

Vote 36

Trade and Industry

Adjusted budget summary

R thousand	2011/12			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	6 786 896	6 876 513	–	89 617
of which:				
Current payments	1 172 351	1 299 193	–	126 842
Transfers and subsidies	5 600 414	5 533 381	(67 033)	–
Payments for capital assets	14 131	43 939	–	29 808
Executive authority	Minister of Trade and Industry			
Accounting officer	Director-General of Trade and Industry			
Website address	www.thedti.gov.za			

Aim

Lead and facilitate access to sustainable economic activity and employment for all South Africans through its understanding of the economy, its knowledge of economic opportunities and potential, and its anticipation of future economic trends. The department also aims to catalyse economic transformation and development, and provide a predictable, competitive, equitable and socially responsible environment for investment, enterprise and trade for economic citizens. In this way, the department will contribute to achieving government's vision of an adaptive and restructured economy, characterised by accelerated economic growth, employment creation and greater equity by 2014.

Mid-year performance status

Indicator	Programme	Annual performance		
		Projected for 2011/12 as published in the 2011 ENE	Achieved in the first six months of 2011/12 (April to September)	Changed estimate for 2011/12
As published in the 2011 ENE	Programme linked to the indicator			
Number of companies implementing cleaner production activities, including energy efficiency, per year	Industrial Development	32	0	
Number of companies receiving cleaner production audits, including energy efficiency, per year	Industrial Development	130	43	
Number of projects supported under the support programme for industrial innovation per year	Empowerment and Enterprise Development	20	20	
Value of support for industrial innovation projects per year	Empowerment and Enterprise Development	R20m	R44.9	
Number of technology incubators supported per year	Empowerment and Enterprise Development	39	31	
Number of technology transfer interventions supported per year	Empowerment and Enterprise Development	40	15	
Number of projects supported by the technology and human resources for industry programme per year	Empowerment and Enterprise Development	350	294	
Number of students supported by the technology and human resources for industry programme per year	Empowerment and Enterprise Development	2 100	1 268	
Number of researchers supported by the technology and human resources for industry programme per year	Empowerment and Enterprise Development	700	1050	
Number of enterprises supported by the technology and human resources for industry programme per year	Empowerment and Enterprise Development	350	371	
Number of BEE charters assisted with alignment to codes of good practice and gazetting per year in terms of section 9 and 12 of the Black Economic Empowerment Act (2004)	Empowerment and Enterprise Development	15	2	3

2011 Adjusted Estimates of National Expenditure

Indicator	Programme	Annual performance		
		Projected for 2011/12 as published in the 2011 ENE	Achieved in the first six months of 2011/12 (April to September)	Changed estimate for 2011/12
As published in the 2011 ENE	Programme linked to the indicator			
Number of companies assisted with:				
- export market and investment assistance	The Enterprise Organisation	801	390	664
- business process outsourcing	The Enterprise Organisation	10	2	2
- black business supplier development programme	The Enterprise Organisation	1 455	550	1 086
- enterprise development programme	The Enterprise Organisation	300	100	
- enterprise investment programme	The Enterprise Organisation	390	572	572
- cooperatives	The Enterprise Organisation	130	110	115
Number of film and television productions assisted per year	The Enterprise Organisation	60	30	40
Number of bilateral and regional trade and investment agreements signed per year	International Trade and Economic Development	12	0	
Number of successful technical and business missions to foreign countries and companies undertaken per year	International Trade and Economic Development	15	11	
Number of government-to-government platforms per year	International Trade and Economic Development	18	0	
Number of target internal and external events and exhibitions per year	Communication and Marketing	150	22	
Key performance indicators for Coega industrial development zone:				
- total value of investments per year	The Enterprise Organisation	R3bn	R1bn	
- number of jobs created per year	The Enterprise Organisation	1 200	200	
- number of further investors expected per year	The Enterprise Organisation	6	2	
Key performance indicators for East London industrial development zone:				
- number of foreign investors per year	The Enterprise Organisation	2	1	
- value of investments per year	The Enterprise Organisation	R350m	R100m	
- number of jobs created per year	The Enterprise Organisation	700	200	
Key performance indicators for Richards Bay industrial development zone:				
- number of foreign investors per year	The Enterprise Organisation	2	1	
- number of jobs created per year	The Enterprise Organisation	100	36	
- value of investments per year	The Enterprise Organisation	R300m	R100m	
Key performance indicators for the critical infrastructure programme:				
- number of new projects per year	The Enterprise Organisation	8	5	
- value of investments per year	The Enterprise Organisation	R4bn	R3.5bn	
- number of jobs created per year	The Enterprise Organisation	3 520	1 820	
Number of direct jobs created per year:				
- enterprise investment programme	The Enterprise Organisation	8 400	1 790	6 875
- business process outsourcing	The Enterprise Organisation	5 000	598	800

