

Vote 34

Trade and industry

Adjusted budget summary

R thousand	2017/18			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	9 274 795	9 343 187	(83 555)	151 947
of which:				
Current payments	1 511 695	1 663 642	–	151 947
Transfers and subsidies	7 735 096	7 656 088	(79 008)	–
Payments for capital assets	28 004	23 457	(4 547)	–
Executive authority	Minister of Trade and Industry			
Accounting officer	Director-General of Trade and Industry			
Website address	www.thedti.gov.za			

Vote purpose

Lead and facilitate access to sustainable economic activity and employment for all South Africans through an understanding of the economy, knowledge of economic opportunities and potential, and anticipation of future economic trends. Catalyse economic transformation and development, and provide a predictable, competitive, equitable and socially responsible environment for investment, enterprise and trade for economic citizens. Contribute to achieving government's vision of an adaptive and restructured economy, characterised by accelerated economic growth, employment creation and greater equity.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to September)	Changed target for 2017/18
Number of quarterly reports on industrial policy action plan tabled at minister's review meetings	Industrial Developments	Outcome 4: Decent employment through inclusive growth	4	2	–
Number of designation requests submitted for minister's approval per year	Industrial Developments		2	3	–
Value of projected investment to be leveraged from approved projects per year	Incentive Development and Administration		R15bn	R13.2bn	–
Number of new jobs supported from approved enterprises per year	Incentive Development and Administration		3 000	6 421	–
Number of jobs retained from approved enterprises per year	Incentive Development and Administration		20 000	10 276	–
Number of strategic infrastructure projects approved for special economic zones/ industrial parks per year	Incentive Development and Administration		10	– ¹	–
Value of projected export revenue from approved projects per year	Incentive Development and Administration		R1.5bn	– ¹	–

¹. Indicator no longer measured as it was not included in the department's 2017/18 annual performance plan, which was finalised after the 2017 ENE had been published.

Mid-year progress

The department's target for the number of designation requests submitted for ministerial approval has already been exceeded as certain designations were rolled over from 2016/17 and finalised in the first six months of 2017/18.

In the first six months of 2017/18, the department leveraged R13.2 billion from private sector investment, exceeding the mid-year target of R6 billion. This is due to the high number of investment approvals granted for projects supported by manufacturing incentive programmes such as the automotive incentive scheme, the black industrialists programme, the critical infrastructure programme and the business processing incentive.

The department has already exceeded its annual target by 3 421 for new jobs supported from approved enterprises. This is mainly due to investments that were attracted through the automotive incentive scheme, the business processing incentive and the critical infrastructure programme, and finalised sooner than anticipated.

Adjusted Estimates of National Expenditure 2017

Programme	2017/18							Adjusted appropriation
	Main appropriation	Adjustments appropriation				Total adjustments appropriation		
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Administration	731 820	-	-	14 359	-	68 392	82 751	814 571
International Trade and Economic Development	119 818	-	-	-	-	-	-	119 818
Special Economic Zones and Economic Transformation	119 410	-	-	(1 000)	-	-	(1 000)	118 410
Industrial Development	1 819 277	-	-	-	-	-	-	1 819 277
Consumer and Corporate Regulation	298 629	-	-	-	-	-	-	298 629
Incentive Development and Administration	5 746 519	-	-	(72 100)	-	-	(72 100)	5 674 419
Trade and Investment South Africa	388 463	-	-	36 741	-	-	36 741	425 204
Investment South Africa	50 859	-	-	22 000	-	-	22 000	72 859
Total	9 274 795	-	-	-	-	68 392	68 392	9 343 187
Economic classification								
Current payments	1 511 695	-	-	83 555	-	68 392	151 947	1 663 642
Compensation of employees	902 415	-	-	45 304	-	-	45 304	947 719
Goods and services	609 280	-	-	38 251	-	68 392	106 643	715 923
Transfers and subsidies	7 735 096	-	-	(79 008)	-	-	(79 008)	7 656 088
Departmental agencies and accounts	747 576	-	-	(20 000)	-	-	(20 000)	727 576
Foreign governments and international organisations	36 321	-	-	(3 065)	-	-	(3 065)	33 256
Public corporations and private enterprises	6 789 046	-	-	(65 000)	-	-	(65 000)	6 724 046
Non-profit institutions	160 814	-	-	9 000	-	-	9 000	169 814
Households	1 339	-	-	57	-	-	57	1 396
Payments for capital assets	28 004	-	-	(4 547)	-	-	(4 547)	23 457
Machinery and equipment	19 916	-	-	953	-	-	953	20 869
Software and other intangible assets	8 088	-	-	(5 500)	-	-	(5 500)	2 588
Total	9 274 795	-	-	-	-	68 392	68 392	9 343 187

