Children's Home. One of the wheelchairs was a donation from a staff member and the second one was the prize that **the dti** won for collecting 450kg bottle tops, another illustration of teamwork in the department.

Our efforts go beyond employment to levelling the playing field by providing People with Disability with assistive devices such as hearing and reading aids, ensuring that offices are accessible and providing the services of sign language practitioners.

Another outreach programme that **the dti** embarked upon during the year was to invite boy children to the department to encourage them to become men of good standing in society as well as expose them to career opportunities.

Employee Health and Wellness

Our staff are the most valued asset of the department, therefore we have a progressive and holistic Wellness Programme that includes a flexi-time policy, nearby early learning centre, on-site medical clinic with an occupational nursing sister and visiting doctor, and 24/7 hours counselling services for staff and family.

the dti prides itself on its best-practice employee wellness programme, which was awarded a score of four by the Department of Public Service and Administration, the highest score possible.

Performance management

Performance management is a key tool that **the dti** is using to ensure services are rendered at the required standards. The service standards form the basis for concluding performance agreements and facilitate effective monitoring of good performance and underperformance. In respect of the 2018/19 financial year, 97.7% of performance agreements were concluded and 94.8% mid-year reviews were conducted and finalised. The department has put in place corrective measures to deal with non-compliance.

Towards intellectual excellence

the dti is a knowledge-based department and learning, skills improvement, information management and innovation are, therefore, critical for the successful delivery of departmental programmes and services.

Training and development

Key training and development initiatives rolled out during the year include: strategic management, legislative drafting, B-BBEE, research methodology, policy development, export promotion and personal mastery. Our contribution to society at large to provide experiential training to graduates has resulted in the appointment of 69 interns for the 2018/19 financial year, who were placed in various divisions for a period two years.

The department continued to support employees in developing themselves further in terms of their formal studies and 201 employees were supported through the Departmental Bursary Programme. Of these, 61 are studying towards Masters and 12 towards Doctorate qualifications.

11.4 Key policy developments and legislative changes

- Implementation of the new Irregular Expenditure Framework that came into effect from 1 December 2018: Refer to National Treasury Instruction No. 1 of 2018/19.
- Changes in Financial Disclosure requirements (reporting non-compliance and regrouping the categories MMS 12, OSD-12, etc.); Operations Management Framework.
- Introduction of the Electronic Quarterly Performance Reporting System (EQPRS).
- In 2018/19, the new Government Communication Policy was adopted by Cabinet.

Cabinet approved the Intellectual Property (IP) Policy – Phase I in May 2018, following meetings of the Inter-Ministerial Committee on Intellectual Property (IMCIP) at the level of Cabinet and technical officials.

The IP Policy will be developed through a phased approach with two key substantive thematic areas to be covered in the first phase based on existing research, analysis and expertise. Further work will be undertaken thereafter to put in place a comprehensive IP Policy to substantively cover other aspects of IP not addressed in the first phase, including guidelines. Work on Phase II was initiated in October 2018 at a meeting of the IMCIP technical officials to mandate the urgent amendment of the Patents Act and the ratification of the World Intellectual Property Organisation (WIPO) Treaty known as the Madrid Protocol.

The Public Procurement Bill was submitted to Cabinet on 20 February 2019. The Bill establishes the Public Procurement Regulator to regulate some of the procurement functions and the Tribunal to deal with procurement disputes. Chapter 4 deals with preferential procurement issues (i.e. B-BBEE, set asides, local content and job creation).

The Portfolio Committee focused on critical areas of the National Gambling Amendment Bill such as the establishment of National Gambling Regulator, the Quorum, the appointment of the Chief Executive Officer in the National Gambling Regulator; powers of the national inspectorate to curb payments emanating from illegal gambling activities; enhancing the powers and duties of the gambling inspector; and transitional arrangements.

12. Strategic outcome-oriented goals

12.1 Strategic Outcome-Oriented Goals

- Facilitate the transformation of the economy to promote industrial development, investment, competitiveness and employment creation.
- Build mutually beneficial regional and global relations to advance South Africa's trade, industrial policy and economic development objectives.
- Facilitate broad-based economic participation through targeted interventions to achieve more inclusive growth.
- Create a fair regulatory environment that enables investment, trade and enterprise development in an equitable and socially responsible manner.
- Promote a professional, ethical, dynamic, competitive and customer-focused working environment that ensures effective and efficient service delivery.

12.2 Strategic Objectives

- Grow the manufacturing sector to promote industrial development, job creation, investment and exports.
- Improve conditions for consumers, artists and opening up of markets for new patents players.
- Strengthen capacity to deliver on **the dti** mandate.

Alignment to the National Development Plan and Medium-term Strategic Framework

The NDP is being implemented through five-year implementation plans that have been consolidated into the 14 Outcomes of the MTSF 2014-19.

The work of **the dti** is primarily reflected in Outcome 4: Decent employment through inclusive economic growth and Outcome 11: Create a better South Africa and contribute to a better and safer Africa and the World.

The APP has been crafted so as to align with the MTSF and ensure that **the dti** meets its outcome objectives by 2019. The APP activities listed herein consequently represent the cumulating progress towards achieving the MTSF objectives.

12.3 Alignment with the NDP and the MTSF

Strategic outcome-oriented goals	MTST Interventions	Five-year targets	Linkages to government outcomes	Significant achievements
Facilitate transformation of the economy to promote industrial development, investment, competitiveness and employment creation	<p>All IPAP interventions implemented</p> <p>Develop MBAP and incorporate into IPAP</p> <p>Increase use of local metals in South African manufacturing</p> <p>Increase localisation target to 75%</p>	All IPAP interventions implemented	Outcome 4: Decent employment through inclusive growth	<ul style="list-style-type: none"> Investment attracted in the auto sector increased to R40bn. Auto master plan was developed and finalised. Exports in the auto sector increased to R45bn supporting 113 000 jobs in assembly and supply chain Clothing and Textile stabilised with 95 000 jobs retained. 22 factories in leather and footwear sector were established. 2 200 jobs were created as a result of new factories. In 2016, the dti launched the Black Industrialist Programme. Since inception, more than 130 projects were approved for support and R13.2bn private-sector investment leveraged. Investment resulted in the creation of more than 9 000 projected jobs, while 8 900 jobs were retained. Since 2014, four SEZs were designated: Maluti-a-Phofung, Dube Trade Port, Musina-Makhado and Atlantis. Investment attracted through the implementation of the SEZ programme amounts to R35bn, while direct jobs grew to more than 13 000. 11 industrial parks were upgraded sustaining more than 50 000 jobs. Launch of the national investment One Stop Shop and three provincial One Stop Shops (Gauteng, KwaZulu-Natal and Western Cape). Investment attracted during investment conference amounts to R300bn, of which R188bn is committed.
Facilitate transformation of the economy to promote industrial development, investment, competitiveness and employment creation	Develop MBAP and incorporate into IPAP			<ul style="list-style-type: none"> Mineral Beneficiation Action Plan was developed and incorporated into the IPAP. Five value chains – platinum, titanium, energy, upstream mining inputs Iron-ore and steel, and polymers – were identified for beneficiation. the dti supported demonstration of 100kW static fuel cells. Isondo Precious Minerals acquired the rights to manufacture, use, market and sell licensed fuel cell components worldwide. Metair launched a Li-ion battery production programme to produce Li-ion Batteries in South Africa in partnership with the University of the Western Cape.

Strategic outcome-oriented goals	MTST Interventions	Five-year targets	Linkages to government outcomes	Significant achievements
Facilitate transformation of the economy to promote industrial development, investment, competitiveness and employment creation	Increase use of local metals in South African manufacturing			<ul style="list-style-type: none"> Government introduced various interventions to secure the local steel industry, including the introduction of a Steel Development Fund to support key downstream steel sectors /subsectors. Designation of steel and steel products. Tariff increases for a range of steel products, tariff review on a range of downstream products and deployment of rebates.
Facilitate transformation of the economy to promote industrial development, investment, competitiveness and employment creation	Increase localisation target to 75%			<ul style="list-style-type: none"> Localisation has seen more than 20 sectors/ products designated, including water meters, yellow metals, wheelie bins, transformers, rail signalling systems, fire-fighting vehicles, residential electricity meters, furniture products and certain pharmaceutical products. More than R70bn was spent on locally manufactured products.
Build mutually beneficial regional and global relations to advance South Africa's trade, industrial policy and economic development objectives	<p>FDI investment pipeline: R50bn</p> <p>Economic diplomacy and pavilions</p> <p>Seven investments and five trade promotion projects</p> <p>Tripartite-Free Trade Agreement (TFTA)</p> <p>South Africa's position on TFTA and Continental FTA</p>	<p>TFTA concluded</p> <p>Draft SA position on processes towards the establishment of the CFTA</p>	<p>Outcome 11: Create a better South Africa and a better world</p>	<p>Concluded a TFTA framework agreement. Parliament ratified same. The instrument of ratification was concluded in December 2018.</p> <p>Technical meetings on rules of origin, the SACU-Egypt tariff negotiations, and SACU-EAC tariff negotiations continue.</p> <p>The framework agreement was concluded. Parliament has ratified same; the instrument of ratification was deposited in February 2019.</p>

13. Performance information by programme



13.1 Programme 1: Administration

a) Purpose

Provide strategic leadership, management and support services to the department, and conduct research on industrial development, growth and equity.

b) Description of sub-programmes:

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

Strategic objectives, performance indicators, planned targets and actual achievements

the dti received a clean audit in the financial year under review. This confirms the department's commitment to good governance. Furthermore, the department continued to pay all legible creditors within 30 days as prescribed by law. The new Irregular Expenditure Framework was successfully implemented and staff trained to ensure everyone understood the framework. For the first time, the Economic Research and Policy Coordination (ERPC) unit hosted an Economic Policy Dialogue targeting procurement officials from the three spheres of government.

c) Strategic objectives

Programme Name: Administration					
Strategic Objectives	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from Planned Target	Comment on Deviations
Percentage (%) vacancy rate	3.5%	5%	1.2%	3.8% deviation	Exceeded the target due to the removal of unfunded vacancies from Persal

d) Performance indicators

Programme/sub-programme: Administration							
Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from Planned Target	Comment on Deviations
Percentage (%) of staff turnover (unexpected)	7%	3%	3.8%	6.8%	4.7%	2.1% deviation	Exceeded because turnover projected was less than actual terminations. Retention rate of 95.3%
Percentage (%) of people with disability employed	3%	3.4%	3.6%	3.6%	3.8%	0.2% deviation	Exceeded because of employees disclosing their disability
Percentage (%) of women employed in senior management positions	49%	50%	51%	50%	54%	4% deviation	Exceeded because of five terminations of male SMS members and one appointment of female SMS member
Percentage (%) of eligible creditors' payments processed within legal timeframes	All eligible creditors' payments made within 30 days	All eligible creditors' payments made within 30 days	All eligible creditors' payments made within 30 days	100% eligible creditors' payments made within 30 days	100% eligible creditors' payments made within 30 days	N/A	N/A

e) Strategy to overcome areas of underperformance

No areas of underperformance.

f) Changes to planned targets

No changes made to planned targets.

g) Linking performance with budgets

The programme had a total expenditure of R814 million, of which 34.7% was for the compensation of employees, 63.1% goods and services, and the remainder was used for the payment of capital assets. These were the key drivers in the achievement of the programme's objectives.

h) Sub-programme expenditure

Sub-programme Name	2018/2019			2017/2018		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Ministry	33 488	33 392	96	34 428	28 426	6 002
Office of the Director-General	98 048	97 976	72	106 208	89 570	16 638
Corporate Services	523 984	519 282	4 702	517 178	508 063	9 115
Office Accommodation	2 359	2 358	1	2 494	2 336	158
Financial Management	67 769	67 197	572	68 750	68 197	553
Media and Public Relations	11 750	11 673	77	10 864	9 413	1 451
Marketing Communication and Stakeholder Relations	81 765	81 640	125	69 980	66 691	3 289
Total	819 163	813 518	5 645	809 902	772 696	37 206



13.2 Programme 2: International Trade and Economic Development

a) Purpose

Build an equitable global trading system that facilitates development by strengthening trade and investment links with key economies and fostering African development, including regional and continental integration and development co-operation in line with Nepad.

b) Description of sub-programmes

- (i.) **International Trade Development** facilitates bilateral and multilateral trade relations and agreements.
- (ii.) **African Multilateral Economic Development** facilitates multilateral African trade relations aimed at deepening regional integration.

Strategic objectives, performance indicators, planned targets and actual achievements

The department continued to reduce barriers in the South African export markets and build positive trade relations with partners, while engaging in multilateral fora to advocate its broad developmental objectives. Engagement in Africa is on the basis of a development integration agenda, which takes a nuanced approach, seeking to advance not only market integration, but also cooperation on industrial and infrastructure development. South Africa contributes to this through its outward-investment-lead strategy. South Africa continues to adopt a developmental trade policy, ensuring that tariff setting supports industrial development in order to facilitate upgrading and competitiveness of the South African manufacturing sector.

Intra-African trade will be achieved at the coming into force and implementation of the AfCFTA and Tripartite Free Trade Area (TFTA). Progress towards this objective has been registered by the conclusion and ratification of the AfCFTA and the ratification of the TFTA. Implementation of the SADC-EU EPA has resulted in growing trade, although the trade balance continues to favour the EU. **the dti** continues to work with the UK to ensure that there is no disruption of trade if and when it leaves the EU.

Engagements in the WTO, G20 and BRICS aim to advance a developmental agenda and, in order to achieve this, South Africa built strategic alliances with like-minded countries towards coordinated positions.

Providing the industry with larger markets creates the possibility of increased production/manufacturing for export and dynamically increases the competitiveness of manufacturing through improved economies of scale. Preserving the policy space in international rule-making for industrial and trade policy measures is critical to enable South Africa's developmental industrial policy.

The department has made significant progress towards the development of a comprehensive and balanced Intellectual Property Rights (IPR) Policy that strikes a balance between protecting IPRs and ensuring that innovation is shared across society to promote wider socioeconomic development. Phase I of the policy was approved by Cabinet in May 2018. The department actively participates in multilateral platforms on investment reforms that support sustainable development and safeguard the right of government to regulate in the public interest on the basis of the Protection of Investment Act.

c) Strategic objectives

Programme Name: International Trade and Economic Development					
Strategic Objectives	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from Planned Target	Comment on Deviations
Grow the manufacturing sector to promote industrial development, job creation, investment and exports	2 status reports were produced on progress for TFTA and CFTA negotiations	6 status reports produced on progress for TFTA and CFTA negotiation	6 status reports produced on progress for TFTA (2) and CFTA (4) negotiation	N/A	N/A
	2 reports prepared on implementation of SADC-EU EPA	2 reports on implementation of SADC-EU EPA	2 reports on implementation of SADC-EU EPA	N/A	N/A
	14 status reports were produced on engagements with global fora	16 status reports produced on engagements in global fora	16 status reports produced on engagements in global fora	N/A	N/A

d) Performance indicators

Programme/sub-programme: International Trade and Economic Development							
Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from Planned Target	Comment on Deviations
Number of status reports on regional economic integration	-	-	2 status reports produced on progress for TFTA and CFTA negotiations	6 status reports produced on progress for TFTA and CFTA negotiation	6 status reports produced on progress for TFTA (2) and CFTA (4) negotiation	N/A	N/A
Number of reports on Implementation of SADC-EU Economic Partnership Agreement (EPA)	-	-	2 reports on implementation of SADC- EU EPA	2 reports on implementation of SADC-EU EPA	2 reports produced on implementation of SADC-EU EPA	N/A	N/A
Number of status reports on engagements in global fora (BRICS, G20, AGOA, UK Brexit)	-	-	14 status reports were produced on engagements with global fora	16 status reports produced on engagements in global fora	16 status reports produced on engagements in global fora	N/A	N/A

e) Strategy to overcome areas of underperformance

No areas of underperformance.

f) Changes to planned targets

No changes made to planned targets.

g) Linking performance with budgets

The programme's budget allocation for the 2018/19 financial year was R122.1 million, compared to R121 million in the 2017/18 financial year. As at 31 March 2018, spending on this programme stood at R122 million, with 82% spent on compensation of employees and goods and services as the key drivers in the achievement of the set targets. This was evident with the programme achieving all its planned targets for building an equitable global trading system that facilitates development by strengthening trade and investment links with key economies and fostering African development.

The remaining 18% was spent on transfer payments to the international bodies for South Africa's membership fees to the World Trade Organisation and the Organisation for the Prohibition of Chemical Weapons as well as Protechnik Laboratories.

h) Sub-programme expenditure

Sub- programme Name	2018/2019			2017/2018		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
International Trade Development	103 351	103 339	12	99 318	99 308	10
African Multilateral Economic Development	18 742	18 736	6	21 817	21 813	4
Total	122 093	122 075	18	121 135	121 121	14



13.3 Programme 3: Special Economic Zones and Economic Transformation

a) Purpose

Drive economic transformation and increase participation in industrialisation.

b) Description of sub-programmes

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

Strategic objectives, performance indicators, planned targets and actual achievements

During the year under review, the SEZ Advisory Board recommended the Gauteng IDZ application on land expansion and the designation of the Bojanala SEZ for approval by the Minister. Though Atlantis was designated during the previous financial year, the presidential launch made highlights in December 2018.

During the period under review, the division achieved 16 revitalised industrial parks, surpassing the 12 targeted, and the report on the implementation of the industrial parks was approved by the Minister.

Amendments to B-BBEE Statements 300, 400 and Schedule 1 were submitted to the Minister for approval and gazetting. The YES Initiative was gazetted for implementation through Section 9 (1) of the B-BBEE Act, and the report on the implementation of the B-BBEE Amendment Act and Regulations approved by the Minister. Eighty-five interventions to support BIs in Industrial Policy Action) IPAP sectors (non-financial support) achieved.

c) Strategic objectives

Programme Name: Special Economic Zones and Economic Transformation					
Strategic Objectives	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from Planned Target	Comment on Deviations
Grow the manufacturing sector to promote industrial development, job creation, investment and exports	2	1	0	(1)	Extended stakeholder consultation delayed the internal processes
	2 reports submitted to Minister	2	2	N/A	N/A
	2 reports submitted to Minister	2	2	N/A	N/A
	116 interventions to support BIs in the IPAP sectors: (50 financial and 66 non-financial)	70 interventions to support BIs in IPAP sectors (non-financial).	85 interventions achieved to support BIs in IPAP sectors (non-financial support)	15	There has been an increase in the number of BIs supported due to strategic partnerships, BI awareness and collaborations with the private sector

d) Performance indicators

Programme/sub-programme: Special Economic Zones and Economic Transformation							
Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from Planned Target	Comment on Deviations
Number of SEZs submitted to the Minister for designation	1	2	2	1	0	(1)	Extended stakeholder consultation delayed internal processes
Number of implementation reports on the Industrial Parks submitted to the Minister	4 reports submitted to the Minister and to Parliament, (i.) Report for revitalisation of Seshego industrial park (ii.) 2 reports were requested by Select Committee and Portfolio Committee (iii.) Bi-Annual consolidated report on the Revitalisation Programme	2	2 reports submitted to the Minister	2	2	N/A	N/A
Number of reports on implementation of the B-BBEE Amendment Act and Regulations submitted to the Minister	Nil	2	2 reports submitted to the Minister	2	2	N/A	N/A
Number of interventions to support BIs in the IPAP sectors (non-financial)	6 BIS supported with Access to Markets in Trade Mission to Nigeria	70 interventions to support BIs in the IPAP sectors	116 interventions to support BIs in IPAP sectors: (50 financial and 66 non-financial)	70 interventions to support BIS in IPAP sectors (non-financial).	85 interventions achieved to support BIs in IPAP sectors (non-financial support)	15	There has been an increase in the number of BIs supported, due to strategic partnerships, BI awareness and collaborations with the private sector

e) Strategy to overcome areas of under performance

Management will improve on the scheduling of the external stakeholder meetings.

f) Changes to planned targets

No changes made to planned targets.

g) Linking performance with budgets

The programme's budget allocation for the 2018/19 financial year was R136.1 million, compared with R108.9 million in the 2017/18 financial year. As at 31 March 2018, spending on this programme stood at R121.9 million or 89.6% of the allocated budget.

Operational expenditure, which includes compensation of employees, goods and service and payment for capital assets, accounted for 90.3% and was the key driver in economic transformation and increased participation in industrialisation.

The remaining 9.7% was spent on transfers to the National Productivity Institute and the Council for Scientific and Industrial Research: Fibre and Textile Centre of Excellence.

Furthermore, the Equity and Empowerment sub-programme, which promotes BEE and the growth of the economy through the Black Industrialist Programme, reported an over-achievement on interventions that supported black industrialists in the IPAP sectors.

h) Sub-programme expenditure

Sub-Programme Name	2018/2019			2017/2018		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Enterprise Competitiveness	31 715	30 678	1 037	26 011	24 986	1 025
Equity and Empowerment	57 800	47 642	10 158	43 230	32 010	11 220
Spatial Industrial Economic Development	46 585	43 643	2 942	39 696	38 703	993
Total	136 100	121 963	14 137	108 937	95 699	13 238



13.4 Programme 4: Industrial Development

a) Purpose

Design and implement policies, strategies and programmes to strengthen the ability of manufacturing and other sectors of the economy to address issues of transformation and inequality; create decent jobs and increase value addition and competitiveness in domestic and export markets.

b) Description of sub-programmes

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

Strategic objectives, performance indicators, planned targets and actual achievements

The strategic objective of the Industrial Development Division (IDD) is to grow the manufacturing sector and promote industrial development, job creation, investment and exports. This is achieved through the development and implementation of an Annual Rolling IPAP. In addition to this, the IDD has identified industrial procurement as a key policy tool to accelerate industrial development and growth in South Africa.

The tabling of the next iteration of the IPAP in Cabinet could not take place due to a decision that was taken to defer the Cabinet memorandum to the sixth administration.

The successful implementation of the IPAP was reported in the four quarters of the year. The achievements in the implementation of the IPAP are reflected adequately in the highlights of the Annual Report.

c) Strategic objectives

Programme Name: Industrial Development					
Strategic Objectives	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from Planned Target	Comment on Deviations
Grow the manufacturing sector to promote industrial development, job creation, investment and exports	Annual Rolling IPAP 2018/19 submitted to the Minister for tabling in Cabinet by March 2018	Annual Rolling IPAP 2019/20 submitted to the Minister for tabling in Cabinet by March 2019	IPAP 2019/20 was prepared and submitted to the Minister	A decision was taken to defer the Cabinet memorandum to the sixth administration and was therefore not tabled in Cabinet	IPAP to be launched in Quarter 2 of 2019 FY
	4 implementation reports on IPAP tabled at Minister's Review Meetings held on 10 April 2017, 15 September 2017 (Quarters 1 and 2) and 26 March 2018 (Quarters 3 and 4 were tabled).	4 implementation reports on IPAP prepared for the Minister's Review Meetings per year	3 implementation reports on IPAP tabled at the Minister's Review Meetings on the following dates: - 6 July 2018; - 3 October 2018; - 15 February 2019	1 implementation report on IPAP prepared for the Minister's Review Meetings per year	The implementation report for Quarter 1 was tabled earlier in Quarter 4 of the 2017/18 FY
	4 designation requests prepared for the Minister i.e. Pumps and MV Motors; and Industrial Lead Acid Batteries. Rail Permanent Way sector Pipe Fittings and Specials	2 designation requests prepared for the Minister per year	2 designation request prepared for the Minister i.e. 1) Medium Voltage (MV) switchgear products. 2) Steel Conveyance Pipes	N/A	N/A

d) Performance indicators

Programme/Sub-programme: Industrial Development							
Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from Planned Target	Comment on Deviations
New iteration of IPAP submitted to the Minister for tabling in Cabinet annually	Annual Rolling IPAP 2016/17 finalised and submitted to the Minister for approval and tabling in Cabinet	IPAP 2017/18 submitted to the Minister for tabling in Cabinet by March 2017	Annual Rolling IPAP 2018/19 submitted to the Minister for tabling in Cabinet March 2018	Annual Rolling IPAP 2019/20 submitted to the Minister for tabling in Cabinet by March 2019	IPAP 2019/20 was prepared and submitted to the Minister	A decision was taken to defer the Cabinet memorandum to the sixth administration and was therefore not tabled in Cabinet	IPAP to be launched in Quarter 2 of 2019 FY
Number of implementation reports on IPAP prepared for the Minister's Review Meetings per year	3 implementation reports on IPAP tabled at the Minister's Review Meetings on 17 July, 17 September and 1 December 2015	3 implementation reports on IPAP tabled at the Minister's review meetings on 22 August 2016, 10 October 2016 and 5 December 2016	4 implementation reports on IPAP tabled at Minister's Review Meetings held on 10 April 2017, 15 September 2017 (Quarters 1 and 2) and 26 March 2018 (Quarters 3 and 4 were tabled)	4 implementation reports on IPAP prepared for the Minister's Review Meetings per year	3 implementation reports on IPAP tabled at the Minister's Review Meetings on the following dates: - 6 July 2018 - 3 October 2018; - 15 February 2019	1 implementation report on IPAP prepared for the Minister's Review Meetings per year	The implementation report for Quarter 1 was tabled earlier in Quarter 4 of the 2017/18 FY
Number of designation requests prepared for the Minister per year	2 designation requests submitted to the Minister for approval, i.e. solar photovoltaic system components; and rail signalling system and components	4 designation requests submitted to the Minister: fire engine/truck; and steel products and components for construction; water metres and wheelie bins	4 designation requests prepared for the Minister i.e. Pumps and MV motors; and industrial lead acid batteries. Rail permanent way sector pipe fittings and specials	2 designation requests prepared for the Minister per year	2 designation requests prepared for the Minister 1) Medium voltage (MV) switchgear products. 2) Steel conveyance pipes	N/A	N/A

e) Strategy to overcome areas of underperformance

IPAP: IPAP to be launched in Q2 of 2019 FY

f) Changes to planned targets

No changes made to planned targets.

g) Linking performance with budgets

The programme's budget allocation for the 2018/19 financial year was R2 billion, compared with R1.8 billion in the 2017/18 financial year. As at 31 March 2018, spending on this programme stood at R2 billion or 99.99% of the allocated budget.

To continue providing support to the programmes that strengthen the ability of the manufacturing and other value-adding sectors of the economy to create decent jobs and increase value addition in both domestic and export markets, 93.9% was spent on transfer payments to the clothing, textiles, leather and footwear incentive; technical infrastructure institutions (i.e. NMISA; NRCS; SANAS and SABS); Proudly South African and Intsimbi future production technologies initiatives.

Expenditure for compensation of employees as well as goods and services was 5.48% and 0.55% respectively.

h) Sub-programme expenditure

Sub-Programme Name	2018/2019			2017/2018		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Industrial Competitiveness	1 015 793	1 015 782	11	824 706	822 899	1 807
Customised Sector Programmes	1 002 852	1 002 843	9	1 018 226	1 015 940	2 286
Total	2 018 645	2 018 625	20	1 842 932	1 838 839	4 093



13.5 Programme 5: Consumer and Corporate Regulation

a) Purpose

Develop and implement coherent, predictable and transparent regulatory solutions that facilitate easy access to redress and efficient regulation for economic citizens.

b) Description of sub-programmes

- (i.) **Policy and Legislative Development** develops policies, laws and regulatory frameworks.
- (ii.) **Enforcement and Compliance** conducts trends analyses, impact assessments and market surveys, and monitors the effectiveness of regulation.
- (iii.) **Regulatory Services** executes oversight of and transfers funds to the following regulatory agencies: The National Consumer Tribunal (NCT), the National Credit Regulator (NCR), the National Gambling Board (NGB), the National Consumer Commission (NCC), the CIPC and the Companies Tribunal (CT). The department exercises oversight of but does not transfer funds to the National Lotteries Commission, which regulates the lotteries sector and facilitates the distribution of lottery funds to worthy organisations that serve public interest; and the Takeover Regulation Panel and the Financial Reporting Standards Council, which are responsible for regulating applicable transactions and issuing standards.

Strategic objectives, performance indicators, planned targets and actual achievements

The department achieved the three targets of its APP. Three Bills on Copyright, Performers Protection and Credit have been submitted to the President for signature. Three treaties were also submitted to the NCOP. Several research studies were concluded and communities were educated about departmental legislation.

c) Strategic objectives

Programme Name: Consumer and Corporate Regulation					
Strategic Objectives	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from Planned Target	Comment on Deviations
Improved conditions for consumers, artists and opening up of markets for new patents players	3 SEIAS reports on Gambling, Liquor and Credit Amendment Acts developed for the Minister's approval	1 SEIAS report on the Companies Amendment Bill developed for the Minister's approval	1 SEIAS report on Companies Amendment Bill developed for the Minister's approval	N/A	N/A
	5 Bills on Gambling, Liquor, Credit, Copyright and Performers Protections Amendment Acts not developed for the Minister's approval	4 progress reports on the development of the Gambling, Liquor, Credit, Performers and Copyright Amendment Bills developed for the Minister's approval	4 progress reports on development of Gambling, Liquor, Credit, Performers and Copyright Amendment Bills developed for the Minister's approval	N/A	N/A
	28 education and awareness workshops on policies and legislation conducted and report produced for the Minister's approval	24 education and awareness workshops on policies and legislation conducted and report produced for the Minister's approval	32 education and awareness workshops on policies and legislation conducted and report produced for the Minister's approval	8 education and awareness workshops on policies and legislation conducted and report produced for the Minister's approval	Municipalities requested additional workshops

d) Performance indicators

Programme / Sub-programme: Consumer and Corporate Regulation							
Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from Planned Target	Comment on Deviations
Number of Socio-Economic Impact Assessment System (SEIAS) reports (previously RIA reports) developed for Minister's approval	<p>RIA report on Companies Amendment Bill not developed</p> <p>7 IP Bills (Trade Marks Act, Designs Act, Merchandise Act, Unauthorised Use of Emblems Act, Counterfeit Goods Acts, and Patents Act) not developed.</p> <p>1 RIA report (post) on National Credit Act exemptions developed for Minister's approval</p>	6 SEIAS reports on Companies, Copyright, and Performers' Protection, Credit, Liquor and Gambling Amendment bills developed for Minister's approval	3 SEIAS reports on Gambling, Liquor and Credit Amendment Acts developed for Minister's approval	1 SEIAS report on Companies Amendment Bill developed for Minister's approval	1 SEIAS report on Companies Amendment Bill developed for Minister's approval	N/A	N/A
Number of progress reports developed for Minister's approval	<p>Draft Bill on Companies Amendment Act still under development.</p> <p>7 IP Bills not developed</p>	5 Bills on Companies, Copyright, Performers' Protection, Liquor and Gambling Amendment Bills developed for Minister's approval	5 Bills on Gambling, Liquor, Credit, Copyright and Performers Protections Amendment Acts developed for Minister's approval	4 progress reports on development of Gambling, Liquor, Credit, Performers and Copyright Amendment Bills developed for Minister's approval	4 progress reports on development of Gambling, Liquor, Credit, Performers and Copyright Amendment Bills developed for Minister's approval	N/A	N/A

Programme / Sub-programme: Consumer and Corporate Regulation							
Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from Planned Target	Comment on Deviations
Number of education and awareness workshops on policies and legislation conducted and report produced for Minister's approval	-	New indicator	28 education and awareness workshops on policies and legislation conducted and report produced for Minister's approval	24 education and awareness workshops on policies and legislation conducted and report produced for Minister's approval	32 education and awareness workshops on policies and legislation conducted and report produced for Minister's approval	8 education and awareness workshops on policies and legislation conducted and report produced for Minister's approval	Municipalities requested additional workshops

e) Strategy to overcome areas of underperformance

No areas of underperformance.

f) Changes to planned targets

No changes to the planned targets.

g) Linking performance with budgets

The programme's budget allocation for the 2018/19 financial year was R324 million, compared with R298.8 million in the 2017/18 financial year. As at 31 March 2018, spending on this programme stood at R323.8 million, with 82% disbursed to the regulatory agencies NCT, NCR, NGB, NCC and CT.

Spending on compensation of employees and goods and services as the drivers in developing and implementing transparent regulatory solutions that facilitate easy access to redress and efficient regulation for economic citizens was 16.9% and 5.3%, respectively. This has seen an over-achievement recorded on the number of education and awareness workshops on policies and legislation conducted by the programme.

h) Sub-programme expenditure

Sub- Programme Name	2018/2019			2017/2018		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Policy and Legislative Development	19 123	19 116	7	18 696	18 689	7
Enforcement and Compliance	40 431	39 851	580	39 906	39 881	25
Regulatory Services	264 889	264 879	10	240 180	240 136	44
Total	324 443	323 846	597	298 782	298 706	76



13.6 Programme 6: Incentive Development and Administration

a) Purpose

Stimulate and facilitate the development of sustainable and competitive enterprises through the efficient provision of effective and accessible incentive measures that support national priorities.

b) Description of sub-programmes

- (i.) **Broadening Participation Incentives** provide incentive programmes that promote broader participation in the mainstream economy of businesses owned by individuals from historically disadvantaged communities and marginalised regions.
- (ii.) **Manufacturing Incentives** provides incentives to promote additional investment in the manufacturing sector. The manufacturing investment cluster comprises the following programmes and schemes: the manufacturing competitive enhancement programme, the capital projects feasibility programme, automotive investment scheme, the export marketing and investment assistance scheme, the sector-specific assistance scheme and the Section 12L tax incentive scheme.
- (iii.) **Services Investment Incentives** provides incentive programmes that promote increased investment and job creation in the services sector. The programmes include the Business Process Services programme, and the Film and Television Production Incentive Support Programme for South African and foreign productions.
- (iv.) **Infrastructure Investment Support** provides grants for two industrial infrastructure initiatives; the SEZs and Critical Infrastructure Programme, which are aimed at enhancing infrastructure and industrial development, and increasing investment, and export of value-added commodities.
- (v.) **Product and Systems Development** reviews, monitors and develops incentive programmes to support the IPAP and develops sector strategies to address market failures.
- (vi.) **Strategic Partnership and Customer Care** facilitates access to targeted enterprises by reviewing the success of incentive schemes and improving them where possible.

Strategic objectives, performance indicators, planned targets and actual achievements

The Incentive Development and Administration Division (IDAD) aims to promote industrialisation through the expansion of investment and jobs in enterprises approved for incentives. This was achieved in the 2018/19 financial year by targeting projects that not only display high investment potential, but are also labour-intensive, resulting the planned targets being exceeded against the actual achievements for both projected private investment and jobs to be supported. Incentive programmes that contributed significantly to projected investment include the

Automotive Incentive Scheme, the Black Industrialists Scheme and the Film and Television Production Incentive. Other programmes supporting this outcome include the Critical Infrastructure Programme, the Agro-Processing Support Scheme and the Film Incentive.

c) Strategic objectives

Programme Name: Incentive Development and Administration					
Strategic Objectives	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from Planned Target	Comment on Deviations
Grow the manufacturing sector to promote industrial development, job creation, investment and exports	R36bn projected private sector investment leveraged	R15bn projected Investment leveraged	R30.181bn	(R15.181bn)	High investment and labour-intensive approvals resulted in the target being exceeded
	43 610 jobs supported	30 000	47 161	(17 161)	High investment and labour-intensive approvals resulted in the target being exceeded

d) Performance indicators

Programme/Sub-programme: Incentive Development and Administration							
Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from Planned Target	Comment on Deviations
Value (Rand) of projected investments to be leveraged from projects/ enterprises approved	R48.8bn	R13bn	R36.8bn	R15bn projected Investment leveraged	R30.181bn	(R15.181bn)	Approvals prioritised high investment projects as well as labour-intensive projects
Projected number of new jobs supported from enterprises approved	24 119	8 059	15 401	10 000	16 178	(6 178)	Approvals prioritised labour-intensive projects
Projected number of jobs retained from approved enterprises	57 901	34 592	28 209	20 000	30 983	(10 983)	Approvals prioritised labour-intensive projects
Number of enterprises/ projects approved for financial support across all incentives	-	-	848	850	755	95	The focus was on the approvals of quality projects that have high investment and/ or are labour intensive

e) Strategy to overcome areas of underperformance

The investment multiplier remained constantly high (over five) for the financial year, which resulted in approvals of projects that have high investment and are labour-intensive. Critical infrastructure and automotive projects continued to contribute the largest share to projected investment, with a significant portion of projected investment also expected from Black Industrialists. More jobs to be created and sustained by projects approved in 2018/19 than in 2017/18.

f) Changes to planned targets

No changes made to planned targets.

g) Linking performance with budgets

In pursuit of the programme's focus on stimulating and facilitating the development of sustainable, competitive enterprises, 97% of the total expenditure of R5.6 billion was disbursed to companies through the various incentive programmes. This includes the Services Investment Incentives (BPO and Film and TV Production), Manufacturing Development Incentives (MCEP, EIP, AIS) as well as the Industrial Infrastructure Incentives (SEZs and Critical Infrastructure Programme). Operational expenditure comprising compensation of employees and goods and services was 2.9% of the total programme's expenditure.

h) Sub-programme expenditure

Sub- Programme Name	2018/2019			2017/2018		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Broadening Participation Incentives	43 049	33 822	9 227	49 708	41 930	7 778
Manufacturing Incentives	3 326 007	3 325 200	807	2 949 354	2 924 544	24 810
Services Investment Incentives	841 456	840 720	736	821 594	821 588	6
Infrastructure Investment Support	1 329 127	1 328 862	265	1 783 533	1 780 278	3 255
Product and Systems Development	13 786	13 779	7	13 997	13 989	8
Strategic Partnership and Customer Care	18 276	18 268	8	18 473	18 199	274
Total	5 571 701	5 560 651	11 050	5 636 659	5 600 528	36 131



13.7 Programme 7: Trade Investment South Africa

a) Purpose

Support export development and promote exports through targeted strategies and effectively manage a network of foreign offices.

b) Description of sub-programmes

- (i.) **African Bilateral Economic Relations** facilitates deeper and broader bilateral African trade and investment relations with African economies, and supports the deepening of regional integration.
- (ii.) **Export Promotion and Marketing** promotes exports of South African value-added goods and services to increase market share in targeted high-growth markets and sustain market share in traditional markets.
- (iii.) **Trade and Investment South Africa Executive Management Unit** promotes trade, and administers and provides corporate services to the department's foreign office network of foreign economic representatives to enable South African businesses to access global markets.
- (iv.) **Export Development and Support** manages the Integrated National Export Development Programmes (NEDP), which is designed to contribute to positioning South Africa as a reliable trade partner, and improve and expand the country's exporter base.

Strategic objectives, performance indicators, planned targets and actual achievements

In accordance with the Integrated National Export Strategy (INES), **the dti** has sought to stimulate global demand for South Africa's industrial output and services. This has been pursued through increasing South Africa's exporter base and promoting value-added exports and services in international markets. **the dti** achieved export sales facilitated through its various instruments to the value of R4.425 billion; surpassing the annual target of R4 billion. **the dti** assisted 1 023 companies into international markets. This significant improvement was achieved through the employment of strategic export promotion tools.

the dti also leveraged a series of high-level engagements for improved market access for South African products and services as well as increased investment attraction. These engagements include

- the 10th Session of the BRICS Business Forum in July 2018, the State Visits to the UAE and Saudi Arabia in July 2018;
- the Joint Economic Commission with Saudi Arabia;
- the Joint Commission with the UAE;

- the fourth meeting of the South Africa-Vietnam Partnership Forum;
- State Visit by President Cyril Ramaphosa to India in January 2019;
- the Joint Working Group on Trade and Investment meeting between South Africa and India in January 2019; third Forum on China-Africa Cooperation (FOCAC) in September 2018;
- Trade and Investment Roundtable and Business Forum with the President during the 73rd session of UNGA 2018 in New York City in September 2018;
- the third International Conference on the Emergence of Africa (ICEA) in Senegal in January 2019; the third Session of the Congo-South Africa Senior Officials Meeting in February 2019, which facilitated the signing of an MoU on Economic Cooperation between South Africa and Mozambique on the sidelines of the first Meeting of the Joint Council of the EU-SADC Economic Partnership Agreement in February 2019;
- the SA-Zimbabwe Bi-National Commission (BNC) in March 2019;
- the Egypt-South Africa Trade and Investment Seminar in Johannesburg from 14 to 15 March 2019;
- the sixth Session of the Kenya-South Africa Joint Trade Committee Meeting in March 2019; and
- facilitated business forum during the State Visit by the President of Ghana to South Africa.

the dti continued to develop a pool of export-ready companies under the NEDP, which includes the Global Exporter Passport Programme (GEPP). The GEPP is aimed at developing South Africa's export culture through export awareness and outreach programmes as well as the mobilisation of established enterprises to become exporters. During the period under review, **the dti** facilitated the following:

- 49 export awareness-raising and capacity-building initiatives were undertaken in all nine provinces of the country;
- 610 companies benefitted under the GEPP training intervention;
- 644 clients were assisted with export information through the Export Help Desk services; and
- a total of 729 trade leads were disseminated to exporters for the supply of goods to global markets.

the dti-Export Council's quarterly engagement was held on 20 and 21 August 2018. Key outcomes from the engagement included the pursuance of a clustering approach among export councils and an in-principle approval for an increase of the matching grant financial support from R1 million to R2 million per annum based on transformation plans and targets met by councils. This underscores the importance for the Export Councils to achieve real transformation targets as a precondition for future-increased financial support.