Changes to indicators and targets published in the 2011 ENE

The number of companies assisted with the export market and investment assistance in the first half of 2011/12 is lower than the estimated target for the year as a whole because fewer claims were received than anticipated. For this reason, the projected number of companies assisted for the year as a whole has been decreased from 801 to 664. The target for companies assisted with the business process outsourcing programme in the first half of 2011/12 is significantly lower than the estimated target for the year as a whole because fewer claims were received than anticipated. For this reason, the estimate for 2011/12 has been decreased from 10 to 2. Similarly, the estimate for the number of companies assisted with the black business supplier development programme has been decreased from 1 455 to 1 086, and the estimate for the number of companies assisted with the cooperatives incentive scheme has been adjusted downward from 130 to 115. The number of companies assisted with the enterprise investment programme in the first half of 2011/12 is significantly higher than the estimated target for the year, due to more claims being received than anticipated. The annual target has therefore been increased from 390 to 572. The number of film and

television productions assisted was on track in the first half of the year. However, further performance may be limited to the availability of funds; the annual projection has therefore been decreased from 60 to 40.

The number of direct jobs created by the enterprise investment programme within the first half of the year is significantly lower than the estimate for the whole year because of a slowdown in the investments generated, which negatively influenced the creation of new jobs. For this reason, the 2011/12 projection has been decreased from 8 400 to 6 875. The number of direct jobs created by the business process outsourcing programme in the first half of the year is also significantly lower than the estimate for the whole year, due to a slowdown in investments generated, which negatively influenced job creation. The projection for the whole year has thus been decreased from 5 000 to 800.

Mid-year progress

Some of the annual targets set for the department's indicators have already been reached within the first half of the year. Many others are well on track. These include technology incubators supported, technology transfer interventions, and students and researchers supported under the technology and human resources for industry programme. The critical infrastructure programme also performed better than expected in the first half of 2011/12. Some indicators performed lower than expected. These include the number of new bilateral and regional trade and investment agreements signed, owing to delays caused by the wait for Cabinet approval of the South African trade policy and strategy framework, and the South African bilateral investment treaty policy framework. The number of new investors, jobs created and the value of new investments in the East London industrial development zone, and those in the Richards Bay industrial development zone, performed lower than expected in the first half of 2011/12. The number of new investors, jobs created and the value of new investments in the Coega industrial development zone were significantly lower in the first half of the year than expected, as the prevailing economic downturn has slowed down planned investment activities. Targets will be reviewed in the 2012 ENE.

Adjusted Estimates of National Expenditure 2011

Programme	2011/12						
	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Other adjustments			
R thousand							
Administration	466 270	–	–	80 706	40 429	121 135	587 405
International Trade and Economic Development	129 679	19 700	–	(8 874)	4 300	15 126	144 805
Empowerment and Enterprise Development	839 695	–	–	25 000	1 000	26 000	865 695
Industrial Development	1 266 895	–	–	44 152	–	44 152	1 311 047
Consumer and Corporate Regulation	231 671	–	–	(2 000)	–	(2 000)	229 671
The Enterprise Organisation	3 469 114	30 748	–	(179 000)	–	(148 252)	3 320 862
Trade and Investment South Africa	306 131	–	–	38 016	1 000	39 016	345 147
Communication and Marketing	77 441	–	–	2 000	(7 560)	(5 560)	71 881
Total	6 786 896	50 448	–	–	39 169	89 617	6 876 513
Economic classification							
Current payments	1 172 351	19 700	–	67 973	39 169	126 842	1 299 193
Compensation of employees	602 237	–	–	14 238	4 869	19 107	621 344
Goods and services	570 114	19 700	–	53 735	34 300	107 735	677 849
Transfers and subsidies	5 600 414	30 748	–	(97 781)	–	(67 033)	5 533 381
Departmental agencies and accounts	969 125	–	–	35 000	–	35 000	1 004 125
Universities and technikons	4	–	–	3 500	–	3 500	3 504
Foreign governments and international organisations	34 668	–	–	5 752	–	5 752	40 420
Public corporations and private enterprises	4 581 917	30 748	–	(142 420)	–	(111 672)	4 470 245
Non-profit institutions	14 700	–	–	–	–	–	14 700
Households	–	–	–	387	–	387	387
Payments for capital assets	14 131	–	–	29 808	–	29 808	43 939
Machinery and equipment	9 873	–	–	15 442	–	15 442	25 315
Software and other intangible assets	4 258	–	–	14 366	–	14 366	18 624
Total	6 786 896	50 448	–	–	39 169	89 617	6 876 513