Programme 1: Administration

Subprogramme	2017/18							Adjusted appropriation
	Main appropriation	Adjustments appropriation				Total adjustments appropriation		
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Ministry	31 591	-	-	962	-	-	962	32 553
Office of the Director General	119 781	-	-	-	-	-	-	119 781
Corporate Services	415 058	-	-	21 971	-	68 392	90 363	505 421
Office Accommodation	2 494	-	-	-	-	-	-	2 494
Financial Management	69 508	-	-	-	-	-	-	69 508
Media and Public Relations	19 098	-	-	(8 669)	-	-	(8 669)	10 429
Marketing Communication and Stakeholder Relations	74 290	-	-	95	-	-	95	74 385
Total	731 820	-	-	14 359	-	68 392	82 751	814 571
Economic classification								
Current payments	715 906	-	-	12 521	-	68 392	80 913	796 819
Compensation of employees	278 580	-	-	11 012	-	-	11 012	289 592
Goods and services	437 326	-	-	1 509	-	68 392	69 901	507 227
Transfers and subsidies	539	-	-	(443)	-	-	(443)	96
Households	539	-	-	(443)	-	-	(443)	96
Payments for capital assets	15 375	-	-	2 281	-	-	2 281	17 656
Machinery and equipment	12 787	-	-	2 281	-	-	2 281	15 068
Software and other intangible assets	2 588	-	-	-	-	-	-	2 588
Total	731 820	-	-	14 359	-	68 392	82 751	814 571

Programme 2: International Trade and Economic Development

Subprogramme	2017/18							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
International Trade Development	102 224	-	-	-	-	-	-	102 224
African Multilateral Economic Development	17 594	-	-	-	-	-	-	17 594
Total	119 818	-	-	-	-	-	-	119 818
Economic classification								
Current payments	93 963	-	-	(14)	-	-	(14)	93 949
Compensation of employees	75 254	-	-	1 609	-	-	1 609	76 863
Goods and services	18 709	-	-	(1 623)	-	-	(1 623)	17 086
Transfers and subsidies	25 233	-	-	14	-	-	14	25 247
Departmental agencies and accounts	1 188	-	-	-	-	-	-	1 188
Foreign governments and international organisations	19 672	-	-	-	-	-	-	19 672
Public corporations and private enterprises	4 373	-	-	-	-	-	-	4 373
Households	-	-	-	14	-	-	14	14
Payments for capital assets	622	-	-	-	-	-	-	622
Machinery and equipment	622	-	-	-	-	-	-	622
Total	119 818	-	-	-	-	-	-	119 818

Programme 3: Special Economic Zones and Economic Transformation

Subprogramme	2017/18							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Enterprise Competitiveness	32 198	-	-	(1 000)	-	-	(1 000)	31 198
Equity and Empowerment	39 172	-	-	3 425	-	-	3 425	42 597
Spatial Industrial Economic Development (Special Economic Zones)	48 040	-	-	(3 425)	-	-	(3 425)	44 615
Total	119 410	-	-	(1 000)	-	-	(1 000)	118 410
Economic classification								
Current payments	86 125	-	-	18 895	-	-	18 895	105 020
Compensation of employees	71 025	-	-	-	-	-	-	71 025
Goods and services	15 100	-	-	18 895	-	-	18 895	33 995
Transfers and subsidies	32 187	-	-	(19 895)	-	-	(19 895)	12 292
Departmental agencies and accounts	28 949	-	-	(20 000)	-	-	(20 000)	8 949
Public corporations and private enterprises	1 738	-	-	-	-	-	-	1 738
Non-profit institutions	1 500	-	-	-	-	-	-	1 500
Households	-	-	-	105	-	-	105	105
Payments for capital assets	1 098	-	-	-	-	-	-	1 098
Machinery and equipment	1 098	-	-	-	-	-	-	1 098
Total	119 410	-	-	(1 000)	-	-	(1 000)	118 410