In the pursuance of an investment-led export strategy, **the dti** managed several Outward Trade and Investment Missions to the rest of Africa and facilitated South Africa's participation in various investment platforms on the continent, such as the Tanzania Mining and Electronics Investment Mission, Ghana Trade and Investment Mission, co-hosting the Egypt Trade and Investment Seminar, the Kenya Transport Infrastructure Procurement mission with Busmark, and a Technical Mission to Namibia in the mining sector.

the dti finalised recruitment and placement of 14 foreign economic representatives in the period under review.

c) Strategic objectives

Programme Name: Trade Investment South Africa					
Strategic Objectives	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from Planned Target	Comment on Deviations
Grow the manufacturing sector to promote industrial development, job creation, investment and exports	R5.129bn	Export sales facilitated – R4bn	R4.425bn	R425m	High export sales emanated from agro-processing related events
	656	823	1023	200	The division exceeded its annual target due to intensive focused recruitment drive

d) Performance indicators

Programme/Sub-programme: Trade Investment South Africa							
Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from Planned Target	Comment on Deviations
Value of export sales generated	Export sales facilitated	Export sales facilitated	R5,129bn	Export sales facilitated R4bn	R4,425bn	R425m	High export sales emanated from agro-processing related events
Number of companies assisted under EMIA in supporting value added exports	-	-	656	823	1023	200	The division exceeded its annual target due to intensive focused recruitment drive

e) Strategy to overcome areas of underperformance

No areas of underperformance.

f) Changes to planned targets

No changes made to planned targets.

g) Linking performance with budgets

The programme's budget allocation for the 2018/19 financial year was R460.8 million, compared with R456.7 million in the 2017/18 financial year. As at 31 March 2018, spending on this programme stood at R460 million, compared with R456 million in the 2017/18 financial year.

The Export Credit Insurance Corporation (ECIC), which provides insurance solutions to exporters of South African capital goods and services in order to advance trade and economic development in line with South Africa's industrial policy, accounted for 39.8% of the total expenditure. The remaining expenditure was spent on compensation of employees (44.4%), and goods and services (15%), to continue with the support for export development and promotion of exports through targeted strategies. This is evident from the programme recording an over-achievement on export sales due to concerted efforts on the product diversification strategy, particularly on agricultural, agro-processing and defence-related exports.

h) Sub-programme expenditure

Sub- Programme Name	2018/2019			2017/2018		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
African Bilateral Economic Development	21 268	21 263	5	20 298	20 200	98
Export Promotion and Marketing	45 151	44 793	358	44 517	44 423	94
Trade and Investment South Africa Executive Management Unit	379 107	379 094	13	373 468	373 260	208
Export Development and Support	15 292	15 044	248	18 413	18 271	142
Total	460 818	460 194	624	456 696	456 154	542



13.8 Programme 8: Investment South Africa

a) Purpose

Support foreign direct investment flows and domestic investment by providing a one-stop shop for investment promotion, investor facilitation and aftercare support for investors.

b) Description of sub-programmes

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

Strategic objectives, performance indicators, planned targets and actual achievements

President Cyril Ramaphosa announced the hosting of the inaugural Investment Conference during the State of the Nation Address in 2018. With this, government has set an ambitious investment target of \$100 billion domestic and international investment over the next five years.

The inaugural Investment Conference was hosted at the Sandton Convention Centre, Johannesburg, in October 2018. The conference themed *Accelerating Growth by Building Partnerships*, was not only a momentous event but highly successful if measured against the more than R290 billion in pledges made. Invest South Africa (InvestSA) will now ensure the implementation of these pledges/commitments by:

- adding the pledges made to its investment pipeline for further development and project progression;
- engaging companies to understand potential issues/blockages;
- following up on post-conference pledges/commitments; and
- tracking project implementation to develop the required quarterly reporting.

InvestSA's contribution to the total investment pipeline is R249,656 billion.

As part of enhancing its aftercare service, InvestSA facilitated 12 investor-unblocking issues through the One-Stop-Shop service. The unblocking requests range from visa, EEIP (Equity Equivalent Investment Programme), licensing, permits, infrastructure, incentive and Letters of Authority (LoA) applications. The successful resolution of these requests accelerated the implementation of key investment projects by Nissan, BAIC, Whirlpool, P&G, Jink Solar, GCX Zero Waste, IBERT, GRI, Ivanplats, Hisense and Samsung.

InvestSA, Brand South Africa and South Africa's foreign missions embarked on a roadshow in Switzerland, Germany, France and India in March 2018 in alignment with South Africa's five-year investment drive, which seeks to raise R1.2 trillion in domestic and international investments as a means to reignite the economy. The primary objective was to engage stakeholders from government and business to discuss factors pertinent to enhancing South Africa as a more attractive investment destination partner to these important markets. The roadshow focused on the Preferential Procurement Policy Framework Act, Local Content, B-BBEE, EEIP, Intellectual Property as well as an update on Protection and Promotion of Investment Act.

President Ramaphosa pronounced in the State of the Nation Address in February 2019 that South Africa must endeavour to rank among the top 50 global performers in the World Bank's annual ease of doing business survey within the next three years.

InvestSA and the World Bank Group announced an advisory services partnership aimed at improving the business environment for domestic entrepreneurs and undertaking policy and institutional reform to enhance foreign direct investment inflows on 11 March 2019. The partnership will focus on three key reform areas – business regulation, investment policy and promotion, and market regulation and competition policy. The strategic focus of InvestSA was recognised among global Investment Promotion Agencies (IPAs) with the prestigious UNCTAD Investment Promotion Award for excellence in boosting investment in sustainable development sectors in October 2018.

c) Strategic objectives

Programme Name: Investment South Africa					
Strategic Objectives	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from Planned Target	Comment on Deviations
Grow the manufacturing sector to promote industrial development, job creation, investment and exports	R84.4bn	Investment projects facilitated in the pipeline R50bn	R249.656bn	Investment commitments flowing from the Presidential Investment Conference	Consequence of announced Presidential Investment Target projecting increased amounts

d) Performance indicators

Programme / Sub-programme: Investment South Africa							
Performance Indicator	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Planned Target 2018/2019	Actual Achievement 2018/2019	Deviation from Planned Target	Comment on Deviations
Value (rand) of investment projects facilitated in the pipeline	R92.812bn	R58.63bn	R84.4bn	Investment projects facilitated in the pipeline R50bn	R249.656bn	Investment commitments flowing from the Presidential Investment Conference	Consequence of announced Presidential Investment Target projecting increased amounts

e) Strategy to overcome areas of underperformance

No areas of underperformance.

f) Changes to planned targets

No changes made to planned targets.

g) Linking performance with budgets

The programme's budget allocation for the 2018/19 financial year was R78.8 million, as compared with R68 million in the 2017/18 financial year. As at 31 March 2018, spending on this programme stood at R69 million, compared with R64.5 million in the 2017/18 financial year. The spending was towards investment promotion activities to generate the pipeline, market the country as an investment destination and establish one-stop shops in the provinces. In this regard, an over-achievement of the value of investment projects facilitated in pipeline was recorded due to investment commitments flowing from the Presidential Investment Conference.

h) Sub-programme expenditure

Sub- Programme Name	2018/2019			2017/2018		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Investment Promotion	56 034	54 621	1 413	51 397	49 941	1 456
Investment and Interdepartmental Clearing House	22 745	14 738	8 007	16 693	14 516	2 177
Investment Support and Aftercare	16	13	3	54	48	6
Total	78 795	69 372	9 423	68 144	64 505	3 639

14. Transfer payments

14.1 Transfer payments to public entities

Name of Public Entity	Services rendered by the public entity	Amount transferred to the public entity (R'000)	Amount spent by the public entity	Achievements of the public entity
National Empowerment Fund (NEF)	Promote savings and investments among Historically Disadvantaged Persons (HDPs) through its retail activities, and fund economic empowerment and black business through its investment division	-	To be reported in Annual Report of this entity	To be reported in Annual Report of this entity
National Gambling Board (NGB)	Provide advice on the national gambling industry, and promote uniform norms and standards across provinces	32 624	To be reported in Annual Report of this entity	To be reported in Annual Report of this entity
National Lotteries Commission (NLC)	Exercise national control over lottery activities	-	To be reported in Annual Report of this entity	To be reported in Annual Report of this entity
National Metrology Institute of South Africa (NMISA)	Support global competitiveness through the provision of fit-for-purpose international acceptable measurement standards and measurements	232 784	To be reported in Annual Report of this entity	To be reported in Annual Report of this entity
South African National Accreditation System (SANAS)	Provide an accreditation system for laboratories, certification, inspection and Good Laboratory Practice (GLP). Establish laboratory, personnel and certification body in South Africa as well as mutual recognition agreements with international accreditation organisations	31 032	To be reported in Annual Report of this entity	To be reported in Annual Report of this entity
National Credit Regulator (NCR)	Regulate the South African credit industry	75 361	To be reported in Annual Report of this entity	To be reported in Annual Report of this entity
Companies and Intellectual Property (CIPC)	Registration of Companies, Cooperatives and IP rights (trademarks, patents, designs and copyright) and maintenance thereof	-	To be reported in Annual Report of this entity	To be reported in Annual Report of this entity
National Consumer Tribunal (NCT)	Adjudicate a variety of applications and hear cases against credit providers that contravene the Act	52 688	To be reported in Annual Report of this entity	To be reported in Annual Report of this entity
National Regulator for Compulsory Specification (NRCS)	Administer compulsory specifications otherwise known as technical regulations	146 104	To be reported in Annual Report of this entity	To be reported in Annual Report of this entity

Name of Public Entity	Services rendered by the public entity	Amount transferred to the public entity (R'000)	Amount spent by the public entity	Achievements of the public entity
National Consumer Commission (NCC)	The NCC is charged with the responsibility to enforce and carry out the functions assigned to it in terms of the Act, which aims to promote, protect and advance the social and economic welfare of consumers in South Africa by providing leadership, advocacy and a system of rapid redress, thereby creating a fair and accessible consumer marketplace	69 674	To be reported in Annual Report of this entity	To be reported in Annual Report of this entity
Companies Tribunal (CT)	The CT may adjudicate in relation to any application that may be made to it, and make any order as provided for in the Companies Act in respect of such an application, and, in addition, serve as a forum for voluntary alternative dispute resolution	16 740	To be reported in Annual Report of this entity	To be reported in Annual Report of this entity
South African Bureau of Standards (SABS)	Provide for the development, promotion and maintenance of standardisation and quality in connection with commodities and the rendering of related conformity assessment services	375 931	To be reported in Annual Report of this entity	To be reported in Annual Report of this entity
Export Credit Insurance Corporation of South Africa (ECIC)	Facilitate and encourage South African export trade by underwriting export credit loans and investments outside South Africa and enabling South African contractors to secure capital goods and services in other countries	183 248	To be reported in Annual Report of this entity	To be reported in Annual Report of this entity

14.2 Transfer payments to all organisations other than public entities

The table below reflects the transfer payments made for the period 1 April 2018 to 31 March 2019.

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with S38 (1) (j) of the PFMA	Amount transferred R'000
National Productivity Institute	Departmental agency	Workplace Challenge	Yes	9 231
Council for Geoscience	Departmental agency	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.	Yes	1 257

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with S38 (1) (j) of the PFMA	Amount transferred R'000
Centurion Aerospace Village	Non-profit institution	Aerospace	Yes	15 490
Council for Scientific and Industrial Research	Public corporation	Fibre and Textile Centre of Excellence, Aerospace Industry support, National Cleaner Production and National Foundry Technology Network	Yes	99 784
Industrial Development Corporation	Public corporation	Customer Sector Programme, Clothing and Textiles Production Incentive, MCEP Industrial loan	Yes	1 103 640
Intsimbi Future Production Technologies Initiatives	Non-profit institution	Rehabilitation and growth of the tool, die and mould manufacturing industry	Yes	116 136
Protechnik Laboratories	Public corporation	Chemical laboratories	Yes	4 626
World Trade Organisation	International organisation	Membership fee	N/A	13 299
Organisation for the Prohibition of Chemical Weapons	International organisation	Membership fee	N/A	2 906
United Nations Industrial Development Organisation	International organisation	Membership fee	N/A	5 090
World Intellectual Property Organisation	International organisation	Membership fee	N/A	4 653
Proudly South African Campaign	Non-profit institution	Promotes the buying of locally manufactured products and services, rolling out national campaigns to create awareness on the economy-wide benefits of buying locally manufactured products.	Yes	35 734
Trade and Industrial Policy Strategies	Non-profit Institution	Facilitates policy development and dialogue in pursuit of sustainable and inclusive growth	Yes	27 086
Auto Supply Chain Competitive Initiative	Non-profit institution	National non-profit initiative jointly established by government, industry and labour to facilitate, coordinate and oversee supplier competitiveness improvement initiatives in the South African automotive industry and to set the strategic direction for specific practically oriented competitiveness improvement projects	Yes	7 984

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with S38 (1) (j) of the PFMA	Amount transferred R'000
Treaty Organisation for Metrology	International organisation	Intergovernmental treaty organisation addressing legal metrology, including provisions related to units of measurement, to measurement results (e.g. pre-packages) and to measuring instruments.	N/A	1 702

The table below reflects the transfer payments which were budgeted for in the period 1 April 2018 to 31 March 2019, but no transfer payments were made.

Name of transferee	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
Provincial One-Stop Shops	Establishment of Provincial One-Stop Shops	22 000	14 000	Set-up related processes yet to be finalised.

15. Conditional Grants

There were no conditional grants for the reporting period.

16. Donor Funds

Donor Funds Received

the dti is the spending agency of the RDP fund as defined in the RDP Act for the EU Employment Creation Fund. This support contributes to creating quality for the economically marginalised, improving business enabling environment and increasing capacity and skills in the productive sectors of the economy. There are ongoing projects, the continuation of which is subject to the receipt of further funding from the RDP Fund in accordance with the RDP Act.

17. Capital investment

During the period under review, the capital investment information is not applicable.

PART C

Governance



18. Governance

In compliance with corporate governance principles, the Office of the Chief Risk Officer (OCRO) is tasked with ensuring proper governance through risk management processes, ethics processes, conflict of interest and the secretariat function to the department's corporate committee meetings as well as fraud risk management.

18.1 Risk management

The risk management process is aligned with the planning and objective-setting process of the department. A strategic risk register is maintained and actioned by the Executive Board (ExBo). Risks are considered to impede the achievement of **the dti's** strategic objectives. Divisions within the department compile risk registers aligned with divisional operational plans that are monitored by **the dti's** risk management committee quarterly. The risk registers are updated every quarter, with changes in the environment, inclusion of audit findings, emerging risks as well as progress of mitigating actions, which are monitored by the OCRO and reported to the Risk Management Committee (RMC).

The RMC is chaired by an external member of the Audit Committee and attended by all chief operating officers, the chief financial officer, the chief risk officer and a representative from the internal audit unit. The objective of the RMC is to assess the effectiveness of risk management processes within the department. The risk profile is monitored quarterly at committee meetings and reported to ExBo and the Audit Committee. The OCRO monitored both the strategic and operational risks of the department.

Business continuity plans have been developed for all divisions within the department.

18.2 Ethics management

In an effort to promote a professional, ethical, dynamic, competitive and customer-focused working environment, the OCRO facilitated the disclosure of financial interest by members of the SMS and all other categories (OSD, below SMS, officials involved in Supply Chain Management and all officials in the Finance Unit). The OCRO continued to promote ethical conduct through internal awareness. The ethics officer and ethics committee provide appropriate guidance to management and staff on all matters that may involve a conflict of interest. The ethics committee meeting is held on a quarterly basis, and potential, perceived and actual conflict of interest is discussed.

18.3 Minimising conflict of interest

All employees are required to obtain approval to perform remunerative work outside the public service and disclose all business interests. All such applications are submitted to the ethics committee for scrutiny to ensure there are no conflicts of interest before approval can be granted. The Director-General approves/declines all applications. The ethics committee also considers other matters such as gifts and sponsorships in terms of real or potential conflicts of interests, grievances and disciplinaries in the department.

18.4 Code of conduct

the dti has an approved code of conduct for all employees on which frequent training interventions have been undertaken throughout the year. Code-of-conduct training has been rolled out as part of compulsory training programmes for all employees and will continue in future.

Ethical leadership training was attended by 30 SMS employees during the 2018/19 financial year to create awareness and educate senior managers on ethics.

18.5 Fraud and corruption

the dti is committed to a zero-tolerance approach to fraud and corruption. The fraud-prevention policy, strategy and plan assist in driving initiatives to ensure that both employees of **the dti** and the public are encouraged to report any suspicious activities. There is also a strong focus on ethics awareness, with an ethics officer and an ethics committee in place. The National Anti-Corruption Hotline (0800 701 701, toll-free) is promoted as part of

the dti's initiative of encouraging the reporting of any form of fraudulent and/or corrupt activity.

18.6 Health safety and environmental issues

Health and Safety:

the dti's Occupational Health and Safety (OHS) Committee is functioning well and four meetings were held in this period. The Department of Public Service and Administration (DPSA) reporting in terms of EHW practices has been successfully completed.

The nominations for the training and appointment of Health and Safety representatives have been concluded and a procurement of a service provider for the delivery of safety training has recently been concluded. This will be undertaken during the 2019/20 financial year.

Two evacuation drills were completed and five injury-on-duty cases investigated. There were no fatalities or serious injuries reported as the majority of incidents can be considered as minor. The compliance of contractors from the concessionaire in terms of safety procedures has been strictly enforced.

Environment

The project to install an emergency water supply tank is nearly completed. The next phase is to link it with borehole water for ablution facilities. Lifecycle upgrade for office lights is not yet completed. An updated utility management plan that paves the way for improved efficiency regarding the utilisation of resources was reviewed. Users of information technology have also been encouraged to make use of digital solutions rather than to print documents. This resulted in an increase in the utilisation of Documentum during the past reporting period.

18.7 Portfolio Committee

The Portfolio Committee exercises oversight over the service delivery performance of departments.

Dates of meetings:

- **6 March 2018** - Former Trade and Industry Minister Dr Rob Davies briefed the Portfolio Committee on the State of the Nation Address (SONA) as it relate to **the dti** mandate.
- **20 March 2018**, the Auditor-General briefed the PC on **the dti's** 2018/19 APP.
- **13 September 2018**, **the dti** audit outcomes 2017/18 briefing by Auditor-General South Africa (AGSA), **the dti** annual Report 2017/18 and **the dti** First Quarter Report 2018/19 briefing by DG Mr Lionel October.
- **21 November 2018**, 2018/19 **the dti** Quarter 2 performance, briefing by DG Mr Lionel October.
- **February 2019**, 2018/19 **the dti** Quarter 3 performance briefing by DG October.

Matters raised by the Portfolio Committee and the response from the department:

Report of the Portfolio Committee on Trade and Industry on Budget Vote 34: Trade and Industry, dated 10 May 2018

The Committee recommends that the House requests that the Minister of Trade and Industry consider:

- (i.) Engaging with other Ministers to ensure the adoption of a coordinated approach to overcome the impediments that have arisen with respect to tenders related to designated products and sectors being awarded but not followed through with the related orders.
- (ii.) Engaging with the Auditor-General to ensure the finalisation of the audit outcomes by the Auditor-General for local public procurement.
- (iii.) Additional funding for the Manufacturing Competitive Enhancement Programme and the tabling of a long-term plan in the current financial year.
- (iv.) Finalising the South African Automotive Master Plan and the Automotive Industrial Development Plan.
- (v.) Capitalising on the positive business environment to accelerate the productive investment initiatives and promoting increased competitiveness, particularly in South Africa's comparative advantages.
- (vi.) Amending the B-BBEE legislation to ensure that the B-BBEE Commission is able to effectively monitor and enforce the provisions of the Act.
- (vii.) Strengthening public-private partnerships as well as developing constructive social compacts with civil

society so that the country sustains its economic development.

Budgetary Review and Recommendation Report of the Portfolio Committee on Trade and Industry, dated 17 October 2018

Informed by its deliberations, the Committee recommends that the House requests that the Minister of Trade and Industry should consider:

- (i.) Engaging the Minister of Finance with a view to making funding available for maintenance, upgrading and investment in new technology for the technical infrastructure institutions such as the South African Bureau of Standards, the National Metrology Institute of South Africa and the National Regulator for Compulsory Specification, to improve efficiency and ensure modernisation during the outer years of the Medium-Term Expenditure Framework.
- (ii.) In consultation with the Ministers of Finance, Economic Development, Small Business Development and Public Enterprises, developing additional mechanisms to facilitate the demand side for local, competitively sustainable goods, products and services.
- (iii.) Conducting an analysis of the impact of the benefits and challenges associated with existing trade agreements.

Report of the Portfolio Committee on Trade and Industry on the Department of Trade and Industry's Second Quarter Financial and Non-Financial Performance for the 2018/19 Financial Year, dated 19 February 2019

Informed by its deliberations, the Committee recommends that the House requests that the Minister of Trade and Industry should consider:

- (i.) Tabling a report clarifying the reasons for the delay in listing the B-BBEE Commission.

Report of the Portfolio Committee on Trade and Industry on the Department of Trade and Industry's Third Quarter Financial and Non-Financial Performance for the 2018/19 Financial Year, dated 6 March 2019

Informed by its deliberations, the Committee recommends that the House requests that the Minister of Trade and Industry should:

- (i.) Engage with the relevant Ministers to reach a resolution on how to support strategic industries through appropriate administration pricing, such as electricity, port and rail charges.

18.8 ICT Governance

Information and Communication Technology (ICT) plays an ever-increasing role as a strategic enabler of public service delivery. To enable political and strategic leadership to embrace ICT as an enabler of business, the DPSA developed a Corporate Governance of ICT Policy Framework, which was adopted by Cabinet on 21 November 2012. The Framework requires departments to implement the corporate governance of ICT (CGICT) and Governance of ICT (GICT) as an integral part of its corporate governance arrangements. An Implementation Guideline was developed to support departments with the implementation of the framework.

Parallel to the government-wide process, **the dti** developed its own Corporate Governance ICT Policy and Charter. As per the framework, the department created and implemented all the required capabilities. This included the appointment of a Governance Champion, an Enterprise Architect and ICT Managers. The Chief Information Officer (CIO) fulfils the role as the Government Information Technology Officer.

the dti adopted ITIL and CoBit as its IT Service Management Framework. A Project and Programme Management office and a framework for the management of projects were established. An ICT Security Policy and an ICT Continuity Plan were developed and implemented.

The department ensures that there is alignment between ICT and business through an approved five-year ICT Plan, As-Is Technology and Application Architectures, ICT Procurement Strategy and ICT Annual Performance Plan.

18.9 Scopa Resolutions

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
N/A	Follow-up briefing on the Steinhoff matter - Standing Committee on Finance, SCOPA and relevant committees.	The committees wanted to know what the regulatory bodies had done or were doing on the Steinhoff matter.	<p>Section 69 of the Companies Act</p> <p>The CIPC is watching closely the unfolding investigations on the civil and criminal side and will be looking at Section 69 in terms of director delinquency applications being instituted.</p> <p>Possible amendments to the Companies Act and/or Regulations</p> <p>N/A: Follow-up briefing on the Steinhoff matter - Standing Committee on Finance, SCOPA and relevant committees which wanted to know the regulatory bodies had done or were doing on the Steinhoff matter.</p> <p>Section 69 of the Companies Act</p> <ul style="list-style-type: none"> • The CIPC is watching closely the unfolding investigations on the civil and criminal side and will be looking at Section 69 in terms of director delinquency applications being instituted. <p>Possible amendments to the Companies Act and/or Regulations</p> <ul style="list-style-type: none"> • Social and Ethics Committees • CIPC requested a legal opinion on the requirements for the establishment of Social and Ethics Committees in respect of external companies and the possible wording for inclusion in the Companies Act and/or Regulations. A comprehensive opinion was received as well as a proposed amendment to include the establishment of Social and Ethics Committees as a requirement for external companies in the Companies Act and/or Regulations. <p>the dti will undertake further debate and discussions on this matter. The amendments on the external companies are important and require extensive policy debate and will be included in the future amendments to the Companies Act. The Social and Ethics Committee issues are included in the Amendment Bill from the context of disclosure of companies that apply for exemptions. Amendments to the Companies Act and/or Regulations will be finalised in the 6th Administration.</p>	Amendments to the Companies Act and/or Regulations will be finalised in the 6th Administration.

18.10 Prior Modifications to Audit Reports

No prior modifications to audit reports.

18.11 Internal control

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

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

18.12 Internal Audit and Audit Committees

The Internal Audit Unit continued to increase its audit coverage in line with identified risks, and performed more specialist audits in areas such as Performance, IT and Corporate Governance. The majority of the audits focused on incentive administration. The Internal Audit Unit had to take on additional audits: Auditing the APP targets (performance information) per quarter for nine divisions as per compliance to legislation from Department of Monitoring and Evaluation. The unit is in the process of finalising the appointment of a service provider to conduct the third external validation of the Internal Audit Unit's Quality Control in line with the IIA Standards.

The Internal Audit Unit has lost one-third of its staff complement due to promotions to other departments and government financial constraints over the past two financial years. An amount R784 568.42 was paid to the former forensic consultants (UBAC) for conducting co-sourced forensic investigations. The appointment of a new forensic co-sourced firm, Nexia SAB & T, is for the next three financial years. The Internal Audit enabled **the dti** and some of its entities to improve internal and risk management controls, and corporate governance processes. PwC has qualified as per the supply chain processes to render co-sourced specialist audit services and will be appointed for the next three financial years.

For the reporting period under review, the Internal Audit Unit spent an estimated 14 378 direct hours (including in-house forensic investigations of 3 588 hours) on audit work at **the dti**. A total of 99 internal audit reports – including (bi-annual reviews for the 13 entities), six forensic audit reports and five forensic case assessments – were issued to management and presented to the Audit Committee as at the end of March 2019. Of the remaining six audits, two were deferred and reprioritised for 2019/20 as per the Audit Committee's approval. The remaining four were planned to be completed in April 2019. The Internal Audit Unit also took on a further three ad-hoc audit requests during the period under review.

18.13 Audit Committee

the dti's Audit Committee Charter requires that a maximum of six independent members, who have sufficient qualifications and experience, render the services associated with the Audit Committee (AC) function. During the year under review, four Audit Committee meetings were held.

The invitees to committee meetings include ExBo Members, Chief Operating Officers, the Chief Risk Officer, internal and external auditors, the CFO as well as the Acting Chief Information Officer, and any other executives when necessary.

Members of the AC

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Mr Sikkie Kajee (Chairperson)	Chartered Director (SA), MBA, CIA, FCIS and BCompt (Hons)	External	N/A	31/08/2013	N/A	4
Mr Oupa Mokgoantle	M.Com, BCompt (Hons & CTA), Higher Diplomas in Tax and Computer Auditing, CISA, CRISC	External	N/A	22/12/2013	05/02/2019	3
Ms Rene van Wyk	CA (SA), MBA and B Compt (Hons & CTA)	External	N/A	04/09/2013	N/A	3
Ms Simangele Sekgobela	MSc Economics, BCom Hons in Economics, B Com, Certificate in Corporate Governance, a Senior Secondary Teacher's Certificate, Executive Leadership Programme certificate	External	N/A	27/06/2017	N/A	4
Dr Pritish Dala	PhD (IT), M.IT, BSc Hons in Computer Science, B.IT, CISA, CISM, CISSP, CRISC, CGEIT, CEH, CHFI and LA27001	External	N/A	27/06/2017	N/A	4
Mr Lionel October	MSc Economics (Developing Economies), BA Honours (Development Studies) and B Iuris	Internal	Director-General	01/05/2011	N/A	3

19. Audit Committee Report

Audit Committee Responsibility

In line with its strategic commitment to be a well-governed national department, **the dti** strives for effective oversight and monitoring of its governance regime. Vital to the achievement of this aim, is a competent and independent Audit Committee. We are pleased to present our report for the financial year ended 31 March 2019.

The Audit Committee reports that it has complied with its responsibilities arising from Section 38 (1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1.8 and 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

The Committee is pleased to further report that it has complied with its responsibility arising from its terms of reference, including relevant legislative requirements. The Committee also formalised an annual work plan that assists in carrying out its responsibilities and monitoring progress. The Committee and relevant stakeholders also completed an annual committee assessment to evaluate the efficiency and effectiveness of the Committee.

For the financial year ended 31 March 2019, the Audit Committee conducted separate meetings with assurance providers and reviewed the following:

- Quarterly Financial Statements and Performance Reports;
- Unaudited Annual Financial Statements before submission to the Auditor General South Africa (AGSA);
- The appropriateness of accounting policies and procedure;

- The effectiveness of the system of Risk Management,
- Compliance with relevant laws and regulations;
- The system of IT Governance;
- The Annual Report and report on predetermined objectives prior to submission to the AGSA and final publication;
- The plans, work and reports of Internal Audit and the AGSA;
- The Internal Audit and Audit Committee Charters;
- The internal audit three-year plan and operational plan;
- The internal audit reports and outcomes; and Annexure C2
- The AGSA report and audit opinion.

During the year under review, four Audit Committee meetings were held. The table below discloses relevant information on the audit committee members:

Name	Internal or external	Position	No. of Meetings attended
Mr Sikkie Kajee	External	Chairperson	4
Mr Oupa Mokgoantle	External	Member	3
Ms Rene van Wyk	External	Member	3
Ms Simangele Sekgobela	External	Member	4
Dr Prittish Dala	External	Member	4
Mr Lionel October	Internal	Member (DG)	3

Effectiveness of Internal Control

The systems of internal control are designed to provide cost-effective assurance that assets are safeguarded and that liabilities and working capital are efficiently managed. The Committee has considered the work performed by the Internal Audit (IA) on a quarterly basis and IA tracking of outstanding Audit Findings on a quarterly basis. As noted in certain instances by IA, certain internal control environment areas need continuous improvement and management has acknowledged and is addressing it. In line with the PFMA requirements, internal audit provides the Audit Committee and management with assurance that the internal controls are appropriate and effective. This is achieved by means of an appropriate quarterly reporting process, as well as the identification of corrective actions and suggested enhancements to the controls and processes.

Our review of the findings of the Internal Audit work, which was based on the risk assessments conducted in the department revealed certain control weaknesses, which were then raised with the department.

The following internal audit work completed during the year under review consists of 99 audit reports and memoranda in the following categories:

Type of Audit	Number	Frequency
Rotational Audit	Chairperson	
Compliance Audits	Member	
Performance Audits	Member	
Adhoc Performance Audits	Member	
IT Audits	Member	
Performance Information Audits (9 divisions)	Member (DG)	Quarters 1, 2, 3, 4 & Annual
Follow-ups:		
Compliance Audits	2	Quarters 2 & 4
Performance Audits	2	Quarters 1 & 3
IT Audits	2	Quarters 1 & 3
Quarterly CAE Entity Forum memoranda (13 entities)		Quarter 1 & 3
Total		99

The following were areas of concern, in that the controls require improvement:

- Incentive administration processes;
- In house 'IT' application controls and improving the cyber security posture;
- Delays in finalising Labour Relations Matters and their financial impact; and
- Finalising and implementing Business Continuity Plan.

In-Year Management and Monthly/Quarterly Reports

The department has been reporting monthly and quarterly to the National Treasury as is required by the PFMA. The department has also produced the Mid-Year Financial Statement for National Treasury.

Evaluation of Financial Statements

We have reviewed the annual financial statements prepared by the department. The Audit Committee had the opportunity to review the final annual financial statements before and after the AGSA review and discussed them with management. The Audit Committee noted the following:

- Assurance provided by management in terms financial status, fair representation, state of the control environment and quality assurance processes in relation to the audited annual financial statements;
- The accounting policies and practices applied are appropriate;
- We are satisfied that, based on accounting conventions; the financial statements reflect a well-run organisation; and
- Management takes the comments by Internal Audit and AGSA seriously and is committed to taking appropriate corrective action.

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

The Audit Committee has:

- Reviewed and discussed the audited annual financial statements to be included in the annual report with the AGSA and the Accounting Officer;
- Reviewed the AGSA management report and management's responses thereto;
- Reviewed changes in the accounting policies and practices; and
- Reviewed the department's compliance with legal and regulatory provisions.

Auditor-General's Report

We have reviewed the department's implementation plan for audit issues raised in the previous year and we are satisfied that the matters have been adequately resolved. The Audit Committee concurs and accepts the AGSA's conclusions on the annual financial statements and is of the opinion that the audited annual financial statements should be accepted and read together with the report of the Auditor-General.

Resolution of Internal Control Weaknesses

The follow-up Internal Audit processes indicated that management is instituting adequate corrective action to address control weaknesses identified. Overall the Audit Committee is satisfied with the quality and timing of management responses. This is a reflection of the quality of both management and Internal Audit. The Audit Committee is of the view that management is appropriately balancing delivery and continuous improvement.

Integrated Assurance

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

The Internal Audit Unit also developed for the department and its entities, an Integrated Assurance Strategy and Implementation Plan during the 2016/17 & 2017/18 years and these have been implemented during the 2018/19

financial year going forward. Internal Audit has monitored this in the review of the entities' quarterly reports.

Internal Audit Effectiveness

Internal Audit forms part of the third line of defence as set out in the Integrated Assurance Strategy and engages with the first and second lines of defence to facilitate the escalation of key control breakdowns.

The Internal Audit department has a functional reporting line to the Audit Committee (via the Chairperson) and an administrative reporting line to the Director-General (delegated to Group Chief Operating Officer). The Audit Committee, with respect to its evaluation of the adequacy and effectiveness of internal controls, governance and risk management, receives reports from Internal Audit on a quarterly basis, assesses the effectiveness of Internal Audit function and reviews and approves the Internal Audit Operation, Coverage and Three Year Plans.

The Audit Committee is responsible for ensuring that **the dti's** Internal Audit function is independent and has the necessary resources, standing and authority within **the dti** to enable it to discharge its duties.

The Internal Audit function, Internal Audit Coverage and Three Year Rolling Plans were approved by the Audit Committee. The Audit Committee monitored and challenged, where appropriate, action taken by management with regard to adverse Internal Audit findings.

The Audit Committee has overseen a process by which Internal Audit has performed audits according to a risk-based audit plan where the adequacy and effectiveness of the risk management and internal controls were evaluated. These evaluations were the main input considered by the Audit Committee in reporting on the effectiveness of internal controls.

The Audit Committee is satisfied with the independence and effectiveness of the Internal Audit function. During the 2018/19 financial year additional actions were implemented to ensure the Internal Audit function is adequately resourced; i.e. the tender process for specialised audit services and forensic services were started.

The unit has experienced a severe drop in human resources, which has impacted the range of services it can provide to the department. In the short-term, such resources can be obtained from external service providers and a longer-term solution to recruit replacement resources will be necessary within the framework of government's austerity measures.

Performance Information

The performance information fairly reflects the operations and actual output against planned targets for performance indicators as per the Annual Performance Plan of **the dti** for the financial year ended 31 March 2019. The performance information has been reported on in accordance with the requirements of the guidelines on annual reports as issued by National Treasury. A system of internal control has been designed to provide reasonable assurance as to the "Integrity and Reliability" of performance information.

This includes the quarterly auditing of performance information by the Internal Audit Unit of all APP Targets. An action plan will also be developed by management to address the issues raised by the AGSA that relates to the reporting of performance information within the coming financial year. These matters will be overseen by the Audit Committee.

Risk Management

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

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

Internal Audit also performed their own assessment of the risk environment of the organisation and also included the strategic and operational risks identified by management as part of this assessment. As part of the 2019/20

IA coverage plan, the Internal Audit is planning to perform a review of the Updated Risk Management Framework practices and processes.

Governance and Ethics

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

There is a focus on Ethics within **the dti** to imbed further enhancements of awareness and understanding of Ethics at all levels. There is an Ethics Committee in place at **the dti**. The Ethics Committee also monitors the approval of applications received from **the dti** officials, in respect of Remunerative Work Outside the Public Service.

Furthermore, **the dti** requires that all members of the Senior Management Services (SMS), levels 10 to 12; and officials in the Finance Unit to complete a financial disclosure declaration on an annual basis.

Conclusion

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

The Audit Committee noted no significant or material non-compliance with prescribed policies and procedures up to 31 July 2019. From observations, analysis and reports presented to the Audit Committee by management and assurance providers, including Internal Audit and the AGSA, as well as the Audit Committee's evaluation of the Risk Management processes, the Audit Committee concludes that the systems of internal control tested were found to be adequate and materially effective for most areas tested.

We do, however, emphasise that in certain instances controls were found to be only partially effective. These require further improvement and we have received assurance that the matter is being addressed. Attention has also been given in addressing issues raised by the AGSA.

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



Mr SAH Kajee

Chairperson of the Audit Committee

Date: 31 July 2019

20. Report of the Auditor-General to Parliament on Vote No. 34: Department of Trade and Industry

Report on the audit of the Financial Statements

Opinion

1. I have audited the financial statements of the Department of Trade and Industry set out on pages 146 to 295, which comprise the appropriation statement, the statement of financial position as at 31 March 2019, the statement of financial performance, statement of changes in net assets, and cash flow statement for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Trade and Industry as at 31 March 2019, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standards and the requirements of the Public Finance Management Act 1 of 1999.

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.
4. I am independent of the department in accordance with sections 290 and 291 of the International Ethics Standards Board for Accountants' Code of ethics for professional accountants (IESBA code), parts 1 and 3 of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) and the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA codes.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

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

Material impairment

7. As disclosed in note 12.4 to the financial statements, material impairment of R34 266 000 was incurred as a result of potential irrecoverable receivables.

Other matter

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

Unaudited supplementary schedules

9. The supplementary information set out on pages 282 to 295 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

Responsibilities of the accounting officer for the financial statements

10. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the Modified Cash Standard and the requirements of the Public Finance Management Act 1 of 1999, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

11. In preparing the financial statements, the accounting officer is responsible for assessing the Department of Trade and Industry's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

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

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

Report on the audit of the annual performance report

Introduction and scope

14. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
15. My procedures address the reported performance information, which must be based on the approved performance planning documents of the department. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
16. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the annual performance report of the department for the year ended 31 March 2019:

Programmes	in the annual performance report
Programme 3 - Special Economic Zones and Economic Transformation	63 – 66
Programme 4 - Industrial Development	67 – 70
Programme 6 - Incentive Development and Administration	75 – 77
Programme 8 - Investment South Africa	81 – 84

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

Other matter

19. I draw attention to the matter below.

Achievement of planned targets

20. Refer to the annual performance report on pages 57 to 83 for information on the achievement of planned targets for the year and explanations provided for the under and overachievement of a significant number of targets.

Report on the audit of compliance with legislation

Introduction and scope

21. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the department with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
22. I did not identify any instances of material non-compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA.

Other information

23. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported in this auditor's report.
24. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
25. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
26. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

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

Auditor - General

Pretoria

31 July 2019



AUDITOR - GENERAL
SOUTH AFRICA



Part D

HUMAN RESOURCE MANAGEMENT



Introduction

The information contained in this part of the annual report has been prescribed by the Minister for the Public Service and Administration for all departments in the public service.

Overview of Human Resources

Based on various priorities that were identified, the department was provided support through various organisational redesign, recruitment, talent management, performance management, human resource development, health and wellness, transformation and organisational development initiatives.

The current structure of **the dti** provides for 1 209 approved positions, of which 1 194 were filled and 15 were vacant on 31 March 2019, leaving the department with a vacancy rate of 1.2%. This excludes the positions in respect of the two political office-bearers. The reduction of the vacancy rate is still an important focus area and is closely monitored to enable the department to perform on expected strategies and functions. Due to the constraints in the Compensation of Employees budget, a moratorium on the filling of vacancies has been placed and only priority positions will be filled.