Programme 1: Administration

Subprogramme	2011/12						
	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
R thousand							
Ministry	35 233	–	–	5 124	–	5 124	40 357
Office of the Director General	65 065	–	–	15 283	1 000	16 283	81 348
Corporate Services	318 988	–	–	59 169	30 000	89 169	408 157
Office Accommodation	8 292	–	–	–	–	–	8 292
Financial Management	38 692	–	–	1 130	1 869	2 999	41 691
Media Relations and Public Relations	–	–	–	–	7 560	7 560	7 560
Total	466 270	–	–	80 706	40 429	121 135	587 405
Economic classification							
Current payments	455 820	–	–	48 297	40 429	88 726	544 546
Compensation of employees	158 844	–	–	13 774	7 139	20 913	179 757
Goods and services	296 976	–	–	34 523	33 290	67 813	364 789
Transfers and subsidies	630	–	–	4 232	–	4 232	4 862
Public corporations and private enterprises	630	–	–	4 000	–	4 000	4 630
Households	–	–	–	232	–	232	232
Payments for capital assets	9 820	–	–	28 177	–	28 177	37 997
Machinery and equipment	5 706	–	–	13 806	–	13 806	19 512
Software and other intangible assets	4 114	–	–	14 371	–	14 371	18 485
Total	466 270	–	–	80 706	40 429	121 135	587 405

Programme 2: International Trade and Economic Development

Subprogramme	2011/12						
	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
R thousand							
International Trade Development	81 241	–	–	(6 178)	–	(6 178)	75 063
African Economic Development	48 438	19 700	–	(2 696)	4 300	21 304	69 742
Total	129 679	19 700	–	(8 874)	4 300	15 126	144 805
Economic classification							
Current payments	95 199	19 700	–	(7 344)	4 300	16 656	111 855
Compensation of employees	68 342	–	–	(3 720)	–	(3 720)	64 622
Goods and services	26 857	19 700	–	(3 624)	4 300	20 376	47 233
Transfers and subsidies	33 850	–	–	(1 400)	–	(1 400)	32 450
Foreign governments and international organisations	13 000	–	–	(1 400)	–	(1 400)	11 600
Public corporations and private enterprises	20 850	–	–	–	–	–	20 850
Payments for capital assets	630	–	–	(130)	–	(130)	500
Machinery and equipment	600	–	–	(100)	–	(100)	500
Software and other intangible assets	30	–	–	(30)	–	(30)	–
Total	129 679	19 700	–	(8 874)	4 300	15 126	144 805

Programme 3: Empowerment and Enterprise Development

Subprogramme	2011/12						
	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
R thousand							
Enterprise Development	438 559	-	-	1 141	-	1 141	439 700
Equity and Empowerment	41 318	-	-	103	-	103	41 421
Regional Economic Development	359 818	-	-	23 756	1 000	24 756	384 574
Total	839 695	-	-	25 000	1 000	26 000	865 695
Economic classification							
Current payments	84 843	-	-	(597)	1 000	403	85 246
Compensation of employees	48 950	-	-	2 788	1 000	3 788	52 738
Goods and services	35 893	-	-	(3 385)	-	(3 385)	32 508
Transfers and subsidies	754 482	-	-	25 150	-	25 150	779 632
Departmental agencies and accounts	686 290	-	-	10 000	-	10 000	696 290
Universities and technikons	1	-	-	-	-	-	1
Public corporations and private enterprises	60 491	-	-	15 000	-	15 000	75 491
Non-profit institutions	7 700	-	-	-	-	-	7 700
Households	-	-	-	150	-	150	150
Payments for capital assets	370	-	-	447	-	447	817
Machinery and equipment	370	-	-	422	-	422	792
Software and other intangible assets	-	-	-	25	-	25	25
Total	839 695	-	-	25 000	1 000	26 000	865 695

Programme 4: Industrial Development

Subprogramme	2011/12						
	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
R thousand							
Industrial Competitiveness	487 765	-	-	16 897	(1)	16 896	504 661
Customised Sector Programmes	779 130	-	-	27 255	1	27 256	806 386
Total	1 266 895	-	-	44 152	-	44 152	1 311 047
Economic classification							
Current payments	105 871	-	-	(9 599)	-	(9 599)	96 272
Compensation of employees	66 045	-	-	60	-	60	66 105
Goods and services	39 826	-	-	(9 659)	-	(9 659)	30 167
Transfers and subsidies	1 160 494	-	-	53 237	-	53 237	1 213 731
Departmental agencies and accounts	120 377	-	-	25 000	-	25 000	145 377
Universities and technikons	3	-	-	3 500	-	3 500	3 503
Foreign governments and international organisations	7 000	-	-	7 152	-	7 152	14 152
Public corporations and private enterprises	1 033 114	-	-	17 580	-	17 580	1 050 694
Households	-	-	-	5	-	5	5
Payments for capital assets	530	-	-	514	-	514	1 044
Machinery and equipment	530	-	-	514	-	514	1 044
Total	1 266 895	-	-	44 152	-	44 152	1 311 047