Programme 4: Industrial Development

Subprogramme	2017/18							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Industrial Competitiveness	799 959	-	-	3 658	-	-	3 658	803 617
Customised Sector Programmes	1 019 318	-	-	(3 658)	-	-	(3 658)	1 015 660
Total	1 819 277	-	-	-	-	-	-	1 819 277
Economic classification								
Current payments	122 135	-	-	(1 854)	-	-	(1 854)	120 281
Compensation of employees	106 509	-	-	-	-	-	-	106 509
Goods and services	15 626	-	-	(1 854)	-	-	(1 854)	13 772
Transfers and subsidies	1 696 323	-	-	1 854	-	-	1 854	1 698 177
Departmental agencies and accounts	411 861	-	-	-	-	-	-	411 861
Foreign governments and international organisations	8 565	-	-	(154)	-	-	(154)	8 411
Public corporations and private enterprises	1 116 583	-	-	(7 000)	-	-	(7 000)	1 109 583
Non-profit institutions	159 314	-	-	9 000	-	-	9 000	168 314
Households	-	-	-	8	-	-	8	8
Payments for capital assets	819	-	-	-	-	-	-	819
Machinery and equipment	819	-	-	-	-	-	-	819
Total	1 819 277	-	-	-	-	-	-	1 819 277

Programme 5: Consumer and Corporate Regulation

Subprogramme	2017/18							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Policy and Legislative Development	17 446	-	-	2 646	-	-	2 646	20 092
Enforcement and Compliance Regulatory Services	40 292	-	-	(3 471)	-	-	(3 471)	36 821
	240 891	-	-	825	-	-	825	241 716
Total	298 629	-	-	-	-	-	-	298 629
Economic classification								
Current payments	71 878	-	-	(321)	-	-	(321)	71 557
Compensation of employees	53 774	-	-	3 784	-	-	3 784	57 558
Goods and services	18 104	-	-	(4 105)	-	-	(4 105)	13 999
Transfers and subsidies	226 751	-	-	29	-	-	29	226 780
Departmental agencies and accounts	221 578	-	-	-	-	-	-	221 578
Foreign governments and international organisations	5 173	-	-	-	-	-	-	5 173
Households	-	-	-	29	-	-	29	29
Payments for capital assets	-	-	-	292	-	-	292	292
Machinery and equipment	-	-	-	292	-	-	292	292
Total	298 629	-	-	-	-	-	-	298 629

Programme 6: Incentive Development and Administration

Subprogramme	2017/18							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Broadening Participation Incentives	68 333	-	-	726	-	-	726	69 059
Manufacturing Incentives	3 963 173	-	-	(422 631)	-	-	(422 631)	3 540 542
Services Investment Incentives	708 560	-	-	100 000	-	-	100 000	808 560
Infrastructure Investment Support	965 000	-	-	250 000	-	-	250 000	1 215 000
Product and Systems Development	19 387	-	-	-	-	-	-	19 387
Strategic Partnership and Customer Care	22 066	-	-	(195)	-	-	(195)	21 871
Total	5 746 519	-	-	(72 100)	-	-	(72 100)	5 674 419
Economic classification								
Current payments	165 411	-	-	15 500	-	-	15 500	180 911
Compensation of employees	126 578	-	-	22 565	-	-	22 565	149 143
Goods and services	38 833	-	-	(7 065)	-	-	(7 065)	31 768
Transfers and subsidies	5 573 508	-	-	(80 000)	-	-	(80 000)	5 493 508
Departmental agencies and accounts	84 000	-	-	-	-	-	-	84 000
Public corporations and private enterprises	5 488 708	-	-	(80 000)	-	-	(80 000)	5 408 708
Households	800	-	-	-	-	-	-	800
Payments for capital assets	7 600	-	-	(7 600)	-	-	(7 600)	-
Machinery and equipment	2 100	-	-	(2 100)	-	-	(2 100)	-
Software and other intangible assets	5 500	-	-	(5 500)	-	-	(5 500)	-
Total	5 746 519	-	-	(72 100)	-	-	(72 100)	5 674 419