In respect of employees permanently appointed to the establishment, a turnover rate of 4.7% was reported. This resulted in a retention rate of 95.3%, which brings stability to the workforce.

In terms of transformation, the status of People with a Disability is 3.8%, exceeding the national target of 2%, while that of Women in Senior Management is 54%, against the Cabinet target of 50%.

In order to improve on its service delivery, focus was placed on reducing the turnaround times in organisational design, grievances, discipline, leave capturing, the filling of vacancies, capturing of organisational design changes and learning and development requests.

Training interventions were attended by 1 317 participants, nationally as well as internationally, e.g. alternative dispute resolution, export promotion, investment promotion, etc. Furthermore, employees were expected to capacitate themselves over a period of two months in supply management by attending the compulsory training on the Irregular Expenditure Framework and the Amended Audit Act. Two-hundred-and-one employees are in the process of furthering their studies through the departmental bursary programme.

The kind of exposure that employees of **the dti** receive by participating in formal training programmes and other training initiatives, such as the Women Development Programme, supports the view of the department as an employer of choice. Since the inception of the aforementioned programme in 2014, 141 women employees participated in the programme. Of these, five were appointed to higher positions, one employee graduated with a PhD qualification, and another is studying towards her PhD qualification.

Various employees engaged in the employee wellness service. More employees accessing the service suggests an overall acceptance of responsibility for their own wellness. Monthly health screenings are taking place. There is also a focus on physical wellness of employees, while quarterly workshops are held with employees to skill them in managerial referrals and relationship management, etc.

Productivity of employees is monitored and reported on. The productivity rate of 97% as at end of March 2019 suggests no excessive use of leave by employees.

The status of performance agreements as at the end of March 2019 was 98% and is indicative of a well-managed performance management system where employees are recognised for good performance, whether through cash awards, notch increases or non-monetary rewards.

The Innovation Hub Think Tank was established for employees to encourage innovation and creativity in developing products, systems and services that improve the work of **the dti** and the South African economy at large. The hub will be formally launched during the 2019/20 financial year. Seven employees are already participating in the development of new initiatives.

the dti has responded to the seismic shift to lead the Fourth Industrial Revolution by creating the APAT (Annual Performance Agreement Template) software or "Application - APP". The APAT was created by our employees from the Chief Directorate: Human Resources and Learning Centre for our employees to improve yields, reduce

waste and shorten completion cycles through digitalisation. By digitalising the various functions within Human Resource Management and Development, several benefits, both tangible and intangible, are created for our employees. In turn, we encourage our employees to work smarter, focusing on the key goals of the department as opposed to mundane and routine administrative tasks. Some of the benefits include:

- Zero risk of misplacing documents
- Electronic completion of template
- Electronic monitoring of performance which is a geo-based system
- Instant access to documentation
- Huge savings on consumables (paper, printers and cartridges)
- Instant uploading of evidence
- Quicker time frames for processing PM outcomes
- Smart and intelligent management reporting
- Implement the legislative and regulatory framework in smarter ways
- Promote savings in terms of time and effort by both the employee and manager
- The innovation uses best practice because it follows the business practices and vernacular of the public sector – the APAT is developed using a software language and infrastructure matching the business needs versus those of a ‘mass market’ nature that may not be compatible.

Forty-eight senior managers were exposed to a Leadership Coaching initiative consisting of six individual sessions with a coach as well as two-group coaching sessions. During the coaching sessions focus has been placed on the living of the departmental values of Quality Relationships (the improvement of day-to-day relationships), Intellectual Excellence (knowledge and information management as well as development of the self) and Operational Excellence (improvement of work).

the dti supports a healthy working relationship with organised labour with a view to promote good relations with employees. Various consultations have been taking place at the Departmental Bargaining Chamber and these will continue going forward.

21. Human Resource Management

21.1 Personnel related expenditure

The following tables summarise the final audited personnel related expenditure by programme and by salary bands. In particular, the tables provide an indication of the:

- amount spent on personnel
- amount spent on salaries, overtime, homeowner's allowances and medical aid.

Table 21.1.1 Personnel expenditure by programme for the period 1 April 2018 to 31 March 2019

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Administration	813 518	282 638	7 857	21 006	35%	635
International Trade and Economic Development	122 075	77 067	0	86	63%	694
Special Economic Zones and Economic Transformation	121 963	73 786	3	9 479	60%	1 011
Industrial Development	2 018 625	110 586	200	6	5%	539
Consumer and Corporate Regulation	323 846	54 674	281	2 411	17%	408
Incentive Development and Administration	5 560 651	137 937	122	8 719	2%	1 452
Trade and Investment South Africa	460 194	204 394	1 763	203	44%	1 491
Investment South Africa	69 372	41 018	23	47	59%	672
Total	9 490 244	982 100	10 249	41 957	10.3%	779

Table 21.1.1.2 Personnel costs by salary band for the period 1 April 2018 to 31 March 2019

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	307	0.03	2	154
Skilled (level 3-5)	25 124	2.56	123	204
Highly skilled production (levels 6-8)	159 015	16.19	379	420
Highly skilled supervision (levels 9-12)	508 165	51.74	570	892
Senior and Top management (levels 13-16)	289 489	29.48	219	1 322
Total	982 100	100.00	1 293	760

Table 21.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2018 to 31 March 2019

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Administration	195 016	69.0%	607	0.2%	3 866	1.4%	8 983	3.2%
International Trade and Economic Development	52 843	68.6%	0	0.0%	714	0.9%	1 876	2.4%
Special Economic Zones and Economic Transformation	50 344	68.2%	189	0.3%	568	0.8%	1 397	1.9%
Industrial Development	76 813	69.5%	0	0.0%	899	0.8%	2 166	2.0%
Consumer and Corporate Regulation	37 382	68.4%	0	0.0%	442	0.8%	1 472	2.7%
Incentive Development and Administration	96 228	69.8%	0	0.0%	1 783	1.3%	4 104	3.0%
Trade and Investment South Africa	68 735	33.6%	0	0.0%	938	0.5%	2 698	1.3%
Investment South Africa	28 996	70.7%	0	0.0%	433	1.1%	903	2.2%
Total	606 357	61.7%	796	0.1%	9 643	1.0%	23 599	2.4%

Table 21.1.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2018 to 31 March 2019

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Skilled (level 1-2)	170	55.4%	0	0.0%	0	0.0%	0	0.0%
Skilled (level 3-5)	13 761	54.8%	3	1.2%	697	2.8%	912	3.6%
Highly skilled production (levels 6-8)	92 799	58.4%	254	16.0%	4 910	3.1%	9 271	5.8%
Highly skilled supervision (levels 9-12)	294 124	57.9%	539	10.6%	3 564	0.7%	10 033	2.0%
Senior management (level 13-16)	205 503	71.0%	0	0.0%	472	0.2%	3 383	1.2%
Total	606 357	61.7%	796	0.1%	9 643	6.7%	23 599	12.6%

21.2 Employment and vacancies

The tables in this section summarise the position with regard to employment and vacancies.

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment.

This information is presented in terms of three key variables:

- programme
- salary band
- critical occupations (see definition in notes below).

Departments have identified critical occupations that need to be monitored. In terms of current regulations, it is possible to create a post on the establishment that can be occupied by more than one employee. Therefore, the vacancy rate reflects the percentage of posts that are not filled.

Table 21.2.1 Employment and vacancies by programme as on 31 March 2019

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administration	422	421	0%	24
Special Economic Zones and Transformation	109	105	4%	6
Consumer and Corporate Regulation	67	67	0%	6
Incentive Development and Administration, Permanent	193	193	0%	12
Industrial Development	132	129	2%	5
International Trade and Economic Development, Permanent	94	94	0%	1
Trade and Investment South Africa	136	130	4%	7
Investment South Africa	56	55	2%	6
Total	1 209	1 194	1%	67

Table 21.2.2 Employment and vacancies by salary band as on 31 March 2019

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (1-2)	2	2	0%	0
Skilled(3-5)	54	54	0%	0
Highly skilled production (6-8)	366	366	0%	0
Highly skilled supervision (9-12)	556	551	1%	1
Senior management (13-16)	216	206	5%	1
Contract, Other	0	0	0%	58
Contract, Lower skilled (1-2)	0	0	0%	0
Contract, Skilled(3-5)	3	3	0%	1
Contract, Highly skilled production (6-8)	1	1	0%	0
Contract, Highly skilled supervision (9-12)	3	3	0%	5
Contract, Senior management (13-16)	8	8	0%	1
Total	1 209	1 194	1%	67

Table 21.2.3 Employment and vacancies by critical occupations as on 31 March 2019

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative Related	165	165	0%	62
Cleaners in offices, workshops, hospitals etc.	1	1	0%	0
Communication and Information Related	2	2	0%	0
Economists	5	5	0%	0
Finance and Economics Related	53	53	0%	0
Financial and Related Professionals	6	6	0%	0
Food Services Aids and Waiters	10	10	0%	0
General Legal Administration and Related Professionals	2	2	0%	0
Head of Department / Chief Executive Officer	1	1	0%	0
Human Resources and Organisational Dev and Rel Professionals	2	2	0%	0
Human Resources Clerks	1	1	0%	0
Human Resources Related	41	41	0%	0
Information Technology Related	23	23	0%	0
Legal Related	8	8	0%	0
Library, Mail and Related Clerks	19	19	0%	1
Light Vehicle Drivers	3	3	0%	0
Logistical Support Personnel	18	18	0%	0
Messengers, Porters and Deliverers	6	6	0%	0
Other Administrative and Related Clerks and Organisers	20	20	0%	0
Other Information Technology Personnel	2	2	0%	0
Other Occupations	3	3	0%	0
Risk Management and Security Services	1	1	0%	0
Secretaries and Other Keyboard Operating Clerks	120	120	0%	1
Security Officers	17	17	0%	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Senior Managers	221	211	5%	2
Statisticians and Related Professionals	1	1	0%	0
Trade and Industry Advisers and Other Related Professionals	458	453	1%	1
Total	1 209	1 194	1%	67

21.3 Filling of SMS Posts

The tables in this section provide information on employment and vacancies as it relates to members of the Senior Management Service by salary level. It also provides information on advertising and filling of SMS posts, reasons for not complying with prescribed timeframes and disciplinary steps taken.

Table 21.3.1 SMS post information as on 31 March 2019

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled *	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100%	0	0%
Salary Level 16	0	0	0%	0	0%
Salary Level 15	11	12	108%	-1	-9%
Salary Level 14	57	54	94%	3	5%
Salary Level 13	155	149	96%	6	4%
Total	224	216	96%	8	4%

* Includes appointments additional to the establishment

Table 21.3.2 SMS post information as on 30 September 2018

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100%	0	0%
Salary Level 16	0	0	0%	0	0%
Salary Level 15	12	11	91%	1	8%
Salary Level 14	61	53	85%	8	13%
Salary Level 13	169	152	89%	17	10%
Total	243	217	88%	26	11%

Table 21.3.3 Advertising and filling of SMS posts for the period 1 April 2018 to 31 March 2019

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General/ Head of Department	0	0	0
Salary Level 16	0	0	0
Salary Level 15	1	0	0
Salary Level 14	5	0	1
Salary Level 13	10	3	2
Total	16	3	3

Table 21.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2018 and 31 March 2019

Reasons for vacancies not advertised within six months
Moratorium on the filling of posts in place. Posts only advertised after approval was obtained to fill certain priority posts.
Reasons for vacancies not filled within twelve months
Moratorium on filling of posts was in place and was lifted in 2018 which resulted in posts being vacant for long periods of time before being triggered and/or filled as recruitment processes were placed on hold.

Table 21.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2018 and 31 March 2019

Reasons for vacancies not advertised within six months	
None	
Reasons for vacancies not filled within six months	
None	

21.4 Job Evaluation

Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in his or her organisation. In terms of the Regulations all vacancies on salary levels 9 and higher must be evaluated before they are filled. The following table summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

Table 21.4.1 Job Evaluation by Salary band for the period 1 April 2018 to 31 March 2019

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower Skilled (Levels 1-2)	2	0	0%	0	0	0	0%
Skilled (Levels 3-5)	57	0	0%	0	0	0	0%
Highly skilled production (Levels 6-8)	367	4	1%	0	0	0	0%
Highly skilled supervision (Levels 9-12)	559	17	3%	0	0	0	0%
Senior Management Service Band A	155	3	2%	0	0	0	0%
Senior Management Service Band B	57	1	2%	0	0	0	0%
Senior Management Service Band C	11	0	0%	0	0	0	0%
Senior Management Service Band D	1	0	0%	0	0	0	0%
Total	1 209	25	2%	0	0	0	0

Table 21.4.2 provides a summary of the number of employees whose positions were upgraded due to their post being upgraded. The number of employees might differ from the number of posts upgraded since not all employees are automatically absorbed into the new posts and some of the posts upgraded could also be vacant.

Table 21.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2018 to 31 March 2019

Gender	African	Asian	Coloured	White	Total
Female	5	0	0	0	0
Male	5	0	0	0	0
Total	10	0	0	0	0

Employees with a disability					0
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The following table summarises the number of cases where remuneration bands exceeded the grade determined by job evaluation. Reasons for the deviation are provided in each case.

Table 21.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2018 to 31 March 2019

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Administrative Related	3	6	7	Out of Adjustment (Foreign Economics Officers), Grade Progression, JE, Grievance settlement and Retentions
Administrative Related	2	7	8	
Administrative Related	1	7	10	
Administrative Related	1	8	9	
Administrative Related	1	8	10	
Administrative Related	3	9	10	
Administrative Related	1	9	11	
Administrative Related	2	10	11	
Administrative Related	7	11	12	
Communication And Information Related	1	11	12	
Finance And Economics Related	2	8	9	
Finance And Economics Related	1	9	10	
Finance And Economics Related	1	12	13	
Financial And Related Professionals	1	11	12	
Human Resources Related	1	7	8	
Human Resources Related	1	8	10	

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Human Resources Related	2	9	10	
Human Resources Related	2	11	12	
Information Technology Related	5	6	8	
Information Technology Related	1	11	12	
Library Mail And Related Clerks	1	7	8	
Logistical Support Personnel	2	6	7	
Messengers Porters And Deliverers	1	2	3	
Secretaries & Other Keyboard Operating Clerks	1	6	7	
Secretaries & Other Keyboard Operating Clerks	1	7	8	
Secretaries & Other Keyboard Operating Clerks	1	8	9	
Security Officers	1	6	7	
Security Officers	1	7	9	
Security Officers	1	11	12	
Senior Managers	1	10	13	
Senior Managers	5	11	13	
Senior Managers	1	12	13	
Senior Managers	4	13	14	
Senior Managers	2	14	15	
Trade/Industry Advisers & Other Related Profession	1	7	9	
Trade/Industry Advisers & Other Related Profession	1	8	9	
Trade/Industry Advisers & Other Related Profession	4	9	10	
Trade/Industry Advisers & Other Related Profession	1	9	12	
Trade/Industry Advisers & Other Related Profession	6	10	11	
Trade/Industry Advisers & Other Related Profession	2	10	12	
Trade/Industry Advisers & Other Related Profession	19	11	12	
Trade/Industry Advisers & Other Related Profession	6	11	13	
Trade/Industry Advisers & Other Related Profession	2	12	13	
Total number of employees whose salaries exceeded the level determined by job evaluation			104	
Percentage of total employed			8.25%	

The following table summarises the beneficiaries of the above in terms of race, gender, and disability.

Table 21.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2018 to 31 March 2019

Gender	African	Asian	Coloured	White	Total
Female	29	6	3	12	50
Male	41	5	4	4	54
Total	70	11	7	16	104
Employees with a disability	2	2	0	2	6

21.5 Employment Changes

This section provides information on changes in employment over the financial year. Turnover rates provide an indication of trends in the employment profile of the department. The following tables provide a summary of turnover rates by salary band and critical occupations (see definition in notes below).

Table 21.5.1 Annual turnover rates by salary band for the period 1 April 2018 to 31 March 2019

Salary band	Number of employees at beginning of period-1 April 2018	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	1	1	0	0%
Skilled (Levels 3-5)	40	3	3	8%
Highly skilled production (Levels 6-8)	382	8	25	7%
Highly skilled supervision (Levels 9-12)	573	9	29	5%
Senior Management Service Bands A	149	4	12	8%
Senior Management Service Bands B	53	1	2	4%
Senior Management Service Bands C	8	0	0	0%
Senior Management Service Bands D	0	0	0	0%
Contract, Other	62	67	13	21%
Contract (Levels 1-2)	1	0	1	100%
Contract (Levels 3-5)	26	7	5	19%
Contract (Levels 6-8)	9	1	3	33%
Contract (Levels 9-12)	9	2	0	0%
Contract Band A	5	2	2	40%

Salary band	Number of employees at beginning of period-1 April 2018	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Contract Band B	2	0	1	50%
Contract Band C	4	0	2	50%
Contract Band D	1	0	0	0%
Total	1 325	105	98	7%

Table 21.5.2 Annual turnover rates by critical occupation for the period 1 April 2018 to 31 March 2019

Critical occupation	Number of employees at beginning of period-April 2018	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative Related, Permanent	229	75	30	13%
Cleaners in offices, workshops, hospitals etc, Permanent	1	1	1	100%
Communication and Information Related, Permanent	5	0	0	0%
Economists, Permanent	6	0	0	0%
Finance and Economics Related, Permanent	47	5	3	6%
Financial and Related Professionals, Permanent	5	0	0	0%
Financial Clerks and Credit Controllers, Permanent	0	0	0	0%
Food Services Aids and Waiters, Permanent	11	0	1	9%
General Legal Administration and Related Professionals, Permanent	3	0	0	0%
Head of Department / Chief Executive Officer, Permanent	1	0	0	0%
Human Resources and Organisational Development and Related Professionals, Permanent	1	0	0	0%
Human Resources Clerks, Permanent	0	0	0	0%
Human Resources Related, Permanent	43	2	2	5%

Critical occupation	Number of employees at beginning of period-April 2018	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Information Technology Related, Permanent	29	0	0	0%
Legal Related, Permanent	17	0	2	12%
Librarians and Related Professionals, Permanent	0	0	0	0%
Library, Mail and Related Clerks, Permanent	20	1	1	5%
Light Vehicle Drivers, Permanent	3	0	0	0%
Logistical Support Personnel, Permanent	21	1	3	14%
Messengers, Porters and Deliverers, Permanent	6	0	0	0%
Other Administrative and Related Clerks and Organisers, Permanent	17	7	0	0%
Other Information Technology Personnel	3	0	0	0%
Other Occupations, Permanent	2	0	0	0%
Risk Management and Security Services, Permanent	0	0	0	0%
Secretaries and Other Keyboard Operating Clerks, Permanent	138	0	11	8%
Security Officers, Permanent	16	1	0	0%
Senior Managers, Permanent	214	6	15	7%
Statisticians and Related Professionals, Permanent	1	0	0	0%
Trade and Industry Advisers and Other Related Professionals, Permanent	486	6	29	6%
Total	1 325	105	98	7%

The table below identifies the major reasons why staff left the department.

Table 21.5.3 Reasons why staff left the department for the period 1 April 2018 to 31 March 2019

Termination Type	Number	% of Total Resignations
Death	1	1%
Resignation	58	59%
Expiry of contract	14	14%
Dismissal – operational changes	0	0%
Dismissal – misconduct	0	0%
Dismissal – inefficiency	0	0%
Discharged due to ill-health	0	0%
Retirement	9	9%
Transfer to other Public Service Departments	14	14%
Early retirement	2	2%
Total	98	
Total number of employees who left as a % of total employment	7%	

Table 21.5.4 Promotions by critical occupation for the period 1 April 2018 to 31 March 2019

Occupation	Employees 1 April 2018	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Administrative Related, Permanent	229	25	11%	120	52%
Cleaners in offices, workshops, hospitals etc, Permanent	1	0	0%	0	0%
Communication and Information Related, Permanent	5	0	0%	1	20%
Economists, Permanent	6	0	0%	4	67%
Finance and Economics Related, Permanent	47	6	13%	41	87%
Financial and Related Professionals, Permanent	5	0	0%	4	80%
Food Services Aids and Waiters, Permanent	11	0	0%	0	0%
General Legal Administration and Related Professionals, Permanent	3	0	0%	0	0%
Head of Department / Chief Executive Officer, Permanent	1	0	0%	1	100%
Human Resources and Organisational Development and Related Professionals, Permanent	1	0	0%	2	200%
Human Resources Related, Permanent	43	3	7%	29	0%
Information Technology Related, Permanent	29	0	0%	19	66%
Legal Related, Permanent	17	1	6%	6	35%
Library, Mail and Related Clerks, Permanent	20	1	5%	16	80%
Light Vehicle Drivers, Permanent	3	0	0%	2	67%
Logistical Support Personnel, Permanent	21	0	0%	16	76%
Messengers, Porters and Deliverers, Permanent	6	0	0%	0	0%
Other Administrative and Related Clerks and Organisers, Permanent	17	7	41%	2	12%

Occupation	Employees 1 April 2018	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Other Information Technology Personnel	3	0	0%	0	0%
Other Occupations, Permanent	2	0	0%	0	0%
Risk Management and Security Services, Permanent	0	0	0%	1	0%
Secretaries and Other Keyboard Operating Clerks, Permanent	138	4	3%	103	75%
Security Officers, Permanent	16	0	0%	12	75%
Senior Managers, Permanent	214	7	3%	173	81%
Statisticians and Related Professionals, Permanent	1	0	0%	0	0%
Trade and Industry Advisers and Other Related Professionals, Permanent	486	8	2%	354	73%
Total	1325	62	5%	907	68%

Table 21.5.5 Promotions by salary band for the period 1 April 2018 to 31 March 2019

Salary Band	Employees 1 April 2018	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Lower skilled (Levels 1-2)	1	0	0%	0	0%
Skilled (Levels 3-5)	40	22	55%	14	35%
Highly skilled production (Levels 6-8)	382	8	2%	309	81%
Highly skilled supervision (Levels 9-12)	573	14	2%	408	71%
Senior Management (Level 13-16)	210	6	3%	169	80%
Contract, Other	62				
Contract (Levels 1-2)	1	0	0%	0	0%
Contract (Levels 3-5)	26	7	8%	1	1%
Contract (Levels 6-8)	9	1	11%	0	0%

Salary Band	Employees 1 April 2018	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Contract (Levels 9-12)	9	1	11%	1	11%
Contract (Levels 13-16)	12	3	25%	5	42%
Total	1 325	62	5%	907	68%

21.6 Employment Equity

Table 21.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2019

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	68	16	7	14	67	8	21	14	215
Professionals	240	11	9	13	273	11	20	22	599
Technicians and associate professionals	92	5	2	1	123	9	3	10	245
Clerks	27	0	0	0	120	5	0	10	162
Service and sales workers	5	1	2	1	8	0	0	1	18
Plant and machine operators and assemblers	2	1	0	0	0	0	0	0	3
Elementary occupations	4	0	0	0	14	1	0	0	19
Total	438	34	20	29	605	34	44	57	1 261
Employees with disabilities	18	0	1	3	17	1	3	5	48

Table 21.6.6 Disciplinary action for the period 1 April 2018 to 31 March 2019

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Correctional counselling	0	0	0	0	0	0	0	0	0
Verbal warning	1	0	0	0	1	0	0	0	2
Written warning	0	1	0	0	3	0	0	0	4
Final written warning	9	3	0	0	2	1	0	0	15
Suspended without pay	0	0	0	0	0	0	0	0	0
Pending	3	1	1	0	1	0	0	0	6
Demotion	0	0	0	0	0	0	0	0	0
Dismissal	0	0	0	0	0	0	0	0	0
Not guilty	2	0	0	1	1	0	1	0	5
Case withdrawn	0	0	2	0	1	0	1	0	4
Total	15	5	3	1	9	1	2	0	36

Table 21.6.7 Skills development for the period 1 April 2018 to 31 March 2019

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	51	1	6	16	43	4	20	10	151
Professionals	190	9	6	6	202	10	17	15	454
Technicians and associate professionals	240	3	2	1	283	16	1	5	551
Clerks	20	0	0	0	79	11	0	10	120
Service and sales workers	8	1	2	1	9	0	0	2	23
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	0	0	0	0	16	1	0	0	17
Total	509	14	14	24	632	42	38	42	1317
Employees with disabilities	17	0	1	1	16	5	10	4	54

21.7 Signing of Performance Agreements by SMS Members

All members of the SMS must conclude and sign performance agreements within specific timeframes. Information regarding the signing of performance agreements by SMS members, the reasons for not complying within the prescribed timeframes and disciplinary steps taken is presented here.

Table 21.7.1 Signing of Performance Agreements by SMS members as on 31 May 2018

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	1	1	1	100%
Salary Level 16	0	0	1	0%
Salary Level 15	12	13	12	92%
Salary Level 14	63	54	51	94%
Salary Level 13	166	156	150	96%
Total	242	224	215	96%

Notes: In the event of a national provincial election occurring within the first three months of a financial year, all members of the SMS must conclude and sign their performance agreements for that financial year within three months following the month in which the elections took place. For example, if the elections took place in April, the reporting date in the heading of the table above should change to 31 July 2018.

Table 21.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2019

	Reasons
DG/HOD	n/a
Salary Level 16 but not DG/HOD	None
Salary Level 15	Not submitted and no reason provided
Salary Level 14	Level 14 • 1 employee - promotion • 1 employee - disagreement
Salary Level 13	Level 13 • 11 employees - PA signed by manager late. • 1 employee - submitted late • 1 employee – not submitted

Notes: The reporting date in the heading of the table should be aligned with that of Table 21.7.1.

Table 21.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2019

Actions	
Non-compliance letters were issued and disciplinary action has been initiated.	

21.8 Performance Rewards

To encourage good performance, the department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, disability, salary bands and critical occupations (see definition in notes below).

Table 21.8.1 Performance Rewards by race, gender and disability for the period 1 April 2018 to 31 March 2019

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African					
Male	181	438	41.3%	6 066	34
Female	265	605	43.8%	7 902	30
Asian					
Male	11	20	55.0%	578	53
Female	26	44	59.1%	1 620	62
Coloured					
Male	16	34	47.1%	615	38
Female	17	34	50.0%	905	53
White					
Male	11	29	37.9%	825	75
Female	31	57	54.4%	1 328	43
Total	558	1261	44.3%	19 841	36

Table 21.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2018 to 31 March 2019

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Lower Skilled (Levels 1-2)	0	2	0.0%	0	0	0.00%
Skilled (level 3-5)	32	54	59.3%	286	9	0.03%
Highly skilled production (level 6-8)	209	366	57.1%	3 562	17	0.36%
Highly skilled supervision (level 9-12)	242	552	43.8%	9 813	41	1.00%
Contract (Levels 1-2)	0	0	0.0%	0	0	0.00%
Contract (Levels 3-5)	0	62	0.0%	0	0	0.00%
Contract (Levels 6-8)	1	1	100.0%	18	18	0.00%
Contract (Levels 9-12)	0	8	0.0%	0	0	0.00%
Total	484	1 045	46.3%	13 680	28	1.39%

Table 21.8.3 Performance Rewards by critical occupation for the period 1 April 2018 to 31 March 2019

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Administrative Related, Permanent	77	227	33.9%	1 521	20
Cleaners in offices, workshops, hospitals etc, Permanent	0	1	0.0%	0	0
Communication and Information Related, Permanent	2	2	100.0%	76	38
Economists, Permanent	1	5	20.0%	37	37
Finance and Economics Related, Permanent	39	53	73.6%	748	19
Financial and Related Professionals, Permanent	1	6	16.7%	14	14
Financial Clerks and Credit Controllers, Permanent	0	0	0.0%	0	0
Food Services Aids and Waiters, Permanent	9	10	90.0%	81	9

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
General Legal Administration and Related Professionals, Permanent	1	2	50.0%	35	35
Head of Department / Chief Executive Officer, Permanent	0	1	0.0%	0	0
Human Resources and Organisational Development and Related Professionals, Permanent	0	2	0.0%	0	0
Human Resources Clerks, Permanent	0	1	0.0%	0	0
Human Resources Related, Permanent	10	41	24.4%	199	20
Information Technology Related, Permanent	7	23	30.4%	125	18
Legal Related, Permanent	4	8	50.0%	154	39
Librarians and Related Professionals, Permanent	0	0	0.0%	0	0
Library, Mail and Related Clerks, Permanent	16	20	80.0%	189	12
Light Vehicle Drivers, Permanent	2	3	66.7%	19	10
Logistical Support Personnel, Permanent	18	18	100.0%	284	16
Messengers, Porters and Deliverers, Permanent	5	6	83.3%	45	9
Other Administrative and Related Clerks and Organisers, Permanent	1	20	5.0%	12	12
Other Information Technology Personnel	0	2	0.0%	0	0
Other Occupations, Permanent	1	3	33.3%	9	9
Risk Management and Security Services, Permanent	0	1	0.0%	0	0
Secretaries and Other Keyboard Operating Clerks, Permanent	67	121	55.4%	884	13
Security Officers, Permanent	4	17	23.5%	72	18
Senior Managers, Permanent	85	213	39.9%	4 394	52
Statisticians and Related Professionals, Permanent	0	1	0.0%	0	0
Trade and Industry Advisers and Other Related Professionals, Permanent	208	454	45.8%	5 478	26
Total	558	1 261	44.3%	14 376	26

Table 21.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2018 to 31 March 2019

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	53	149	35.6%	3 621	68	1.25%
Band B	19	54	35.2%	1 625	86	0.56%
Band C	9	12	75.0%	715	79	0.25%
Band D	1	1	100.0%	200	200	0.07%
Total	82	216	38.0%	6 161	75	2.13%

21.9 Foreign Workers

The tables below summarise the employment of foreign nationals in the department in terms of salary band and major occupation.

Table 21.9.1 Foreign workers by salary band for the period 1 April 2018 to 31 March 2019

Salary band	01 April 2018		31 March 2019		Change	
	Number	% of total	Number	% of total	Number	% Change
Highly skilled production (Lev. 6-8)	1	14%	0	0%	-1	100%
Highly skilled supervision (Lev. 9-12)	3	43%	3	50%	0	0%
Senior management (Levels 13-16)	3	43%	2	33%	-1	100%
Contract (level 9-12)	0	0%	1	17%	1	-100%
Contract (level 13-16)	0	0%	0	0%	0	0%
Total	7	100%	6	100%	-1	100%

Table 21.9.2 Foreign workers by major occupation for the period 1 April 2018 to 31 March 2019

Major occupation	01 April 2018		31 March 2019		Change	
	Number	% of total	Number	% of total	Number	% Change
Administrative office workers	1	14%	0	0%	-1	100%
Professionals and managers	6	86%	2	33%	-4	400%
Skilled Qual & Jun-Management	0	0%	1	17%	1	-100%
Senior Management	0	0%	3	50%	3	-300%
Total	7	100%	6	100%	-1	100%

21.10 Leave utilisation

The Public Service Commission identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave and disability leave. In both cases, the estimated cost of the leave is also provided.

Table 21.10.1 Sick leave for the period 1 January 2018 to 31 December 2018

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Skilled (Levels 3-5)	230	76.5	35	3.3%	7	187
Highly skilled production (Levels 6-8)	2 562	69.3	329	30.7%	8	3 890
Highly skilled supervision (Levels 9-12)	3 205	68.3	471	44.0%	7	9 150
Senior management (Levels 13-16)	853	72	152	14.2%	6	3 722
Contract (Other)	149	57	59	5.5%	3	63
Contract (Levels 3-5)	58	67.2	16	1.5%	4	48
Contract (Levels 6-8)	10	40	3	0.3%	3	14
Contract (Levels 9-12)	12	83.3	2	0.2%	6	39
Contract (Levels 13-16)	10	60	3	0.3%	3	61
Total	7 089	69.1	1 070	100%	7	17 174

Table 21.10.2 Disability leave (temporary and permanent) for the period 1 January 2018 to 31 December 2018

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Skilled (Levels 3-5)	212	100	5	8	42	144
Highly skilled production (Levels 6-8)	408	100	26	40	16	592
Highly skilled supervision (Levels 9-12)	1 039	100	27	42	38	2 238
Senior management (Levels 13-16)	123	100	7	11	18	506
Total	1 782	100	65	100	27	3 480

The table below summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000 requires management of annual leave to prevent high levels of accrued leave being paid at the time of termination of service.

Table 21.10.3 Annual Leave for the period 1 January 2018 to 31 December 2018

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	13	1	13.0
Skilled Levels 3-5)	1 146	47	24.4
Highly skilled production (Levels 6-8)	8 956	385	23.3
Highly skilled supervision (Levels 9-12)	13 867	565	24.5
Senior management (Levels 13-16)	5678	229	24.8
Contract, Lower skilled (Levels 1-2)	4	0*	0.00
Contract, Skilled Levels 3-5)	348	27	12.9
Contract, Highly skilled production (Levels 6-8)	109	4	27.3
Contract, Highly skilled supervision (Levels 9-12)	60	5	12.0
Contract, Senior management (Levels 13-16)	175	12	14.6
Contract, Other	949	127	7.5
Total	31305	1 402	22.3

* 1 contract employee was appointed permanently during period.

Table 21.10.4 Capped leave for the period 1 January 2018 to 31 December 2018

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2018
Lower skilled (Levels 1-2)	0	0	0	0.4
Skilled Levels 3-5)	0	0	0	53.0
Highly skilled production (Levels 6-8)	0	0	0	13.9
Highly skilled supervision (Levels 9-12)	7	2	4	29.6
Senior management (Levels 13-16)	34	3	11	28.7
Total	41	5	8	27.8

The following table summarise payments made to employees as a result of leave that was not taken.

Table 21.10.5 Leave payouts for the period 1 April 2018 to 31 March 2019

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 2018/19 due to non-utilisation of leave for the previous cycle	1 484	122	12 164
Capped leave payouts on termination of service for 2018/19	1 570	45	34 889
Current leave payout on termination of service for 2018/19	2 247	14	160 500
Total	5 301	181	207 553

21.11 HIV/AIDS & Health Promotion Programmes

Table 21.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
None	n/a

Table 21.11.2 Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	Yes		Ms T Lebuso, Director: Organizational Development and Transformation
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	Yes		Sub-Directorate: Quality of Worklife with designated staff members (Deputy Director: QWL , ASD: Occupational Nurse & Admin Assistant)
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	Yes		Key elements of the EAP services include: <ul style="list-style-type: none"> - Counselling services in all official languages including sign language - Counselling in the form of telephonic and face-to-face - Life management services (financial, legal and information services) - Training and development - Awareness and prevention
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	Yes		Wellness Committee (wellness and peer coaches). <ul style="list-style-type: none"> - Mikateko Mabunda - Elizabeth Sebata - Geneva Ledwaba - Zodwa Mdluli - Douglass Nyathi - Balebongang Barend - Maureen Mahlangu - Sphiwe Kondlela - Pauleen Sema - Nompumelelo Maisela - Ntombi Chaane - Nxalati Mashele - Yolande Madubela - Zandi Mtetwa - Paula Makgabutlane - Chantel Martin - Malefeu Thobejane Ex Officio: <ul style="list-style-type: none"> - Hessa Ely - Maryjane Makatola - Elizabeth Sebata Secretariat: <ul style="list-style-type: none"> - Refilwe Manaka

Question	Details, if yes	
	Yes	No
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	Yes	All employment policies within the Department do not unfairly discriminate against employees on the basis of their HIV status. The following policies were reviewed within the reporting period: HIV and AIDS Policy; Employment Equity Barriers
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	Yes	Awareness on Discrimination; Grievance procedure; Employee Assistance Programme.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	Yes	Yes, GEMS Testing and individual testing provided at the dti Clinic. 454 employees have tested for HIV AIDS during 2018/2019.
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	Yes	Quarterly and Annual reports produced.

21.12 Labour Relations

Table 21.12.1 Collective agreements for the period 1 April 2018 to 31 March 2019

Subject matter	Date
None	n/a

The following table summarises the outcome of disciplinary hearings conducted within the department for the year under review.

Table 21.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2018 to 31 March 2019

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0%
Verbal warning	2	6%
Written warning	4	11%
Final written warning	15	42%
Suspended without pay	0	0%
Pending	6	17%
Demotion	0	0%
Dismissal	0	0%
Not guilty	5	14%
Case withdrawn	4	11%
Total	36	100%

Table 21.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2018 to 31 March 2019

Type of misconduct	Number	% of total
Alleged fraud	3	8%
Dereliction of duties	2	6%
Disgraceful / Unprofessional conduct	2	6%
Disgraceful conduct	2	6%
Gross negligence	2	6%
Gross negligence and dishonesty	1	3%
Insubordination	1	3%
Late coming	1	3%
Misrepresentation	1	3%
Misuse of government property	1	3%
Non-disclosure of financial interests	20	56%
Total	36	100%

Table 21.12.4 Grievances logged for the period 1 April 2018 to 31 March 2019

Grievances	Number	% of Total
Number of grievances resolved	60	90%
Number of grievances not resolved	7	10%
Total number of grievances lodged	67	100%

Table 21.12.5 Disputes logged with Councils for the period 1 April 2018 to 31 March 2019

Disputes	Number	% of Total
Number of disputes upheld	19	49%
Number of disputes dismissed	4	10%
Number of disputes dismissed	14	36%
Number of disputes withdrawn	2	5%
Total number of disputes lodged	39	100%

Table 21.12.6 Strike actions for the period 1 April 2018 to 31 March 2019

Total number of persons working days lost	0
Total costs working days lost	0
Amount recovered as a result of no work no pay (R'000)	0

Table 21.12.7 Precautionary suspensions for the period 1 April 2018 to 31 March 2019

Number of people suspended	6
Number of people who's suspension exceeded 30 days	5
Average number of days suspended	198
Cost of suspension(R'000)	4 112 292.70

21.13 Skills development

This section highlights the efforts of the department with regard to skills development.

Table 21.13.1 Training needs identified for the period 1 April 2018 to 31 March 2019

Occupational category	Gender	Number of employees as at 1 April 2018	Training needs identified at start of the reporting period		
			Learnerships	Skills Programmes & other short courses	Other forms of training
Legislators, senior officials and managers	Female	110	0	147	8
	Male	112	0	60	3
Professionals	Female	337	0	233	12
	Male	290	0	251	12
Technicians and associate professionals	Female	156	0	177	7
	Male	102	0	71	2
Clerks	Female	146	0	204	0
	Male	32	0	38	0
Service and sales workers	Female	8	0	10	0
	Male	9	0	12	0
Skilled agriculture and fishery workers	Female	0	0	0	0
	Male	0	0	0	0
Craft and related trades workers	Female	0	0	0	0
	Male	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0
	Male	3	0	0	0
Elementary occupations	Female	16	0	3	0
	Male	4	0	3	9
Sub Total	Female	773	0	774	27
	Male	552	0	435	26
Total		1 325	0	1209	53
					1 250

Table 21.13.2 Training provided for the period 1 April 2018 to 31 March 2019

Occupational category	Gender	Number of employees as at 1 April 2018	Training provided within the reporting period			Total
			Learnerships	Skills Programmes & other short courses	Other forms of training	
Legislators, senior officials and managers	Female	110	0	49	28	77
	Male	112	0	56	18	74
Professionals	Female	337	0	140	104	244
	Male	290	0	131	80	211
Technicians and associate professionals	Female	156	0	270	35	305
	Male	102	0	221	25	246
Clerks	Female	146	0	69	31	100
	Male	32	0	9	11	20
Service and sales workers	Female	8	0	3	8	11
	Male	9	0	4	8	12
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	3	0	0	0	0
Elementary occupations	Female	16	0	7	10	17
	Male	4	0	0	0	0
Sub Total	Female	773	0	538	216	754
	Male	552	0	421	142	563
Total		1 325	0	959	358	1 317

21.14 Injury on duty

The following tables provide basic information on injury on duty.

Table 21.14.1 Injury on duty for the period 1 April 2018 to 31 March 2019

Nature of injury on duty	Number	% of total
Required basic medical attention only	6	100%
Temporary Total Disablement	0	0%
Permanent Disablement	0	0%
Fatal	0	0%
Total	6	100%

21.15 Utilisation of Consultants

The following tables relates information on the utilisation of consultants in the department. In terms of the Public Service Regulations “consultant” means a natural or juristic person or a partnership who or which provides in terms of a specific contract on an ad hoc basis any of the following professional services to a department against remuneration received from any source:

- The rendering of expert advice;
- The drafting of proposals for the execution of specific tasks; and
- The execution of a specific task which is of a technical or intellectual nature, but excludes an employee of a department.