Programme 5: Consumer and Corporate Regulation

Subprogramme	2011/12						
	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
R thousand							
Policy and Legislative Development	16 646	–	–	5 492	–	5 492	22 138
Enforcement and Compliance	40 967	–	–	(17 032)	–	(17 032)	23 935
Regulatory Services	174 058	–	–	9 540	–	9 540	183 598
Total	231 671	–	–	(2 000)	–	(2 000)	229 671
Economic classification							
Current payments	66 295	–	–	(2 800)	–	(2 800)	63 495
Compensation of employees	48 016	–	–	(11 664)	–	(11 664)	36 352
Goods and services	18 279	–	–	8 864	–	8 864	27 143
Transfers and subsidies	165 376	–	–	–	–	–	165 376
Departmental agencies and accounts	162 458	–	–	–	–	–	162 458
Foreign governments and international organisations	2 918	–	–	–	–	–	2 918
Payments for capital assets	–	–	–	800	–	800	800
Machinery and equipment	–	–	–	800	–	800	800
Total	231 671	–	–	(2 000)	–	(2 000)	229 671

Programme 6: The Enterprise Organisation

Subprogramme	2011/12						
	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
R thousand							
Broadening Participation Incentives	144 703	–	–	(14 800)	–	(14 800)	129 903
Competitiveness and Export Incentives	146 272	–	–	30 386	–	30 386	176 658
Manufacturing Incentives	1 994 651	30 748	–	(124 586)	–	(93 838)	1 900 813
Services Sector Incentives	412 473	–	–	(70 000)	–	(70 000)	342 473
Infrastructure Development Support	744 131	–	–	–	–	–	744 131
Product and Systems Development	9 734	–	–	–	–	–	9 734
Business Development and After Care	17 150	–	–	–	–	–	17 150
Total	3 469 114	30 748	–	(179 000)	–	(148 252)	3 320 862
Economic classification							
Current payments	122 799	–	–	–	–	–	122 799
Compensation of employees	90 244	–	–	–	–	–	90 244
Goods and services	32 555	–	–	–	–	–	32 555
Transfers and subsidies	3 345 315	30 748	–	(179 000)	–	(148 252)	3 197 063
Public corporations and private enterprises	3 345 315	30 748	–	(179 000)	–	(148 252)	3 197 063
Payments for capital assets	1 000	–	–	–	–	–	1 000
Machinery and equipment	1 000	–	–	–	–	–	1 000
Total	3 469 114	30 748	–	(179 000)	–	(148 252)	3 320 862

Programme 7: Trade and Investment South Africa

Subprogramme	2011/12						
	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
R thousand							
Investment Promotion and Facilitation	40 656	-	-	2 600	-	2 600	43 256
Export Development and Promotion	166 872	-	-	1 801	-	1 801	168 673
International Operations	98 603	-	-	33 615	1 000	34 615	133 218
Total	306 131	-	-	38 016	1 000	39 016	345 147
Economic classification							
Current payments	164 614	-	-	38 016	1 000	39 016	203 630
Compensation of employees	96 310	-	-	15 000	1 000	16 000	112 310
Goods and services	68 304	-	-	23 016	-	23 016	91 320
Transfers and subsidies	140 267	-	-	-	-	-	140 267
Foreign governments and international organisations	11 750	-	-	-	-	-	11 750
Public corporations and private enterprises	121 517	-	-	-	-	-	121 517
Non-profit institutions	7 000	-	-	-	-	-	7 000
Payments for capital assets	1 250	-	-	-	-	-	1 250
Machinery and equipment	1 250	-	-	-	-	-	1 250
Total	306 131	-	-	38 016	1 000	39 016	345 147

Programme 8: Communication and Marketing

Subprogramme	2011/12						
	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
R thousand							
Brand Management	40 168	-	-	(3 818)	-	(3 818)	36 350
External Communications	28 713	-	-	6 818	-	6 818	35 531
Media Relations and Public Relations	8 560	-	-	(1 000)	(7 560)	(8 560)	-
Total	77 441	-	-	2 000	(7 560)	(5 560)	71 881
Economic classification							
Current payments	76 910	-	-	2 000	(7 560)	(5 560)	71 350
Compensation of employees	25 486	-	-	(2 000)	(4 270)	(6 270)	19 216
Goods and services	51 424	-	-	4 000	(3 290)	710	52 134
Payments for capital assets	531	-	-	-	-	-	531
Machinery and equipment	417	-	-	-	-	-	417
Software and other intangible assets	114	-	-	-	-	-	114
Total	77 441	-	-	2 000	(7 560)	(5 560)	71 881

Details of adjustments to Estimates of National Expenditure 2011**Roll-overs – R50.448 million**

Programme 2: International Trade and Economic Development

R19.700 million has been rolled over for the hosting of the Second Tripartite Summit between the South African Development Community, the Common Market for Eastern and Southern Africa and the East Africa Community.

Programme 6: The Enterprise Organisation

R30.748 million has been rolled over for the production allowance incentive for the automotive production and development programme, payable to the Ford Motor Company.

