

# Vote 34

## Mineral Resources and Energy

### Adjusted budget summary

| R thousand                       | Appropriation                         | 2023/24 Adjustments appropriation |               | Adjusted appropriation |
|----------------------------------|---------------------------------------|-----------------------------------|---------------|------------------------|
|                                  |                                       | Decrease                          | Increase      |                        |
| <b>Amount to be appropriated</b> | <b>10 701 218</b>                     | <b>(482 800)</b>                  | <b>52 800</b> | <b>10 271 218</b>      |
| <i>of which:</i>                 |                                       |                                   |               |                        |
| Current payments                 | 2 143 391                             | –                                 | 52 800        | 2 196 191              |
| Transfers and subsidies          | 8 543 464                             | (482 800)                         | –             | 8 060 664              |
| Payments for capital assets      | 14 363                                | –                                 | –             | 14 363                 |
| Executive authority              | Minister of Mineral Resources         |                                   |               |                        |
| Accounting officer               | Director-General of Mineral Resources |                                   |               |                        |
| Website                          | www.dmre.gov.za                       |                                   |               |                        |

### Vote purpose

Regulate the minerals and mining sector for transformation, growth and development. Formulate energy policies, regulatory frameworks and legislation to ensure energy security, environmentally friendly carriers, and access to affordable and reliable energy.

### Performance

| Indicator   | Programme  | MTSF priority        | Annual performance    |  |                            |
|---|--|----------------------|-----------------------|--|----------------------------|
|   |  |                      | Projected for 2023/24 | Achieved in the first half of 2023/24 (April to September) | Changed target for 2023/24 |
| Number of new petroleum retail site inspections per year  | Minerals and Petroleum Regulation                    | Departmental mandate | 1 500                 | 756  | –                          |
| Number of mining rights and permits granted or issued to historically disadvantaged South Africans per year | Minerals and Petroleum Regulation                    |                      | 120                   | 145  | 200                        |
| Number of social and labour plan verification inspections per year  | Minerals and Petroleum Regulation                    |                      | 212                   | 145  | –                          |
| Number of environmental verification inspections conducted per year   | Minerals and Petroleum Regulation                    |                      | 1 374                 | 753  | –                          |
| Number of mine economic verification inspections per year   | Minerals and Petroleum Regulation                    |                      | 500                   | 244  | –                          |
| Number of mineral legislation compliance inspections conducted per year                                     | Minerals and Petroleum Regulation                    |                      | 150                   | 66   | –                          |
| Number of mine inspections conducted per year   | Mine Health and Safety Inspectorate                  |                      | 8 000                 | 4 489  | –                          |
| Number of derelict and ownerless mines rehabilitated per year   | Mineral and Energy Resources Programmes and Projects |                      | 3                     | 0  | –                          |

**Performance (continued)**

| Indicator  | Programme  | MTSF priority   | Annual performance    |  |                            |
|--|--|---|-----------------------|--|----------------------------|
|  |  |   | Projected for 2023/24 | Achieved in the first half of 2023/24 (April to September) | Changed target for 2023/24 |
| Amount of energy savings realised and verified from energy efficiency and demand-side management grant per year (terawatt-hours) | Mineral and Energy Resources Programmes and Projects | Departmental mandate  | 0.5 TWh               | 0.439 TWh  | –                          |
| Number of additional households electrified with grid electrification per year   | Mineral and Energy Resources Programmes and Projects | Priority 5: Spatial integration, human settlements and local government | 220 000               | 55 463   | –                          |
| Number of bulk substations built per year  | Mineral and Energy Resources Programmes and Projects |   | 2                     | 2  | –                          |
| Number of additional substations upgraded per year   | Mineral and Energy Resources Programmes and Projects |   | 3                     | 0  | –                          |
| Kilometres of new medium-voltage power lines constructed per year  | Mineral and Energy Resources Programmes and Projects |   | 50                    | 35.7   | –                          |
| Kilometres of existing medium-voltage power lines upgraded per year  | Mineral and Energy Resources Programmes and Projects |   | 50                    | 0  | –                          |
| Number of additional households electrified with non-grid electrification per year   | Mineral and Energy Resources Programmes and Projects |   | 15 000                | 6 585  | –                          |
| Number of small-scale mining companies supported per year  | Mineral and Energy Resources Programmes and Projects |   | Departmental mandate  | 3  | 0                          |

**Progress**

The 3 derelict and ownerless mines planned for rehabilitation in 2023/24 are still in the first phase of the project.