Table 21.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2018 to 31 March 2019

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Consulting services to conduct an analysis and provide a report on B-BBEE compliance reports and financial statements information	21	240	1 500 000,00
Consulting services to conduct research to assess the level and impact of student indebtedness within South African tertiary institutions	10	87	1 034 420,84
Audit services to confirm the accuracy, validity and completeness of IDAD and EMIA Incentives	7	25	294 170,00
Consulting services conducting a study to identify and assess agricultural subsidies in developed and developing countries and the impact on South Africa's Agriculture and Agribusiness Sectors	4	102	1 432 850,00

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Consulting services undertaking a study to assess the utilisation and impact of corporate enterprise and supplier development funds	6	100	519 360,10
Consulting services to research and develop a space industry framework	7	720	1 765 225,20
Investigating 10 complaints on behalf of the Broad Based Black Economic Empowerment Commission	7	87	499 000,30
Analysis of Major Bee Transactions On Behalf of the B-BBEE Commission	7	60	570 959,38
Consulting services to analyse major B-BBEE transactions on behalf of B-BBEE Commission	5	50	814 011,38
Study to develop an Information, Communications AND Technology (ICT) Hub Model for South African Townships	4	720	994 199,00
Conducting an appraisal study of the cluster development programme	9	60	265 034,00
Conducting a study to identify job creation and small business development opportunities in labour intensive value chains	10	120	1 308 781,83
Conducting a study to benchmark levels of support to the business process service incentive programme.	7	80	936 035,25
Conducting a study to model a manufacturing investment scenario for growing the South African Economy to accomplish the national development plan growth targets.	4	120	1 808 800,00
Conducting a study on the economic impact of listeriosis in South Africa	10	184	2 668 469,80
Consulting services relating to an arbitration process	1	2	38 539,80
Conducting a job analysis for two positions	1	20	20 083,00
Consulting services relating to an arbitration process	1	5	96 465,00
Conducting benchmarking, market testing and performance audit services with respect to facilities management within the public private partnership	8	240	2 988 000,00
Study to conduct a socio economic impact assessment study on the Credit Amendment Bill	6	720	1 395 181,00
Conducting a research study in compiling an investor roadmap	4	720	938 543,00
Consulting services to provide GIS spatial mapping services	5	580	338 560,00
Conducting a model comparison study on the international film industry	4	34	496 283,50

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Conducting a study to establish the potential of creating a sustainable enterprise and supplier base in SA for the white goods manufacturing sector	6	280	497 589,00
Project management for the implementation of phase 2 of the Itukise (internships for unemployed graduate) programme	6	800	5 253 200,00
Conducting an analysis of the special economic zones programme for the development of the (SEZ) strategic framework	4	720	772 402,00
Investigation services on behalf of the Broad-Based Black Economic Empowerment Commission	3	30	249 490,00
Total number of projects	Total individual consultants	Total duration: Work days	Total contract value in Rand
28	167	6906	29 495 656,18

Table 21.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2018 to 31 March 2019

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Consulting services to conduct an analysis and provide a report on B-BBEE compliance reports and financial statements information	100	100	3
Consulting services to conduct research to assess the level and impact of student indebtedness within South African Tertiary Institutions	100	100	9
Audit services to confirm the accuracy, validity and completeness of IDAD and EMIA Incentives	100	100	5
Consulting services conducting a study to identify and assess agricultural subsidies in developed and developing countries and the impact on South Africa's Agriculture and Agribusiness Sectors	51	51	2
Consulting services undertaking a study to assess the utilisation and impact of corporate enterprise and supplier development funds	0	0	5
Consulting services to research and develop a space industry framework	60	60	5
Investigating 10 complaints on behalf of the Broad Based Black Economic Empowerment Commission	100	100	7
Analysis of major BEE transactions on behalf of the B-BBEE Commission	100	100	7

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Consulting services to analyse major B-BBEE transactions on behalf of B-BBEE Commission	35	35	5
Study to develop an information, communications and technology (ICT) hub model for South African townships	60	60	1
Conducting an appraisal study of the cluster development programme	100	100	7
Conducting a study to identify job creation and small business development opportunities in labour intensive value chains	20	20	5
Conducting a study to benchmark levels of support to the business process service incentive programme.	20	20	3
Conducting a study to model a manufacturing investment scenario for growing the South African economy to accomplish the national development plan growth targets.	0	0	4
Conducting a study on the economic impact of listeriosis in South Africa	37	37	7
Consulting services relating to an arbitration process	100	100	1
Conducting a job analysis for two positions	100	100	1
Consulting services relating to an arbitration process	100	100	1
Conducting benchmarking, market testing and performance audit services with respect to facilities management within the public private partnership	25	25	6
Study to conduct a socio economic impact assessment study on the Credit Amendment Bill	20	20	3
Conducting a research study in compiling an investor roadmap	37	37	3
Consulting services to provide GIS Spatial Mapping Services	100	100	4
Conducting a model comparison study on the international film industry	100	100	4
Conducting a study to establish the potential of creating a sustainable enterprise and supplier base in SA for the white goods manufacturing sector	100	100	6
Project management for the implementation of phase 2 of the Itukise (internships for unemployed graduate) programme	100	100	6
Conducting an analysis of the special economic zones programme for the development of the (SEZ) strategic framework	60	60	1

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Investigation services on behalf of the Broad-Based Black Economic Empowerment Commission	51	51	2

Table 21.15.3 Report on consultant appointments using Donor funds for the period 1 April 2018 to 31 March 2019

Project title	Total Number of consultants that worked on project	Duration (Work days)	Donor and contract value in Rand
None			

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
None			

Table 21.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDI) for the period 1 April 2018 to 31 March 2019

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
None			

21.16 Severance Packages

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2018 to 31 March 2019

Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by department
Lower skilled (Levels 1-2)	0	0	0	0
Skilled Levels 3-5)	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0
Highly skilled supervision(Levels 9-12)	0	0	0	0
Senior management (Levels 13-16)	0	0	0	0
Total	0	0	0	0

Part E

Financial Information



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22. Appropriation Statement

Appropriation per programme	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme									
Administration	837 280	-	(18 117)	819 163	813 518	5 645	99.3%	809 902	772 696
International Trade and Economic Development	124 773	-	(2 680)	122 093	122 075	18	99.9%	121 135	121 121
Special Economic Zones and Economic Transformation	146 276	-	(10 176)	136 100	121 963	14 137	89.6%	108 937	95 699
Industrial Development	2 029 777	-	(11 132)	2 018 645	2 018 625	20	99.9%	1 842 932	1 838 839
Consumer and Corporate Regulation	330 347	-	(5 904)	324 443	323 846	597	99.8%	298 782	298 706
Incentive Development and Administration	5 567 857	-	3 844	5 571 701	5 560 651	11 050	99.8%	5 636 659	5 600 528
Trade and Investment South Africa	411 602	-	49 216	460 818	460 194	624	99.9%	456 696	456 154
Investment South Africa	83 846	-	(5 051)	78 795	69 372	9 423	88.0%	68 144	64 505
Total	9 531 758	-	-	9 531 758	9 490 244	41 514	99.6%	9 343 187	9 248 248
Reconciliation with Statement of Financial Performance									
Add:									
Departmental receipts	73 305							106 646	
Aid assistance	56 452							-	
Actual amounts per Statement of Financial Performance (Total Revenue)	9 661 515							9 449 833	
Add: Aid assistance	43 836								-
Actual amounts per Statement of Financial Performance Expenditure	9 534 080								9 248 248

Appropriation per economic classification	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	1 682 087	22 893	6 600	1 711 580	1 693 990	17 590	99.0%	1 653 351	1 590 517
Compensation of employees	987 518	-	-	987 518	982 100	5 418	99.5%	947 719	946 790
Salaries and wages	829 990	34 561	11 666	876 217	874 722	1 495	99.8%	843 678	843 419
Social contributions	157 528	(34 561)	(11 666)	111 301	107 378	3 923	96.5%	104 041	103 371
Goods and services	694 569	22 893	6 600	724 062	711 890	12 172	98.3%	705 632	643 727
Administrative fees	5 524	(365)	(15)	5 144	5 044	100	98.1%	6 792	5 900
Advertising	26 811	791	153	27 755	27 614	141	99.5%	22 389	22 045
Minor assets	416	(76)	2	342	315	27	92.1%	2 457	2 112
Audit costs: External	9 064	1 356	-	10 420	10 419	1	100.0%	9 987	9 987
Bursaries: Employees	4 080	(474)	-	3 606	3 606	-	100.0%	3 434	3 433
Catering: Departmental activities	5 334	(1 134)	(591)	3 609	3 582	27	99.3%	3 315	2 098
Communication (G&S)	11 727	(2 593)	282	9 416	9 213	203	97.8%	12 006	9 569
Computer services	25 361	9 969	34	35 364	35 341	23	99.9%	47 296	43 729
Consultants: Business and advisory services	68 783	(15 298)	(4 432)	49 053	41 958	7 095	85.5%	44 974	21 483
Legal services	13 395	3 777	20	17 192	17 160	32	99.8%	11 105	10 500
Contractors	22 009	5 697	(2 335)	25 371	23 399	1 972	92.2%	19 000	16 285
Agency and support / outsourced services	307	(127)	39	219	218	1	99.5%	1 330	1 330
Entertainment	1 247	(65)	208	1 390	1 382	8	99.4%	1 772	1 321

Appropriation per economic classification	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Fleet services (including government motor transport)	1 219	(668)	209	760	730	30	96.1%	1 601	1 263
Consumable supplies	2 676	(1 816)	(276)	584	565	19	96.7%	1 906	914
Consumable: Stationery, printing and office supplies	11 617	(5 764)	(257)	5 596	5 021	575	89.7%	9 308	7 761
Operating leases	302 556	25 228	14 571	342 355	342 117	238	99.9%	326 233	322 401
Property payments	10 046	(4 866)	1 417	6 597	6 594	3	100.0%	8 980	8 462
Transport provided: Departmental activity	5	(5)	-	-	-	-	-	5	-
Travel and subsistence	105 607	3 339	(186)	108 760	108 718	42	99.9%	112 349	99 058
Training and development	12 772	(2 217)	161	10 716	10 249	467	95.6%	11 125	9 942
Operating payments	26 387	(604)	(1 396)	24 387	23 233	1 154	95.3%	23 965	22 127
Venues and facilities	26 790	5 478	(1 373)	30 895	30 886	9	99.9%	21 552	19 738
Rental and hiring	836	3 330	365	4 531	4 526	5	99.9%	2 751	2 269
Transfers and subsidies	7 821 596	(18 237)	(6 600)	7 796 759	7 777 760	18 999	99.8%	7 661 203	7 631 443
Departmental agencies and accounts	701 995	(24 298)	(10 202)	667 495	667 495	-	100.0%	727 576	727 576
Departmental agencies (non-business entities)	701 995	(24 298)	(10 202)	667 495	667 495	-	100.0%	727 576	727 576
Foreign governments and international organisations	38 226	(2 068)	(8 505)	27 653	27 650	3	100.0%	28 457	28 457

Appropriation per economic classification	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Public corporations and private enterprises	6 875 700	5 777	13 607	6 895 084	6 876 115	18 969	99.7%	6 728 845	6 699 133
Public corporations	2 786 162	231 618	13 607	3 031 387	3 023 384	8 003	99.7%	3 292 818	3 290 641
Other transfers to public corporations	2 786 162	231 618	13 607	3 031 387	3 023 384	8 003	99.7%	3 292 818	3 290 641
Private enterprises	4 089 538	(225 841)	-	3 863 697	3 852 731	10 966	99.7%	3 436 027	3 408 492
Subsidies on products and production (pe)	3 674 097	(140 000)	-	3 534 097	3 532 602	1 495	99.9%	3 190 350	3 171 053
Other transfers to private enterprises	415 441	(85 841)	-	329 600	320 129	9 471	97.1%	245 677	237 439
Non-profit institutions	203 930	-	(1 500)	202 430	202 430	-	100.0%	173 814	173 814
Households	1 745	2 352	-	4 097	4 070	27	99.3%	2 511	2 463
Social benefits	1 745	2 011	-	3 756	3 731	25	99.3%	2 045	2 011
Other transfers to households	-	341	-	341	339	2	99.4%	466	452
Payments for capital assets	28 075	(5 109)	-	22 966	18 043	4 923	78.6%	27 490	25 146
Machinery and equipment	20 466	-	-	20 466	16 970	3 496	82.9%	18 485	17 059
Transport equipment	-	-	-	-	-	-	-	414	414
Other machinery and equipment	20 466	-	-	20 466	16 970	3 496	82.9%	18 071	16 645
Software and other intangible assets	7 609	(5 109)	-	2 500	1 073	1 427	42.9%	9 005	8 087
Payment for financial assets	-	453	-	453	451	2	99.6%	1 143	1 142
Total	9 531 758	-	-	9 531 758	9 490 244	41 514	99.6%	9 343 187	9 248 248

Programme 1: Administration	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1.1 Ministry	34 310	(918)	96	33 488	33 392	96	99.7%	34 428	28 426
1.2 Office of the Director General	117 691	(20 960)	1 317	98 048	97 976	72	99.9%	106 208	89 570
1.3 Corporate Services	504 546	29 836	(10 398)	523 984	519 282	4 702	99.1%	517 178	508 063
1.4 Office Accommodation	2 227	132	-	2 359	2 358	1	99.9%	2 494	2 336
1.5 Financial Management	81 975	(12 054)	(2 152)	67 769	67 197	572	99.2%	68 750	68 197
1.6 Media and Public Relations	18 974	(3 084)	(4 140)	11 750	11 673	77	99.3%	10 864	9 413
1.7 Marketing Communication and Stakeholder Relations	77 557	7 048	(2 840)	81 765	81 640	125	99.8%	69 980	66 691
	837 280	-	(18 117)	819 163	813 518	5 645	99.3%	809 902	772 696
Economic classification									
Current payments	815 169	(206)	(17 060)	797 903	796 371	1 532	99.8%	783 719	747 549
Compensation of employees	297 197	-	(14 015)	283 182	282 638	544	99.8%	284 315	283 738
Salaries and wages	256 781	3 099	(10 802)	249 078	248 630	448	99.8%	249 543	249 332
Social contributions	40 416	(3 099)	(3 213)	34 104	34 008	96	99.7%	34 772	34 406
Goods and services	517 972	(206)	(3 045)	514 721	513 733	988	99.8%	499 404	463 811
Administrative fees	3 394	(733)	(141)	2 520	2 496	24	99.0%	3 893	3 124
Advertising	24 895	(938)	-	23 957	23 952	5	99.9%	19 722	19 491
Minor assets	255	(71)	-	184	180	4	97.8%	1 838	1 503
Audit costs: External	9 064	1 356	-	10 420	10 419	1	99.9%	9 987	9 987
Bursaries: Employees	4 080	(474)	-	3 606	3 606	-	100.0%	3 434	3 433
Catering: Departmental activities	2 555	(412)	(365)	1 778	1 761	17	99.0%	1 666	746
Communication (G&S)	8 199	(2 082)	(338)	5 779	5 741	38	99.3%	8 873	7 246
Computer services	24 677	9 943	-	34 620	34 598	22	99.9%	44 417	42 762

Programme 1: Administration	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consultants: Business and advisory services	36 220	(16 304)	1 131	21 047	21 006	41	99.8%	20 315	8 568
Legal services	7 085	134	-	7 219	7 216	3	99.9%	4 888	4 631
Contractors	11 330	8 553	-	19 883	19 880	3	99.9%	15 275	13 170
Agency and support / outsourced services	7	123	-	130	129	1	99.2%	1 043	1 043
Entertainment	247	(182)	(39)	26	21	5	80.8%	95	11
Fleet services (including government motor transport)	801	(526)	(200)	75	64	11	85.3%	269	40
Consumable supplies	2 155	(1 817)	(166)	172	158	14	91.9%	1 198	316
Consumable: Stationery, printing and office supplies	10 180	(5 338)	(53)	4 789	4 223	566	88.2%	7 079	6 108
Operating leases	294 108	16 833	(38)	310 903	310 718	185	99.9%	291 932	290 453
Property payments	9 627	(4 954)	-	4 673	4 672	1	99.9%	5 471	5 304
Travel and subsistence	35 638	(9 190)	(1 941)	24 507	24 484	23	99.9%	26 230	17 031
Training and development	11 453	(3 595)	-	7 858	7 857	1	99.9%	9 275	8 299
Operating payments	11 154	181	(328)	11 007	10 989	18	99.8%	7 993	7 199
Venues and facilities	10 848	6 253	(567)	16 534	16 531	3	99.9%	12 870	12 185
Rental and hiring	-	3 034	-	3 034	3 032	2	99.9%	1 641	1 161

Programme 1: Administration		2018/19						2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies	206	206	488	900	885	15	98.3%	691	672
Households	206	206	488	900	885	15	98.3%	691	672
Social benefits	206	74	488	769	755	14	98.3%	520	503
Other transfers to households	-	132	-	131	130	1	98.5%	171	169
Payments for capital assets	21 905	-	(1 545)	20 360	16 262	4 098	79.9%	24 402	23 385
Machinery and equipment	19 405	-	(540)	18 865	16 193	2 672	85.8%	15 416	15 317
Other machinery and equipment	19 405	-	(540)	18 865	16 193	2 672	85.8%	15 416	15 317
Software and other intangible assets	2 500	-	(1 005)	1 495	69	1 426	4.6%	8 986	8 068
Payment for financial assets	-	-	-	-	-	-	-	1 090	1 090
Total	837 280	-	(18 117)	819 163	813 518	5 645	99.3%	809 902	772 696

Sub-programme: 1.1: Ministry	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	34 310	(972)	-	33 338	33 242	96	99.7%	34 135	28 142
Compensation of employees	18 592	2 405	-	20 997	20 992	5	99.9%	18 841	18 621
Salaries and wages	16 375	2 457	-	18 832	18 829	3	99.9%	16 748	16 746
Social contributions	2 217	(52)	-	2 165	2 163	2	99.9%	2 093	1 875
Goods and services	15 718	(3 377)	-	12 341	12 250	91	99.3%	15 294	9 521
Administrative fees	-	241	-	241	240	1	99.6%	168	166
Minor assets	7	(7)	-	-	-	-	-	10	8
Catering: Departmental activities	68	(33)	-	35	34	1	97.1%	64	28
Communication (G&S)	950	(705)	-	245	243	2	99.2%	887	752
Consultants: Business and advisory services	-	-	-	-	-	-	-	1	1
Legal services	-	106	-	106	105	1	99.1%	-	-
Contractors	33	(31)	-	2	2	-	100.0%	36	-
Entertainment	11	(2)	-	9	9	-	100.0%	-	-
Fleet services (including government motor transport)	96	(54)	-	42	35	7	83.3%	81	28
Consumable supplies	36	(22)	-	14	13	1	92.9%	72	6

Sub-programme: 1.1: Ministry	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consumable: Stationery, printing and office supplies	131	(110)	-	21	20	1	95.2%	157	5
Operating leases	735	683	-	1 418	1 345	73	94.9%	1 257	1 256
Property payments	9	(9)	-	-	-	-	-	8	-
Travel and subsistence	13 600	(3 536)	-	10 064	10 063	1	99.9%	12 368	7 089
Operating payments	42	(9)	-	33	31	2	93.9%	64	62
Venues and facilities	-	107	-	107	106	1	99.1%	121	120
Rental and hiring	-	4	-	4	4	-	100.0%	-	-
Transfers and subsidies	-	-	96	96	96	-	100.0%	40	38
Households	-	-	96	96	96	-	100.0%	40	38
Social benefits	-	-	96	96	96	-	100.0%	36	34
Other transfers to households	-	-	-	-	-	-	-	4	4
Payments for capital assets	-	54	-	54	54	-	100.0%	253	246
Machinery and equipment	-	54	-	54	54	-	100.0%	253	246
Other machinery and equipment	-	54	-	54	54	-	100.0%	253	246
Total	34 310	(918)	96	33 488	33 392	96	99.7%	34 428	28 426

Sub-programme: 1.2: Office of the Director General	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	117 691	(21 371)	1 075	97 395	97 328	67	99.9%	106 012	89 378
Compensation of employees	67 576	583	-	68 159	68 141	18	99.9%	69 676	69 586
Salaries and wages	58 068	2 867	-	60 935	60 926	9	99.9%	62 570	62 489
Social contributions	9 508	(2 284)	-	7 224	7 215	9	99.9%	7 106	7 097
Goods and services	50 115	(21 954)	1 075	29 236	29 187	49	99.8%	36 336	19 792
Administrative fees	86	341	-	427	418	9	97.9%	2 140	1 754
Advertising	21	2	-	23	22	1	95.7%	584	584
Minor assets	95	(83)	-	12	12	-	100.0%	90	8
Catering: Departmental activities	757	(586)	(21)	150	144	6	96.0%	516	100
Communication (G&S)	677	(105)	(19)	553	552	1	99.8%	804	82
Computer services	699	(244)	-	455	452	3	99.3%	548	547
Consultants: Business and advisory services	26 037	(8 005)	1 325	19 357	19 354	3	99.9%	17 306	7 531
Legal services	5 373	(2 900)	-	2 473	2 473	-	100.0%	3 175	3 172
Contractors	336	(327)	-	9	8	1	88.9%	691	10
Agency and support / outsourced services		130	-	130	129	1	99.2%	1 043	1 043
Entertainment	89	(82)	(1)	6	3	3	50.0%	84	5
Fleet services (including government motor transport)	167	(158)	(6)	3	3	-	100.0%	140	-
Consumable supplies	471	(449)	(16)	6	6	-	100.0%	267	9

Sub-programme: 1.2: Office of the Director General	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consumable: Stationery, printing and office supplies	1 456	(1 390)	(53)	13	11	2	84.6%	922	300
Operating leases	142	(83)	-	59	53	6	89.8%	180	73
Travel and subsistence	10 102	(6 357)	(127)	3 618	3 610	8	99.8%	5 005	3 204
Training and development	-	-	-	-	-	-	-	623	-
Operating payments	2 376	(528)	(7)	1 841	1 836	5	99.7%	1 826	1 262
Venues and facilities	1 231	(1 168)	-	63	63	-	100.0%	376	93
Rental and hiring	-	38	-	38	38	-	100.0%	16	15
Transfers and subsidies	-	-	242	242	238	4	98.3%	196	192
Households	-	-	242	242	238	4	98.3%	196	192
Social benefits	-	-	242	242	238	4	98.3%	192	188
Other transfers to households	-	-	-	-	-	-	-	4	4
Payments for capital assets	-	411	-	411	410	1	99.8%	-	-
Machinery and equipment	-	411	-	411	410	1	99.8%	-	-
Other machinery and equipment	-	411	-	411	410	1	99.8%	-	-
Total	117 691	(20 960)	1 317	98 048	97 976	72	99.9%	106 208	89 570

Sub-programme: 1.3: Corporate Services	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	489 523	27 129	(8 983)	507 669	506 905	764	99.8%	497 336	489 156
Compensation of employees	121 414	-	(8 983)	112 431	112 319	112	99.9%	115 140	115 067
Salaries and wages	106 221	(179)	(7 574)	98 468	98 368	100	99.9%	100 029	100 020
Social contributions	15 193	179	(1 409)	13 963	13 951	12	99.9%	15 111	15 047
Goods and services	368 109	27 129	-	395 238	394 586	652	99.8%	382 196	374 089
Administrative fees	2 690	(1 414)	-	1 276	1 270	6	99.5%	874	756
Advertising	2 501	(1 170)	-	1 331	1 330	1	99.9%	2 211	1 987
Minor assets	103	36	-	139	135	4	97.1%	1 718	1 485
Bursaries: Employees	4 080	(474)	-	3 606	3 606	-	100.0%	3 434	3 433
Catering: Departmental activities	178	16	-	194	188	6	96.9%	166	121
Communication (G&S)	5 010	(440)	-	4 570	4 562	8	99.8%	5 099	4 346
Computer services	20 363	12 561	-	32 924	32 906	18	99.9%	42 471	40 874
Consultants: Business and advisory services	5 381	(3 734)	-	1 647	1 645	2	99.9%	2 896	1 036
Legal services	1 664	2 957	-	4 621	4 619	2	99.9%	1 672	1 458
Contractors	9 165	10 707	-	19 872	19 870	2	99.9%	13 798	13 124
Entertainment	6	(1)	-	5	4	1	80.0%	5	4
Fleet services (including government motor transport)	-	1	-	1	1	-	100.0%	3	2
Consumable supplies	449	(323)	-	126	119	7	94.4%	689	279
Consumable: Stationery, printing and office supplies	74	574	-	648	88	560	13.6%	2 812	2 783

Sub-programme:1.3: Corporate Services	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Operating leases	292 025	16 532	-	308 557	308 535	22	99.9%	288 908	288 046
Property payments	7 391	(5 077)	-	2 314	2 314	-	100.0%	2 969	2 968
Travel and subsistence	2 425	(860)	-	1 565	1 558	7	99.6%	1 453	1 128
Training and development	11 453	(3 596)	-	7 857	7 856	1	99.9%	8 647	8 299
Operating payments	2 895	989	-	3 884	3 880	4	99.9%	2 023	1 960
Venues and facilities	256	(155)	-	101	100	1	99.0%	348	-
Transfers and subsidies	206	-	130	336	329	7	97.9%	257	248
Households	206	-	130	336	329	7	97.9%	257	248
Social benefits	206	-	130	336	329	7	97.9%	168	160
Other transfers to households	-	-	-	-	-	-	-	89	88
Payments for capital assets	14 817	2 707	(1 545)	15 979	12 048	3 931	75.4%	19 585	18 659
Machinery and equipment	12 317	2 707	(540)	14 484	11 979	2 505	82.7%	10 611	10 603
Other machinery and equipment	12 317	2 707	(540)	14 484	11 979	2 505	82.7%	10 611	10 603
Software and other intangible assets	2 500	-	(1 005)	1 495	69	1 426	4.6%	8 974	8 056
Total	504 546	29 836	(10 398)	523 984	519 282	4 702	99.1%	517 178	508 063

Sub-programme:1.4: Office Accommodation	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	2 227	132	-	2 359	2 358	1	99.9%	2 494	2 336
Goods and services	2 227	132	-	2 359	2 358	1	99.9%	2 494	2 336
Property payments	2 227	132	-	2 359	2 358	1	99.9%	2 494	2 336
Total	2 227	132	-	2 359	2 358	1	99.9%	2 494	2 336

Sub-programme:1.5: Financial Management	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	74 887	(8 882)	(2 192)	63 813	63 409	404	99.4%	62 937	62 471
Compensation of employees	48 620	-	(2 192)	46 428	46 153	275	99.4%	44 826	44 725
Salaries and wages	40 169	1 381	(990)	40 560	40 355	205	99.5%	39 309	39 213
Social contributions	8 451	(1 381)	(1 202)	5 868	5 798	70	98.8%	5 517	5 512
Goods and services	26 267	(8 882)	-	17 385	17 256	129	99.3%	18 111	17 746
Administrative fees	262	25	-	287	281	6	97.9%	303	260
Advertising	47	(36)	-	11	11	-	100.0%	22	15
Minor assets	50	(17)	-	33	33	-	100.0%	20	2
Audit costs: External	9 064	1 356	-	10 420	10 419	1	99.9%	9 987	9 987
Catering: Departmental activities	56	(51)	-	5	3	2	60.0%	16	14
Communication (G&S)	489	(231)	-	258	233	25	90.3%	2 040	2 037
Computer services	3 615	(2 525)	-	1 090	1 089	1	99.9%	1 311	1 255
Consultants: Business and advisory services	769	(761)	-	8	7	1	87.5%	-	-
Legal services	48	(29)	-	19	19	-	100.0%	41	1
Contractors	122	(122)	-	-	-	-	-	2	1
Agency and support / outsourced services	7	(7)	-	-	-	-	-	-	-
Entertainment	34	(29)	-	5	4	1	80.0%	4	1
Fleet services (including government motor transport)	5	(4)	-	1	1	-	100.0%	4	-
Consumable supplies	72	(63)	-	9	5	4	55.6%	54	15

Sub-programme:1.5: Financial Management	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consumable: Stationery, printing and office supplies	8 417	(4 324)	-	4 093	4 091	2	99.9%	3 082	3 014
Operating leases	1 056	(681)	-	375	296	79	78.9%	713	711
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	1 850	(1 131)	-	719	716	3	99.6%	347	341
Training and development	-	1	-	1	1	-	100.0%	-	-
Operating payments	304	(253)	-	51	47	4	92.2%	165	92
Transfers and subsidies	-	-	40	40	38	2	95.0%	159	156
Households	-	-	40	40	38	2	95.0%	159	156
Social benefits	-	-	40	40	38	2	95.0%	124	121
Other transfers to households	-	-	-	-	-	-	-	35	35
Payments for capital assets	7 088	(3 172)	-	3 916	3 750	166	95.8%	4 564	4 480
Machinery and equipment	7 088	(3 172)	-	3 916	3 750	166	95.8%	4 552	4 468
Other machinery and equipment	7 088	(3 172)	-	3 916	3 750	166	95.8%	4 552	4 468
Software and other intangible assets	-	-	-	-	-	-	-	12	12
Payment for financial assets	-	-	-	-	-	-	-	1 090	1 090
Total	81 975	(12 054)	(2 152)	67 769	67 197	572	99.2%	68 750	68 197

Sub-programme: 1.6: Media and Public Relations	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification	18 974	(3 134)	(4 120)	11 720	11 643	77	99.3%	10 864	9 413
Current payments									
Compensation of employees	7 341	(465)	-	6 876	6 837	39	99.4%	6 619	6 618
Salaries and wages	6 502	(417)	-	6 085	6 047	38	99.4%	5 769	5 769
Social contributions	839	(48)	-	791	790	1	99.9%	850	849
Goods and services	11 633	(2 669)	(4 120)	4 844	4 806	38	99.2%	4 245	2 795
Administrative fees	250	-	(141)	109	109	-	100.0%	264	76
Advertising	-	-	-	-	-	-	-	31	31
Catering: Departmental activities	354	-	(344)	10	10	-	100.0%	22	8
Communication (G&S)	390	-	(319)	71	70	1	98.6%	3	2
Consultants: Business and advisory services	2 923	(2 694)	(194)	35	-	35	-	-	-
Contractors	-	-	-	-	-	-	-	300	30
Entertainment	39	-	(38)	1	1	-	100.0%	-	-
Fleet services (including government motor transport)	195	5	(194)	6	5	1	83.3%	21	4
Consumable supplies	150	-	(150)	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	100	-
Operating leases	150		(38)	112	112	-	100.0%	332	100

Sub-programme:1.6: Media and Public Relations	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Travel and subsistence	3 704	2 600	(1 814)	4 490	4 489	1	99.9%	3 109	2 533
Operating payments	2 311	(1 980)	(321)	10	10	-	100.0%	11	11
Venues and facilities	1 167	(600)	(567)	-	-	-	-	52	-
Transfers and subsidies	-	50	(20)	30	30	-	100.0%	-	-
Households	-	50	(20)	30	30	-	100.0%	-	-
Social benefits	-	50	(20)	30	30	-	100.0%	-	-
Total	18 974	(3 084)	(4 140)	11 750	11 673	77	99.3%	10 864	9 413

Sub-programme:1.7: Marketing Communication and Stakeholder Relations	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	77 557	6 892	(2 840)	81 609	81 486	123	99.8%	69 941	66 653
Compensation of employees	33 654	(2 523)	(2 840)	28 291	28 196	95	99.7%	29 213	29 121
Salaries and wages	29 446	(3 010)	(2 238)	24 198	24 105	93	99.6%	25 118	25 095
Social contributions	4 208	487	(602)	4 093	4 091	2	99.9%	4 095	4 026
Goods and services	43 903	9 415	-	53 318	53 290	28	99.9%	40 728	37 532
Administrative fees	106	74	-	180	178	2	98.9%	144	112
Advertising	22 326	266	-	22 592	22 589	3	99.9%	16 874	16 874
Catering: Departmental activities	1 142	242	-	1 384	1 382	2	99.9%	882	475
Communication (G&S)	683	(601)	-	82	81	1	98.8%	40	27
Computer services	-	151	-	151	151	-	100.0%	87	86
Consultants: Business and advisory services	1 110	(1 110)	-	-	-	-	-	112	-
Contractors	1 674	(1 674)	-	-	-	-	-	448	5
Entertainment	68	(68)	-	-	-	-	-	2	1
Fleet services (including government motor transport)	338	(316)	-	22	19	3	86.4%	20	6
Consumable supplies	977	(960)	-	17	15	2	88.2%	116	7
Consumable: Stationery, printing and office supplies	102	(88)	-	14	13	1	92.9%	6	6
Operating leases	-	382	-	382	377	5	98.7%	542	267

Sub-programme:1.7: Marketing Communication and Stakeholder Relations	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Travel and subsistence	3 957	94	-	4 051	4 048	3	99.9%	3 948	2 736
Training and development	-	-	-	-	-	-	-	5	-
Operating payments	3 226	1 962	-	5 188	5 185	3	99.9%	3 904	3 812
Venues and facilities	8 194	8 069	-	16 263	16 262	1	99.9%	11 973	11 972
Rental and hiring	-	2 992	-	2 992	2 990	2	99.9%	1 625	1 146
Transfers and subsidies	-	156	-	156	154	2	98.7%	39	38
Households	-	156	-	156	154	2	98.7%	39	38
Social benefits	-	25	-	25	24	1	99.9%	-	-
Other transfers to households	-	131	-	131	130	1	98.5%	39	38
Total	77 557	7 048	(2 840)	81 765	81 640	125	99.8%	69 980	66 691

Programme 2: International Trade and Economic Development	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
2.1 International Trade Development	105 159	(246)	(1 562)	103 351	103 339	12	99.9%	99 318	99 308
2.2 African Multilateral Economic Development	19 614	246	(1 118)	18 742	18 736	6	99.9%	21 817	21 813
	124 773	-	(2 680)	122 093	122 075	18	99.9%	121 135	121 121
Economic classification									
Current payments	98 077	(251)	1 926	99 752	99 736	16	99.9%	98 994	98 981
Compensation of employees	79 638	-	(2 569)	77 069	77 067	2	99.9%	75 567	75 564
Salaries and wages	70 782	(1 400)	(1 071)	68 311	68 310	1	99.9%	67 010	67 008
Social contributions	8 856	1 400	(1 498)	8 758	8 757	1	99.9%	8 557	8 556
Goods and services	18 439	(251)	4 495	22 683	22 669	14	99.9%	23 427	23 417
Administrative fees	338	(75)	-	263	261	2	99.2%	361	360
Catering: Departmental activities	107	(57)	-	50	49	1	98.0%	50	49
Communication (G&S)	225	8	432	665	664	1	99.8%	164	163
Consultants: Business and advisory services	245	(158)	-	87	86	1	98.9%	287	286
Legal services	414	(46)	-	368	368	-	100.0%	-	-
Contractors	1 213	(289)	104	1 028	1 028	-	100.0%	873	872
Entertainment	-	-	-	-	-	-	-	110	109
Fleet services (including government motor transport)	-	7	5	12	11	1	91.7%	-	-
Consumable supplies	24	(13)	-	11	11	-	100.0%	4	4

Programme 2: International Trade and Economic Development	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consumable: Stationery, printing and office supplies	3	(2)	-	1	-	1	-	24	23
Operating leases	177	16	169	362	359	3	99.2%	247	246
Property payments	-	-	-	-	-	-	-	1	1
Travel and subsistence	11 990	906	3 783	16 679	16 679	-	100.0%	19 484	19 483
Operating payments	342	39	2	383	382	1	99.7%	251	250
Venues and facilities	2 598	(310)	-	2 288	2 287	1	99.9%	890	890
Rental and hiring	763	(277)	-	486	484	2	99.6%	681	681
Transfers and subsidies	26 696	251	(4 606)	22 341	22 339	2	99.9%	22 141	22 140
Departmental agencies and accounts	1 257	-	-	1 257	1 257	-	100.0%	1 188	1 188
Departmental agencies (non-business entities)	1 257	-	-	1 257	1 257	-	100.0%	1 188	1 188
Foreign governments and international organisations	20 813	-	(4 606)	16 207	16 205	2	99.9%	16 451	16 451
Public corporations and private enterprises	4 626	-	-	4 626	4 626	-	100.0%	4 373	4 372
Public corporations	4 626	-	-	4 626	4 626	-	100.0%	4 373	4 372
Other transfers to public corporations	4 626	-	-	4 626	4 626	-	100.0%	4 373	4 372
Households	-	251	-	251	251	-	100.0%	129	129
Social benefits	-	251	-	251	251	-	100.0%	129	129
Total	124 773	-	(2 680)	122 093	122 075	18	99.9%	121 135	121 121

Sub-programme: 2.1: International Trade Development	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	78 463	(497)	3 044	81 010	81 000	10	99.9%	77 177	77 168
Compensation of employees	65 532	-	(1 071)	64 461	64 460	1	99.9%	62 045	62 044
Salaries and wages	60 895	(2 649)	(1 071)	57 175	57 174	1	99.9%	55 051	55 050
Social contributions	4 637	2 649	-	7 286	7 286	-	100.0%	6 994	6 994
Goods and services	12 931	(497)	4 115	16 549	16 540	9	99.9%	15 132	15 124
Administrative fees	285	(95)	-	190	189	1	99.5%	185	185
Catering: Departmental activities	80	(39)	-	41	40	1	97.6%	44	44
Communication (G&S)	225	8	432	665	664	1	99.8%	164	163
Consultants: Business and advisory services	245	(158)	-	87	86	1	98.9%	287	286
Legal services	414	(46)	-	368	368	-	100.0%	-	-
Contractors	400	-	104	504	504	-	100.0%	2	1
Entertainment	-	-	-	-	-	-	-	110	109
Fleet services (including government motor transport)	-	7	1	8	8	-	100.0%	-	-
Consumable supplies	24	(13)	-	11	11	-	100.0%	4	4
Consumable: Stationery, printing and office supplies	3	(2)	-	1	-	1	-	24	23
Operating leases	140	(4)	169	305	303	2	99.3%	167	166
Travel and subsistence	9 098	(46)	3 407	12 459	12 459	-	100.0%	13 357	13 356
Operating payments	342	16	2	360	359	1	99.7%	232	231

Sub-programme: 2.1: International Trade Development	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Venues and facilities	1 334	12	-	1 346	1 346	-	100.0%	235	235
Rental and hiring	341	(137)	-	204	203	1	99.5%	321	321
Transfers and subsidies	26 696	251	(4 606)	22 341	22 339	2	99.9%	22 141	22 140
Departmental agencies and accounts	1 257	-	-	1 257	1 257	-	100.0%	1 188	1 188
Social security funds	-	-	-	-	-	-	-	-	-
Departmental agencies (non- business entities)	1 257	-	-	1 257	1 257	-	100.0%	1 188	1 188
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	20 813	-	(4 606)	16 207	16 205	2	99.9%	16 451	16 451
Public corporations and private enterprises	4 626	-	-	4 626	4 626	-	100.0%	4 373	4 372
Public corporations	4 626	-	-	4 626	4 626	-	100.0%	4 373	4 372
Other transfers to public corporations	4 626	-	-	4 626	4 626	-	100.0%	4 373	4 372
Households	-	251	-	251	251	-	100.0%	129	129
Social benefits	-	251	-	251	251	-	100.0%	129	129
Total	105 159	(246)	(1 562)	103 351	103 339	12	99.5%	99 318	99 308