Virements and shifts

Programmes

1. Administration
2. International Trade and Economic Development
3. Empowerment and Enterprise Development
4. Industrial Development
5. Consumer and Corporate Regulation
6. The Enterprise Organisation
7. Trade and Investment South Africa
8. Communication and Marketing

FROM:			TO:		
Programme by Economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(11 593)	Programme 1		11 593
Compensation of employees	Vacant posts	(330)	Goods and services	For computer services	330
Goods and services	Reduction on communication	(2 007)	Compensation of employees	For unfunded posts	2 007
	Reduction on communication	(925)	Machinery and equipment	Mainly for the purchase of a car for the deputy minister, purchase of computers and office equipment	925
	Reduction on communication	(27)	Machinery and equipment	For computer hardware and systems	27
	Reduction on communication	(51)	Households	For severance packages	51
	Reduction on communication	(181)	Households	For bursaries for non-government employees to study a masters degree in Economics	181
	Reduction on communication	(7 394)	Software and other intangible assets	For software licences	7 394
	Reduction on external audit fees	(10)	Goods and services	For venues and facilities	10
Machinery and equipment	Reduction on computer hardware	(208)	Goods and services	For inventory and stationery	208
Software and other intangible assets	Reduction on computer software	(460)	Goods and services	For computer services	460
Percentage of programme budget		2.5%			
Programme 2		(10 250)	Programme 1		2 344
Compensation of employees	Vacant posts	(1 298)	Compensation of employees	For appointment of new group chief financial officer	1 298
	Vacant posts	(1 046)	Compensation of employees	For unfunded posts	1 046
	Vacant posts	(1 101)	Programme 2		1 376
	Vacant posts	(275)	Goods and services	Mainly for advertising and venues and facilities	1 101
	Reduction on travel and subsistence, consultants and professional services and legal fees ¹	(5 000)	Goods and services	For contractors	275
Goods and services			Programme 3		5 000
	Reduction on computer hardware	(100)	Public corporations and private enterprises	For the Industrial Development Corporation's support programme for industrial innovation	5 000
	Reduction on transfer to the World Trade Organisation	(674)	Programme 1		1 530
	Reduction on transfer to the Organisation for the Prohibition of Chemical Weapons ¹	(726)	Compensation of employees	For appointment of new group chief financial officer	100
	Reduction on software and other Intangible assets	(30)	Compensation of employees	For unfunded posts	674
Software and other intangible assets			Compensation of employees	For appointment of new group chief financial officer	726
			Compensation of employees	For unfunded posts	30
Percentage of programme budget		7.9%			

FROM:			TO:		
Programme by Economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 3		(3 427)	Programme 3		3 427
Goods and services	Reduction on consultants and professional services	(2 788)	Compensation of employees	For unfunded posts	2 788
	Reduction on consultants and professional services	(387)	Machinery and equipment	To purchase computers	387
	Reduction on consultant and professional services	(56)	Machinery and equipment	To purchase computers	56
	Reduction on consultants and professional services	(150)	Households	To purchase gifts for the National Conference on Cooperatives	150
	Reduction on consultant and professional services	(25)	Software and other intangible assets	For computer software	25
Machinery and equipment	Reduction on computer hardware	(21)	Goods and services	For travel and subsistence	21
Percentage of programme budget		0.4%			
Programme 4		(14 564)	Programme 4		14 564
Compensation of employees	Vacant posts ¹	(1 405)	Foreign governments and international organisations	For the United Nations Industrial Development Organisation's automotive component supplier development programme	1 405
Goods and services	Reduction on consultants and professional services ¹	(1 465)	Compensation of employees	For unfunded posts	1 465
	Reduction on consultants and professional services	(394)	Machinery and equipment	Mainly for computers and systems and office equipment	394
	Reduction on consultant and professional services	(120)	Machinery and equipment	To purchase computers	120
	Reduction on consultant and professional services ¹	(5)	Households	For leave gratuities	5
	Reduction on consultants and professional services ¹	(2 595)	Foreign governments and international organisations	For the United Nations Industrial Development Organisation's automotive component supplier development programme	2 595
	Reduction on consultants and professional services ¹	(5 080)	Public corporations and private enterprises	For small business technical consulting to the South African Bureau of Standards and the Intsimbi National Tooling Initiative	5 080
Public corporations and private enterprises	Reduction of the transfer to the Council for Scientific and Industrial Research's aerospace industry ¹	(3 500)	Universities and technikons	For support to the North-West University's advanced manufacturing skills sector	3 500
Percentage of programme budget		1.1%			
Programme 5		(13 664)	Programme 5		11 664
Compensation of employees	Vacant posts	(10 864)	Goods and services	For consultants and professional services, travel and subsistence, operating expenses, venues and facilities, inventory, agency and support services, and legal costs	10 864
	Vacant posts	(800)	Machinery and equipment	For computers and office furniture	800
			Programme 8		2 000
Goods and services	Reduction on consultants and professional services	(2 000)	Goods and services	For anti-piracy multimedia campaign	2 000
Percentage of programme budget		5.9%			