Programme 7: Trade and Investment South Africa

Subprogramme	2017/18							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
African Bilateral Economic Relations	22 453	-	-	-	-	-	-	22 453
Export Promotion and Marketing	41 487	-	-	-	-	-	-	41 487
Trade and Investment South Africa Executive Management Unit	306 816	-	-	36 741	-	-	36 741	343 557
Export Development and Support	17 707	-	-	-	-	-	-	17 707
Total	388 463	-	-	36 741	-	-	36 741	425 204

Programme 7: Trade and Investment South Africa (continued)

Economic classification	2017/18							Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
Current payments	205 815	–	–	39 248	–	–	39 248	245 063
Compensation of employees	157 471	–	–	5 741	–	–	5 741	163 212
Goods and services	48 344	–	–	33 507	–	–	33 507	81 851
Transfers and subsidies	180 555	–	–	(2 717)	–	–	(2 717)	177 838
Foreign governments and international organisations	2 911	–	–	(2 911)	–	–	(2 911)	–
Public corporations and private enterprises	177 644	–	–	–	–	–	–	177 644
Households	–	–	–	194	–	–	194	194
Payments for capital assets	2 093	–	–	210	–	–	210	2 303
Machinery and equipment	2 093	–	–	210	–	–	210	2 303
Total	388 463	–	–	36 741	–	–	36 741	425 204

Programme 8: Investment South Africa

Subprogramme	2017/18							Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
Investment Promotion	42 558	–	–	–	–	–	–	42 558
Investment and Inter-Departmental Clearing House	4 150	–	–	22 000	–	–	22 000	26 150
Investment Support and After Care	4 151	–	–	–	–	–	–	4 151
Total	50 859	–	–	22 000	–	–	22 000	72 859
Economic classification								
Current payments	50 462	–	–	(420)	–	–	(420)	50 042
Compensation of employees	33 224	–	–	593	–	–	593	33 817
Goods and services	17 238	–	–	(1 013)	–	–	(1 013)	16 225
Transfers and subsidies	–	–	–	22 150	–	–	22 150	22 150
Public corporations and private enterprises	–	–	–	22 000	–	–	22 000	22 000
Households	–	–	–	150	–	–	150	150
Payments for capital assets	397	–	–	270	–	–	270	667
Machinery and equipment	397	–	–	270	–	–	270	667
Total	50 859	–	–	22 000	–	–	22 000	72 859

Virements and shifts within votes**Programmes**

1. Administration
2. International Trade and Economic Development
3. Special Economic Zones and Economic Transformation
4. Industrial Development
5. Consumer and Corporate Regulation
6. Incentive Development and Administration
7. Trade and Investment South Africa
8. Investment South Africa

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(17 471)	Programme 1		11 240
Goods and services	Cost containment measures effected on business and advisory services, and travel and subsistence	(181)	Machinery and equipment	Audiovisual equipment	181
	Cost containment measures effected on travel and subsistence	(47)	Households	Funeral costs, leave gratuities and hearing aids	47
	Printing and publication services	(95)	Compensation of employees	Personnel remuneration ¹	95
	Cost containment measures effected on business and advisory services, consumables, travel and subsistence, and venues and facilities	(10 917)	Compensation of employees	Personnel remuneration ¹	10 917