Sub-programme: 2.2: African Multilateral Economic Development	2018/19										2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure		Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%				R'000	R'000
Economic classification	19 614	246	(1 118)	18 742	18 736	6	99.9%	21 817	21 813		21 817	21 813
Current payments	14 106	-	(1 498)	12 608	12 607	1	99.9%	13 522	13 520		13 522	13 520
Compensation of employees	9 887	1 249		11 136	11 136	-	100.0%	11 959	11 958		11 959	11 958
Salaries and wages	4 219	(1 249)	(1 498)	1 472	1 471	1	99.9%	1 563	1 562		1 563	1 562
Social contributions	5 508	246	380	6 134	6 129	5	99.9%	8 295	8 293		8 295	8 293
Goods and services	53	20	-	73	72	1	98.6%	176	175		176	175
Administrative fees	27	(18)	-	9	9	-	100.0%	6	5		6	5
Catering: Departmental activities												
Contractors	813	(289)	-	524	524	-	100.0%	871	871		871	871
Fleet services (including government motor transport)	-	-	4	4	3	1	75.0%	-	-		-	-
Operating leases	37	20	-	57	56	1	98.2%	80	80		80	80
Property payments	-	-	-	-	-	-	-	1	1		1	1
Travel and subsistence	2 892	952	376	4 220	4 220	-	100.0%	6 127	6 127		6 127	6 127
Operating payments	-	23	-	23	23	-	100.0%	19	19		19	19
Venues and facilities	1 264	(322)	-	942	941	1	99.9%	655	655		655	655
Rental and hiring	422	(140)	-	282	281	1	99.6%	360	360		360	360
Total	19 614	246	(1 118)	18 742	18 736	6	99.9%	21 817	21 813		21 817	21 813

Programme 3: Special Economic Zones and Economic Transformation	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
3.1 Enterprise Competitiveness	28 042	3 673	-	31 715	30 678	1 037	96.7%	26 011	24 986
3.2 Equity and Empowerment	64 909	3 077	(10 186)	57 800	47 642	10 158	82.4%	43 230	32 010
3.3 Spatial Industrial Economic Development (Special Economic Zones)	53 325	(6 750)	10	46 585	43 643	2 942	93.7%	39 696	38 703
	146 276	-	(10 176)	136 100	121 963	14 137	89.6%	108 937	95 699
Economic classification									
Current payments	99 206	23 084	-	122 290	108 165	14 125	88.4%	95 376	82 800
Compensation of employees	77 857	-	-	77 857	73 786	4 071	94.8%	66 552	66 334
Salaries and wages	65 306	1 228	-	66 534	66 280	254	99.6%	59 862	59 847
Social contributions	12 551	(1 228)	-	11 323	7 506	3 817	66.3%	6 690	6 487
Goods and services	21 349	23 084	-	44 433	34 379	10 054	77.4%	28 824	16 466
Administrative fees	330	234	-	564	498	66	88.3%	499	483
Advertising	32	1 001	-	1 033	899	134	87.0%	174	129
Minor assets	33	78	-	111	89	22	80.2%	506	505
Catering: Departmental activities	413	(126)	-	287	284	3	99.0%	283	209
Communication (G&S)	437	99	-	536	381	155	71.1%	212	52
Computer services	15	28	-	43	42	1	97.7%	1 909	-
Consultants: Business and advisory services	8 175	8 326	-	16 501	9 479	7 022	57.4%	7 112	1 794
Legal services	59	-	-	59	32	27	54.2%	519	173
Contractors	140	1 415	-	1 555	538	1 017	34.6%	504	430

Programme 3: Special Economic Zones and Economic Transformation	2018/19							2017/18		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
Entertainment	5	(5)	-	-	-	-	-	370	38	
Fleet services (including government motor transport)	63	(31)	-	32	31	1	96.9%	51	11	
Consumable supplies	25	9	-	34	33	1	97.1%	211	154	
Consumable: Stationery, printing and office supplies	47	223	-	270	266	4	98.5%	1 039	507	
Operating leases	155	3 632	-	3 787	3 782	5	99.9%	2 208	161	
Travel and subsistence	7 885	2 931	-	10 816	10 811	5	99.9%	9 929	9 928	
Training and development	19	447	-	466	3	463	0.6%	464	258	
Operating payments	646	1 748	-	2 394	1 267	1 127	52.9%	1 585	723	
Venues and facilities	2 870	3 040	-	5 910	5 909	1	99.9%	1 224	887	
Rental and hiring	-	35	-	35	35	-	100.0%	25	24	
Transfers and subsidies	47 070	(23 494)	(11 702)	11 874	11 871	3	99.9%	12 463	12 461	
Departmental agencies and accounts	43 731	(24 298)	(10 202)	9 231	9 231	-	100.0%	8 949	8 949	
Departmental agencies (non-business entities)	43 731	(24 298)	(10 202)	9 231	9 231	-	100.0%	8 949	8 949	
Public corporations and private enterprises	1 839	-	-	1 839	1 839	-	100.0%	1 738	1 738	
Public corporations	1 839	-	-	1 839	1 839	-	100.0%	1 738	1 738	
Other transfers to public corporations	1 839	-	-	1 839	1 839	-	100.0%	1 738	1 738	
Non-profit institutions	1 500	-	(1 500)	-	-	-	-	1 500	1 500	
Households	-	804	-	804	801	3	99.6%	276	274	

Programme 3: Special Economic Zones and Economic Transformation	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Social benefits	-	741	-	741	739	2	99.7%	193	192
Other transfers to households	-	63	-	63	62	1	98.4%	83	82
Payments for capital assets	-	-	1 526	1 526	1 518	8	99.5%	1 098	438
Machinery and equipment	-	-	521	521	514	7	98.7%	1 079	419
Other machinery and equipment	-	-	521	521	514	7	98.7%	1 079	419
Software and other intangible assets	-	-	1 005	1 005	1 004	1	99.9%	19	19
Payment for financial assets	-	410	-	410	409	1	99.8%	-	-
Total	146 276	-	(10 176)	136 100	121 963	14 137	89.6%	108 937	95 699

Sub-programme:3.1: Enterprise Competitiveness	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000		R'000	R'000
Current payments	16 972	3 668	-	20 640	19 604	1 036	95.0%	15 324	14 299
Compensation of employees	14 889	-	-	14 889	13 861	1 028	93.1%	13 353	13 210
Salaries and wages	12 189	156	-	12 345	12 345	-	100.0%	11 804	11 804
Social contributions	2 700	(156)	-	2 544	1 516	1 028	59.6%	1 549	1 406
Goods and services	2 083	3 668	-	5 751	5 743	8	99.9%	1 971	1 089
Administrative fees	153	(63)	-	90	89	1	98.9%	117	103
Minor assets	1	(1)	-	-	-	-	-	1	-
Catering: Departmental activities	13	(9)	-	4	3	1	75.0%	18	6
Communication (G&S)	29	(29)	-	-	-	-	-	48	-
Consultants: Business and advisory services	1 129	3 170	-	4 299	4 298	1	99.9%	720	-
Contractors	-	-	-	-	-	-	-	72	-
Entertainment	-	-	-	-	-	-	-	2	-
Fleet services (including government motor transport)	-	9	-	9	9	-	100.0%	-	-
Consumable supplies	5	(4)	-	1	1	-	100.0%	5	1
Operating leases	29	47	-	76	71	5	93.4%	69	69
Travel and subsistence	690	336	-	1 026	1 026	-	100.0%	868	867
Operating payments	26	(26)	-	-	-	-	-	-	-

Sub-programme:3.1: Enterprise Competitiveness	2018/19						2017/18		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Venues and facilities	8	238	-	246	246	-	100.0%	51	43
Transfers and subsidies	11 070	5	-	11 075	11 074	1	99.9%	10 687	10 687
Departmental agencies and accounts	9 231	-	-	9 231	9 231	-	100.0%	8 949	8 949
Departmental agencies (non-business entities)	9 231	-	-	9 231	9 231	-	100.0%	8 949	8 949
Public corporations and private enterprises	1 839	-	-	1 839	1 839	-	100.0%	1 738	1 738
Public corporations	1 839	-	-	1 839	1 839	-	100.0%	1 738	1 738
Other transfers to public corporations	1 839	-	-	1 839	1 839	-	100.0%	1 738	1 738
Households	-	5	-	5	4	1	80.0%	-	-
Social benefits	-	5	-	5	4	1	80.0%	-	-
Total	28 042	3 673	-	31 715	30 678	1 037	96.7%	26 011	24 986

Sub-programme: 3.2: Equity and Empowerment	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	28 909	26 765	-	55 674	45 526	10 148	81.8%	41 145	29 930
Compensation of employees	19 272	9 547	-	28 819	28 706	113	99.6%	21 024	20 991
Salaries and wages	15 578	10 619	-	26 197	26 197	-	100.0%	19 367	19 367
Social contributions	3 694	(1 072)	-	2 622	2 509	113	95.7%	1 657	1 624
Goods and services	9 637	17 218	-	26 855	16 820	10 035	62.6%	20 121	8 939
Administrative fees	177	101	-	278	213	65	76.6%	180	179
Advertising	32	801	-	833	699	134	83.9%	130	129
Minor assets	32	79	-	111	89	22	80.2%	505	505
Catering: Departmental activities	112	37	-	149	148	1	99.3%	197	135
Communication (G&S)	220	23	-	243	88	155	36.2%	76	16
Computer services	15	28	-	43	42	1	97.7%	1 909	-
Consultants: Business and advisory services	4 585	4 526	-	9 111	2 091	7 020	23.0%	6 009	1 450
Legal services	59	-	-	59	32	27	54.2%	450	173
Contractors	140	1 333	-	1 473	456	1 017	31.0%	360	359
Entertainment	-	-	-	-	-	-	-	363	38
Fleet services (including government motor transport)	-	12	-	12	11	1	91.7%	3	3
Consumable supplies	17	9	-	26	25	1	96.2%	191	146

Sub-programme: 3.2: Equity and Empowerment	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consumable: Stationery, printing and office supplies	19	188	-	207	204	3	98.6%	1 024	492
Operating leases	46	3 622	-	3 668	3 668	-	100.0%	2 082	36
Travel and subsistence	3 411	542	-	3 953	3 948	5	99.9%	3 765	3 765
Training and development	-	466	-	466	3	463	0.6%	464	258
Operating payments	582	1 791	-	2 373	1 254	1 119	52.8%	1 487	658
Venues and facilities	190	3 625	-	3 815	3 814	1	99.9%	901	573
Rental and hiring	-	35	-	35	35	-	100.0%	25	24
Transfers and subsidies	36 000	(24 098)	(11 702)	200	199	1	99.5%	1 643	1 642
Departmental agencies and accounts	34 500	(24 298)	(10 202)	-	-	-	-	-	-
Departmental agencies (non-business entities)	34 500	(24 298)	(10 202)	-	-	-	-	-	-
Non-profit institutions	1 500	-	(1 500)	-	-	-	-	1 500	1 500
Households	-	200	-	200	199	1	99.5%	143	142
Social benefits	-	137	-	137	137	-	100.0%	60	60
Other transfers to households	-	63	-	63	62	1	98.4%	83	82
Payments for capital assets	-	-	1 516	1 516	1 508	8	99.5%	442	438

Sub-programme: 3.2: Equity and Empowerment	2018/19						2017/18		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Machinery and equipment	-	-	511	511	504	7	98.6%	423	419
Other machinery and equipment	-	-	511	511	504	7	98.6%	423	419
Software and other intangible assets	-	-	1 005	1 005	1 004	1	99.9%	19	19
Payment for financial assets	-	410	-	410	409	1	99.8%	-	-
Total	64 909	3 077	(10 186)	57 800	47 642	10 158	82.4%	43 230	32 010

Sub-programme:3.3: Spatial Industrial Economic Development (Special Economic Zones)	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consultants: Business and advisory services	2 461	630	-	3 091	3 090	1	99.9%	383	344
Legal services	-	-	-	-	-	-	-	69	-
Contractors	-	82	-	82	82	-	100.0%	72	71
Entertainment	5	(5)	-	-	-	-	-	5	-
Fleet services (including government motor transport)	63	(52)	-	11	11	-	100.0%	48	8
Consumable supplies	3	4	-	7	7	-	100.0%	15	7
Consumable: Stationery, printing and office supplies	28	35	-	63	62	1	98.4%	15	15
Operating leases	80	(37)	-	43	43	-	100.0%	57	56
Travel and subsistence	3 784	2 053	-	5 837	5 837	-	100.0%	5 296	5 296
Training and development	19	(19)	-	-	-	-	-	-	-
Operating payments	38	(17)	-	21	13	8	61.9%	98	65
Venues and facilities	2 672	(823)	-	1 849	1 849	-	100.0%	272	271

Sub-programme:3.3: Spatial Industrial Economic Development (Special Economic Zones)	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies	-	599	-	599	598	1	99.8%	133	132
Households	-	599	-	599	598	1	99.8%	133	132
Social benefits	-	599	-	599	598	1	99.8%	133	132
Payments for capital assets	-	-	10	10	10	-	100.0%	656	-
Machinery and equipment	-	-	10	10	10	-	100.0%	656	-
Other machinery and equipment	-	-	10	10	10	-	100.0%	656	-
Total	53 325	(6 750)	10	46 585	43 643	2 942	93.7%	39 696	38 703

Programme 4: Industrial Development	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
4.1 Industrial Competitiveness	1 029 520	(5 309)	(8 418)	1 015 793	1 015 782	11	99.9%	824 706	822 899
4.2 Customised Sector Programmes	1 000 257	5 309	(2 714)	1 002 852	1 002 843	9	99.9%	1 018 226	1 015 940
	2 029 777	-	(11 132)	2 018 645	2 018 625	20	99.9%	1 842 932	1 838 839
Economic classification									
Current payments	133 117	(360)	(11 132)	121 625	121 610	15	99.9%	124 384	120 291
Compensation of employees	116 790	-	(6 202)	110 588	110 586	2	99.9%	110 729	110 727
Salaries and wages	100 037	2 968	(4 295)	98 710	98 709	1	99.9%	99 039	99 038
Social contributions	16 753	(2 968)	(1 907)	11 878	11 877	1	99.9%	11 690	11 689
Goods and services	16 327	(360)	(4 930)	11 037	11 024	13	99.9%	13 655	9 564
Administrative fees	442	(104)	-	338	337	1	99.7%	473	443
Advertising	13	1	-	14	13	1	92.9%	4	-
Minor assets	56	(54)	-	2	2	-	100.0%	2	2
Catering: Departmental activities	365	(250)	-	115	114	1	99.1%	290	117
Communication (G&S)	839	(419)	(106)	314	311	3	99.0%	688	142
Computer services	104	(104)	-	-	-	-	-	-	-

Programme 4: Industrial Development	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consultants: Business and advisory services	797	(178)	(613)	6	6	-	100.0%	-	-
Legal services	78	91	(14)	155	154	1	99.4%	-	-
Contractors	58	14	-	72	71	1	98.6%	9	9
Entertainment	11	(9)	(2)	-	-	-	-	73	72
Fleet services (including government motor transport)	16	11	(12)	15	14	1	93.3%	8	2
Consumable supplies	56	-	(46)	10	9	1	90.0%	49	11
Consumable: Stationery, printing and office supplies	179	-	(168)	11	10	1	90.9%	3	2
Operating leases	216	148	(39)	325	324	1	99.7%	348	317
Travel and subsistence	11 476	-	(3 714)	7 762	7 762	-	100.0%	9 692	6 851
Training and development	-	200	-	200	200	-	100.0%	-	-
Operating payments	1 454	(7)	(216)	1 231	1 230	1	99.9%	895	893
Venues and facilities	167	300	-	467	467	-	100.0%	1 121	703

Programme 4: Industrial Development	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies	1 896 660	360	-	1 897 020	1 897 015	5	99.9%	1 718 548	1 718 548
Departmental agencies and accounts	409 920	-	-	409 920	409 920	-	100.0%	411 861	411 861
Departmental agencies (non-business entities)	409 920	-	-	409 920	409 920	-	100.0%	411 861	411 861
Foreign governments and international organisations	8 861	(2 068)	-	6 793	6 792	1	99.9%	7 665	7 665
Public corporations and private enterprises	1 275 449	2 068	-	1 277 517	1 277 515	2	99.9%	1 126 583	1 126 583
Public corporations	1 275 449	2 068	-	1 277 517	1 277 515	2	99.9%	1 126 583	1 126 583
Other transfers to public corporations	1 275 449	2 068	-	1 277 517	1 277 515	2	99.9%	1 126 583	1 126 583
Non-profit institutions	202 430	-	-	202 430	202 430	-	100.0%	172 314	172 314
Households	-	360	-	360	358	2	99.4%	125	125
Social benefits	-	266	-	266	264	2	99.2%	117	117
Other transfers to households	-	94	-	94	94	-	100.0%	8	8
Total	2 029 777	-	(11 132)	2 018 645	2 018 625	20	100.0%	1 842 932	1 838 839

Sub-programme: 4.1: Industrial Competitiveness	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	55 852	(3 514)	(8 418)	43 920	43 911	9	99.9%	44 609	42 802
Compensation of employees	49 006	(3 259)	(6 202)	39 545	39 544	1	99.9%	39 063	39 062
Salaries and wages	43 002	(3 259)	(4 295)	35 448	35 448	-	100.0%	35 224	35 223
Social contributions	6 004		(1 907)	4 097	4 096	1	99.9%	3 839	3 839
Goods and services	6 846	(255)	(2 216)	4 375	4 367	8	99.8%	5 546	3 740
Administrative fees	147	(39)	-	108	107	1	99.1%	248	247
Advertising	13	1	-	14	13	1	92.9%	-	-
Minor assets	24	(24)	-	-	-	-	-	-	-
Catering: Departmental activities	151	(88)	-	63	63	-	100.0%	215	77
Communication (G&S)	300	(12)	-	288	285	3	99.0%	243	59
Computer services	104	(104)	-	-	-	-	-	-	-
Consultants: Business and advisory services	797	(180)	(613)	4	4	-	100.0%	-	-
Legal services	-	91	-	91	91	-	100.0%	-	-
Contractors	58	4	-	62	62	-	100.0%	9	9
Entertainment	9	(9)	-	-	-	-	-	73	72
Fleet services (including government motor transport)	16	-	(12)	4	3	1	75.0%	6	-
Consumable supplies	46	-	(43)	3	2	1	66.7%	9	8
Consumable: Stationery, printing and office supplies	89	-	(80)	9	8	1	88.9%	3	2
Operating leases	70	(8)	(39)	23	23	-	100.0%	54	23

Sub-programme: 4.1: Industrial Competitiveness	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Travel and subsistence	3 991	-	(1 371)	2 620	2 620	-	100.0%	3 237	2 190
Operating payments	864	-	(58)	806	806	-	100.0%	351	350
Venues and facilities	167	113	-	280	280	-	100.0%	1 098	703
Transfers and subsidies	973 668	(1 795)	-	971 873	971 871	2	99.9%	780 097	780 097
Departmental agencies and accounts	409 920	-	-	409 920	409 920	-	100.0%	411 861	411 861
Departmental agencies (non-business entities)	409 920	-	-	409 920	409 920	-	100.0%	411 861	411 861
Foreign governments and international organisations	8 861	(2 068)	-	6 793	6 792	1	99.9%	7 665	7 665
Public corporations and private enterprises	375 931	-	-	375 931	375 931	-	100.0%	302 494	302 494
Public corporations	375 931	-	-	375 931	375 931	-	100.0%	302 494	302 494
Other transfers to public corporations	375 931	-	-	375 931	375 931	-	100.0%	302 494	302 494
Non-profit institutions	178 956	-	-	178 956	178 956	-	100.0%	58 034	58 034
Households	-	273	-	273	272	1	99.6%	43	43
Social benefits	-	179	-	179	178	1	99.4%	39	39
Other transfers to households	-	94	-	94	94	-	100.0%	4	4
Total	1 029 520	(5 309)	(8 418)	1 015 793	1 015 782	11	99.9%	824 706	822 899

Sub-programme: 4.2: Customised Sector Programmes	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification	77 265	3 154	(2 714)	77 705	77 699	6	100.0%	79 775	77 489
Current payments									
Compensation of employees	67 784	3 259	-	71 043	71 042	1	99.9%	71 666	71 665
Salaries and wages	57 035	6 227	-	63 262	63 261	1	99.9%	63 815	63 815
Social contributions	10 749	(2 968)	-	7 781	7 781	-	100.0%	7 851	7 850
Goods and services	9 481	(105)	(2 714)	6 662	6 657	5	99.9%	8 109	5 824
Administrative fees	295	(65)	-	230	230	-	100.0%	225	196
Advertising	-	-	-	-	-	-	-	4	-
Minor assets	32	(30)	-	2	2	-	100.0%	2	2
Catering: Departmental activities	214	(162)	-	52	51	1	98.1%	75	40
Communication (G&S)	539	(407)	(106)	26	26	-	100.0%	445	83
Consultants: Business and advisory services	-	2	-	2	2	-	100.0%	-	-
Legal services	78	-	(14)	64	63	1	98.4%	-	-
Contractors	-	10	-	10	9	1	90.0%	-	-
Entertainment	2	-	(2)	-	-	-	-	-	-
Fleet services (including government motor transport)	-	11	-	11	11	-	100.0%	2	2
Consumable supplies	10	-	(3)	7	7	-	100.0%	40	3
Consumable: Stationery, printing and office supplies	90	-	(88)	2	2	-	100.0%	-	-
Operating leases	146	156		302	301	1	99.7%	294	294
Travel and subsistence	7 485	-	(2 343)	5 142	5 142	-	100.0%	6 455	4 661

Sub-programme : 4.2: Customised Sector Programmes	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Training and development	-	200	-	200	200	-	100.0%	-	-
Operating payments	590	(7)	(158)	425	424	1	99.8%	544	543
Venues and facilities	-	187	-	187	187	-	100.0%	23	-
Transfers and subsidies	922 992	2 155	-	925 147	925 144	3	99.9%	938 451	938 451
Public corporations and private enterprises	899 518	2 068	-	901 586	901 584	2	99.9%	824 089	824 089
Public corporations	899 518	2 068	-	901 586	901 584	2	99.9%	824 089	824 089
Other transfers to public corporations	899 518	2 068	-	901 586	901 584	2	99.9%	824 089	824 089
Non-profit institutions	23 474	-	-	23 474	23 474	-	99.9%	114 280	114 280
Households	-	87	-	87	86	1	98.9%	82	82
Social benefits	-	87	-	87	86	1	98.9%	78	78
Other transfers to households	-	-	-	-	-	-	100.0%	4	4
Total	1 000 257	5 309	(2 714)	1 002 852	1 002 843	9	99.9%	1 018 226	1 015 940

Programme 5: Consumer and Corporate Regulation	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
5.1 Policy and Legislative Development	17 821	2 269	(967)	19 123	19 116	7	99.9%	18 696	18 689
5.2 Enforcement and Compliance	44 246	(2 412)	(1 403)	40 431	39 851	580	98.6%	39 906	39 881
5.3 Regulatory Services	268 280	143	(3 534)	264 889	264 879	10	99.9%	240 180	240 136
	330 347	-	(5 904)	324 443	323 846	597	99.8%	298 782	298 706
Economic classification									
Current payments	77 651	(4)	(5 103)	72 544	71 951	593	99.2%	72 529	72 488
Compensation of employees	59 398	-	(4 150)	55 248	54 674	574	99.0%	58 595	58 593
Salaries and wages	50 320	(105)	(1 242)	48 973	48 400	573	98.8%	52 003	52 003
Social contributions	9 078	105	(2 908)	6 275	6 274	1	99.9%	6 592	6 590
Goods and services	18 253	(4)	(953)	17 296	17 277	19	99.9%	13 934	13 895
Administrative fees	338	(5)	-	333	331	2	99.4%	230	228
Advertising	1 756	(87)	-	1 669	1 669	-	100.0%	1 452	1 450
Minor assets	-	-	-	-	-	-	-	3	2
Catering: Departmental activities	784	212	-	996	995	1	99.9%	624	622
Communication (G&S)	44	94	7	145	143	2	98.6%	56	54
Computer services	-	-	-	-	-	-	-	39	38
Consultants: Business and advisory services	3 938	(1 199)	(325)	2 414	2 411	3	99.9%	1 922	1 920
Legal services	1 961	1 509	4	3 474	3 474	-	100.0%	3 019	3 019
Contractors	-	-	-	-	-	-	-	14	14
Fleet services (including government motor transport)	139	(39)	-	100	98	2	98.0%	100	99

Programme 5: Consumer and Corporate Regulation	2018/19							2017/18		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
Consumable supplies	4	5	-	9	8	1	88.9%	3	3	
Consumable: Stationery, printing and office supplies	1	3	-	4	4	-	100.0%	3	3	
Operating leases	115	(25)	(3)	87	85	2	97.7%	156	155	
Travel and subsistence	7 353	(145)	(153)	7 055	7 053	2	99.9%	5 554	5 550	
Training and development	300	(18)	-	282	281	1	99.6%	70	69	
Operating payments	721	(8)	(343)	370	368	2	99.5%	483	464	
Venues and facilities	759	(336)	(140)	283	282	1	99.6%	206	205	
Rental and hiring	40	35	-	75	75	-	100.0%	-	-	
Transfers and subsidies	252 673	4	(820)	251 857	251 854	3	99.9%	226 196	226 194	
Departmental agencies and accounts	247 087	-	-	247 087	247 087	-	100.0%	221 578	221 578	
Departmental agencies (non-business entities)	247 087	-	-	247 087	247 087	-	100.0%	221 578	221 578	
Foreign governments and international organisations	5 473	-	(820)	4 653	4 653	-	100.0%	4 341	4 341	
Households	113	4	-	117	114	3	97.4%	277	275	
Social benefits	113	(45)	-	68	65	3	95.6%	183	182	
Other transfers to households	-	49	-	49	49	-	100.0%	94	93	
Payments for capital assets	23	-	19	42	41	1	97.6%	57	24	
Machinery and equipment	23	-	19	42	41	1	97.6%	57	24	
Other machinery and equipment	23	-	19	42	41	1	97.6%	57	24	
Total	330 347	-	(5 904)	324 443	323 846	597	99.8%	298 782	298 706	

Sub-programme:5.1: Policy and Legislative Development	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	17 821	2 266	(967)	19 120	19 114	6	99.8%	18 606	18 600
Compensation of employees	12 793	2 310	-	15 103	15 101	2	99.9%	14 915	14 914
Salaries and wages	11 746	1 763	-	13 509	13 508	1	99.9%	13 341	13 341
Social contributions	1 047	547	-	1 594	1 593	1	99.9%	1 574	1 573
Goods and services	5 028	(44)	(967)	4 017	4 013	4	99.9%	3 691	3 686
Administrative fees	140	1	-	141	141	-	100.0%	95	95
Advertising	-	52	-	52	52	-	100.0%	-	-
Catering: Departmental activities	348	226	-	574	573	1	99.8%	501	501
Communication (G&S)	2	-	(2)	-	-	-	-	6	5
Consultants: Business and advisory services	803	(383)	(325)	95	94	1	98.9%	221	220
Fleet services (including government motor transport)	9	14	-	23	22	1	95.7%	14	13
Operating leases	46	(13)	(3)	30	30	-	100.0%	38	37
Travel and subsistence	2 839	-	(154)	2 685	2 684	1	99.9%	2 327	2 327
Operating payments	701	-	(343)	358	358	-	100.0%	350	349
Venues and facilities	140	-	(140)	-	-	-	-	139	139
Rental and hiring	-	59	-	59	59	-	100.0%	-	-
Transfers and subsidies	-	3	-	3	2	1	66.7%	90	89
Households	-	3	-	3	2	1	66.7%	90	89
Social benefits	-	3	-	3	2	1	66.7%	20	19
Other transfers to households	-	-	-	-	-	-	-	70	70
Total	17 821	2 269	(967)	19 123	19 116	7	99.9%	18 696	18 689

Sub-programme:5.2: Enforcement and Compliance	2018/19							2017/18	
	Adjusted Appropriation of Funds	Shifting Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	
Economic classification	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
Current payments	44 114	(2 412)	40 280	39 702	578	98.6%	39 788	39 764	
Compensation of employees	32 773	(2 310)	29 037	28 466	571	98.0%	31 096	31 096	
Salaries and wages	27 919	(1 868)	25 715	25 144	571	97.8%	27 559	27 559	
Social contributions	4 854	(442)	3 322	3 322	-	100.0%	3 537	3 537	
Goods and services	11 341	(102)	11 243	11 236	7	99.9%	8 692	8 668	
Administrative fees	142	(5)	137	136	1	99.3%	102	101	
Advertising	1 756	(139)	1 617	1 617	-	100.0%	1 209	1 208	
Catering: Departmental activities	392	(38)	354	354	-	100.0%	107	106	
Communication (G&S)	21	(14)	7	6	1	85.7%	19	19	
Computer services	-	-	-	-	-	-	39	38	
Consultants: Business and advisory services	2 894	(782)	2 112	2 111	1	99.9%	1 385	1 385	
Legal services	1 961	1 509	3 474	3 474	-	100.0%	3 019	3 019	
Contractors	-	-	-	-	-	-	14	14	
Fleet services (including government motor transport)	130	(54)	76	75	1	98.7%	83	83	
Consumable supplies	4	2	6	6	-	100.0%	1	1	
Consumable: Stationery, printing and office supplies	1	-	1	1	-	100.0%	-	-	
Operating leases	63	(8)	55	54	1	98.2%	117	117	
Travel and subsistence	3 402	(308)	3 094	3 094	-	99.9%	2 390	2 390	
Training and development			-	-	-	-	70	69	
Operating payments	20	(9)	11	10	1	90.9%	127	109	
Venues and facilities	515	(232)	283	282	1	99.6%	10	9	

Sub-programme:5.2: Enforcement and Compliance	2018/19										2017/18	
	Adjusted Appropriation of Funds	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure		Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		R'000	R'000
Rental and hiring	40	(24)	-	16	16	-	100.0%	-	-		-	-
Transfers and subsidies	109	-	-	109	108	1	99.1%	118	117		118	117
Households	109	-	-	109	108	1	99.1%	118	117		118	117
Social benefits	109	(49)	-	60	59	1	98.3%	94	94		94	94
Other transfers to households	-	49	-	49	49	-	100.0%	24	23		24	23
Payments for capital assets	23	-	19	42	41	1	97.6%	-	-		-	-
Machinery and equipment	23	-	19	42	41	1	97.6%	-	-		-	-
Transport equipment	-	-	-	-	-	-	-	-	-		-	-
Other machinery and equipment	23	-	19	42	41	1	97.6%	-	-		-	-
Total	44 246	(2 412)	(1 403)	40 431	39 851	580	98.6%	39 906	39 881		39 906	39 881

Sub-programme: 5.3:Regulatory Services	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	15 716	142	(2 714)	13 144	13 135	9	99.9%	14 135	14 124
Compensation of employees	13 832	-	(2 724)	11 108	11 107	1	99.9%	12 584	12 583
Salaries and wages	10 655	-	(906)	9 749	9 748	1	99.9%	11 103	11 103
Social contributions	3 177	-	(1 818)	1 359	1 359	-	100%	1 481	1 480
Goods and services	1 884	142	10	2 036	2 028	8	99.6%	1 551	1 541
Administrative fees	56	(1)	-	55	54	1	98.2%	33	32
Advertising	-	-	-	-	-	-	-	243	242
Minor assets	-	-	-	-	-	-	-	3	2
Catering: Departmental activities	44	24	-	68	68	-	100.0%	16	15
Communication (G&S)	21	108	9	138	137	1	99.3%	31	30
Consultants: Business and advisory services	241	(34)	-	207	206	1	99.5%	316	315
Fleet services (including government motor transport)	-	1	-	1	1	-	100.0%	3	3
Consumable supplies	-	3	-	3	2	1	66.7%	2	2
Consumable: Stationery, printing and office supplies	-	3	-	3	3	-	100.0%	3	3
Operating leases	6	(4)	-	2	1	1	50.0%	1	1
Travel and subsistence	1 112	163	1	1 276	1 275	1	99.9%	837	833
Training and development	300	(18)	-	282	281	1	99.6%	-	-
Operating payments	-	1	-	1	-	1	-	6	6
Venues and facilities	104	(104)	-	-	-	-	-	57	57
Transfers and subsidies	252 564	1	(820)	251 745	251 744	1	99.9%	225 988	225 988

Sub-programme: 5.3:Regulatory Services	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Departmental agencies and accounts	247 087	-	-	247 087	247 087	-	100.0%	221 578	221 578
Departmental agencies (non-business entities)	247 087			247 087	247 087	-	100.0%	221 578	221 578
Foreign governments and international organisations	5 473		(820)	4 653	4 653	-	100.0%	4 341	4 341
Households	4	1	-	5	4	1	80.0%	69	69
Social benefits	4	1		5	4	1	80.0%	69	69
Payments for capital assets	-	-	-	-	-	-	-	57	24
Machinery and equipment	-	-	-	-	-	-	-	57	24
Other machinery and equipment				-	-	-	-	57	24
Total	268 280	143	(3 534)	264 889	264 879	10	99.9%	240 180	240 136

Programme 6: Incentive Development and Administration	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Public corporations and private enterprises	5 380 538	5 109	20 207	5 405 854	5 394 887	10 967	99.8%	5 391 708	5 364 168
Public corporations	1 291 000	230 950	20 207	1 542 157	1 542 156	1	99.9%	1 955 681	1 955 676
Other transfers to public corporations	1 291 000	230 950	20 207	1 542 157	1 542 156	1	99.9%	1 955 681	1 955 676
Private enterprises	4 089 538	(225 841)	-	3 863 697	3 852 731	10 966	99.7%	3 436 027	3 408 492
Subsidies on products and production (pe)	3 674 097	(140 000)	-	3 534 097	3 532 602	1 495	99.9%	3 190 350	3 171 053
Other transfers to private enterprises	415 441	(85 841)	-	329 600	320 129	9 471	97.1%	245 677	237 439
Households	846	-	(508)	338	335	3	99.1%	497	490
Social benefits	846	-	(508)	338	335	3	99.1%	497	490
Payments for capital assets	5 172	(5 109)	-	63	59	4	93.7%	18	17
Machinery and equipment	63	-	-	63	59	4	93.7%	18	17
Other machinery and equipment	63	-	-	63	59	4	93.7%	18	17
Software and other intangible assets	5 109	(5 109)	-	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	-	-	-	38	37
Total	5 567 857	-	3 844	5 571 701	5 560 651	11 050	99.8%	5 636 659	5 600 528

Sub-programme:6.1: Broadening Participation Incentives	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	4 651	759	(6)	5 404	5 391	13	99.8%	5 771	5 699
Compensation of employees	4 500	299	(6)	4 793	4 792	1	99.9%	4 902	4 901
Salaries and wages	4 127		(6)	4 121	4 121	-	100.0%	4 291	4 290
Social contributions	373	299	-	672	671	1	99.9%	611	611
Goods and services	151	460	-	611	599	12	98.0%	869	798
Administrative fees	-	32	-	32	31	1	96.9%	41	35
Fleet services (including government motor transport)	2	-	-	2	-	2	-	1	1
Operating leases	17	106	-	123	115	8	93.5%	125	113
Travel and subsistence	132	322	-	454	453	1	99.8%	697	644
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	-	-	-	-	-	-	5	5
Transfers and subsidies	67 645	(30 000)	-	37 645	28 431	9 214	75.5%	43 937	36 231
Public corporations and private enterprises	67 645	(30 000)	-	37 645	28 431	9 214	75.5%	43 937	36 231
Private enterprises	67 645	(30 000)	-	37 645	28 431	9 214	75.5%	43 937	36 231
Other transfers to private enterprises	67 645	(30 000)	-	37 645	28 431	9 214	75.5%	43 937	36 231
Total	72 296	(29 241)	(6)	43 049	33 822	9 227	78.6%	49 708	41 930

Sub-programme: 6.2: Manufacturing Incentives	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	107 457	73	(6 375)	101 155	101 120	35	99.6%	97 918	89 787
Compensation of employees	79 206	429	-	79 635	79 633	2	99.9%	75 041	74 950
Salaries and wages	64 987	4 804	-	69 791	69 790	1	99.9%	65 822	65 822
Social contributions	14 219	(4 375)	-	9 844	9 843	1	99.9%	9 219	9 128
Goods and services	28 251	(356)	(6 375)	21 520	21 487	33	99.8%	22 877	14 837
Administrative fees	141	88	-	229	228	1	99.6%	174	162
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	25	-	(23)	2	1	1	50.0%	10	3
Catering: Departmental activities	353	-	(226)	127	126	1	99.2%	142	99
Communication (G&S)	357	-	(80)	277	276	1	99.6%	75	38
Computer services	-	-	-	-	-	-	-	-	-
Consultants: Business and advisory services	17 746	(4 397)	(4 625)	8 724	8 698	26	99.7%	13 675	7 271
Legal services	3 771	1 810	-	5 581	5 581	-	100.0%	2 487	2 486
Contractors	63	(1)	(45)	17	16	1	94.1%	-	-
Agency and support / outsourced services	50	-	(50)	-	-	-	-	-	-
Entertainment	34	-	(34)	-	-	-	-	-	-
Fleet services (including government motor transport)	105	(93)	-	12	12	-	100.0%	65	34

Sub-programme: 6.2: Manufacturing Incentives	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consumable supplies	89	-	(79)	10	10	-	100.0%	9	9
Consumable: Stationery, printing and office supplies	72	-	(36)	36	36	-	100.0%	27	26
Operating leases	388	37	-	425	425	-	100.0%	621	478
Property payments	109	63	-	172	172	-	100.0%	573	224
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	3 524	2 037	-	5 561	5 560	1	99.9%	4 864	3 890
Training and development	-	100	-	100	99	1	99.0%	-	-
Operating payments	533	-	(511)	22	22	-	100.0%	68	35
Venues and facilities	891	-	(666)	225	225	-	100.0%	87	82
Transfers and subsidies	3 369 599	(144 302)	(508)	3 224 789	3 224 021	768	99.4%	2 851 380	2 834 703
Departmental agencies and accounts	-	-	-	-	-	-	-	84 000	84 000
Departmental agencies (non-business entities)	-	-	-	-	-	-	-	84 000	84 000
Public corporations and private enterprises	3 368 753	(144 038)	-	3 224 715	3 223 948	767	99.2%	2 767 350	2 750 678
Public corporations	300 000	-	-	300 000	300 000	-	100.0%	250 000	250 000
Other transfers to public corporations	300 000	-	-	300 000	300 000	-	100.0%	250 000	250 000
Private enterprises	3 068 753	(144 038)	-	2 924 715	2 923 948	767	99.2%	2 517 350	2 500 678
Subsidies on products and production (pe)	2 841 028	(140 000)	-	2 701 028	2 700 373	655	99.4%	2 354 850	2 338 306
Other transfers to private enterprises	227 725	(4 038)	-	223 687	223 575	112	99.9%	162 500	162 372

Sub-programme: 6.2: Manufacturing Incentives	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Households	846	(264)	(508)	74	73	1	98.6%	30	25
Social benefits	846	(264)	(508)	74	73	1	98.6%	30	25
Payments for capital assets	5 172	(5 109)	-	63	59	4	93.7%	18	17
Machinery and equipment	63	-	-	63	59	4	93.7%	18	17
Other machinery and equipment	63	-	-	63	59	4	93.7%	18	17
Software and other intangible assets	5 109	(5 109)	-	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	-	-	-	38	37
Total	3 482 228	(149 338)	(6 883)	3 326 007	3 325 200	807	99.9%	2 949 354	2 924 544

Sub-programme: 6.3: Services Investment Incentives	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	16 473	(5 809)	(1 277)	9 387	9 378	9	99.9%	8 902	8 898
Compensation of employees	14 792	(5 733)	(1 065)	7 994	7 992	2	99.9%	8 006	8 006
Salaries and wages	11 537	(4 443)	-	7 094	7 093	1	99.9%	7 049	7 049
Social contributions	3 255	(1 290)	(1 065)	900	899	1	99.9%	957	957
Goods and services	1 681	(76)	(212)	1 393	1 386	7	99.5%	896	892
Administrative fees	-	42	-	42	42	-	100.0%	30	30
Catering: Departmental activities	-	5	-	5	5	-	100.0%	1	-
Communication (G&S)	91	(62)	(29)	-	-	-	-	13	12
Fleet services (including government motor transport)	1	1	-	2	1	1	50.0%	-	-
Operating leases	11	29	-	40	35	5	87.5%	27	26
Travel and subsistence	1 578	(146)	(183)	1 249	1 248	1	99.9%	825	824
Venues and facilities	-	55	-	55	55	-	100.0%	-	-
Transfers and subsidies	832 069	-	-	832 069	831 342	727	99.9%	812 692	812 690
Public corporations and private enterprises	832 069	-	-	832 069	831 342	727	99.9%	812 500	812 498
Private enterprises	832 069	-	-	832 069	831 342	727	99.9%	812 500	812 498
Subsidies on products and production (pe)	832 069	-	-	832 069	831 342	727	99.9%	812 500	812 498
Households	-	-	-	-	-	-	-	192	192
Social benefits	-	-	-	-	-	-	-	192	192
Total	848 542	(5 809)	(1 277)	841 456	840 720	736	99.9%	821 594	821 588