2011 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by Economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 6			Programme 1		
Goods and services	Reduction on travel and subsistence ²	(400)	Compensation of employees	For unfunded posts	400
Public corporations and private enterprises	Reduction of transfers to the small and medium enterprise development programme and the film and television production incentive ²	(7 823)	Compensation of employees	For unfunded posts	7 823
	Reduction of transfer to the small and medium enterprise development programme	(44 100)	Goods and services	For property payments, consultants and professional services, lease payments, inventory, computer services, and travel and subsistence	44 100
	Reduction of transfers to the black business supplier development programme and the small and medium enterprise development programme	(13 072)	Machinery and equipment	To purchase computers	13 072
	Reduction of the transfer to the black business supplier development programme and the small and medium enterprise development programme	(7 437)	Software and other intangible assets	To purchase computers software	7 437
	Reduction of the transfer to the black business supplier development programme ¹	(4 000)	Public corporations and private enterprises	For the Industrial Development Corporation's fund for research into industrial development, growth and equity	4 000
			Programme 3		20 000
	Reduction of the transfer to the small and medium enterprise development programme ¹	(10 000)	Departmental agencies and accounts	For the Industrial Development Corporation's support programme for industrial innovation and technology venture capital programme	10 000
	Reduction of the transfer to the small and medium enterprise development programme ¹	(10 000)	Public corporations and private enterprises	For the Small Enterprise Development Agency's technology programme	10 000
			Programme 4		44 152
	Reduction of the transfer to the small and medium enterprise development programme ¹	(3 152)	Foreign governments and international organisations	For the United Nations Industrial Development Organisation's automotive component supplier development programme	3 152
	Reduction of the transfer to the small and medium enterprise development programme ¹	(25 000)	Departmental agencies and accounts	For infrastructure for the National Metrology Institute of South Africa	25 000
	Reduction of the transfer to the small and medium enterprise development programme ¹	(16 000)	Public corporations and private enterprises	For the Intsimbi National Tooling Initiative	16 000
			Programme 6		400
	Reduction of the transfer to the small and medium enterprise development programme	(400)	Goods and services	For agency and support services	400
			Programme 7		38 016
	Reduction of the transfer to the film and television production incentive ²	(15 000)	Compensation of employees	For foreign offices employees	15 000
	Reduction of the transfer to the film and television production incentive	(23 016)	Goods and services	For travel and subsistence, lease payments, operating expenses, property payments, advertising, catering, communication, contractors, entertainment, training and staff development and administration fees	23 016
Percentage of programme budget		5.2%			
Programme 8			Programme 8		
Compensation of employees	Vacant posts	(2 000)	Goods and services	For consultants and professional services	2 000
Percentage of programme budget		2.6%			
Total		(234 898)	234 898		

1. National Treasury approval has been obtained.

2. In terms of the PFMA, only the legislature may approve this virement.

Other adjustments – R39.169 million**Adjustments due to significant and unforeseeable economic and financial events**

R4.869 million has been allocated to the department for higher personnel remuneration increases than the main budget provided for, as follows:

Programme 1: Administration

R2.869 million

Programme 3: Empowerment and Enterprise Development

R1 million

Programme 7: Trade and Investment South Africa

R1 million

Self-financing expenditure

Programme 1: Administration

R30 million departmental revenue received from the department's public entities for unitary payment commitments for the relation to the public private partnership agreement.

Function shifts between votes

Programme 2: International Trade and Economic Development

R4.300 million is shifted from National Treasury to cover the cost of the Second Tripartite Summit between the South African Development Community, the Common Market for Eastern and Southern Africa and the East African Community.

Funds shifted within a vote following function shifts within the same vote

Programme 1: Administration

R7.560 million is shifted from programme 8 to programme 1, to accommodate the movement of the *Media Relations and Public Relations* subprogramme.

Gifts, donations and sponsorships – R150 000

Programme 3: Empowerment and Enterprise Development

R150 000 is allocated as a sponsorship towards the National Conference on Cooperatives.

Expenditure for 2010/11 and preliminary expenditure for 2011/12

Programme	2010/11 Expenditure outcome					2011/12 Preliminary expenditure		
	Adjusted appropriation	Apr 10 - Sep 10	Apr 10 - Sep 10 % of adjusted appropriation	Apr 10 - Mar 11	Apr 10 - Mar 11 % of adjusted appropriation	Adjusted appropriation	Apr 11 - Sep 11	Apr 11 - Sep 11 % of adjusted appropriation
R thousand								
Administration	443 251	191 471	43.2	435 815	98.3	587 405	240 528	40.9
International Trade and Economic Development	125 088	51 246	41.0	106 949	85.5	144 805	55 934	38.6
Empowerment and Enterprise Development	792 034	357 683	45.2	801 173	101.2	865 695	473 588	54.7
Industrial Development	1 136 961	581 416	51.1	1 142 033	100.4	1 311 047	911 745	69.5
Consumer and Corporate Regulation	195 531	76 770	39.3	145 021	74.2	229 671	118 574	51.6
The Enterprise Organisation	3 085 852	860 586	27.9	2 792 994	90.5	3 320 862	1 461 130	44.0
Trade and Investment South Africa	351 476	139 476	39.7	328 582	93.5	345 147	146 077	42.3
Communication and Marketing	64 015	19 362	30.2	44 174	69.0	71 881	38 351	53.4
Total	6 194 208	2 278 010	36.8	5 796 741	93.6	6 876 513	3 445 927	50.1