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
			Programme 7		5 741
	Cost containment measures effected on business and advisory services, venues and facilities; and printing and publication services	(5 741)	Compensation of employees	Personnel remuneration ¹	5 741
Households	Cost containment measures effected on bursaries for non-employees	(490)	Programme 1		490
			Goods and services	Maintenance of turnkey disk-based backup system	490
Shifts within the programme as a percentage of the programme budget		1.6%			
Virements to other programmes as a percentage of the programme budget		0.8%			
Programme 2		(1 623)	Programme 2		1 623
Goods and services	Cost containment measures effected on travel and subsistence	(14)	Households	Leave gratuities	14
	Cost containment measures effected on legal services, and venues and facilities	(1 609)	Compensation of employees	Personnel remuneration ¹	1 609
Shifts within the programme as a percentage of the programme budget		1.4%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 3		(21 105)	Programme 3		105
Goods and services	Cost containment measures effected on business and advisory services	(105)	Households	Leave gratuities, and state-owned enterprise procurement forum for awards ceremony	105
	Cost containment measures effected on business and advisory services	(1 000)	Programme 7		1 000
			Goods and services	Vouchers for travel and subsistence as well as other allowances payable to officials abroad	1 000
Departmental agencies and accounts	Transfer payment to Broad-Based Black Economic Empowerment Commission ¹	(20 000)	Programme 3		20 000
			Goods and services	Broad-Based Black Economic Empowerment Commission ¹	20 000
Shifts within the programme as a percentage of the programme budget		20.0%			
Virements to other programmes as a percentage of the programme budget		0.8%			
Programme 4		(9 008)	Programme 4		9 008
Goods and services	Cost containment measures effected on venues and facilities	(8)	Households	Leave gratuities	8
	Cost containment measures effected on travel and subsistence, and venues and facilities	(1 846)	Non-profit institutions	Trade and industrial policy strategies for research on the textile, clothing and retail segments of the clothing, textile, leather and footwear value chain ¹	1 846
Public corporations and private enterprises	Transfer payment to the Council for Scientific and Industrial Research: National Foundry Technology Network ¹	(7 000)	Non-profit institutions	Trade and industrial policy strategies for research on the steel sector ¹	7 000
Foreign governments and international organisations	Transfer payment to treaty organisations for metrology ¹	(154)	Non-profit institutions	Trade and industrial policy strategies for research on the textile, clothing and retail segments of the clothing, textile, leather and footwear value chain ¹	154
Shifts within the programme as a percentage of the programme budget		0.5%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 5		(4 105)	Programme 5		4 105
Goods and services	Cost containment measures effected on business and advisory services, and travel and subsistence	(292)	Machinery and equipment	Computer equipment	292
	Cost containment measures effected on travel and subsistence	(29)	Households	Leave gratuities	29
	Cost containment measures effected on business and advisory services	(3 784)	Compensation of employees	Personnel remuneration ¹	3 784
Shifts within the programme as a percentage of the programme budget		2.5%			
Virements to other programmes as a percentage of the programme budget		0.0%			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 6		(460 165)	Programme 6		22 565
Goods and services	Cost containment measures effected on business and advisory services, communications, fleet services, travel and subsistence, and venues and facilities	(22 565)	Compensation of employees	Personnel remuneration ¹	22 565
Machinery and equipment	Computer equipment	(2 100)	Programme 1		2 100
Software and other intangible assets	Computer software ¹	(5 500)	Machinery and equipment	Server upgrades	2 100
Public corporations and private enterprises	Transfer payment to the supplier development programme ¹	(18 000)	Programme 6		5 500
	Transfer payment to the supplier development programme ¹	(10 000)	Goods and services	Consulting engineers and verification auditors	5 500
	Transfer payments due to low uptake in the agro-processing programme, fewer claims than anticipated, and feasibility studies having been completed ¹	(350 000)	Programme 1		18 000
	National pavilions and trade missions: Export Marketing and Investment Assistance Scheme ¹	(30 000)	Goods and services	ICT services and renewal of licences	18 000
	Transfer payment to the supplier development programme ¹	(22 000)	Programme 6		360 000
			Goods and services	Consulting engineers and verification auditors	10 000
			Public corporations and private enterprises	Infrastructure projects under the special economic zones, and the critical infrastructure programme ¹	350 000
			Programme 7		30 000
			Goods and services	Vouchers for travel and subsistence as well as other allowances payable to officials abroad	30 000
			Programme 8		22 000
			Public corporations and private enterprises	Provincial one-stop shops ¹	22 000
Shifts within the programme as a percentage of the programme budget		9.0%			
Virements to other programmes as a percentage of the programme budget		1.3%			
Programme 7		(3 315)	Programme 7		3 315
Goods and services	Cost containment measures effected on catering	(210)	Machinery and equipment	Computer equipment	210
	Cost containment measures effected on catering, and venues and facilities	(194)	Households	Leave gratuities	194
Foreign governments and international organisations	Transfer payments to the International Bank for Reconstruction and Development (World Bank), and the International Finance Corporation ²	(2 911)	Goods and services	Vouchers for travel and subsistence as well as other allowances payable to officials abroad	2 911
Shifts within the programme as a percentage of the programme budget		0.9%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 8		(1 013)	Programme 8		1 013
Goods and services	Cost containment measures effected on business and advisory services	(270)	Machinery and equipment	Computer equipment	270
	Cost containment measures effected on business and advisory services, contractors and event promoters	(150)	Households	Leave gratuities, and the South African Oil and Gas Alliance	150
	Cost containment measures effected on communications, entertainment, and travel and subsistence	(191)	Compensation of employees	Personnel remuneration ¹	191
	Cost containment measures effected on catering, communications, entertainment, fleet services, and travel and subsistence	(402)	Compensation of employees	Personnel remuneration ¹	402
Shifts within the programme as a percentage of the programme budget		2.0%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Total		(517 805)			517 805