Sub-programme: 6.4: Infrastructure Investment Support	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	13 112	5 003	(429)	17 686	17 680	6	99.9%	15 365	15 271
Compensation of employees	11 530	5 005	(283)	16 252	16 250	2	99.9%	14 599	14 571
Salaries and wages	9 506	5 005	-	14 511	14 510	1	99.9%	13 038	13 013
Social contributions	2 024	-	(283)	1 741	1 740	1	99.9%	1 561	1 558
Goods and services	1 582	(2)	(146)	1 434	1 430	4	99.7%	766	700
Administrative fees	-	67		67	67	-	100.0%	36	36
Communication (G&S)	43	(2)	(34)	7	6	1	85.7%	5	4
Fleet services (including government motor transport)	8	-	(3)	5	5	-	100.0%	5	5
Operating leases	19	23	-	42	39	3	92.9%	27	27
Travel and subsistence	1 512	(113)	(109)	1 290	1 290	-	100.0%	690	627
Training and development	-	23	-	23	23	-	100.0%	-	-
Operating payments	-	-	-	-	-	-	-	3	1
Transfers and subsidies	1 112 071	179 163	20 207	1 311 441	1 311 182	259	99.9%	1 768 168	1 765 007
Public corporations and private enterprises	1 112 071	179 147	20 207	1 311 425	1 311 166	259	99.9%	1 767 921	1 764 761
Public corporations	991 000	230 950	20 207	1 242 157	1 242 156	1	99.9%	1 705 681	1 705 676
Subsidies on products and production (pc)	-	-	-	-	-	-	-	-	-
Other transfers to public corporations	991 000	230 950	20 207	1 242 157	1 242 156	1	99.9%	1 705 681	1 705 676
Private enterprises	121 071	(51 803)	-	69 268	69 010	258	99.6%	62 240	59 085

Sub-programme: 6.4: Infrastructure Investment Support	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Subsidies on products and production (pe)	1 000	-	-	1 000	887	113	88.7%	23 000	20 249
Other transfers to private enterprises	120 071	(51 803)	-	68 268	68 123	145	99.8%	39 240	38 836
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	16	-	16	16	-	100.0%	247	246
Social benefits	-	16	-	16	16	-	100.0%	247	246
Total	1 125 183	184 166	19 778	1 329 127	1 328 862	265	99.9%	1 783 533	1 780 278

Sub-programme: 6.5: Product and Systems Development	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	17 763	28	(4 109)	13 682	13 676	6	99.9%	13 991	13 983
Compensation of employees	16 431	-	(3 217)	13 214	13 213	1	99.9%	13 407	13 407
Salaries and wages	14 327		(2 539)	11 788	11 787	1	99.9%	11 965	11 965
Social contributions	2 104		(678)	1 426	1 426	-	100.0%	1 442	1 442
Goods and services	1 332	28	(892)	468	463	5	98.9%	584	576
Administrative fees	-	16	-	16	15	1	93.8%	17	17
Communication (G&S)	130	(6)	(124)	-	-	-	-	18	13
Fleet services (including government motor transport)	2	2	-	4	-	4	-	2	-
Operating leases	7	16	-	23	23	-	99.9%	8	8
Travel and subsistence	1 193	-	(768)	425	425	-	100.0%	539	538
Transfers and subsidies	-	104	-	104	103	1	99.0%	6	6
Households	-	104	-	104	103	1	99.0%	6	6
Social benefits	-	104	-	104	103	1	99.0%	6	6
Total	17 763	132	(4 109)	13 786	13 779	7	99.9%	13 997	13 989

Sub-programme:6.6: Strategic Partnership and Customer Care	2018/19							2017/18	
	Adjusted Appropriation of Funds	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	21 845	(54)	(3 659)	18 132	18 125	7	99.9%	18 451	18 178
Compensation of employees	18 901	-	(2 844)	16 057	16 057	-	100.0%	16 115	16 113
Salaries and wages	16 554	-	(2 427)	14 127	14 127	-	100.0%	14 230	14 229
Social contributions	2 347	-	(417)	1 930	1 930	-	100.0%	1 885	1 884
Goods and services	2 944	(54)	(815)	2 075	2 068	7	99.7%	2 336	2 065
Administrative fees	-	84	-	84	84	-	100.0%	110	77
Communication (G&S)	63	(59)	-	4	3	1	75.0%	13	10
Consultants: Business and advisory services	-	22	-	22	22	-	100.0%	-	-
Fleet services (including government motor transport)	41	1	(36)	6	3	3	50.0%	7	3
Operating leases	475	(44)	-	431	429	2	99.5%	453	365
Property payments	-	25	-	25	25	-	100.0%	50	50
Travel and subsistence	2 365	(84)	(779)	1 502	1 502	-	100.0%	1 701	1 559
Operating payments	-	1	-	1	-	1	-	2	1
Transfers and subsidies	-	144	-	144	143	1	99.3%	22	21
Households	-	144	-	144	143	1	99.3%	22	21
Social benefits	-	144	-	144	143	1	99.3%	22	21
Total	21 845	90	(3 659)	18 276	18 268	8	99.9%	18 473	18 199

Programme 7: Trade and Investment South Africa	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
7.1 African Bilateral Economic Relations	20 244	1 024	-	21 268	21 263	5	99.9%	20 298	20 200
7.2 Export Promotion and Marketing	42 527	2 624	-	45 151	44 793	358	99.2%	44 517	44 423
7.3 Trade and Investment South Africa (TISA) Executive Management Unit	330 348	(457)	49 216	379 107	379 094	13	99.9%	373 468	373 260
7.4 Export Development and Support	18 483	(3 191)	-	15 292	15 044	248	98.4%	18 413	18 271
	411 602	-	49 216	460 818	460 194	624	99.9%	456 696	456 154
Economic classification									
Current payments	224 150	(558)	52 275	275 867	275 626	241	99.9%	266 795	266 458
Compensation of employees	174 231	-	30 379	204 610	204 394	216	99.9%	184 960	184 955
Salaries and wages	139 116	17 612	30 076	186 804	186 591	213	99.9%	168 773	168 770
Social contributions	35 115	(17 612)	303	17 806	17 803	3	99.9%	16 187	16 185
Goods and services	49 919	(558)	21 896	71 257	71 232	25	99.9%	81 835	81 503
Administrative fees	455	(195)	126	386	385	1	99.7%	428	408
Advertising	113	97	153	363	363	-	100.0%	673	660
Minor assets	47	(29)	25	43	43	-	100.0%	98	97
Catering: Departmental activities	651	(496)	-	155	154	1	99.4%	142	140
Communication (G&S)	1 106	(25)	554	1 635	1 635	-	100.0%	1 819	1 815
Computer services	565	54	34	653	653	-	100.0%	922	921
Consultants: Business and advisory services	1 269	(1 065)	-	204	203	1	99.5%	975	956
Legal services	27	(1)	30	56	56	-	100.0%	65	64

Programme 7: Trade and Investment South Africa	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Contractors	2 502	(701)	29	1 830	1 827	3	99.8%	1 761	1 760
Agency and support / outsourced services	250	(250)	89	89	89	-	100.0%	287	287
Entertainment	843	133	283	1 259	1 257	2	99.8%	1 052	1 035
Fleet services (including government motor transport)	22	15	455	492	489	3	99.4%	1 072	1 066
Consumable supplies	306	16	15	337	336	1	99.7%	414	409
Consumable: Stationery, printing and office supplies	1 008	(578)	-	430	428	2	99.5%	985	944
Operating leases	6 848	4 153	14 482	25 483	25 483	-	100.0%	29 857	29 835
Property payments	310	-	1 417	1 727	1 725	2	99.9%	2 027	2 026
Transport provided: Departmental activity	5	(5)	-	-	-	-	-	5	-
Travel and subsistence	14 820	2 424	3 678	20 922	20 920	2	99.9%	21 993	21 991
Training and development	1 000	603	161	1 764	1 763	1	99.9%	1 316	1 316
Operating payments	10 813	(2 138)	-	8 675	8 672	3	99.9%	11 699	11 576
Venues and facilities	6 938	(3 085)	-	3 853	3 851	2	99.9%	3 841	3 794
Rental and hiring	21	515	365	901	900	1	99.9%	404	403
Transfers and subsidies	186 907	515	(3 059)	184 363	184 363	-	100.0%	188 638	188 635

Programme 7: Trade and Investment South Africa	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Foreign governments and international organisations	3 079	-	(3 079)	-	-	-	-	-	-
Public corporations and private enterprises	183 248	-	-	183 248	183 248	-	100.0%	188 272	188 272
Public corporations	183 248	-	-	183 248	183 248	-	100.0%	188 272	188 272
Other transfers to public corporations	183 248	-	-	183 248	183 248	-	100.0%	188 272	188 272
Households	580	515	20	1 115	1 115	-	100.0%	366	363
Social benefits	580	511	20	1 111	1 111	-	100.0%	366	363
Other transfers to households	-	4	-	4	4	-	100.0%	-	-
Payments for capital assets	545	-	-	545	163	382	29.9%	1 248	1 046
Machinery and equipment	545	-	-	545	163	382	29.9%	1 248	1 046
Transport equipment	-	-	-	-	-	-	-	414	414
Other machinery and equipment	545	-	-	545	163	382	29.9%	834	632
Payment for financial assets	-	43	-	43	42	1	97.7%	15	15
Total	411 602	-	49 216	460 818	460 194	624	99.9%	456 696	456 154

Sub-programme: 7.1: African Bilateral Economic Relations	2018/19							2017/18	
	Adjusted Appropriation of Funds	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	20 244	1 024	-	21 268	21 263	5	99.9%	20 133	20 122
Compensation of employees	18 027	(307)	-	17 720	17 719	1	99.9%	17 011	17 010
Salaries and wages	13 387	2 211	-	15 598	15 598	-	100.0%	15 134	15 133
Social contributions	4 640	(2 518)	-	2 122	2 121	1	99.9%	1 877	1 877
Goods and services	2 217	1 331	-	3 548	3 544	4	99.9%	3 122	3 112
Administrative fees	21	30	-	51	51	-	100.0%	52	51
Advertising	-	-	-	-	-	-	-	116	116
Catering: Departmental activities	144	(122)	-	22	22	-	100.0%	6	6
Communication (G&S)	40	(1)	-	39	39	-	100.0%	28	28
Consultants: Business and advisory services	-	26	-	26	26	-	100.0%	10	10
Fleet services (including government motor transport)	-	1	-	1	-	1	-	-	-
Consumable supplies	-	5	-	5	4	1	80.0%	2	-
Operating leases	48	28	-	76	76	-	100.0%	99	95
Travel and subsistence	1 731	1 165	-	2 896	2 895	1	99.9%	2 543	2 543
Operating payments	-	4	-	4	3	1	75.0%	6	4
Venues and facilities	233	195	-	428	428	-	100.0%	260	259

Sub-programme:7.1: African Bilateral Economic Relations	2018/19										2017/18	
	Adjusted Appropriation of Funds	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure			
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		R'000	R'000
Transfers and subsidies	-	-	-	-	-	-	-	-	-		79	78
Households	-	-	-	-	-	-	-	-	-		79	78
Social benefits	-	-	-	-	-	-	-	-	-		79	78
Payments for capital assets	-	-	-	-	-	-	-	-	-		86	-
Machinery and equipment	-	-	-	-	-	-	-	-	-		86	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-		86	-
Total	20 244	1 024	-	21 268	21 263	5	99.9%	20 298	20 200			

Subprogramme 7.2: Export Promotion and Marketing	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	41 718	2 225	-	43 943	43 934	9	99.9%	44 490	44 397
Compensation of employees	33 771	1 450	-	35 221	35 220	1	99.9%	36 627	36 626
Salaries and wages	27 921	2 966	-	30 887	30 887	-	100.0%	32 242	32 242
Social contributions	5 850	(1 516)	-	4 334	4 333	1	99.9%	4 385	4 384
Goods and services	7 947	775	-	8 722	8 714	8	99.9%	7 863	7 771
Administrative fees	102	37	-	139	139	-	100.0%	111	110
Advertising	29	(29)	-	-	-	-	-	19	7
Minor assets	33	(33)	-	-	-	-	-	-	-
Catering: Departmental activities	46	(45)	-	1	1	-	100.0%	58	58
Communication (G&S)	121	(102)	-	19	19	-	100.0%	45	44
Consultants: Business and advisory services	290	(259)	-	31	30	1	96.8%	699	698
Contractors	57	(57)	-	-	-	-	-	42	42
Entertainment	17	13	-	30	29	1	96.7%	17	-
Fleet services (including government motor transport)	6	(2)	-	4	3	1	75.0%	6	1
Consumable supplies	23	(23)	-	-	-	-	-	2	-
Consumable: Stationery, printing and office supplies	44	(42)	-	2	1	1	50.0%	3	2
Operating leases	29	10	-	39	39	-	100.0%	74	74
Transport provided: Departmental activity	5	(5)	-	-	-	-	-	5	-
Travel and subsistence	4 528	1 339	-	5 867	5 866	1	99.9%	5 935	5 934
Operating payments	35	(33)	-	2	2	-	100.0%	23	3

Subprogramme7.2: Export Promotion and Marketing	2018/19							2017/18	
	Adjusted Appropriation of Funds	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Venues and facilities	2 582	(509)	-	2 073	2 071	2	99.9%	824	798
Rental and hiring	-	515	-	515	514	1	99.8%	-	-
Transfers and subsidies	460	399	-	859	859	-	100.0%	27	26
Households	460	399	-	859	859	-	100.0%	27	26
Social benefits	460	395	-	855	855	-	100.0%	27	26
Other transfers to households		4	-	4	4	-	100.0%	-	-
Payments for capital assets	349	-	-	349	-	349	-	-	-
Machinery and equipment	349	-	-	349	-	349	-	-	-
Other machinery and equipment	349	-	-	349	-	349	-	-	-
Total	42 527	2 624	-	45 151	44 793	358	99.2%	44 517	44 423

Sub-programme: 7.3: Trade and Investment South Africa (TISA) Executive Management Unit	2018/19							2017/18	
	Adjusted Appropriation of Funds	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000		R'000	R'000
Current payments	143 901	(780)	52 275	195 396	195 385	11	99.9%	184 014	183 808
Compensation of employees	107 882	1 317	30 379	139 578	139 577	1	99.9%	118 712	118 711
Salaries and wages	87 271	12 435	30 076	129 782	129 781	1	99.9%	110 407	110 406
Social contributions	20 611	(11 118)	303	9 796	9 796	-	100.0%	8 305	8 305
Goods and services	36 019	(2 097)	21 896	55 818	55 808	10	99.6%	65 302	65 097
Administrative fees	258	(221)	126	163	162	1	99.4%	235	218
Advertising	84	126	153	363	363	-	100.0%	538	537
Minor assets	14	4	25	43	43	-	100.0%	98	97
Catering: Departmental activities	231	(169)	-	62	61	1	98.4%	3	2
Communication (G&S)	928	95	554	1 577	1 577	-	100.0%	1 738	1 737
Computer services	565	54	34	653	653	-	100.0%	922	921
Consultants: Business and advisory services	779	(632)	-	147	147	-	100.0%	266	248
Legal services	27	(1)	30	56	56	-	100.0%	65	64
Contractors	2 377	(592)	29	1 814	1 812	2	99.9%	1 719	1 718
Agency and support / outsourced services	-	-	89	89	89	-	100.0%	287	287

Sub-programme: 7.3: Trade and Investment South Africa (TISA) Executive Management Unit	2018/19							2017/18	
	Adjusted Appropriation of Funds	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classificatiton									
Entertainment	826	120	283	1 229	1 228	1	99.9%	1 035	1 035
Fleet services (including government motor transport)	16	14	455	485	484	1	99.8%	1 066	1 065
Consumable supplies	283	34	15	332	332	-	100.0%	410	409
Consumable: Stationery, printing and office supplies	952	(526)	-	426	425	1	99.8%	978	940
Operating leases	6 201	4 569	14 482	25 252	25 252	-	100.0%	29 606	29 606
Property payments	310	-	1 417	1 727	1 725	2	99.9%	2 027	2 026
Travel and subsistence	7 393	316	3 678	11 387	11 387	-	100.0%	12 696	12 696
Training and development	-	-	161	161	161	-	100.0%	49	49
Operating payments	10 778	(2 664)	-	8 114	8 113	1	99.9%	8 403	8 302
Venues and facilities	3 976	(2 624)	-	1 352	1 352	-	100.0%	2 757	2 737
Rental and hiring	21	-	365	386	386	-	100.0%	404	403
Transfers and subsidies	186 447	116	(3 059)	183 504	183 504	-	100.0%	188 392	188 391
Foreign governments and international organisations	3 079	-	(3 079)	-	-	-	-	-	-
Public corporations and private enterprises	183 248	-	-	183 248	183 248	-	100.0%	188 272	188 272
Public corporations	183 248	-	-	183 248	183 248	-	100.0%	188 272	188 272
Other transfers to public corporations	183 248	-	-	183 248	183 248	-	100.0%	188 272	188 272
Households	120	116	20	256	256	-	100.0%	120	119
Social benefits	120	116	20	256	256	-	100.0%	120	119

Sub-programme: 7.3: Trade and Investment South Africa (TISA) Executive Management Unit	2018/19							2017/18		
	Adjusted Appropriation of Funds	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
Other transfers to households	-	-	-	-	-	-	-	-	-	
Payments for capital assets	-	164	-	164	163	1	99.4%	1 047	1 046	
Machinery and equipment	-	164	-	164	163	1	99.4%	1 047	1 046	
Transport equipment	-	-	-	-	-	-	-	414	414	
Other machinery and equipment	-	164	-	164	163	1	99.4%	633	632	
Payment for financial assets	-	43	-	43	42	1	97.7%	15	15	
Total	330 348	(457)	49 216	379 107	379 094	13	99.9%	373 468	373 260	

Sub-programme: 7.4: Export Development and Support	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	18 287	(3 027)	-	15 260	15 044	216	98.6%	18 158	18 131
Compensation of employees	14 551	(2 460)	-	12 091	11 878	213	98.2%	12 610	12 608
Salaries and wages	10 537		-	10 537	10 325	212	98.0%	10 990	10 989
Social contributions	4 014	(2 460)	-	1 554	1 553	1	99.9%	1 620	1 619
Goods and services	3 736	(567)	-	3 169	3 166	3	99.9%	5 548	5 523
Administrative fees	74	(41)	-	33	33	-	100.0%	30	29
Catering: Departmental activities	230	(160)	-	70	70	-	100.0%	75	74
Communication (G&S)	17	(17)	-	-	-	-	-	8	6
Consultants: Business and advisory services	200	(200)	-	-	-	-	-	-	-
Contractors	68	(52)	-	16	15	1	93.8%	-	-
Agency and support / outsourced services	250	(250)	-	-	-	-	-	-	-
Fleet services (including government motor transport)	-	2	-	2	2	-	100.0%	-	-
Consumable: Stationery, printing and office supplies	12	(10)	-	2	2	-	100.0%	4	2
Operating leases	570	(454)	-	116	116	-	100.0%	78	60
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	1 168	(396)	-	772	772	-	100.0%	819	818
Training and development	1 000	603	-	1 603	1 602	1	99.9%	1 267	1 267
Operating payments	-	555	-	555	554	1	99.8%	3 267	3 267
Venues and facilities	147	(147)	-	-	-	-	-	-	-

Sub-programme: 7.4: Export Development and Support	2018/19							2017/18	
	Adjusted Appropriation of Funds	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies	-	-	-	-	-	-	-	140	140
Households	-	-	-	-	-	-	-	140	140
Social benefits	-	-	-	-	-	-	-	140	140
Payments for capital assets	196	(164)	-	32	-	32	-	115	-
Machinery and equipment	196	(164)	-	32	-	32	-	115	-
Other machinery and equipment	196	(164)	-	32	-	32	-	115	-
Total	18 483	(3 191)	-	15 292	15 044	248	98.4%	18 413	18 271

Programme 8: Investment South Africa		2018/19							2017/18	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme										
8.1 Investment Promotion		44 903	9 582	1 549	56 034	54 621	1 413	97.5%	51 397	49 941
8.2 Investment and Inter-Departmental Clearing House		34 472	(5 127)	(6 600)	22 745	14 738	8 007	64.8%	16 693	14 516
8.3 Investment Support and After Care		4 471	(4 455)	-	16	13	3	81.3%	54	48
		83 846	-	(5 051)	78 795	69 372	9 423	88.0%	68 144	64 505
Economic classification										
Current payments		53 416	1 188	1 549	56 153	55 161	992	98.2%	51 156	50 134
Compensation of employees		37 047	-	3 972	41 019	41 018	1	99.9%	34 931	34 931
Salaries and wages		26 610	5 793	3 972	36 375	36 374	1	99.9%	31 053	31 053
Social contributions		10 437	(5 793)	-	4 644	4 644	-	100.0%	3 878	3 878
Goods and services		16 369	1 188	(2 423)	15 134	14 143	991	93.5%	16 225	15 203
Administrative fees		86	184	-	270	269	1	99.6%	500	497
Advertising		2	717	-	719	718	1	99.9%	364	315
Catering: Departmental activities		106	(10)	-	96	94	2	97.9%	117	116
Communication (G&S)		193	(139)	-	54	53	1	98.1%	70	20
Computer services		-	48	-	48	48	-	100.0%	9	8

Programme 8: Investment South Africa	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consultants: Business and advisory services	393	(345)	-	48	47	1	97.9%	688	688
Legal services	-	280	-	280	279	1	99.6%	127	127
Contractors	6 703	(3 294)	(2 423)	986	39	947	4.0%	564	30
Entertainment	107	(2)	-	105	104	1	99.0%	72	56
Fleet services (including government motor transport)	19	(16)	-	3	2	1	66.7%	21	2
Consumable supplies	17	(16)	-	1	-	1	-	18	8
Consumable: Stationery, printing and office supplies	127	(72)	-	55	54	1	98.2%	148	148
Operating leases	20	304	-	324	300	24	92.6%	224	217
Property payments	-	-	-	-	-	-	-	858	857
Travel and subsistence	6 141	4 397	-	10 538	10 531	7	99.9%	10 151	10 142
Training and development	-	23	-	23	23	-	100.0%	-	-
Operating payments	724	(420)	-	304	303	1	99.7%	981	980
Venues and facilities	1 719	(439)	-	1 280	1 279	1	99.9%	1 313	992
Rental and hiring	12	(12)	-	-	-	-	-	-	-
Transfers and subsidies	30 000	(1 188)	(6 600)	22 212	14 211	8 001	64.0%	16 321	14 135
Public corporations and private enterprises	30 000	(1 400)	(6 600)	22 000	14 000	8 000	63.6%	16 171	14 000
Public corporations	30 000	(1 400)	(6 600)	22 000	14 000	8 000	63.6%	16 171	14 000
Other transfers to public corporations	30 000	(1 400)	(6 600)	22 000	14 000	8 000	63.6%	16 171	14 000
Households	-	212	-	212	211	1	99.5%	150	135

Programme 8: Investment South Africa	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Social benefits	-	212	-	212	211	1	99.5%	40	35
Other transfers to households	-	-	-	-	-	-	-	110	100
Payments for capital assets	430	-	-	430	-	430	-	667	236
Machinery and equipment	430	-	-	430	-	430	-	667	236
Other machinery and equipment	430	-	-	430	-	430	-	667	236
Total	83 846	-	(5 051)	78 795	69 372	9 423	88.0%	68 144	64 505

Sub-programme:8.1 : Investment Promotion	2018/19							2017/18	
	Adjusted Appropriation of Funds	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Travel and subsistence	5 174	4 734	-	9 908	9 902	6	99.9%	9 637	9 637
Training and development		23	-	23	23	-	100.0%	-	-
Operating payments	724	(421)	-	303	303	-	100.0%	981	980
Venues and facilities	1 719	(439)	-	1 280	1 279	1	99.9%	1 313	992
Rental and hiring	12	(12)	-	-	-	-	-	-	-
Transfers and subsidies									
Households	-	212	-	212	211	1	99.5%	150	135
Social benefits	-	212	-	212	211	1	99.5%	150	135
Other transfers to households	-	212	-	212	211	1	99.5%	40	35
								110	100
Payments for capital assets									
Machinery and equipment	430	-	-	430	-	430	-	667	236
Other machinery and equipment	430	-	-	430	-	430	-	667	236
								667	236
Total	44 903	9 582	1 549	56 034	54 621	1 413	97.5%	51 397	49 941

Sub-programme:8.2: Investment and Inter- Departmental Clearing House	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	4 472	(3 727)	-	745	738	7	99.1%	522	516
Compensation of employees	3 904	(3 904)	-	-	-	-	-	-	-
Salaries and wages	3 724	(3 724)	-	-	-	-	-	-	-
Social contributions	180	(180)	-	-	-	-	-	-	-
Goods and services	568	177	-	745	738	7	99.1%	522	516
Administrative fees	-	41	-	41	41	-	100.0%	25	24
Catering: Departmental activities	20	(7)	-	13	12	1	92.3%	7	7
Communication (G&S)	25	(25)	-	-	-	-	-	-	-
Entertainment	25	(25)	-	-	-	-	-	-	-
Fleet services (including government motor transport)	4	(2)	-	2	1	1	50.0%	1	1
Operating leases	10	59	-	69	65	4	94.2%	23	22
Travel and subsistence	484	135	-	619	619	-	100.0%	466	462
Operating payments	-	1	-	1	-	1	-	-	-
Transfers and subsidies	30 000	(1 400)	(6 600)	22 000	14 000	8 000	63.6%	16 171	14 000
Public corporations and private enterprises	30 000	(1 400)	(6 600)	22 000	14 000	8 000	63.6%	16 171	14 000
Public corporations	30 000	(1 400)	(6 600)	22 000	14 000	8 000	63.6%	16 171	14 000
Subsidies on products and production (pc)	-	-	-	-	-	-	-	-	-
Other transfers to public corporations	30 000	(1 400)	(6 600)	22 000	14 000	8 000	63.6%	16 171	14 000
Total	34 472	(5 127)	(6 600)	22 745	14 738	8 007	64.8%	16 693	14 516

Sub-programme:8.3 Investment Support and After Care	2018/19							2017/18	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	4 471	(4 455)	-	16	13	3	81.3%	54	48
Compensation of employees	3 904	(3 904)	-	-	-	-	-	-	-
Salaries and wages	3 724	(3 724)	-	-	-	-	-	-	-
Social contributions	180	(180)	-	-	-	-	-	-	-
Goods and services	567	(551)	-	16	13	3	81.3%	54	48
Administrative fees	-	1	-	1	1	-	100.0%	3	2
Catering: Departmental activities	20	(17)	-	3	2	1	66.7%	2	2
Communication (G&S)	25	(25)	-	-	-	-	-	-	-
Entertainment	25	(25)	-	-	-	-	-	1	1
Fleet services (including government motor transport)	4	(4)	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	-	1	-	1	-	1	-	-	-
Operating leases	10	(10)	-	-	-	-	-	-	-
Travel and subsistence	483	(472)	-	11	10	1	90.9%	48	43
Total	4 471	(4 455)	-	16	13	3	81.3%	54	48

Notes to the Appropriation Statement for the year ended 31 March 2019

1. Detail of transfers and subsidies as per Appropriation Act (after Virement):

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

2. Detail of specifically and exclusively appropriated amounts voted (after Virement):

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

3. Detail on payments for financial assets

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

4. Explanations of variances from Amounts Voted (after Virement):

4.1 Programme	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
	R'000	R'000	R'000	%
Administration	819 163	813 518	5 645	0.69%
International Trade and Economic Development	122 093	122 075	18	0.01%
Special Economic Zones and Economic Transformation ¹	136 100	121 963	14 137	10.39%
Industrial Development	2 018 645	2 018 625	20	0.01%
Consumer and Corporate Regulation	324 443	323 846	597	0.18%
Incentive Development and Administration	5 571 701	5 560 651	11 050	0.20%
Trade and Investment South Africa	460 818	460 194	624	0.14%
Investment South Africa ²	78 795	69 372	9 423	11.96%

¹The programme recorded an 89.6% level of financial performance mainly because of the B-BBEE Commission set-up related projects whose implementation was depended on the listing of the Commission.

²The programme recorded an 88% level of financial performance. The underspending is mainly due to the Provincial One-Stop Shop set-up related processes that are yet to be finalised.

4.2 Per economic classification:	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
	R'000	R'000	R'000	%
Current expenditure				
Compensation of employees	987 518	982 100	5 418	0.55%
Goods and services	724 062	711 890	12 172	1.68%
Transfers and subsidies				
Departmental agencies and accounts	667 495	667 495	-	0.00%
Public corporations and private enterprises	6 895 084	6 876 115	18 969	0.28%
Foreign governments and international organisations	27 653	27 650	3	0.01%
Non-profit institutions	202 430	202 430	-	0.00%
Households	4 097	4 070	27	0.66%
Payments for capital assets				
Machinery and equipment	20 466	16 970	3 496	17.08%
Software and other intangible assets	2 500	1 073	1 427	57.08%
Payments for financial assets	453	451	2	0.01%

Explanation of variance

The department's spending as at 31 March 2019 was 99.6 percent of its allocated budget of R9,5 billion. This spending of 99.6 per cent should be read within the context of the main cost drivers being transfers to incentives, which recorded 66.5 per cent of the total expenditure, followed by transfers to departmental agencies at 12.9 per cent and other transfers at 2.4 per cent. Compensation of employees, goods and services, and payments for capital assets are 10 percent, 7.5 per cent and 0.2 per cent respectively.

In view of the above, the under spending of 0.45 per cent is mainly due to:

- B-BBEE Commission set-up related projects whose implementation was dependent on the Commission's listing as a public entity.
- Certain ICT initiatives were not finalised.

Statement of Financial Performance for the year ended 31 March 2019

	Note	2018/19 R'000	2017/18 R'000
REVENUE			
Annual appropriation	1	9 531 758	9 343 187
Departmental revenue	2	73 305	106 646
Aid assistance	3	56 452	-
TOTAL REVENUE		9 661 515	9 449 833
EXPENDITURE			
Current expenditure			
Compensation of employees	4	982 100	946 790
Goods and services	5	711 890	643 727
Aid assistance	3	-	-
Total current expenditure		1 693 990	1 590 517
Transfers and subsidies			
Transfers and subsidies	7	7 777 760	7 631 443
Aid assistance	3	43 836	-
Total transfers and subsidies		7 821 596	7 631 443
Expenditure for capital assets			
	8		
Tangible assets		16 970	17 059
Intangible assets		1 073	8 087
Total expenditure for capital assets		18 043	25 146
Payments for financial assets	6	451	1 142
TOTAL EXPENDITURE		9 534 080	9 248 248
SURPLUS FOR THE YEAR		127 435	201 585
Reconciliation of Net Surplus for the year			
Voted Funds		41 514	94 939
Annual appropriation		41 514	94 939
Departmental revenue and NRF Receipts		73 305	106 646
Aid assistance	3	12 616	-
SURPLUS FOR THE YEAR		127 435	201 585

Statement of Financial Position for the year ended 31 March 2019

	Note	2018/19 R'000	2017/18 R'000
ASSETS			
Current Assets		74 825	126 124
Cash and cash equivalents	9	5 320	52 314
Other financial assets	10	442	1 467
Prepayments and advances	11	64 569	71 060
Receivables	12	4 494	1 283
Non-Current Assets		35 556	33 572
Receivables	12	34 749	33 147
Other financial assets	10	807	425
TOTAL ASSETS		110 381	159 696
LIABILITIES			
Current Liabilities		76 468	134 282
Voted funds to be surrendered to the Revenue Fund	13	41 512	94 937
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	14	61	4 359
Bank Overdraft	15	18 179	-
Payables	16	4 100	34 986
Aid assistance repayable	3	12 616	-
Non-Current Liabilities		-	-
Payables		-	-
TOTAL LIABILITIES		76 468	134 282
NET ASSETS		33 913	25 414
Represented by:			
Recoverable revenue		33 913	25 414
Total		33 913	25 414

Statement of Changes in Net Assets for the year ended 31 March 2019

NET ASSETS		2018/19	2017/18
	<i>Note</i>	R'000	R'000
Recoverable revenue			
Opening balance		25 414	27 479
Transfers		8 499	(2 065)
Irrecoverable amounts written off	6.1	(362)	(1 090)
Debts revised		(159)	(16 089)
Debts recovered (included in departmental receipts)		(65 887)	(55 892)
Debts raised		74 907	71 006
Closing balance		33 913	25 414
Total		33 913	25 414

Cash Flow Statement for the year ended 31 March 2019

	Note	2018/19 R'000	2017/18 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		9 661 505	9 449 346
Annual appropriated funds received	1	9 531 758	9 343 187
Departmental revenue received	2	73 016	104 769
Interest received	2.3	279	1 390
Aid assistance received	3	56 452	-
Net (increase)/ decrease in working capital		(29 208)	(17 716)
Surrendered to Revenue Fund		(172 542)	(153 550)
Surrendered to RDP Fund/Donor		-	(35 647)
Current payments		(1 693 990)	(1 590 517)
Payments for financial assets		(451)	(1 142)
Transfers and subsidies paid		(7 821 596)	(7 631 443)
Net cash flow available from operating activities	17	(56 282)	19 331
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	8	(18 043)	(25 146)
Proceeds from sale of capital assets	2.4	10	487
(Increase) in other financial assets		643	(176)
Net cash flows from investing activities		(17 390)	(24 835)
CASH FLOWS FROM FINANCING ACTIVITIES			
(Decrease) in net assets		8 499	(2 065)
Net cash flows from financing activities		8 499	(2 065)
Net (decrease)/ increase in cash and cash equivalents		(65 173)	(7 569)
Cash and cash equivalents at beginning of period		52 314	59 883
Cash and cash equivalents at end of period	15	(12 859)	52 314

Accounting Policies for the year ended 31 March 2019

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

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

Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act, Act 1 of 2010.

1. Presentation of the Financial Statements

1.1 Basis of preparation

The financial statements have been prepared in accordance with the Modified Cash Standard.

1.2 Going concern

The financial statements have been prepared on a going concern basis.

1.3 Presentation currency

Amounts have been presented in the currency of South African Rand (R) which is also the functional currency of the department.

1.4 Rounding

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

1.5 Foreign currency translation

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

1.6 Comparative information

1.6.1 Prior period comparative information

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

1.6.2 Current year comparison with budget

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

2. Revenue

2.1 Appropriated funds

Appropriated funds comprise of departmental allocations.

Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustment budget process are recognised in the statement of financial performance on the date the adjustments become effective. The net amount of any appropriated funds due to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.

2.2 Departmental revenue

Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise. Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.

2.2.1 Tax revenue

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

2.2.2 Sale of goods and services other than capital assets

The proceeds received from the sale of goods and /or the provision of services is recognised in the statement of financial performance when the cash is received.

2.2.3 Fines, penalties and forfeits

Revenue arising from fines, penalties and forfeits is recognised in the statement of financial performance when the cash is received.

2.2.4 Interest, dividends and rent on land

Interest, dividends and rent on land are recognised in the statement of financial performance when the cash is received.

2.2.5 Sale of capital assets

The proceeds received on the sale of capital assets are recognised in the statement of financial performance when the cash is received.

2.2.6 Transactions in financial assets and liabilities

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

2.2.7 Transfers received (including gifts, donations and sponsorships)

All cash gifts, donations and sponsorships are paid into the National Revenue Fund and recorded as revenue in the statement of financial performance when received. Amounts receivable at the reporting date are disclosed in the notes to the financial statements.

2.2.8 Accrued departmental revenue

Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:

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

The accrued revenue is measured at the fair value of the consideration receivable.

Write-offs are made according to the department's debt write off policy.

2.3 Aid assistance

2.3.1 Aid assistance received

Aid assistance received in cash is recognised in the statement of financial performance on the date that the cash is received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value.

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

2.3.2 Aid assistance paid

Aid assistance paid is recognised in the statement of financial performance on the date of payment.

3. Expenditure

3.1 Compensation of employees

3.1.1 Salaries and Wages

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

3.1.2 Social Contributions

Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.

Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.

3.2 Goods and services

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

3.3 Payment for financial assets

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

Foreign exchange losses are recognised in the statement of financial performance on the payment of funds. The foreign exchange rate on the date of payment is used for the translation of the foreign currency to SA Rand.

All other losses are recognised in the statement of financial performance when identified.

3.4 Transfers and subsidies

Transfers and subsidies are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the accounting system of the department.

3.5 Unauthorised expenditure

Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:

- approved by Parliament or the Provincial Legislature with funding and the related funds are received; or
- approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or;
- transferred to receivables for recovery.

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

3.6 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and/or wasteful expenditure incurred.

Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables for recovery.

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

3.7 Irregular expenditure

Irregular expenditure is recorded when in the notes to the financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefore are provided in the note.

Irregular expenditure is removed from the note when it is either condoned by the relevant authority; transferred to receivables for recovery; or not condoned and is not recoverable.

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

3.8 Payments for capital assets

Payments made for capital assets are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the accounting system of the department. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.

4. Assets

4.1 Cash and cash equivalents

Cash and cash equivalents are stated in the statement of financial position at cost.

Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash-on-hand, deposits held, other short-term highly liquid investments and bank overdrafts.

4.2 Other financial assets

Other financial assets are carried in the statement of financial position at cost.

4.3 Prepayments and advances

Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.

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

Prepayments and advances are initially and subsequently measured at cost.

4.4 Receivables

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

4.5 Impairment of financial assets

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

4.6 Capital assets

4.6.1 Movable capital assets

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

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

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) are recorded at R1.

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

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

4.6.2 Intangible assets

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

Internally generated intangible assets are recorded in the notes to the financial statements when the department

commences the development phase of the project.

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

All assets acquired before 1 April 2002 (or a later date as approved by the OAG) are recorded at R1.

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

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

4.6.3 Project costs: Work-in-progress

Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.

Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register.

Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.

5. Liabilities

5.1 Voted funds to be surrendered to the Revenue Fund

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

5.2 Departmental revenue to be surrendered to the Revenue Fund

Amounts owing to the National Revenue Fund at the end of the financial year are recognised in the statement of financial position at cost.

5.3 Payables

Payables are recognised at cost in the statement of financial position.

5.4 Contingent liabilities

Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department; or when there is a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources will be required to settle the obligation; or the amount of the obligation cannot be measured reliably.

5.5 Contingent assets

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

5.6 Commitments

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

5.7 Accruals not recognised

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

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

Accrued expenditure payable is measured at cost.

5.8 Payables not recognised

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

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

5.9 Leases

5.9.1 Finance leases

Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment.

The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.

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

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

5.9.2 Operating leases

Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment.

The operating lease commitments are recorded in the notes to the financial statements.

5.10 Provisions

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

5.11 Employee benefits

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

6. Recoverable revenue

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

7. Capitalisation reserve

The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.

8. Related party transactions

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

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

9. Public private partnerships

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

A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.

10. Changes in accounting policies, accounting estimates and errors

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

Changes in accounting estimates are applied prospectively in accordance with MCS requirements.

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

Notes to the Annual Financial Statements for the year ended 31 March 2019

1. Annual Appropriation

Included are funds appropriated in terms of the Appropriation Act for National Departments (Voted funds).

Annual Appropriation	2018/19			2017/18	
	Final Appropriation	Actual Funds Received	Funds not requested/ not received	Final Appropriation	Appropriation Received
Programmes	R'000	R'000	R'000	R'000	R'000
Administration	819 163	819 163	-	809 902	809 902
International Trade and Economic Development	122 093	122 093	-	121 135	121 135
Special Economic Zones and Economic Transformation	136 100	136 100	-	108 937	108 937
Industrial Development	2 018 645	2 018 645	-	1 842 932	1 842 932
Consumer and Corporate Regulation	324 443	324 443	-	298 782	298 782
Incentive Development and Administration	5 571 701	5 571 701	-	5 636 659	5 636 659
Trade and Investment South Africa	460 818	460 818	-	456 696	456 696
Investment South Africa	78 795	78 795	-	68 144	68 144
Total	9 531 758	9 531 758	-	9 343 187	9 343 187

	Note	2018/19 R'000	2017/18 R'000
2. Departmental revenue			
Tax revenue*		3 773	4 239
Sales of goods and services other than capital assets	2.1	632	652
Fines, penalties and forfeits	2.2	41	40 008
Transactions in financial assets and liabilities	2.5	68 570	59 870
Departmental revenue received		73 016	104 769
Interest, dividends and rent on land	2.3	279	1 390
Sales of capital assets	2.4	10	487
Departmental revenue collected		73 305	106 646

*Tax revenue relates to liquor licence fees received.