2011 Adjusted Estimates of National Expenditure

	2010/11 Expenditure outcome				2011/12 Preliminary expenditure			
	Adjusted appropriation	Apr 10 - Sep 10	Apr 10 - Sep 10 % of adjusted appropriation	Apr 10 - Mar 11	Apr 10 - Mar 11 % of adjusted appropriation	Adjusted appropriation	Apr 11 - Sep 11	Apr 11 - Sep 11 % of adjusted appropriation
R thousand								
Economic classification								
Current payments	1 143 952	444 781	38.9	990 040	86.5	1 299 193	537 883	41.4
Compensation of employees	569 849	237 470	41.7	514 935	90.4	621 344	274 863	44.2
Goods and services	574 103	207 311	36.1	474 830	82.7	677 849	262 947	38.8
Interest and rent on land	–	–	0.0	275	0.0	–	73	0.0
Transfers and subsidies	5 032 762	1 828 771	36.3	4 789 206	95.2	5 533 381	2 891 233	52.3
Departmental agencies and accounts	859 609	424 765	49.4	838 980	97.6	1 004 125	586 729	58.4
Universities and technikons	2 298	–	0.0	14 793	643.7	3 504	–	0.0
Foreign governments and international organisations	39 084	2 000	5.1	36 642	93.8	40 420	2 200	5.4
Public corporations and private enterprises	4 096 296	1 391 451	34.0	3 859 334	94.2	4 470 245	2 291 890	51.3
Non-profit institutions	33 000	10 000	30.3	37 800	114.5	14 700	8 925	60.7
Households	2 475	555	22.4	1 657	66.9	387	1 489	384.8
Payments for capital assets	17 494	4 457	25.5	15 189	86.8	43 939	16 502	37.6
Machinery and equipment	12 964	4 452	34.3	12 875	99.3	25 315	4 859	19.2
Software and other intangible assets	4 530	5	0.1	2 314	51.1	18 624	11 643	62.5
Payments for financial assets	–	1	–	2 306	–	–	309	–
Total	6 194 208	2 278 010	36.8	5 796 741	93.6	6 876 513	3 445 927	50.1

Main expenditure trends for the first half of 2011/12

Total expenditure for 2010/11 was 93.6 per cent of the 2010/11 adjusted appropriation. Expenditure in the first six months of 2011/12 was R3.446 billion or 50.1 per cent of the adjusted appropriation of R6.877 billion for the year as a whole. In comparison, mid-year expenditure in 2010/11 was R2.278 billion, or 36.8 per cent of the 2010/11 adjusted appropriation. Expenditure in the first six months of 2011/12 increased by R1.168 billion or 51.3 per cent, compared to expenditure in the first six months of 2010/11.

The main expenditure increase compared to 2010/11 is due to the payment of clothing and textile production incentives to the Industrial Development Corporation and production incentives for the automotive production and development programme, and payments to the enterprise investment programme and for the industrial development zones.

Departmental receipts

R thousand	2010/11					2011/12			
	Adjusted estimate	Audited outcome			Actual receipts				
		Apr 10 - Sep 10	Apr 10 - Sep 10 % of adjusted estimate	Apr 10 - Mar 11	Apr 10 - Mar 11 % of adjusted estimate	Budget estimate	Adjusted estimate	Apr 11 - Sep 11	Apr 11 - Sep 11 % of adjusted estimate
Departmental receipts	108 260	20 340	18.8	35 630	32.9	115 011	116 921	21 603	18.5
Sales of goods and services produced by department	160	80	50.0	212	132.5	255	275	111	40.4
Sales of scrap, waste, arms and other used current goods	-	-	-	1	-	-	-	-	-
Fines, penalties and forfeits	-	13	-	14	-	-	150	132	88.0
Interest, dividends and rent on land	22 260	96	0.4	513	2.3	23 596	20 596	134	0.7
Sales of capital assets	-	-	-	93	-	-	-	10	-
Transactions in financial assets and liabilities	82 410	18 681	22.7	31 636	38.4	87 355	92 000	19 699	21.4
Total	108 260	20 340	18.8	35 630	32.9	115 011	116 921	21 603	18.5

Main departmental revenue trends for the first half of 2011/12

Department revenue collection in the first six months of 2011/12 was R21.603 million or 18.5 per cent of the adjusted revenue estimate of R116.921 million for the year as a whole. In comparison, mid-year revenue collection in 2010/11 was R20.340 million, or 18.8 per cent of the 2010/11 adjusted estimates. Departmental revenue collection in the first six months of 2011/12 increased by R1.263 million or 6.2 per cent, compared to revenue in the first six months of 2010/11.

The main revenue increase compared to 2010/11 is due to transactions in financial assets and liabilities and in fines and penalties.