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement.

Other adjustments – R68.392 million

Self-financing expenditure – R68.392 million

Programme 1: Administration

Revenue of R68.392 million has been generated from the department's public entities, the Department of Economic Development and the Department of Small Business Development. This will be returned to the vote from the National Revenue Fund and will be used to supplement payments for the public-private partnership contract for the department's campus, where the entities have their offices.

Gifts, donations and sponsorships – R200 000

Programme 3: Special Economic Zones and Economic Transformation

The department made a donation of R100 000 to sponsor the public procurement awards ceremony held by the state-owned enterprise procurement forum in November 2017.

Programme 8: Investment South Africa

The department made a donation of R100 000 to sponsor the attendance of the South African Oil and Gas Alliance at the Offshore Technology Conference in Houston, Texas, in April and May 2017, to showcase South Africa as an oil and gas servicing hub.

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17					2017/18			
	Audited outcome					Actual expenditure			
R thousand	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation
Administration	777 089	346 918	44.6	699 139	90.0	814 571	8.7	378 222	46.4
International Trade and Economic Development	118 719	49 358	41.6	116 024	97.7	119 818	1.3	50 398	42.1
Special Economic Zones and Economic Transformation	121 892	46 791	38.4	97 589	80.1	118 410	1.3	49 046	41.4
Industrial Development	1 727 027	1 065 621	61.7	1 722 245	99.7	1 819 277	19.5	1 341 767	73.8
Consumer and Corporate Regulation	294 336	193 694	65.8	295 381	100.4	298 629	3.2	197 435	66.1
Incentive Development and Administration	6 891 709	2 526 285	36.7	6 895 186	100.1	5 674 419	60.7	1 543 168	27.2
Trade and Investment South Africa	410 922	291 633	71.0	454 588	110.6	425 204	4.6	212 586	50.0
Investment South Africa	47 823	19 216	40.2	69 244	144.8	72 859	0.8	24 563	33.7
Total	10 389 517	4 539 516	43.7	10 349 396	99.6	9 343 187	100.0	3 797 185	40.6
Economic classification									
Current payments	1 582 199	728 390	46.0	1 505 485	95.2	1 663 642	17.8	768 325	46.2
Compensation of employees	930 311	454 160	48.8	915 498	98.4	947 719	10.1	483 528	51.0
Goods and services	651 888	274 230	42.1	589 987	90.5	715 923	7.7	284 797	39.8
Transfers and subsidies	8 774 015	3 804 609	43.4	8 818 108	100.5	7 656 088	81.9	3 012 119	39.3
Departmental agencies and accounts	856 034	439 807	51.4	856 034	100.0	727 576	7.8	446 614	61.4
Foreign governments and international organisations	32 571	–	0.0	29 843	91.6	33 256	0.4	1 644	4.9
Public corporations and private enterprises	7 720 386	3 296 385	42.7	7 765 239	100.6	6 724 046	72.0	2 455 224	36.5
Non-profit institutions	163 107	67 000	41.1	163 107	100.0	169 814	1.8	107 708	63.4
Households	1 914	1 417	74.0	3 885	203.0	1 396	0.0	929	66.5
Payments for capital assets	33 303	6 504	19.5	16 103	48.4	23 457	0.3	16 733	71.3
Machinery and equipment	25 436	6 504	25.6	11 071	43.5	20 869	0.2	15 953	76.4
Software and other intangible assets	7 867	–	0.0	5 032	64.0	2 588	0.0	780	30.1
Total	10 389 517	4 539 516	43.7	10 349 396	99.6	9 343 187	100.0	3 797 185	40.6

Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R10.3 billion, or 99.6 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 was R3.8 billion, or 40.6 per cent of the adjusted appropriation of R9.3 billion for the year. In comparison, mid-year expenditure in 2016/17 was R4.5 billion,

or 43.7 per cent of the 2016/17 adjusted appropriation. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 decreased by R742.3 million, or 16.4 per cent. This is mainly due to a decrease in transfer payments to public corporations and private enterprises, and payments to households.

Departmental receipts

R thousand	2016/17					2017/18				
	Adjusted estimate	Audited outcome			Actual receipts					
		Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted estimate
Departmental receipts	82 155	47 601	57.9	98 092	119.4	69 000	68 521	100.0	29 081	42.4
Tax receipts	4 000	1 781	44.5	4 862	121.6	5 200	4 800	7.0	1 734	36.1
Sales of goods and services produced by department	616	224	36.4	610	99.0	616	552	0.8	275	49.8
Sales of scrap, waste, arms and other used current goods	5	4	80.0	14	280.0	1	81	0.1	75	92.6
Transfers received	244	-	0.0	-	-	-	-	-	-	-
Fines, penalties and forfeits	400	332	83.0	365	91.3	220	60	0.1	36	60.0
Interest, dividends and rent on land	3 570	80	2.2	2 708	75.9	550	550	0.8	82	14.9
Sales of capital assets	300	-	0.0	-	-	300	365	0.5	365	100.0
Transactions in financial assets and liabilities	73 020	45 180	61.9	89 533	122.6	62 113	62 113	90.6	26 514	42.7
Total	82 155	47 601	57.9	98 092	119.4	69 000	68 521	100.0	29 081	42.4

Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R29.1 million, or 42.4 per cent of the adjusted revenue estimate of R68.5 million for the year. In comparison, mid-year revenue in 2016/17 was R47.6 million, or 57.9 per cent of the 2016/17 adjusted estimate. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 decreased by R18.5 million, or 38.9 per cent. The high revenue in the previous financial year was mainly due to backdated rental payments received from the Competition Commission for office accommodation for 2015/16 and 2016/17. Revenue for 2017/18 is in line with the department's projections.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

R thousand	Main appropriation	2017/18						Adjusted appropriation
		Adjustments appropriation						
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Administration								
Households								
Social benefits								
Current	-	-	-	57	-	-	57	57
Employee social benefits	-	-	-	57	-	-	57	57
Households								
Other transfers to households								
Current	539	-	-	(500)	-	-	(500)	39
Bursaries for non-employees	539	-	-	(539)	-	-	(539)	-
Other transfers to households	-	-	-	39	-	-	39	39
International Trade and Economic Development								
Households								
Social benefits								
Current	-	-	-	14	-	-	14	14
Employee social benefits	-	-	-	14	-	-	14	14