2018/19
R'0002017/18
R'000**2.1 Sales of goods and services other than capital assets**

Sales of goods and services produced by the department	628	637
Sales by market establishment*	257	263
Other sales**	371	374
Sales of scrap, waste and other used current goods	4	15
Total	632	652

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

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

2.2 Fines, penalties and forfeits

Fines	-	5 100
Penalties	41	92
Forfeits	-	34 816
Total	41	40 008

2.3 Interest, dividends and rent on land

Interest	279	1 390
Total	279	1 390

2.4 Sales of capital assets

Tangible capital assets		
Machinery and equipment	10	487
Total	10	487

2.5 Transactions in financial assets and liabilities

Receivables	66 423	56 167
Forex gain	80	4
Other Receipts including Recoverable Revenue	2 067	3 699
Total	68 570	59 870

2.6 Cash received not recognised (not included in the main note) – 2018/19

Name of entity	Amount received	Amount paid to Revenue Fund	Balance
	R'000	R'000	R'000
Balance carried forward	-	-	-
NCC	142	(142)	-
NGB	13 993	(13 993)	-
NRCS	144 500	(144 500)	-
NCT	963	(963)	-
NCR	13 677	(13 677)	-
	173 275	(173 275)	-

Cash received not recognised (not included in the main note) – 2017/18

Name of entity	Amount received	Amount paid to Revenue Fund	Balance
	R'000	R'000	R'000
Balance carried forward	5 102	(5 102)	-
NCC	133	(133)	-
NGB	11 625	(11 625)	-
CIPC	1 000 000	(1 000 000)	-
NCT	322	(322)	-
NCR	10 455	(10 455)	-
	1 027 637	(1 027 637)	-

2018/19
R'0002017/18
R'000

3. Aid assistance

Opening Balance	-	35 647
As restated	-	35 647
Transferred from statement of financial performance	12 616	-
Paid during the year		(35 647)
Closing Balance	12 616	-

3.1 Analysis of balance by source

Aid assistance from RDP	12 616	-
Closing Balance	12 616	-

3.2 Analysis of balance

Analysis of balance

Aid assistance repayable	12 616	-
Closing balance	12 616	-

3.3 Aid Assistance Expenditure per economic classification

Transfers and Subsidies	43 836	-
Total aid assistance expenditure	43 836	-

3.4 Aid assistance prepayments (expensed)-2018/19

	Amount as at 1 April 2018	Less: Received in the current year	Add/Less: Other	Add: Current Year prepayments	Amount as at 31 March 2019
	R'000	R'000	R'000	R'000	R'000
Transfers and subsidies	-	-	-	22 159	22 159
Closing balance	-	-	-	22 159	22 159

the dti is the spending agency of the Reconstruction and Development Fund as defined in the Reconstruction and Development Fund Act No. 07 of 1994 (RDP Act). There are ongoing projects to the value of R21 million (R25,8 million for 2017/18) of which the continuation is subject to the receipt of further funding from the RDP Fund in accordance with the RDP Act.

Refer to annexure 1G for more information on aid assistance received.

	2018/19 R'000	2017/18 R'000
4. Compensation of employees		
Salaries and Wages		
Basic salary	606 358	591 836
Performance award	15 051	21 144
Service Based	1 882	1 701
Compensative/circumstantial*	4 585	6 567
Service Bonus	40 316	38 837
Home Owners allowance	9 643	9 536
Other non-pensionable allowances**	142 578	130 988
Foreign allowance***	54 309	42 810
Total	874 722	843 419
*Compensative/circumstantial refers to payments and allowances paid to employees, e.g. acting allowance, overtime, etc.		
**Other non-pensionable allowances comprise of car allowances and benefits structured as part of salary packages for employees on level 11 and higher.		
***Foreign allowances refers to the cost of living allowances paid to employees based abroad at foreign mission offices.		
Social contributions		
Employer contributions		
Pension	81 348	78 073
Medical	25 920	25 193
Bargaining council	109	105
Insurance	1	-
Total	107 378	103 371
Total compensation of employees	982 100	946 790
Average number of employees	1 293	1 335

	Note	2018/19 R'000	2017/18 R'000
5. Goods and services			
Administrative fees		5 044	5 900
Advertising		27 614	22 045
Minor Assets	5.1	315	2 112
Bursaries (employees)		3 606	3 433
Catering		3 582	2 098
Communication		9 213	9 570
Computer services	5.2	35 341	43 729
Consultants: business and advisory services		41 958	21 483
Legal services		17 160	10 500
Contractors		23 399	16 285
Agency and support/outsourced services		218	1 330
Entertainment		1 382	1 321
Audit cost-external	5.3	10 419	9 987
Fleet services		730	1 263
Consumables	5.4	5 586	8 675
Operating leases		342 117	322 401
Property payments	5.5	6 594	8 461
Travel and subsistence	5.6	108 718	99 058
Rental and hiring		4 526	2 269
Venues and facilities		30 886	19 738
Training and development		10 249	9 942
Other operating expenditure	5.7	23 233	22 127
Total		711 890	643 727

Note	2018/19 R'000	2017/18 R'000
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5.1 Minor Assets

Tangible assets	315	681
Machinery and equipment	315	681
Intangible assets	-	1 431
Software	-	1 431
Total	315	2 112

5.2 Computer services

SITA computer services	8 113	8 743
External computer service providers	27 228	34 986
Total	35 341	43 729

5.3 Audit cost – External

Regularity audits	10 185	9 692
Computer audits	234	295
Total	10 419	9 987

5.4 Consumables

Consumable supplies	565	915
Uniform and clothing	62	185
Household supplies	85	195
Building material and supplies	23	132
Communication accessories	2	5
IT consumables	286	356
*Other consumables	107	42
Stationery, printing and office supplies	5 021	7 760
Total	5 586	8 675

*Mainly includes security access consumables, bags and accessories.

	Note	2018/19 R'000	2017/18 R'000
5.5 Property payments			
Municipal services		965	1 123
Property management fees		2 358	2 336
Property maintenance and repairs		2 016	3 314
Other*		1 255	1 688
Total		6 594	8 461

*Mainly includes security services, cleaning services, pest control and laundry services.

5.6 Travel and subsistence

Local		49 860	42 824
Foreign		58 858	56 234
Total		108 718	99 058

5.7 Other operating expenditure

Courier, delivery and freight services		1 969	1 070
Professional bodies, membership and-subscription fees		3 070	6 104
Printing and publications services		9 640	6 710
Resettlement costs		3 216	1 532
School boarding/ tuition cost		3 845	5 484
Storage of files/assets		1 056	854
Other		437	373
Total		23 233	22 127

6. Payments for financial assets

Debts written off	6.1	409	1 090
Forex losses	6.2	42	52
Total		451	1 142

Note	2018/19 R'000	2017/18 R'000
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6.1 Debts written off

Recoverable revenue written off:

Official debt	166	864
Other(tax, cell/telephone, breach of contract, travel and subsistence)	27	175
Enterprise Investment Programme (EIP)	169	-

Sub-Total	362	1 039
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Other debt written off:

Official debt	42	26
Other(tax, cell/telephone, breach of contract, travel and subsistence)	5	22
Leave without pay	-	3

Sub-total	47	51
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Total debt written off	409	1 090
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6.2 Forex losses

Nature of losses		
Forex losses	42	52
Total	42	52

7. Transfers and subsidies

Departmental agencies and accounts	<i>Annex1A</i>	667 495	727 576
Public corporations and private enterprises	<i>Annex1B</i>	6 876 115	6 699 133
Foreign governments and international organisations	<i>Annex 1C</i>	27 650	28 457
Non-profit institutions	<i>Annex 1D</i>	202 430	173 814
Households	<i>Annex 1E</i>	4 070	2 463
Total		7 777 760	7 631 443

		2018/19 R'000	2017/18 R'000
Note			

8. Expenditure for capital assets

Tangible assets		16 970	17 059
Machinery and equipment	30.1	16 970	17 059
Intangible assets		1 073	8 087
Computer software	31.1	1 073	8 087
Total		18 043	25 146

8.1 Analysis of funds utilised to acquire capital assets – 2018/19

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets			
Machinery and equipment	16 970	-	16 970
Intangible assets			
Computer software	1 073	-	1 073
Total	18 043	-	18 043

8.2 Analysis of funds utilised to acquire capital assets – 2017/18

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	17 059	-	17 059
Machinery and equipment	17 059	-	17 059
Intangible assets	8 087	-	8 087
Computer software	8 087	-	8 087
Total assets acquired	25 146	-	25 146

9. Cash and cash equivalents

Consolidated Paymaster General Account	-	49 580
Cash on hand	41	64
Cash with commercial banks (Local)	5 279	2 670
Total	5 320	52 314

Note	2018/19 R'000	2017/18 R'000
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10. Other financial assets

Current

Foreign

Rental deposits for employees based abroad	442	1 467
Sub-total	442	1 467

Total Current other financial assets

442	1 467
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Non-current

Foreign

Rental deposits for employees based abroad	807	425
Sub-total	807	425

Total Non-current other financial assets

807	425
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11. Prepayments and advances

Staff advances		23	10
Travel and subsistence		648	344
Advances paid (Not expensed)	11.1	63 898	70 706
Total		64 569	71 060

11.1 Prepayments (expensed)

	Note	Balance as at 1 April 2018	Less: Amount expensed in current year	Add/Less: Other	Add: Current Year prepayments	Balance as at 31 March 2019
	11	R'000	R'000	R'000	R'000	R'000
Listed by economic classification						
Transfers and subsidies		17 581	(17 581)	-	25 113	25 113
Total		17 581	(17 581)	-	25 113	25 113

	'Balance as at 1 April 2017	Less: Received in the current year	Add/Less: Other	Add: Current Year prepayments	Amount as at 31 March 2018
Prepayments (Expensed)	R'000	R'000	R'000	R'000	R'000
Listed by economic classification					
Transfers and subsidies	-	-	-	17 581	17 581
Total	-	-	-	17 581	17 581

11.2 Advances paid (Not expensed) *

	Balance as at 1 April 2018	Less: Amount expensed in current year	Add/Less: Other	Add: Current Year advances	Balance as at 31 March 2019
	R'000	R'000	R'000	R'000	R'000
National departments	70 706	(186 808)	-	180 000	63 898
Total	70 706	(186 808)	-	180 000	63 898

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

	Balance as at 1 April 2017	Less: Amount expensed in current year	Add/Less: Other	Add: Current Year advances	Balance as at 31 March 2018
	R'000	R'000	R'000	R'000	R'000
Advances paid (Not expensed)					
National departments	68 786	(178 080)	-	180 000	70 706
Total	68 786	(178 080)	-	180 000	70 706

Advances paid (Expensed)

	Amount as at 1 April 2018	Less: Received in the current year	Add: Current Year advances	Amount as at 31 March 2019
	R'000	R'000	R'000	R'000
National departments	528	(911)	789	406
Total	528	(911)	789	406

	Amount as at 1 April 2017	Less: Received in the current year	Add: Current Year advances	Amount as at 31 March 2018
	R'000	R'000	R'000	R'000
National departments	-	-	528	528
Total	-	-	528	528

The closing balance as at 31 March 2018 was restated from R1 million to R528 thousand.

12. Receivables

		2018/19			2017/18		
		Current	Non-current	Total	Current	Non-current	Total
	Note	R'000	R'000	R'000	R'000	R'000	R'000
Receivables							
Claims recoverable	12.1	3 370	33 513	36 883	837	31 532	32 369
Staff debt	12.2	832	483	1 315	382	644	1 026
Other receivables	12.3	292	753	1 045	64	971	1 035
Total		4 494	34 749	39 243	1 283	33 147	34 430

	2018/19 R'000	2017/18 R'000
12.1 Claims recoverable		
National departments	1 979	310
Provincial departments	224	-
Public entities	1 136	302
Private enterprises	33 544	31 757
Total	36 883	32 369

12.2 Staff debt

Bursary	455	533
Unpaid Leave	194	81
Official debt (in service)	561	145
Travel and Subsistence	32	35
Petty Cash	-	1
Child allowances	72	231
Other (tax debt in service)	1	-
Total	1 315	1 026

	Note	2018/19 R'000	2017/18 R'000
12.3 Other debtors			
Bursary		215	21
Official debt (out of service)		760	898
Tax		2	13
Travel and subsistence		-	5
Unpaid Leave		30	47
Other (losses, i.e. laptops, access cards)		38	51
Total		1 045	1 035

12.4 Impairment of receivables

Estimate of impairment of receivables		34 266	32 503
Total		34 266	32 503

13. Voted funds to be surrendered to the Revenue Fund

Opening balance		94 937	40 119
Transfer from statement of financial performance		41 514	94 939
Paid during the year		(94 939)	(40 121)
Closing balance		41 512	94 937

14. Departmental revenue to be surrendered to the Revenue Fund

Opening balance		4 359	11 142
Transfer from Statement of Financial Performance		73 305	106 646
Paid during the year		(77 603)	(113 429)
Closing balance		61	4 359

15. Bank Overdraft

Consolidated Paymaster General Account		18 179	-
Total		18 179	-

The Consolidated Paymaster General has a credit balance of R18,1 million due to outstanding payments that will interface in April 2019. However, it should be noted that the bank account has a positive (debit) balance of R363 thousand. Furthermore, there is R41 thousand cash on hand and R5,2 million cash with commercial bank.

	Note	2018/19 R'000	2017/18 R'000
16. Payables – current			
Amounts owing to other entities		-	13 731
Clearing accounts	16.1	85	105
Other payables	16.2	4 015	21 150
Total		4 100	34 986
16.1 Clearing accounts			
PAYE		18	50
Government Employee Housing Scheme		67	55
Total		85	105
16.2 Other payables			
Employees (pension and leave pay-outs)		7	10
Liquor licence deposits		2 507	1 352
National Skills Fund		-	3 567
Jobs Fund (Government Technical Advisory Centre)		-	10 352
Rejected payments		-	4 300
Cape Peninsula University of Technology		1 500	1 500
Other		1	69
Total		4 015	21 150

	2018/19 R'000	2017/18 R'000
17. Net cash flow available from operating activities		
Net cash flow available from operating activities		
Net surplus/(deficit) as per Statement of Financial Performance	127 435	201 585
Add back non cash/cash movements not deemed operating activities	(183 717)	(182 254)
(Increase)/decrease in receivables	(4 813)	7 679
(Increase)/decrease in prepayments and advances	6 491	(1 860)
Increase/(decrease) in payables – current	(30 886)	(23 535)
Proceeds from sale of capital assets	(10)	(487)
(Increase)/decrease in other financial assets	(1 025)	(97)
Expenditure on capital assets	18 043	25 146
Surrenders to Revenue Fund	(172 542)	(153 550)
Surrenders to RDP Fund/Donor	-	(35 647)
Other non-cash items	1 025	97
Net cash flow generated by operating activities	(56 282)	19 331

18. Reconciliation of cash and cash equivalents for cash-flow purposes

Consolidated Paymaster General account	(18 179)	49 580
Cash on hand	41	64
Cash with commercial banks (Local)	5 279	2 670
Total	(12 859)	52 314

The Consolidated Paymaster General has a credit balance of R18,1 million due to outstanding payments that will interface in April 2019. However, it should be noted that the bank account has a positive (debit) balance of R363 thousand. Furthermore, there is R41 thousand cash on hand and R5,2 million cash with commercial bank.

Note	2018/19 R'000	2017/18 R'000
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19. Contingent liabilities and contingent assets

19.1 Contingent liabilities

Liable to

Housing loan guarantees	<i>Annex 2A</i>	111	265
¹ Claims against the department	<i>Annex 2B</i>	8 483	6 648
² Incentive grants	<i>Annex 2B</i>	7 996 625	7 577 483
³ Intergovernmental payables (unconfirmed balances)	<i>Annex 4</i>	6 589	6 928
Total		8 011 808	7 591 324

¹Claims against the department are disclosed and will only be settled on decision of the court or if the department accepts liability, both of which are unknown. Amounts disclosed are not necessarily the claim amount, but the amount determined as the most likely amount that the court might settle on. There are instances where claims were lodged against the department due to incentive claims not being approved. However, these were not included above due to the remoteness of the claims.

²Incentive grants approved by **the dti** are not always disbursed in the year of approval. Based on the rules of a particular Incentive scheme, grants approved in one year may be disbursed over a period of one to three years following approval. Disbursement of the incentive grant is in all cases conditional on the recipient firms carrying out their approved projects in line with the guidelines of the respective incentive scheme and meeting key performance requirements that are linked to the particular incentive such as achieved investment, output, employment, etc.

³The prior year figure relating to intergovernmental payables has been restated from R0 to R6,9 million.

19.2 Contingent assets

Nature of contingent asset

Incentive Claims	13 132	19 264
Total	13 132	19 264

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

Note	2018/19 R'000	2017/18 R'000
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20. Commitments

Current expenditure	132 760	123 929
Approved and contracted	124 110	117 465
Approved but not yet contracted	8 650	6 464
Capital expenditure	672	1 425
Approved and contracted	672	1 425
Total Commitments	133 432	125 354

A total of 56 contracts listed above exceed one year

21. Accruals and payables not recognised

21.1 Accruals: Listed by economic classification	2018/19 R'000			2017/18 R'000
	30 Days	30+ Days	Total	Total
Goods and services	40 500	5 544	46 044	51 938
Transfers and subsidies	2 999	7 806	10 805	14 024
*Other (Dirco)	12 021	16 943	28 964	36 109
Total	55 520	30 293	85 813	102 071

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

	2018/19 R'000	2017/18 R'000
Accruals: Listed by programme level		
Administration	40 367	44 366
International Trade and Economic Development	835	664
Special Economic Zones and Economic Transformation	1 103	1 177
Industrial Development	780	745
Consumer and Corporate Regulation	687	624
Industrial Development: Incentive Administration	1 235	2 518
Trade and Investment South Africa	40 281	51 484
Investment South Africa	525	493
Total	85 813	102 071

			2018/19 R'000	2017/18 R'000
21.2 Payables not recognised: Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	270	-	270	59
Other	-	5 203	5 203	20 618
Total	270	5 203	5 473	20 677

**Payables not recognised:
Listed by programme level**

Administration		242	29
International Trade and Economic Development		2	8
Special Economic Zones and Economic Transformation		-	3
Industrial Development		26	19
Incentive Development and Administration		-	-
Trade and Investment South Africa		5 203	20 618
Total		5 473	20 677

		2018/19 R'000	2017/18 R'000
Included in the above totals are the following:	Note		
Confirmed balances with departments	<i>Annex 4</i>	-	-
Confirmed balances with other government entities	<i>Annex 4</i>	1 035	1 684
Total		1 035	1 684

The prior year balance was restated from R0 to R1, 6 million.

22. Employee benefits

*Leave entitlement	36 343	34 937
Service Bonus (Thirteenth cheque)	21 313	20 328
Performance awards	14 813	14 216
Capped leave commitments	10 268	11 055
**Long service awards	409	382
Total	83 146	80 918

*The full leave entitlement becomes due on the 1st day of each leave cycle (January – December). In addition to the leave entitlement provision, there are negative leave credits to the value of R958 thousand, which relates to leave taken in excess of the accrued leave credits as at 31 March 2019.

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

23. Lease commitments

23.1 Operating leases expenditure

2018/19	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000
Not later than 1 year	13 631	4 014	17 645
Later than 1 year and not later than 5 years	10 158	1 211	11 369
Later than five years	456	-	456
Total lease commitments	24 245	5 225	29 470

2017/18	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000
Not later than 1 year	21 032	3 734	24 766
Later than 1 year and not later than 5 years	19 142	3 887	23 029
Later than five years	760	-	760
Total lease commitments	40 934	7 621	48 555

The prior year figures for 17/18 were restated. Please refer to note 32.

The lease commitment above includes:

- Accommodation leases relating to Foreign Economic Representatives stationed abroad
- Regional offices of **the dti** (i.e Durban, Port Elizabeth and Cape Town).

Block G: In addition to the above, National Treasury consented that **the dti** could enter into a sub-leasing arrangement with public entities for Block G until **the dti** completes the process of acquiring Block G and including it into the PPP contract. National Treasury has since given further extension until May 2021. The lease commitment as per the contractual obligation during this extension period is R53,5 million (R6,5 million in 2017/18). The date that block G will be incorporated into the PPP is unknown.

23.2 Finance leases expenditure

	Machinery and equipment	Total
2018/19	R'000	R'000
Not later than 1 year	1 131	1 131
Later than 1 year and not later than 5 years	161	161
Total Lease Commitments	1 292	1 292

	Machinery and equipment	Total
2017/18	R'000	R'000
Not later than 1 year	2 258	2 258
Later than 1 year and not later than 5 years	1 031	1 031
Total Lease Commitments	3 289	3 289

This note excludes leases relating to Public Private Partnerships (PPP) as they are separately disclosed in note 28.

the dti is a participant on the Transversal Contract facilitated by National Treasury for the supply and delivery of Mobile Communication Services and handsets to the state.

	2018/19 R'000	2017/18 R'000
Transaction in financial assets and liabilities	2 517	-
Total	2 517	-

24. Accrued departmental revenue

24.1 Analysis of accrued departmental revenue

Opening balance	-	5 020
Less: Amounts received	-	(2 020)
Add: Amounts recognised	2 517	-
Less: Debt revised	-	(3 000)
Total	2 517	-

25. Irregular expenditure

25.1 Reconciliation of irregular expenditure

Opening balance	1 326	1 258
Add: Irregular expenditure – relating to current year	106	68
Less: Prior year amounts condoned	-	-
Less: Amounts not condoned and recoverable	-	-
Irregular expenditure awaiting condonation	1 432	1 326

	2018/19 R'000	2017/18 R'000
Analysis of awaiting condonation per age classification		
Current year	106	68
Prior years	1 326	1 258
Total	1 432	1 326

25.2 Details of irregular expenditure – current year

Incident	Disciplinary steps taken/criminal proceedings	2018/19 R'000
Procurement deviation	Determination test in progress	106
Total		106

25.3 Details of irregular expenditure recoverable (not condoned)

Incident	Condoned by (condoning authority)	2018/19 R'000
		-
Total		-

25.4 Details of irregular expenditure not condoned and not recoverable

Incident	Not condoned by (condoning authority)	2017/18 R'000
		-
Total		-

	Note	2018/19 R'000	2017/18 R'000
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26. Related-party transactions

Revenue received

Rent on land	26.1	16 749	15 226
Total		16 749	15 226

Year end balances arising from revenue/payments

Payables to related parties		-	-
Receivables from related parties	Annex 3	99	237
Total		99	237

An amount of R237 thousand was erroneously omitted from the year end balances arising from receivables from related parties in 2017/18.

26.1 Rent on land

Name of Department/Entity

CIPC	16 749	15 226
Total	16 749	15 226

the dti is providing accommodation on its campus to the Companies and Intellectual Property Commission at a reduced rental.

In addition, the department is also providing office accommodation to the Companies Tribunal, for which there is no charge.

List of related party relationships:

- Companies Tribunal (CT)
- National Credit Regulator (NCR)
- National Consumer Tribunal (NCT)
- National Empowerment Fund (NEF)
- National Lotteries Commission (NLC)
- National Gambling Board of SA (NGB)
- National Consumer Commission (NCC)
- South African Bureau of Standards (SABS)
- National Metrology Institute of South Africa (NMISA)
- South African National Accreditation System (SANAS)
- Companies and Intellectual Property Commission (CIPC)
- National Regulator for Compulsory Specifications (NRCS)
- Export Credit Insurance Corporation (ECIC) SOC Limited of South Africa

Related parties disclosed under this note are only those related parties that fall within the Ministers portfolio. For related party transactions relating to other departments and entities, please refer to the Accounting Officers report.

As per the definition of related parties, key management personnel form part of the related parties. This has been separately disclosed under note 28.

		2018/19 R'000	2017/18 R'000
27. Key management personnel			
	No. of Individuals		
Political office bearers (provide detail below)	2	4 379	4 379
Officials:			
Level 15 to 16	17	26 508	25 264
Level 14	58	74 868	78 082
Family members of related parties	-	-	-
Total		105 755	107 725

Political office bearers consist of:

Trade and Industry:

Minister RH Davies, from 11 May 2009 to date

Deputy Minister G Magwanishe, from 1 April 2017 to date

28. Public Private Partnership

Buildings and other fixed structures

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

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

Motor vehicles

the dti participates in the Department of Transport's Fleet Management contract for the use of its pool vehicles. The contract is currently on a month-to-month extension until further notice from National Treasury.

	Note	2018/19	2017/18
	28	R'000	R'000
28.1 Unitary fee paid		278 994	261 730
<i>Fixed component</i>		246 229	230 027
•Motor vehicles		3 693	3 678
•Buildings & other fixed structures		242 536	226 349
<i>Indexed component</i>		32 765	31 703
•Motor vehicles		1 423	1 516
•Buildings & fixed structures		31 342	30 187
Analysis of indexed component		32 765	31 703
Goods and services (excluding lease payments)		31 342	30 187
Operating leases		1 423	1 516

28.2 PPP commitments

2018/19	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000
Not later than 1 year	253 077	1 846	254 923
Later than 1 year and not later than 5 years	1 131 436	-	1 131 436
Later than five years	1 725 355	-	254 923
Total lease commitments	3 109 868	1 846	3 111 714

2017/18	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000
Not later than 1 year	246 180	3 371	249 551
Later than 1 year and not later than 5 years	1 141 558	-	1 141 558
Later than five years	2 297 976	-	2 297 976
Total lease commitments	3 685 714	3 371	3 689 085

2018/19	2017/18
R'000	R'000

29. Provisions

Export Marketing and Investment Assistance(EMIA)	51 520	46 984
Total	51 520	46 984

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

29.1 Reconciliation of movement in provisions – 2018/19

	EMIA R'000	Total Provisions R'000
Opening balance	46 984	46 984
Increase in provision	263 963	263 963
Settlement of provision	(221 826)	(221 826)
Unused amount reversed	(37 601)	(37 601)
Change in provision due to change is estimation inputs	-	-
Closing balance	51 520	51 520

29.2 Reconciliation of movement in provisions – 2017/18

	EMIA R'000	Total Provisions R'000
Opening balance	31 631	31 631
Increase in provision	235 221	235 221
Settlement of provision	(176 100)	(176 100)
Unused amount reversed	(43 768)	(43 768)
Change in provision due to change is estimation inputs	-	-
CLOSING BALANCE	46 984	46 984

30. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2019

	Opening balance	Value adjustments	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	141 129		17 036	(12 686)	145 479
Transport assets	5 955	-	-	(457)	5 498
Computer equipment	113 959	-	15 202	(9 878)	119 283
Furniture and office equipment	10 695	-	1 102	(2 152)	9 645
Other machinery and equipment	10 520	-	732	(199)	11 053
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	141 129	-	17 036	(12 686)	145 479

30.1 Additions

	Cash	Non-cash	(Capital work- in-progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year	Total
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	16 970	66	-	-	17 036
Transport assets	-	-	-	-	-
Computer equipment	15 184	18	-	-	15 202
Furniture and office equipment	1 072	30	-	-	1 102
Other machinery and equipment	714	18	-	-	732
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	16 970	66	-	-	17 036

30.2 Disposals

	Sold for cash	Non-cash disposal	Total disposals	Cash received Actual
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	(10)	(12 676)	(12 686)	-
Transport assets	-	(457)	(457)	-
Computer equipment	-	(9 878)	(9 878)	-
Furniture and office equipment	-	(2 152)	(2 152)	-
Other machinery and equipment	(10)	(189)	(199)	-
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	(10)	(12 676)	(12 686)	-

30.3 Movement for 2017/18

**MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET
REGISTER FOR THE YEAR ENDED 31 MARCH 2018**

	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	143 013	-	17 419	(19 303)	141 129
Transport assets	5 084	-	871	-	5 955
Computer equipment	114 519	-	12 952	(13 512)	113 959
Furniture and office equipment	13 893	-	2 225	(5 423)	10 695
Other machinery and equipment	9 517	-	1 371	(368)	10 520
TOTAL MOVABLE TANGIBLE ASSETS	143 013	-	17 419	(19 303)	141 129

30.4 Minor assets**MOVEMENT IN MINOR ASSETS OF THE DEPARTMENT ENDED 31 MARCH 2019**

	Intangible assets	Machinery and equipment	Total
	R'000	R'000	R'000
Opening balance	2 979	4 774	7 753
Value adjustments	-	(3)	(3)
Additions	-	373	373
Disposals	(13)	(318)	(331)
TOTAL MINOR ASSETS	2 966	4 826	7 792

	Intangible assets	Machinery and equipment	Total
Number of R1 minor assets	-	26	26
Number of minor assets at cost	2 593	2 820	5 413
TOTAL NUMBER OF MINOR ASSETS	2 593	2 846	5 439

MOVEMENT IN MINOR ASSETS OF THE DEPARTMENT FOR THE YEAR ENDED 31 MARCH 2018

	Intangible assets R'000	Machinery and equipment R'000	Total R'000
Opening balance	1 717	4 441	6 158
Value adjustments	-	47	47
Additions	1 431	681	2 112
Disposals	(169)	(395)	(564)
TOTAL MINOR ASSETS	2 979	4 774	7 753

	Intangible assets	Machinery and equipment	Total
Number of R1 minor assets	-	55	55
Number of minor- assets at cost (R'000)	2 596	2 811	5 407
Total	2 596	2 866	5 462

30.5 Moveable assets written off**MOVEABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2019**

	Machinery and equipment R'000	Total R'000
Assets written off	606	606
Total	606	606

30.6 MOVEABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2018

	Machinery and equipment R'000	Total R'000
Assets written off	418	418
Total	418	418

30.7 S42 Movable Capital Assets**MAJOR ASSETS SUBJECTED TO TRANSFER IN TERMS OF S42 OF THE PFMA - 31 MARCH 2019**

	Intangible assets	Machinery and equipment	Total
No of Assets	1	156	157
Value of the asset (R'000)	8 338	3 587	11 925

30.8 MINOR ASSETS SUBJECTED TO TRANSFER IN TERMS OF S42 OF THE PFMA - 31 MARCH 2019

	Machinery and equipment	Total
No of Assets	103	103
Value of the asset (R'000)	238	238

30.9 MAJOR ASSETS SUBJECTED TO TRANSFER IN TERMS OF S42 OF THE PFMA – 31 MARCH 2018

	Intangible assets	Machinery and equipment	Total
No of Assets	1	170	171
Value of the asset (R'000)	8 338	4 162	12 500

30.10 MINOR ASSETS SUBJECTED TO TRANSFER IN TERMS OF S42 OF THE PFMA – 31 MARCH 2018

	Intangible assets	Machinery and equipment	Total
No of Assets	-	44	44
Value of the asset (R'000)	-	101	101

31. Intangible Capital Assets**MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2019**

	Opening balance	Current Year Adjustments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
		-			
Computer Software	60 287		1 073	(1 263)	60 097
TOTAL INTANGIBLE CAPITAL ASSETS	60 287	-	1 073	(1 263)	60 097

31.1 Additions**ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE PERIOD YEAR ENDED 31 MARCH 2019**

	Cash	Non-Cash	Development work in progress – current costs	Received current year, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
Computer Software	806	-	267	-	1 073
TOTAL ADDITIONS TO INTANGIBLE CAPITAL ASSETS	806	-	267	-	1 073

31.2 Disposals**DISPOSALS OF INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2019**

	Sold for cash	Non-cash disposal	Total disposals
	R'000	R'000	R'000
Computer Software	-	1 263	1 263
TOTAL DISPOSAL OF INTANGIBLE CAPITAL ASSETS	-	1 263	1 263

31.3 Movement for March 2017/18**MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018**

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
INTANGIBLE CAPITAL ASSETS				
Computer Software	53 996	8 087	(1 796)	60 287
TOTAL	53 996	8 087	(1 796)	60 287

31.4 Prior period error

	Note	2017/18 R'000
Relating to 2017/18		407
Computer software	31	407
Total		407

32. Prior period errors**32.1 Correction of prior period errors**

	Note	Amount before error correction R'000	Prior period error R'000	Restated amount R'000
Advances paid (expensed) ¹	11.2	1 016	(488)	528
Prepayments (expensed) ²	11.1	-	17 581	17 581
Contingent Liabilities ³	19	7 584 396	6 928	7 591 324
Confirmed balances with other government entities ⁴	21.2	-	1 684	1 684
Operating lease commitments ⁵	23.1	33 847	14 708	48 555
Related parties (year end balances arising from revenue/payments) ⁶	26	-	237	237
Intangible Capital Assets: Computer Software ⁷	31	53 589	407	53 996
Net effect		7 672 848	41 057	7 713 905

¹Correction of sub note relating to advances paid (expensed) in respect of NSG was restated.

²Prepayments expensed in the prior year erroneously omitted in this sub note

³Correction of contingent liability opening balance in respect of intergovernmental payables (unconfirmed) which was erroneously understated in the prior year.

⁴Confirmed balances with other government entities erroneously omitted in this sub note.

⁵Correction of lease commitment opening balance in respect of the regional offices erroneously omitted in the prior year.

⁶Year end balances arising from revenue/payments erroneously omitted in this sub note.

⁷Correction of 2017/18 opening balance which was erroneously understated.

Annexures to the Annual Financial Statements for the year ended March 2019

ANNEXURE 1A

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENT/AGENCY/ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2017/18
	Adjusted appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	
	R'000	R'000	R'000	R'000	R'000	%	
Companies Tribunal	16 740	-	-	16 740	16 740	100%	15 822
National Consumer Commission	69 674	-	-	69 674	69 674	100%	52 614
National Consumer Tribunal	52 688	-	-	52 688	52 688	100%	48 459
National Credit Regulator	75 361	-	-	75 361	75 361	100%	73 056
National Gambling Board	32 624	-	-	32 624	32 624	100%	31 627
National Metrology Institute of South Africa: Operations	109 698	-	-	109 698	109 698	100%	106 470
National Metrology Institute of South Africa	123 086	-	-	123 086	123 086	100%	146 333
National Productivity Institute	9 231	-	-	9 231	9 231	100%	8 949
National Regulator for Compulsory Specifications	146 104	-	-	146 104	146 104	100%	128 745
South African National Accreditation System	31 032	-	-	31 032	31 032	100%	30 313
Council for Geoscience	1 257	-	-	1 257	1 257	100%	1 188
Broad-Based Black Economic Empowerment Commission	34 500	-	(34 500)	-	-	-	-
National Research Foundation	-	-	-	-	-	-	84 000
Total	701 995	-	(34 500)	667 495	667 495	-	727 576

ANNEXURE 1B

STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

NAME OF PUBLIC CORPORATION/ PRIVATE ENTERPRISE	TRANSFER ALLOCATION				EXPENDITURE				2017/18	
	Adjusted appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Capital	Current	Final Appropriation	R'000
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		
Public corporations										
Transfers	2 786 162	-	245 225	3 031 387	3 023 384	99.7%	1 275 264	1 756 122	3 292 818	
Council for Scientific and Industrial Research	1 839	-	-	1 839	1 839	100.0%	-	1 839	1 738	
Council for Scientific and Industrial Research: Aerospace Industry	20 413	-	11 340	31 753	31 753	100.0%	31 753	-	19 020	
Council for Scientific and Industrial Research: National Cleaner Production Centre	58 008	-	-	58 008	58 008	100.0%	-	58 008	62 951	
Export Credit Insurance Corporation	183 248	-	-	183 248	183 248	100.0%	-	183 248	188 272	
Industrial Development Corporation: Clothing and Textile Production Incentive	787 529	-	-	787 529	787 529	100.0%	-	787 529	708 329	
Industrial Development Corporation: Customised Sector Programme	16 111	-	-	16 111	16 111	100.0%	-	16 111	15 111	
Council for Scientific and Industrial Research: National Foundry Technology Network	17 457	-	(9 272)	8 185	8 184	99.9%	-	8 184	18 678	
ProTechnik Laboratories: Capital	1 354	-	-	1 354	1 354	100.0%	1 354	-	1 280	
ProTechnik Laboratories: Operations	3 272	-	-	3 272	3 272	100.0%	-	3 272	3 093	

NAME OF PUBLIC CORPORATION/ PRIVATE ENTERPRISE	TRANSFER ALLOCATION					EXPENDITURE				2017/18	
	Adjusted appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Capital	Current	Final Appropriation	R'000	R'000
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000			
South African Bureau of Standards	375 931	-	-	375 931	375 931	100.0%	-	375 931		302 494	
Various Institutions: Critical Infrastructure Programme	91 000	-	(7 960)	83 040	83 040	100.0%	83 040	-		140 260	
Various Institutions: Special Economic Zones	900 000	-	259 117	1 159 117	1 159 115	99.9%	1 159 117	-		1 565 421	
Industrial Development Corporation: Manufacturing Competitiveness Enhancement Programme Industrial Loan	300 000	-	-	300 000	300 000	100.0%	-	300 000		250 000	
Various Institutions: One Stop Shop	30 000		(8 000)	22 000	14 000	63.6%	-	22 000		16 171	
Subtotal: Public corporations	2 786 162	-	245 225	3 031 387	3 023 384	99.7%	1 275 264	1 756 122		3 292 818	
Private enterprises											
Transfers	415 441	-	(85 841)	329 600	320 129	97.1%	68 123	252 006		245 677	
Various institutions: Export Market and Investment Assistance	227 725	-	(4 038)	223 687	223 575	99.9%	-	223 575		162 500	
Various Institutions Support Programme for Industrial Innovation	67 645	-	(30 000)	37 645	28 431	75.5%	-	28 431		43 937	
Various institutions: Critical Infrastructure Programme	120 071	-	(51 803)	68 268	68 123	99.8%	68 123	-		39 240	
Subsidies	3 674 097	-	(140 000)	3 534 248	3 532 602	99.9%	-	3 532 603		3 190 350	

NAME OF PUBLIC CORPORATION/ PRIVATE ENTERPRISE	TRANSFER ALLOCATION				EXPENDITURE				2017/18	
	Adjusted appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Capital	Current	Final Appropriation	
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	
Automotive Production and Development Programme: Production Allowance	1 529 837	-	429 813	1 959 650	1 959 649	99.9%	-	1 959 649	1 582 399	
Supplier Cluster Development	350	-	-	350	-	-	-	-	-	
National Research Foundation: Technology and Human Resources for Industrial Programme	183 299	-	(140 000)	43 299	43 186	99.7%	-	43 186	33 600	
Business Process Service Incentive	348 270	-	(45 688)	302 582	302 581	99.9%	-	302 582	349 999	
Enterprise Investment Programme	350 175	-	(298 051)	52 124	52 124	100.0%	-	52 124	162 127	
Film and Television Production Incentive	483 799	-	45 688	529 487	528 761	99.9%	-	528 761	462 501	
Cluster Development Program	1 000	-	-	1 000	887	88.7%	-	887	14 772	
Manufacturing Competitiveness Enhancement Programme	774 026	-	(128 611)	645 415	645 414	99.9%	-	645 414	574 772	
Regional Spatial Development Initiative	3 341	-	(3 151)	190	-	-	-	-	1 952	
Various institutions: Industrial Development Zones	-	-	-	-	-	-	-	-	8 228	
Subtotal: Private enterprises	4 089 538	-	(225 841)	3 863 697	3 852 731	99.7%	68 123	3 784 609	3 436 027	
Total	6 875 700	-	19 384	6 895 084	6 876 115	99.7%	1 343 387	5 540 731	6 728 845	

ANNEXURE 1C

STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENTS / INTERNATIONAL ORGANISATIONS

FOREIGN GOVERNMENT / INTERNATIONAL ORGANISATION	TRANSFER ALLOCATION				EXPENDITURE		2017/18 Final Appropriation
	Adjusted appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
World Trade Organisation	15 341	-	(2 041)	13 300	13 299	99.9%	12 909
Organisation for the Prohibition of Chemical Weapons	5 472	-	(2 565)	2 907	2 906	99.9%	3 543
United Nations Industrial Development Organisation	7 159	-	(2 068)	5 091	5 090	99.9%	6 021
Export consultancy trust funds: International Bank	1 540	-	(1 540)	-	-	-	-
Export consultancy trust funds: International finance Corporation	1 539	-	(1 539)	-	-	-	-
World Intellectual Property Organisation	5 473	-	(820)	4 653	4 653	100%	4 341
Treaty Organisation for Metrology	1 702	-	-	1 702	1 702	100%	1 644
Total	38 226	-	(10 573)	27 653	27 650	-	28 458