Changes to transfers and subsidies, including conditional grants

Summary of changes to transfers and subsidies per programme

R thousand	2011/12						Adjusted appropriation
	Main appropriation	Adjustments appropriation				Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
Administration							
Public corporations and private enterprises							
Public corporations							
Other transfers							
Current	630	-	-	4 000	-	4 000	4 630
Industrial Development Corporation: Fund for Research into Industrial Development, Growth and Equity	630	-	-	4 000	-	4 000	4 630
Households							
Social benefits							
Current	-	-	-	232	-	232	232
Employee social benefits	-	-	-	51	-	51	51
Bursaries for non-employees	-	-	-	181	-	181	181
International Trade and Economic Development							
Foreign governments and international organisations							
Current	13 000	-	-	(1 400)	-	(1 400)	11 600
Organisation for the Prohibition of Chemical Weapons	4 000	-	-	(1 000)	-	(1 000)	3 000
World Trade Organisation	9 000	-	-	(400)	-	(400)	8 600

Summary of changes to transfers and subsidies per programme (continued)

R thousand	2011/12						Adjusted appropriation
	Main appropriation	Adjustments appropriation				Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
Empowerment and Enterprise Development							
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	110 000	-	-	10 000	-	10 000	120 000
Small Enterprise Development Agency Technology Programme	110 000	-	-	10 000	-	10 000	120 000
Public corporations and private enterprises							
Public corporations							
Other transfers							
Capital	49 789	-	-	15 000	-	15 000	64 789
Industrial Development Corporation: Support programme for industrial innovation	49 789	-	-	10 000	-	10 000	59 789
Industrial Development Corporation: Technology Venture Capital	-	-	-	5 000	-	5 000	5 000
Households							
Other transfers to households							
Current	-	-	-	150	-	150	150
National Conference on Cooperatives	-	-	-	150	-	150	150
Industrial Development							
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Capital	-	-	-	25 000	-	25 000	25 000
National Metrology Institute of South Africa: Infrastructure	-	-	-	25 000	-	25 000	25 000
Universities and technikons							
Current	1	-	-	3 500	-	3 500	3 501
North-West University: Advanced Manufacturing Skills Sector Support Programme	1	-	-	3 500	-	3 500	3 501
Foreign governments and international organisations							
Current	-	-	-	7 152	-	7 152	7 152
United Nations Industrial Development Organisation: Automotive Component Supplier Development Programme	-	-	-	7 152	-	7 152	7 152
Public corporations and private enterprises							
Public corporations							
Other transfers							
Current	1 078	-	-	80	-	80	1 158
South African Bureau of Standards : Small Business Technical Consulting	1 078	-	-	80	-	80	1 158
Capital	20 791	-	-	(3 500)	-	(3 500)	17 291
Council for Scientific and Industrial Research : Aerospace industry	20 791	-	-	(3 500)	-	(3 500)	17 291
Public corporations and private enterprises							
Private enterprises							
Subsidies on production or products							
Current	7 000	-	-	-	-	-	7 000
National Foundry Technology Network - Metals	7 000	-	-	(7 000)	-	(7 000)	-

Summary of changes to transfers and subsidies per programme (continued)

R thousand	2011/12						
	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
Council for Scientific and Industrial Research: National Foundry Technology Network: Metals	-	-	-	7 000	-	7 000	7 000
Public corporations and private enterprises							
Private enterprises							
Other transfers							
Current	15 000	-	-	21 000	-	21 000	36 000
Intsimbi National Tooling Initiative	15 000	-	-	21 000	-	21 000	36 000
Households							
Social benefits							
Current	-	-	-	5	-	5	5
Employee social benefits	-	-	-	5	-	5	5
The Enterprise Organisation							
Public corporations and private enterprises							
Private enterprises							
Subsidies on production or products							
Current	2 337 254	30 748	-	(195 386)	-	(164 638)	2 172 616
Business Process Outsourcing	143 064	-	-	(143 064)	-	(143 064)	-
Business Process Services Incentive	-	-	-	143 064	-	143 064	143 064
Small and Medium Enterprise Development Programme	341 243	-	-	(100 000)	-	(100 000)	241 243
Film and Television Production Incentive	260 305	-	-	(70 000)	-	(70 000)	190 305
Small and Medium Manufacturing Development Programme	1 300	-	-	(386)	-	(386)	914
Enterprise Investment Programme	674 542	-	-	(25 000)	-	(25 000)	649 542
Automotive Production and Development Programme: Production Allowance	916 800	30 748	-	-	-	30 748	947 548
Public corporations and private enterprises							
Private enterprises							
Other transfers							
Current	270 730	-	-	16 386	-	16 386	287 116
Black Business Supplier Development Programme	88 058	-	-	(24 000)	-	(24 000)	64 058
Cooperatives Incentive Scheme	44 414	-	-	10 000	-	10 000	54 414
Export Market and Investment Assistance	138 258	-	-	30 386	-	30 386	168 644