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

R thousand	2017/18							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Special Economic Zones and Economic Transformation								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	20 000	-	-	(20 000)	-	-	(20 000)	-
Broad-Based Black Economic Empowerment Commission	20 000	-	-	(20 000)	-	-	(20 000)	-
Households								
Social benefits								
Current	-	-	-	5	-	-	5	5
Employee social benefits	-	-	-	5	-	-	5	5
Households								
Other transfers to households								
Current	-	-	-	100	-	-	100	100
Gifts and donations	-	-	-	100	-	-	100	100
Industrial Development								
Foreign governments and international organisations								
Current	1 798	-	-	(154)	-	-	(154)	1 644
Treaty Organisations for Metrology	1 798	-	-	(154)	-	-	(154)	1 644
Public corporations and private enterprises								
Public corporations								
Other transfers								
Current	25 678	-	-	(7 000)	-	-	(7 000)	18 678
Council for Scientific and Industrial Research: National foundry technology network	25 678	-	-	(7 000)	-	-	(7 000)	18 678
Non-profit institutions								
Current	40 790	-	-	9 000	-	-	9 000	49 790
Trade and industrial policy strategies	21 423	-	-	3 000	-	-	3 000	24 423
Centurion Aerospace Village	19 367	-	-	6 000	-	-	6 000	25 367
Households								
Social benefits								
Current	-	-	-	8	-	-	8	8
Employee social benefits	-	-	-	8	-	-	8	8
Consumer and Corporate Regulation								
Households								
Social benefits								
Current	-	-	-	29	-	-	29	29
Employee social benefits	-	-	-	29	-	-	29	29
Incentive Development and Administration								
Public corporations and private enterprises								
Public corporations								
Other transfers								
Capital	695 421	-	-	370 000	-	-	370 000	1 065 421
Various institutions: Critical infrastructure programme	90 000	-	-	70 000	-	-	70 000	160 000
Various institutions: Special economic zones	605 421	-	-	300 000	-	-	300 000	905 421
Public corporations and private enterprises								
Private enterprises								
Subsidies on production or products								
Current	4 397 350	-	-	(400 000)	-	-	(400 000)	3 997 350
Various institutions: Services sector development incentives	692 500	-	-	100 000	-	-	100 000	792 500
Various institutions: Manufacturing development incentives	3 564 850	-	-	(400 000)	-	-	(400 000)	3 164 850
Various institutions: Industrial development zones (other)	140 000	-	-	(100 000)	-	-	(100 000)	40 000
Public corporations and private enterprises								
Private enterprises								
Other transfers								
Current	212 500	-	-	(30 000)	-	-	(30 000)	182 500
Various institutions: Export market and investment assistance	212 500	-	-	(30 000)	-	-	(30 000)	182 500

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

R thousand	2017/18							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Capital	119 500	-	-	(20 000)	-	-	(20 000)	99 500
Various institutions: Critical infrastructure programme	119 500	-	-	(20 000)	-	-	(20 000)	99 500
Trade and Investment South Africa								
Foreign governments and international organisations								
Current	2 911	-	-	(2 911)	-	-	(2 911)	-
Export consultancy trust funds: International Bank for Reconstruction and Development (World Bank)	1 456	-	-	(1 456)	-	-	(1 456)	-
Export consultancy trust funds: International Finance Corporation	1 455	-	-	(1 455)	-	-	(1 455)	-
Households								
Social benefits								
Current	-	-	-	194	-	-	194	194
Employee social benefits	-	-	-	194	-	-	194	194
Investment South Africa								
Public corporations and private enterprises								
Public corporations								
Other transfers								
Current	-	-	-	22 000	-	-	22 000	22 000
Various Institutions: One Stop Shop	-	-	-	22 000	-	-	22 000	22 000
Households								
Social benefits								
Current	-	-	-	50	-	-	50	50
Employee social benefits	-	-	-	50	-	-	50	50
Households								
Other transfers to households								
Current	-	-	-	100	-	-	100	100
Gifts and donations	-	-	-	100	-	-	100	100