ANNEXURE 1D

STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2017/18
	Adjusted appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	
	R'000	R'000	R'000	R'000	R'000	%	
Transfers							R'000
Proudly South African Campaign	35 734	-	-	35 734	35 734	100%	33 611
Intsimbi future production technologies initiatives	116 136	-	-	116 136	116 136	100%	75 786
Centurion Aerospace Village	15 490	-	-	15 490	15 490	100%	25 367
Trade and industrial policy strategies	27 086	-	-	27 086	27 086	100%	24 423
Automotive supply chain competitiveness initiative	7 984	-	-	7 984	7 984	100%	13 127
Black Business Council	1 500	-	(1 500)	-	-	-	1 500
Total	203 930	-	(1 500)	202 430	202 430	-	173 814

ANNEXURE 1E

STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2017/18
	Adjusted appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Employee social benefits	1 692	-	2 063	3 755	3 731	99%	2 045
Bursaries	-	-	-	-	-	-	41
Gift and donations	49	-	289	338	335	99%	405
Payments/Refunds and Remissions as an act of grace	4	-	-	4	4	100%	20
Total	1 745	-	2 352	4 097	4 070	-	2 511

ANNEXURE 1F

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2018/19	2017/18
		R'000	R'000
Received in kind			
African Union Commission (AUC)	Sponsored trip to attend 5th EPA Coordination Meeting held in Harare, Zimbabwe from 6 – 10 November 2017.	-	15
Common Market for Eastern and Southern Africa (COMESA)	Transport allowance to the dti officials to attend a meeting to review Border Assessment between SA and Zimbabwe.	-	10
Commonwealth	Sponsored trip to attend African Regional Consultation On Multilateral, Regional & Emerging Trade Issues, Organised By The Commonwealth, in Balacava Mauritius	-	13
Department of Environmental Affairs	Sponsored hotel accommodation during attendance of UNFCCC Strategic Negotiation Session	-	10
Emir of Qatar	Watch	-	60
Google	Sponsored trip to Mauritius to participate at the Africa Internet Academy	-	35
Government of The Russian Federation	Sponsored trip to attend International Conference on Global Biosecurity Challenges	-	37
Heineken South Africa	Sponsored trip to attend a race course through an invite as a stakeholder.	-	6
IDEP- Institute for Economic Development and Planning	Sponsored trip to participate in the United Nations African Institute for Economic Development and Planning in Dakar, Senegal	-	39
Intelligence Transfer Company	Sponsored flight and accommodation-speaker at a conference for the Intelligence Transfer Centre	-	6
Korean Institute of Nuclear Non-proliferation and Control (KINAC)	Sponsored trip to attend the 14th INSA International Training Course in Daejeon, Republic of Korea.	-	52
Organisation for the Prohibition of Chemical Weapons (OPCW)	Sponsored trip to attend the fifteenth Regional Meeting of National Authorities of States Parties in Africa and the fourth & nineteenth Annual Meeting of Chemical and National Authorities.	-	59
Organisation for the Prohibition of Chemical Weapons; State of Qatar	Sponsored trip to attend International Conference on Chemical Disarmament and Security, OPCW's Contributions to Global Peace and Security that was held in Doha, Qatar	-	27
Republic of China	Stipend for the sponsored trips to attend seminars and training	-	73

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2018/19	2017/18
		R'000	R'000
Received in kind			
Rheinmetall Denel Munition Pty (Ltd)	Sponsored venue , accommodation, dinner and other accessories	-	7
Southern African Customs Union (SACU) Secretariat	Sponsored trip to undergo an interview and assessment for the SACU Deputy Executive Secretary Position in Namibia	-	14
Saudi Embassy - Pretoria	Courtesy Gift	-	12
Singapore Government	Daily allowance during attendance of leadership and economic diplomacy training in Singapore	-	11
The Global Offset & Countertrade Association	Sponsored trip to attend the global offset countertrade association conference	-	43
Third World Network-Africa (TWN-Africa)	Sponsored trip to attend SADC Regional Consultation on the Continental Free Trade Area in Lusaka, Zambia	-	9
TRALAC	Sponsored trip to attend Tralac annual conference on International Trade Governance	-	12
Tripartite Capacity Building Programme (TCBP)	Transport allowance to attend Non-Tariff Measures Data Validation workshop for South Africa	-	7
United Nations Industrial Development Organization (UNIDO)	Sponsored trip to attend UNIDO training course on gender equality, inclusive and sustainable industrial Development and to participate in the Sustainable Energy Solutions	-	59
University of South Africa (UNISA)	Sponsored air transport to First World Congress on Nanoscience and Nanotechnology and congress fees.	-	21
United Nations Economic Commission for Africa	Sponsored trip to attend the 10th Session of the Committee on Regional Cooperation and Integration	-	19
United Nations Framework Convention on Climate Change (UNFCCC)	Sponsored trip to attend Awareness creation workshop to maximize the positive and minimise the negative impacts of the implementation of response measures	-	30
United Nations Office for Disarmament Affairs (UNODA)	Sponsored trip to attend the 2017 Wiesbaden Conference in Wiesbaden, Germany.	-	17
University of Georgia: Centre for International Trade and Security	Sponsored trip to attend the Strategic Trade Management Academy from 27 March 2017 to 7 April 2017 in Atlanta Georgia, the United States of America	-	48
US Department of State	Sponsorship to participate in the International Visitor Leadership Program.	-	256

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2018/19	2017/18
		R'000	R'000
Received in kind			
Wilton Park	Sponsored trip to attend the Enhancing Trade and Investment Capacity in Sub-Saharan Economies in the United Kingdom and the Commonwealth Development Corporation	-	13
World Intellectual Property Organisation (WIPO)	WIPO Training	-	27
Women for Africa Foundation	Sponsored trip to attend Leadership Forum for Strategic Impact, New Haven & Washington, USA	-	130
World Trade Organization (WTO)	Sponsored trip to attend formal interview for the Secondment Programme for Trade Lawyers, advanced course on Dispute Settlement and Intellectual Property	-	101
Africa Investment Exchange (AIX)	Sponsored trip to London, The United Kingdom to represent the dti at the Annual Africa Investment Exchange (AIX) on Gas.	21	-
African Centre for Economic Transformation (ACET)	Sponsored trip to the African Transformation Forum held in ACCRA, Ghana and representing the minister on a number of panels.	17	-
Bill and Melinda Gates Foundation	Sponsored trip to attend the 5th International Faecal Sludge Management Conference held in Cape Town	30	-
Comprehensive Nuclear-Test-Ban Treaty Organisation	Sponsored trip to participate in the Technical Training for Public Key Infrastructure operators for Radionuclide and Wave-form stations in Austria	33	-
Consolidated Electrical Distributors (CED) (Pty) Ltd	Sponsored trip to conduct an inspection of the CHINT transformer production facilities in China	59	-
Consolidated Electrical Distributors (CED) (Pty) Ltd	Sponsored trip to conduct inspection of the CHINT transformer production facilities in China.	29	-
European Union	Sponsored trip to attend the Trade Control Summer University on non-proliferation and export control	26	-
Japan International Cooperation Agency (JICA)	Stipend for a sponsored trip to attend the facilitating trade and investment for African countries through regional economic cooperation programme organised by the Japan International Cooperation Agency.	8	-
Limpopo Department of Health	Sponsored trip to conduct Local content Workshop with Limpopo Department of Health	8	-

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2018/19	2017/18
		R'000	R'000
Received in kind			
McCabe Centre for Law and Cancer	Sponsored trip to participate in the McCabe Centre for Law and Cancer- alumni workshop in Melbourne, Australia	40	-
Ministry of Commerce of the People's Republic of China (MOFCOM) and United Nations Conference on Trade and	Sponsored trip to attend a seminar on Economic Globalization and Industrial Transfer for Developing countries	62	-
OECD/ SADC Secretariat	Sponsored trip to participate in meetings of the SADC Investment Focus Group, Sub-Committee on Investment, Investment Promotion Agencies Forum and joint meeting of Sub-Committee on Investment and Trade Negotiation Forum Services	49	-
Organization for the Prohibition of Chemical Weapons (OPCW)	Sponsored trip to attend the Sixteenth Regional Meeting of National Authorities of States Parties in Africa and the twentieth Annual Meeting of National Authorities of States Parties to the Chemical Weapons Convention	37	-
Organization for the Prohibition of Chemical Weapons (OPCW), The Netherlands	Sponsored trip and general training course on the chemical weapons convention for the personnel of national authorities and relevant stakeholders held in the Hague, the Netherlands	23	-
Pakistan Strategic Export Control Division (SECDIV)	Sponsored trip to attend the Strategic Export Control Division (SECDIV) International Seminar on Strategic Export Control in Islamabad	27	
Rheinmetall Denel Munition	Sponsored trip to attend the Ammunition Capability Demonstration (ACD) 2019 at Arniston, Western Cape	5	-
Southern African Customs Union (SACU) Secretariat	Sponsored trip to attend task team meeting of the SACU headquarters building in Namibia	11	-
South African Footwear & Leather Industries Association (SAFLIA)	Sponsored trip to Portugal to attend 20th UITIC congress.	31	-
Southern Sun	Sponsored accommodation and parking during an Inward Mission	19	
The Commonwealth	Sponsored trip to attend the Commonwealth Regional Consultation on Multilateral, Regional and emerging Trade Issues for Africa in Seychelles.	16	-

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2018/19	2017/18
		R'000	R'000
Received in kind			
The Concrete Institute	Training offered for free in the interest of bridging the skills gap on concrete materials (fly ash) for effective participation in committees.	10	-
The European Parliament	Sponsored trip to attend and participate on the Future of Economic Partnership Agreement, between the SACU, Mozambique and the UK	41	-
The European Union–South Africa (EU–SA)	Sponsored study tour trip to Paris, France, Brussels and Belgium on food waste	88	-
United Nations Conference on Trade and Development (UNCTAD)	Sponsored trip to participate in the inaugural African Forum for National Trade Facilitation Committees in Addis Ababa, Ethiopia	21	-
UNFCCC Workshop on Response Measures	Sponsored trip to attend a Response Measures Workshop in Cape Town	15	-
United Nations Industrial Development Organization (UNIDO)	Sponsored trip to attend the Quality Infrastructure Forum and Workshop on development of an overarching Quality Policy hosted in Belgium.	33	-
United Nations African Institute for Economic Development and Planning (IDEP)	Sponsored trip to participate in the International Trade Negotiations course and policy in Senegal	68	-
United Nations Economic Commission for Africa (UNECA)	Sponsored trip participate in the AGOA Capacity and Skills Development workshop in Accra.	38	-
United Nations Economic Commission for Africa (UNECA)	Sponsored trip to attend the Ad Hoc Expert Group Meeting on the role of Small and Medium Enterprises (SMEs) in the Industrialization process in Southern Africa and the 24th Session of the Intergovernmental Committee of Experts (ICE) Meeting on ECA, Southern Africa Office	18	-
United Nations Environmental Programme (UNEP)	Sponsored trip to participate and chair sessions at Latin America workshop on Sustainable Food Systems, 02nd Global Conference on Sustainable Food Systems and Multi-Stakeholder Advisory Committee meeting in San Jose, Costa Rica.	27	-
United States of America (USA) Government and RAND Corporation of the USA	Sponsored trip to attend Strategic Export Controls and Related Border Security Workshop that was held in Dar Es Salaam, Tanzania	85	-
University of Cape Town	Sponsored training: Ethical Leadership and Accountability to a total of thirty employees of the dti .	371	

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2018/19	2017/18
		R'000	R'000
Received in kind			
University of Johannesburg	Sponsored trip, as part of PhD studies to Austria (Graz), to attend the 6th Graz Schumpeter Summer School.	21	-
University of Kwazulu-Natal	Sponsored trip to attend the pharmaceutical Policy Think Tank Meeting	11	-
USA Government	Sponsored trip to attend the Bureau of Industry and Security (BIS) Annual Conference on Export Controls and Policy (BIS Annual Update Conference) in Washington DC	159	-
World Intellectual Property Organisation (WIPO)	Sponsored trip to attend WIPO study visit held in Geneva, Switzerland.	38	-
World Trade Organization (WTO)	Sponsored trip to attend WTO Regional workshop on the Technical Barriers to Trade Agreement for English speaking African Countries, Dar es Salaam, Tanzania.	9	-
Miscellaneous	(grouped small items)	70	54
Subtotal		1 674	1 332
Total		1 674	1 332

ANNEXURE 1G

STATEMENT OF LOCAL AND FOREIGN AID ASSISTANCE RECEIVED

NAME OF DONOR	PURPOSE	OPENING BALANCE	REVENUE	EXPENDITURE	PAID BACK ON/BY 31 MAR	CLOSING BALANCE
		R'000	R'000	R'000	R'000	R'000
Received in cash						
Employment Creation Fund	To create long-term sustainable employment.	-	56 452	43 836	-	12 616
Total		-	56 452	43 836	-	12 616

ANNEXURE 1H

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMISSIONS, REFUNDS AND PAYMENTS MADE AS AN ACT OF GRACE

NATURE OF GIFT, DONATION OR SPONSORSHIP		2018/19	2017/18
(Group major categories but list material items including name of organisation)		R'000	R'000
Paid in cash			
Bereavement of employees		4	-
Subtotal		4	-
Made in kind			
Employee assisted devices		142	172
Gifts for BRICS delegates		252	-
Mandela Day Commemoration		192	76
Token of appreciation for speakers at BEE Commission's Annual and Women Empowerment Conferences		2	44
Miscellaneous (e.g. hospitality gifts and long service awards)		14	26
Subtotal		602	318
Total		606	318

ANNEXURE 2A

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2019 – LOCAL

GUARANTOR INSTITUTION	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2018	Guarantees draw downs during the year	Guaranteed repayments/ cancelled/ reduced/ released during the year	Revaluations	Closing balance 31 March 2019	Guaranteed interest for year ended 31 March 2019	Realised losses not recoverable i.e. claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
	Housing								
ABSA	Housing	265	265	-	154	-	111	-	-
	Total	265	265	-	154	-	111	-	-

ANNEXURE 2B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2019

NATURE OF LIABILITY	Opening balance 1 April 2018	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing balance 31 March 2019
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Automotive Incentive Scheme (AIS)	3 389 600	2 508 129	3 378 411	-	2 519 318
Business Process Services (BPS)	132 164	305 533	327 710	-	109 987
Film and Television Production	1 028 571	1 053 263	808 718	-	1 273 116
Critical Infrastructure Programme (CIP)	498 322	209 833	326 634	-	381 521
Capital Project Feasibility Programme (CPFP)	16 437	4 385	3 115	-	17 707
Manufacturing Competitive Enhancement Programme (MCEP)	96 140	12 015	27 807	-	80 348
Incubator Support Program (ISP)	65 634	11 236	52 259	-	24 611
Aquaculture Development Enhancement Program (ADEP)	97 844	249 575	69 612	-	277 807
Support Programme for Industrial Innovation (SPII)	59 114	40 516	28 431	-	71 199
Cluster Development Programme (CDP)	58 278	-	19 385	-	38 893
Black Industrialist Scheme (BIS)	1 676 930	1 629 957	796 397	-	2 510 490
Technology and Human Resources for Industry Programme (THRIP)	352 318	193 331	73 566	-	472 083
Aggro Processing Support Scheme (APSS)	106 131	220 472	107 058	-	219 545
Rainprop	6 648	252 022	251 982	-	6 688
Interactive trading	-	895	-	-	895
Zest Polyurethanes	-	900	-	-	900
Total	7 584 131	6 690 267	6 271 085	-	8 005 108

ANNEXURE 3

CLAIMS RECOVERABLE

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2018/19*	
	31/03/2019	31/03/2018	31/03/2019	31/03/2018	31/03/2019	31/03/2018	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
DEPARTMENTS								
Department of Small Business Development	-	-	63	183	63	183	-	-
Department of Economic Development	-	-	1 916	100	1 916	100	-	-
Gauteng : Economic Development	197		-	-	197		-	-
Department of Water and Sanitation	-	-		27	-	27	-	-
Eastern Cape: Department of Rural Development and Agrarian reform	-	-	27		27		-	-
Subtotal	197	-	2 006	310	2 203	310	-	-
OTHER GOVERNMENT ENTITIES								
International Trade Administration Commission	-	46	30	-	30	46	-	-
Competition Tribunal	3	3	-	-	3	3	-	-
South African National Accreditation System	-	-		7	-	7	-	-
Companies Tribunal	2		-	5	2	5	-	-
South African Bureau of Standard(SABS)	81	-	2	-	83	-	-	-
Competition Commission	-	-	910	-	910	-	-	-
UNIDO Vienna	2	4	-	-	2	4	-	-

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2018/19*	
	31/03/2019	31/03/2018	31/03/2019	31/03/2018	31/03/2019	31/03/2018	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
Companies & Intellectual Property Commission	-	-	99	237	99	237	-	-
National Gambling Board	-	-	7	-	6	-		
National Lotteries Commission	-	-	-	-	-	-	-	-
Subtotal	88	53	1 048	249	1 136	302	-	-
Total	285	53	3 054	559	3 339	612	-	-

ANNEXURE 4

INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2018/19*	
	31/03/2019	31/03/2018	31/03/2019	31/03/2018	31/03/2019	31/03/2018	Payment date up to six (6) working days before year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
DEPARTMENTS								
Current								
Department of Justice and Constitutional	-	-	5 996	5 475	5 996	5 475	-	-
Department of Home Affairs	-	-	62	-	62	-	-	-
Department of Public Works	-	-	531	1 453	531	1 453	-	-
Total Departments	-	-	6 589	6 928	6 589	6 928		
OTHER GOVERNMENT ENTITY								
Current								
Limpopo Economic Development Agency	-	8 000	-	-	-	8 000	-	-
National Gambling Board	395	1 684	-	-	395	1 684	-	-
Competition Commission	-	5 731	-	-	-	5 731	-	-
Small Enterprise Finance Agency	640	-	-	-	640	-	-	-
Total Other Government Entities	1 035	15 415	-	-	1 035	15 415		
TOTAL INTERGOVERNMENTAL	1 035	15 415	6 589	6 928	7 624	22 343	-	-

The prior year balance was restated from R13,7 million to R22,3 million.

ANNEXURE 5
INTER-ENTITY ADVANCES PAID (note 12)

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2019	31/03/2018	31/03/2019	31/03/2018	31/03/2019	31/03/2018
	R'000	R'000	R'000	R'000	R'000	R'000
NATIONAL DEPARTMENTS						
Department of international Relations and Cooperation	-		63 898	69 587	63 898	69 587
Government Communication and Information Systems				1 119	-	1 119
Total	-	-	63 898	70 706	63 898	70 706

Part F

Foreign Economic Offices



East Africa & SADC		
Mission	Economic Office Staff	Telephone/Facsimile/e-mail
Addis Ababa SA Embassy, Higher 23, Kebele 10, House No 1885, Addis Ababa, Ethiopia PO Box 1091, Addis Ababa, Ethiopia +1 hour	Mr Thabo Chauke Counsellor (Economic) Vacant: Marketing Officer	T 00251 11 371 1002 M 00251 922 73 9017 (Thabo) F 00251 11 371 3035 E ChaukeJ@dircogov.za
Harare S A High Commission, 7 Elcombe Road, Belgravia, Harare, Zimbabwe Postal address: PO Box A1654 Avondale, Harare, Zimbabwe 0 hours	Vacant: Counsellor (Economic) Mr Keith Goto Marketing Officer Vacant: Secretary	T 00263 4 251 849 00263 4 251 853 M 00263 772 135 344 (Keith) F 00263 4 753 185 00263 4 749 657 E trade@saembassy.co.zw trademarketing@saembassy.co.zw
Kampala SA High Commission, 15A Nakasero Road, Kampala, Uganda PO Box 22667, Kampala +1 hour	Vacant: Counsellor (Economic) Vacant: Marketing Officer	T 00256 41 770 2100 F 00256 41 434 8216
Kinshasa SA Embassy, 77 Avenue Ngongo Lutete, Gombe, Kinshasa, Democratic Republic of the Congo (DRC) Boite Postale 7829, Kinshasa 1, DRC -1 hour	Vacant: Counsellor (Economic) Ms Vanessa Kasongo Marketing Officer Mr Victor M Mulenda Driver	T 00243 81 556 6597 M 00243 82 850 2631 (Vanessa) F 00243 E KasongoV@dirco.gov.za
Luanda SA Embassy, Condominio Ouro Verde II, Premio Dubai Road, Municipio da Samba Sector ZRGA, Talatona, Luanda, Angola -1 hour	Vacant: Counsellor (Economic) Mr Antonio Coutinho Dos Santos Marketing Officer Vacant: Driver	T 00244 22 33 9126 M 00244 93 778 2753 (Antonio) F 00244 222 39 8730 E coutinhosantossaembassy@gmail.com

East Africa & SADC		
Mission	Economic Office Staff	Telephone/Facsimile/e-mail
Maputo SA High Commission Avenida Eduardo Mondlane 41 Caixa Postal 1120 Maputo, Mozambique 0 hours	Vacant: Counsellor (Economic) Mr Luis Labo Marketing Officer Ms Nadia Babar Secretary	T 00258 21 243000 x 52262 M 00258 84 398 7120 (Luis) 00258 84 737 6870 (Nadia) F 00258 21 488896 E saeconomic@tropical.co.mz satrade@tropical.co.mz saeconomic.mail@tropical.co.mz
Nairobi SA High Commission, 5th Floor Roshmaer Building, Lenana Road, Kilimani, Nairobi, Kenya PO Box 42441, Nairobi, Kenya. +1 hour	Vacant: Counsellor (Economic) Mr Gerald Ockotch Marketing Officer Ms Verydiana Selebwa Secretary	T 00254 20 282 7000/7218 Direct M 00254 71 460 6812 F 00254 20 282 7219/7236 E gockotch@thedti.gov.za
Juba SA Embassy, House 873 Southern Block K-3-K South Tongping Area, Juba, South Sudan	Dr Julius Nyalunga Counsellor (Economics)	T 00211 M 00211 923 00 4783 E NyalungaJ@dirco.gov.za

West Africa & Middle East Region		
Mission	Economic Office Staff	Telephone/Facsimile/e-mail
Abuja SA High Commission, 371 Diplomatic Drive, Central Business District, Abuja, Nigeria - 1 hour	Vacant: Counsellor (Economic) Mr Abdul-Muizz Momodu Marketing Officer	T 00234 9 782 2852 M 00234 70 3408 9962 (Abdul) F 00234 9 413 3829 E muizzmomodu@gmail.com
Accra SA High Commission, 10 Klotey Crescent, North Labone, Accra, Ghana PO Box 298, Trade Fair, Accra, Ghana -2 hours	Ms Nompumelelo Hlela Counsellor (Economic) Mr Stephen Nii Kotey Marketing Officer	T 00233 302 740465 M 00233 244 340 200 (Nompumelelo) 0233 249 113 750 (Stephen) F 00233 302 764460 E hlelan@dirco.gov.za kotey@dirco.gov.za

West Africa & Middle East Region

Mission	Economic Office Staff	Telephone/Facsimile/e-mail	
Cairo SA Embassy, Building 11, Intersection Road 200 & 203, Digla-Maadi, Cairo, Egypt +1 hours Working week is from Sunday - Thursday	Vacant: Consellor (Economic) Ms Abeer Aboul Enein Marketing Officer Ms Dina Omar Nosseir Secretary Vacant: Driver	T 00 202 253 53000/53019 00 202 253 53018 (Direct) M 00 201 00 545 1355 (Abeer) 00 201 00 148 6148 F 00 202 2521 3261 E essaemb@idsc.net.eg southafr@idsc.net.eg	
Algiers SA Embassy, 21 Rue du Stade, Hydra, Algiers 16000, Algeria +2 hours	Ms Manone Madyo Counsellor (Economic)	T 00213 2148 4418 M 00213 7968 53548 E madyom@dirco.gov.za	
Dakar SA Embassy, Mermoz Sud, Lotissement Ecole de Police. Lot no. 5 Dakar, Senegal BP 21010, Dakar-Ponty, Dakar, Senegal No. 5, Dakar, Senegal -2 hours	Vacant: Counsellor (Economic) Mr Macoumba Dieng Marketing Officer Ms Rokhaya Diop Trade Secretary	T 00221 33 864 6055 (direct) 00221 33 865 1959 M 00221 77 819 6113 F 00221 33 824 2125 E tradeafsud@orange.sn investafsud@orange.sn tradesa@orange.sn W www.saesenegal.info	
Dubai SA Consulate, Khalid Bin Waleed Street, Al Karama, Bur Dubai, United Arab Emirates PO Box 34800, Dubai, United Arab Emirates + 2 hours Working week is from Sunday - Thursday	Mr Sake Van Der Wal Counsellor (Economic) Mr Sidharth Mehta Marketing Officer Ms Joy Marie Buensalido Trade Assistant	T 00971 4 370 9901 (Direct) 00971 4 397 5222 (Switchboard) M 00971 50 558 3491 (Sidharth) F 00971 4 397 9602 E SvdWal@thedti.gov.za satrade@thedti.ae tradeassistant@thedti.ae marketingofficer@thedti.ae	

West Africa & Middle East Region			
Mission	Economic Office Staff	Telephone/Facsimile/e-mail	
Riyadh SA Embassy, 150 King Kalid Street, Um Al-Hammam District East, Riyadh, Saudi Arabia PO Box 94006, Riyadh 11693 +1 hour Working week is from Saturday - Wednesday	Mr Jardine Omar Counsellor (Economic)	T	00 966 1 442 9716
	Vacant: Marketing Officer	M	00 966 5 5882 6556 (Jardine)
		F	00 966 1 442 9708
		E	Jardineo@thedti.gov.za
Tehran SA Embassy, No 5 Yekta St, Bagh-e-Ferdows, Valise Ave, Tajrish Sq, Tehran, Islamic Republic Of Iran PO Box 11365-7476, Tehran, Iran +2½ hours Working week is from Sunday - Thursday	Ms Sara Dien Counsellor (Economic)	T	0098 21 2270 2866 – 9 Ext 304
	Mr Fariborz Farzaneh Marketing Officer	M	0098 912 114 8474 (Sara)
		F	0098 21 2271 6192
		E	ffarzaneh@satrade.ir msamari@satrade.ir SDien@satrade.ir
	Ms Maryam Samari, Secretary		

Asia East Region			
Mission	Economic Office Staff	Telephone/Facsimile/e-mail	
Beijing SA Embassy, 5 Dongzhimenwai Dajie, Sanlitun, Chaoyang District, Beijing, People's Republic of China +6 hours	Mr Charles Manuel Minister (Economic)	T	0086 10 6532 0171 – 5 0086 10 6532 7320/1/3 0086 10 8532 0054 Direct 0086 10 6532 7315 Direct
	Ms Carol Chang Marketing Officer	M	0086 136 0116 9744 (Charles)
	Ms Michelle Liu Mo Secretary	F	0086 10 6532 0182
		E	CManuel@saembassy.org.cn michelle@saembassy.org.cn Carol@saembassy.org.cn
Hong Kong (Also Macau) SA Consulate General, Hong Kong SAR & Macao SAR, Room 1906-8, 19th Floor Central Plaza, 18 Harbour Road, Wanchai, Hong Kong +6 hours	Vacant: Marketing Officer	T	00 852 3926 4300
		M	00 852 6906 7383
		F	00 852 2577 4532

Asia East Region			
Mission	Economic Office Staff	Telephone/Facsimile/e-mail	
Seoul SA Embassy, 104 Dokseodang, Hannam-dong, Yongsan - ku, Seoul, South Korea +7 hours	Vacant:	T	0082 2 795 0948/792 4855
	Counsellor (Economic)	M	0082 10 3467 9668 (Kwangsu)
	Mr Kwangsu Jin	F	0082 2 795 0949
	Marketing Officer	E	satrade@korea.com
Shanghai SA Consulate-General 222 Yan An Road East 27th Floor, Room 2705/6 Shanghai, Peoples Republic of China +6 hours	Mr Sung-Wan Im		
	Trade Secretary		
	Vacant:	T	0086 21 5359 4977
	Consul (Economic) (x114)	M	0086 139 0189 2719 (Jonathan)
Tokyo SA Embassy, 4th Floor Hanzomon First Building, 1-4 Kojimachi, Chiyoda-ku, Tokyo 102-0083, Japan +7 HOURS	Mr Jonathan Ni	F	0086 21 6335 2820
	Wen Xiang	E	dtishanghai@rsaconsulate.com
	Marketing Officer (x103)		Jonathan.ni@rsaconsulate.com
			sacg_marketing@yahoo.com
	Vacant	T	0081 3 3265 2126/3366
	Counsellor (Economic)	M	0081 90 1429 3880
	Vacant	F	0081 3 3261 6445
	Marketing Officer	E	ishihara@sajapan.org
	Ms Tomoko Yamaguchi		yamaguchi@sajapan.org
	Marketing Officer		
	Ms Keiko Ishihara		
	Administrative Officer		

Asia West Region			
Mission	Economic Office Staff	Telephone / Facsimile / e-mail	
Bangkok (also: Vietnam, Cambodia, Myanmar and Laos) SA Embassy, 12th A Floor, M-Thai Tower, All Seasons Place, 87 Wireless Road, Pathumwan, Bangkok 10330, Thailand +5 hours	Ms Phaopha-nga Auyyanon Marketing Officer Mr Kanapich Nildamon Driver	T 0066 2 659 2900 0066 2 659 2906 (Direct) M 0066 81 808 5400 F 0066 2 250 1065 E satrade@loxinfo.co.th	
Canberra (also: New Zealand) SA High Commission, Rhodes Place, State Circle, Yarralumla, Canberra, A.C.T 2600, Australia +8 hours	Mr Syed M H Jaffry Marketing Officer Kala Govind Trade Assistant	T 0061 2 6272 7300 (Switchboard) 0061 2 6272 7328 (Direct) M 0061 416 197 460 F 0061 2 6273 4995 E samarket@optusnet.com.au satrade@optusnet.com.au	
Jakarta SA Embassy, 7th floor, Wisma GKBI, Site 705, JL Jend. Sudiman No 28 Jakarta 10210, Indonesia +5 hours	Vacant: Marketing Officer	T 0062 21 574 0660 M 0062 861 137 7339 F 0062 21 572 2206 0062 21 574 0661/0655 E satrade2@indo.net.id	
Kuala Lumpur (also: Philippines and Brunei) SA High Commission Suite 22-01, Level 22, Menara HLA, No 3 Jalan Kia Peng, 50450 Kuala Lumpur, Malaysia +6 hours	Ms Chang Hou Yea Marketing Officer	T 0060 3 2170 2400 M 0060 12 636 6573 F 0060 3 2168 8591 E changh@dirco.gov.za changh@sahckl.net	
Mumbai SA Consulate General, Gandhi Mansion, 20 Altamount Road, Cumballa Hill, Mumbai 400026, India +3½ hours	Vacant: Consul (Economic) Mr Rajan Kumar Marketing Officer Mr Ravi Ramaiah Driver	T 0091 22 2351 3725 0091 22 2352 8900 M 0091 998 7345 599 (Rajan) 0091 998 7590 967 (Ravi) F 0091 22 2352 1158 E rajan@dtimumbai.com	

Asia West Region			
Mission	Economic Office Staff	Telephone / Facsimile / e-mail	
New Delhi SA High Commission, B-18 Vasant Marg, Vasant Vihar, New Delhi - 110045, India +3½ hours	Mr Recado Andrews Minister Counsellor (Economic)	T	0091 11 2614 8606
		M	0091 98 1817 5505 (Recado) 0091 98 1817 5507 (Ravi)
	Vacant: Marketing Officer	F	0091 11 2614 3605
	Mr Ravi Issar Marketing Officer	E	RAndrews@thedti.gov.za rissar@thedti.gov.za SBatra@thedti.gov.za
	Ms Sonu Batra Secretary		
Singapore SA High Commission, 15 Floor, Odeon Towers, 331 North Bridge Road, SINGAPORE 188720 +6 hours	Vacant: Marketing Officer	T	0065 6 339 3319
		F	0065 6339 6658
	Ms Zahara Md Salleh Trade Secretary	E	Zahara@dirco.gov.za

Europe 1 Region			
Mission	Economic Office Staff	Telephone / Facsimile / e-mail	
Brussels (also: Luxembourg) SA Embassy to Belgium and Luxembourg and the SA Mission to the EU, Rue Montoyer 17-19 (B-1000), 1040 Brussels, Belgium -1 hour	Mr Sudhir Sooklal Minister (Economic)	T	0032 2 285 4400 0032 2 285 4441 Secretary
		M	0032 472 29 55 29 (Sudhir) 0032 473 864 436
	Mr Julian Van Hille Marketing Officer	F	0032 2 502 01 24
	Vacant: Marketing Officer	E	ssooklal@thedti.be trade@thedti.be jvanhille@thedti.be mkennof@thedti.be
	Ms Marcia Kennof Secretary		
London SA High Commission, South Africa House, Trafalgar Square, London WC2N 5DP, United Kingdom -2 hours	Vacant: Minister (Economic)	T	0044 20 7451 7243/7248/7251
		M	0044 77 1448 7143
	Mr Jacob Mothopeng Marketing Officer	F	0044 20 7839 0634
		E	Mothopengj@dirco.gov.za
	Vacant: Marketing Officer	W	www.southafricahouse.com
	Vacant: Secretary		

Europe 1 Region			
Mission	Economic Office Staff	Telephone / Facsimile / e-mail	
Milan SA Consulate General, Vicolo San Giovanni, Sul Muro 4, 20121, Milano, Italy Casella Postale 1468, 20101 Milano, Italy -1 hour	Ms Marcella Uttaro Marketing Officer Mr Anwar Majal Secretary	T 0039 02 885 8581 M 0039 3483 333043 F 0039 02 7200 2834 E muttaro@thedti.gov.za dtimilan@thedti.gov.za majala@dirco.gov.za	
Moscow (also: Belarus, Ukraine, Georgia, Armenia and Kazakhstan) SA Embassy, Granatny Per1, Building 9, Moscow 123001, Russia +1 hour	Mr Moloko Leshaba Minister (Economic) Mr Vladislav Krivosheev Marketing Officer Ms Irina Cheburkova Secretary	T 007 495 926 1177 M 007 985 182 8765 E tradesa@econsa.ru irina.thedti@gmail.com mleshaba@thedti.ru W www.econsa.ru	
Stockholm (also: Denmark, Norway, Finland, Iceland and Baltic States) SA Embassy, Flemmeggatan 20, S – 112 26 Stockholm, Sweden -1 hour	Vacant: Marketing Officer Ms Alyce Frisk	T 0046 8 783 7743 (Trade) 0046 8 243950 (Switchboard) F 0046 8 660 2837 E friska@dirco.gov.za W www.southafrica.se	
The Hague SA Embassy, Wassenaarseweg 40, 2596 CJ The Hague, The Netherlands -1 hour	Mr Herman van der Kroef Marketing Officer	T 0031 70 3924501 M 0031 614600714 F 0031 70 361 7862 E hvdkroef@thedti.nl	

Europe 2 Region			
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ANNEXURE A: B-BBEE INITIATIVES

In terms of Section 13G(1) of the B-BBEE Act, 2003 (Act No. 53 of 2003), read with Regulation 12(1) and Regulation 12(2), all organs of state and public entities are required to report on their compliance and report to the B-BBEE Commissioner within 30 days of the audited Annual Financial Statements and Annual Report being approved.

The summary below sets out **the dti's** compliance with this Act and regulations. **the dti** implemented the B-BBEE Amendment Act, 2013 (Act No. 46 of 2013) role in the advocacy and enforcement of the B-BBEE Act and its regulations.

In an effort to promote economic transformation, the department fully implemented the requirements of the B-BBEE Amendment Act and its regulations for all procurement requirements within **the dti**.

The department has engaged in a number of initiatives to ensure the transformation and inclusivity of the economy. To support black entrepreneurs more effectively, especially in townships, the department launched a programme to revitalise South Africa's local industrial parks. This has rapidly proven itself to be an important and effective mechanism to support black enterprises. Given the large numbers of people dependent on these industrial parks for direct and indirect employment, the department is convinced that further support to industrial parks is a critical investment in South Africa's long-term development.

The revitalisation of industrial parks is providing important support to township areas. These industrial parks are adjacent to the townships. The industrial parks have created and supported significant numbers of jobs. The first 12 industrial parks in the programme provide more than 65 000 jobs to these areas.

Phase 1 activities have been completed for the following industrial parks in 2017/18 financial year: Vulindlela, Babelegi and Phuthaditjhaba. In the current financial year, the following parks were completed and launched: Ekandustria, Garankuwa and Nkowankowa. Dimbaza Industrial Park is a new addition that has been initiated.

Phase 2, which covers regulatory requirements, upgrading electricity infrastructure, bulk water supply and sewage treatment plants or industrial effluent control, will be initiated in the current financial year. The following Industrial parks have already been scoped for Phase 2: Bebelegi, Vulindlela, Isithebe, Botshabelo and Phutaditjaba. The programme has been expanded to cover up to 30 industrial parks covering additional townships and impacting a greater number of jobs. Additional industrial parks include Kabokweni, Siyabuswa, Ezakheni, Madadeni, Uptington, Kathu, Mosselbay, Eldorado Park, Pennyville and Orlando West, to name a few.

Multinational companies that cannot sell their equity to black South Africans and have never sold equity outside their country of origin are allowed make a contribution to the Equity Equivalent Investment Programme (EEIP) in exchange for full BEE ownership points for an agreed period of time based on the investment amount. The value of the EEIP contribution may be measured against 25% of the business value of the South African operation or against 4% of the total revenue from its South African operations annually over the period of continued measurement.

These investments are focused on enterprise and supplier development, critical skills development and research and development. The beneficiaries of the programme are black South Africans and black-owned South African companies.

During the 2017/18 financial year **the dti** facilitated the launch of the EEIP for Caterpillar Southern Africa (Pty) Ltd in October 2017. To date, nine multinational companies have been approved, six continue to participate in the EEIP and three contracts expired. Two-thirds of the participants are in the ICT sector with the balance falling within the engineering and agricultural sectors. To date the total investment value is more than R2.2 billion. More than 100 students are benefiting from skills development across all programmes. More than 20 emerging enterprises are benefiting from enterprise and supplier development programmes. More than 3000 jobs will be created across all approved programmes.

Summary of the incentive

- The Black Industrialists Scheme offers a cost-sharing grant ranging from 30% to 50% to a maximum of R50 million.
- The quantum of the grant will depend on the level of black control, and the project's economic benefit and value.

The Black Industrialists Policy calls for the leveraging of the state's capacity to unlock the industrial potential that exists within black-owned and black-managed businesses through deliberate, targeted and well-defined financial and non-financial interventions.

This policy emphasises a need for government departments and state-owned companies to set targeted procurement for the promotion of black industrialists in manufacturing sectors, and for the private sector to explore collaborations with government to assist black industrialists with sustainable procurement opportunities.

The policy outlines that state-owned companies, as tools of government delivery across strategic sectors of the economy, can anchor the Black Industrialists Policy through procurement and supplier development mechanisms.

The department is working with various institutions to facilitate market access opportunities.

The Black Industrialists Policy calls for further technical support to enable the sustainability of black industrialists. Such support includes training and capacity building, research and innovation support, quality standards and productivity support, and information and other relevant technical support. High-level engagements with various institutions, including Productivity SA, CSIR, SABS, and the Technology Innovation Agency, are at an advanced stage to provide technical support to black industrialists.

The B-BBEE Act allows for the development of a sectoral approach to transformation using a sector charter as an instrument intended to address sector-specific challenges and peculiarities on transformation that would otherwise not be addressed fully by generic provisions of the policy. The sector charter development process enables sector stakeholders and social partners to negotiate and craft a roadmap for sector-specific transformation imperatives. To create a standardised and consistent application and measurement of B-BBEE across all sectors, the legislation prescribes that all sector codes must be aligned to the B-BBEE policy and that approval is, therefore, the responsibility of the Minister of Trade and Industry.

The department will commence with the monitoring and evaluation of the Black Industrialists Programme to provide feedback to Cabinet, through the Minister, biannually, as per the policy.

To date, the department has approved 50 black industrialists with a grant value of R1.6 billion which will leverage private sector investment of R5 billion.

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the dti

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