Energy savings amounting to 0.439 terawatt hours were realised and verified from energy efficiency and demand-side management projects during the first half of 2023/24 against an annual target of 0.5 terawatt hours. This high achievement was mainly due to the implementation of 10 large projects under the tax incentive in terms of section 12L of the Income Tax Act (1962), as amended.

Although no medium voltage power lines and existing substations were reported as upgraded in the first half of 2023/24, construction is under way. The department will report on outputs once the lines have been completed and verified.

A total of 55 463 grid was made in the first 5 months of the year and 6 585 non-grid connections were made as part of the integrated national electrification programme in the first half of 2023/24. Performance is expected to improve in the second half of the year after the start of the municipal financial year in July.

## Adjusted estimates

| Programme  |                   | 2023/24                         |                            |                      |                                 |   |                                |                  | Total adjustments appropriation | Adjusted appropriation |
|--|-------------------|---------------------------------|----------------------------|----------------------|---------------------------------|---|--------------------------------|------------------|---------------------------------|------------------------|
|  |                   | Adjustments appropriation       |                            |                      |                                 |   | Other adjustments <sup>1</sup> |                  |                                 |                        |
| R thousand   | Appropriation     | Amounts announced in the Budget | Unforeseeable /Unavoidable | Virements and shifts | Shifting of funds between votes | Significant and unforeseeable economic and financial events |                                |                  |                                 |                        |
| Administration                                       | 695 394           | –                               | –                          | 8 500                | –                               | –   | –                              | 8 500            | 703 894                         |                        |
| Minerals and Petroleum Regulation                    | 511 702           | –                               | –                          | 7 000                | –                               | –   | –                              | 7 000            | 518 702                         |                        |
| Mining, Minerals and Energy Policy Development       | 1 081 016         | –                               | –                          | (5 000)              | –                               | –   | –                              | (5 000)          | 1 076 016                       |                        |
| Mine Health and Safety Inspectorate                  | 233 906           | –                               | –                          | (7 500)              | –                               | –   | –                              | (7 500)          | 226 406                         |                        |
| Mineral and Energy Resources Programmes and Projects | 7 018 274         | –                               | –                          | (1 500)              | –                               | (430 000)   | –                              | (431 500)        | 6 586 774                       |                        |
| Nuclear Energy Regulation and Management             | 1 160 926         | –                               | –                          | (1 500)              | –                               | –   | –                              | (1 500)          | 1 159 426                       |                        |
| <b>Total</b>   | <b>10 701 218</b> | <b>–</b>                        | <b>–</b>                   | <b>–</b>             | <b>–</b>                        | <b>(430 000)</b>  | <b>–</b>                       | <b>(430 000)</b> | <b>10 271 218</b>               |                        |
| <b>Economic classification</b>                       |                   |                                 |                            |                      |                                 |   |                                |                  |                                 |                        |
| <b>Current payments</b>                              | <b>2 143 391</b>  | <b>–</b>                        | <b>–</b>                   | <b>52 800</b>        | <b>–</b>                        | <b>–</b>  | <b>–</b>                       | <b>52 800</b>    | <b>2 196 191</b>                |                        |
| Compensation of employees                            | 1 066 567         | –                               | –                          | –                    | –                               | –   | –                              | –                | 1 066 567                       |                        |
| Goods and services                                   | 1 076 824         | –                               | –                          | 52 800               | –                               | –   | –                              | 52 800           | 1 129 624                       |                        |
| <b>Transfers and subsidies</b>                       | <b>8 543 464</b>  | <b>–</b>                        | <b>–</b>                   | <b>(52 800)</b>      | <b>–</b>                        | <b>(430 000)</b>  | <b>–</b>                       | <b>(482 800)</b> | <b>8 060 664</b>                |                        |
| Provinces and municipalities                         | 2 436 138         | –                               | –                          | –                    | –                               | (180 000)   | –                              | (180 000)        | 2 256 138                       |                        |
| Departmental agencies and accounts                   | 809 628           | –                               | –                          | –                    | –                               | –   | –                              | –                | 809 628                         |                        |
| Foreign governments and international organisations  | 37 147            | –                               | –                          | –                    | –                               | –   | –                              | –                | 37 147                          |                        |
| Public corporations and private enterprises          | 5 258 135         | –                               | –                          | (52 800)             | –                               | (250 000)   | –                              | (302 800)        | 4 955 335                       |                        |
| Households   | 2 416             | –                               | –                          | –                    | –                               | –   | –                              | –                | 2 416                           |                        |
| <b>Payments for capital assets</b>                   | <b>14 363</b>     | <b>–</b>                        | <b>–</b>                   | <b>–</b>             | <b>–</b>                        | <b>–</b>  | <b>–</b>                       | <b>–</b>         | <b>14 363</b>                   |                        |
| Buildings and other fixed structures                 | 2 522             | –                               | –                          | –                    | –                               | –   | –                              | –                | 2 522                           |                        |
| Machinery and equipment                              | 11 841            | –                               | –                          | –                    | –                               | –   | –                              | –                | 11 841                          |                        |
| <b>Total</b>   | <b>10 701 218</b> | <b>–</b>                        | <b>–</b>                   | <b>–</b>             | <b>–</b>                        | <b>(430 000)</b>  | <b>–</b>                       | <b>(430 000)</b> | <b>10 271 218</b>               |                        |

1. Other adjustments include rollovers, the shifting of funds following a function shift within a vote, self-financing expenditure, declared unspent funds and expenditure in terms of section 16 of the Public Finance Management Act (1999).

**Programme 1: Administration**

| Subprogramme                         |                | 2023/24                         |                            |                      |                                 |   |                   |                                 |                        |
|--------------------------------------|----------------|---------------------------------|----------------------------|----------------------|---------------------------------|---|-------------------|---------------------------------|------------------------|
|                                      |                | Adjustments appropriation       |                            |                      |                                 |   |                   | Total adjustments appropriation | Adjusted appropriation |
| R thousand                           | Appropriation  | Amounts announced in the Budget | Unforeseeable /Unavoidable | Virements and shifts | Shifting of funds between votes | Significant and unforeseeable economic and financial events | Other adjustments |                                 |                        |
| Ministry                             | 40 857         | –                               | –                          | (2 700)              | –                               | –   | –                 | (2 700)                         | 38 157                 |
| Departmental Management              | 41 110         | –                               | –                          | 700                  | –                               | –   | –                 | 700                             | 41 810                 |
| Audit Services                       | 22 003         | –                               | –                          | 1 600                | –                               | –   | –                 | 1 600                           | 23 603                 |
| Financial Administration             | 98 259         | –                               | –                          | 2 532                | –                               | –   | –                 | 2 532                           | 100 791                |
| Corporate Services                   | 335 545        | –                               | –                          | 12 477               | –                               | –   | –                 | 12 477                          | 348 022                |
| Office Accommodation                 | 157 620        | –                               | –                          | (6 109)              | –                               | –   | –                 | (6 109)                         | 151 511                |
| <b>Total</b>                         | <b>695 394</b> | <b>–</b>                        | <b>–</b>                   | <b>8 500</b>         | <b>–</b>                        | <b>–</b>  | <b>–</b>          | <b>8 500</b>                    | <b>703 894</b>         |
| <b>Economic classification</b>       |                |                                 |                            |                      |                                 |   |                   |                                 |                        |
| <b>Current payments</b>              | <b>675 135</b> | <b>–</b>                        | <b>–</b>                   | <b>8 500</b>         | <b>–</b>                        | <b>–</b>  | <b>–</b>          | <b>8 500</b>                    | <b>683 635</b>         |
| Compensation of employees            | 326 353        | –                               | –                          | 8 500                | –                               | –   | –                 | 8 500                           | 334 853                |
| Goods and services                   | 348 782        | –                               | –                          | –                    | –                               | –   | –                 | –                               | 348 782                |
| <b>Transfers and subsidies</b>       | <b>5 896</b>   | <b>–</b>                        | <b>–</b>                   | <b>–</b>             | <b>–</b>                        | <b>–</b>  | <b>–</b>          | <b>–</b>                        | <b>5 896</b>           |
| Departmental agencies and accounts   | 3 480          | –                               | –                          | –                    | –                               | –   | –                 | –                               | 3 480                  |
| Households                           | 2 416          | –                               | –                          | –                    | –                               | –   | –                 | –                               | 2 416                  |
| <b>Payments for capital assets</b>   | <b>14 363</b>  | <b>–</b>                        | <b>–</b>                   | <b>–</b>             | <b>–</b>                        | <b>–</b>  | <b>–</b>          | <b>–</b>                        | <b>14 363</b>          |
| Buildings and other fixed structures | 2 522          | –                               | –                          | –                    | –                               | –   | –                 | –                               | 2 522                  |
| Machinery and equipment              | 11 841         | –                               | –                          | –                    | –                               | –   | –                 | –                               | 11 841                 |
| <b>Total</b>                         | <b>695 394</b> | <b>–</b>                        | <b>–</b>                   | <b>8 500</b>         | <b>–</b>                        | <b>–</b>  | <b>–</b>          | <b>8 500</b>                    | <b>703 894</b>         |

**Programme 2: Minerals and Petroleum Regulation**

| Subprogramme  |                | 2023/24                         |                            |                      |                                 |   |                   |                                 |                        |
|---|----------------|---------------------------------|----------------------------|----------------------|---------------------------------|---|-------------------|---------------------------------|------------------------|
|   |                | Adjustments appropriation       |                            |                      |                                 |   |                   | Total adjustments appropriation | Adjusted appropriation |
| R thousand  | Appropriation  | Amounts announced in the Budget | Unforeseeable /Unavoidable | Virements and shifts | Shifting of funds between votes | Significant and unforeseeable economic and financial events | Other adjustments |                                 |                        |
| Minerals and Petroleum Management                             | 16 910         | –                               | –                          | (1 087)              | –                               | –   | –                 | (1 087)                         | 15 823                 |
| Mineral Regulation and Administration                         | 379 137        | –                               | –                          | 8 192                | –                               | –   | –                 | 8 192                           | 387 329                |
| Environmental Enforcement and Compliance                      | 22 806         | –                               | –                          | (1 410)              | –                               | –   | –                 | (1 410)                         | 21 396                 |
| Petroleum Compliance Monitoring, Enforcement and Fuel Pricing | 28 099         | –                               | –                          | (3 995)              | –                               | –   | –                 | (3 995)                         | 24 104                 |
| Petroleum Licensing and Fuel Supply                           | 64 750         | –                               | –                          | 5 300                | –                               | –   | –                 | 5 300                           | 70 050                 |
| <b>Total</b>  | <b>511 702</b> | <b>–</b>                        | <b>–</b>                   | <b>7 000</b>         | <b>–</b>                        | <b>–</b>  | <b>–</b>          | <b>7 000</b>                    | <b>518 702</b>         |

**Programme 2: Minerals and Petroleum Regulation (continued)**

| Economic classification                             |                | 2023/24                         |                            |                      |                                 |   |                   |                                 |                        |
|---|----------------|---------------------------------|----------------------------|----------------------|---------------------------------|---|-------------------|---------------------------------|------------------------|
|   |                | Adjustments appropriation       |                            |                      |                                 |   |                   | Total adjustments appropriation | Adjusted appropriation |
| R thousand  | Appropriation  | Amounts announced in the Budget | Unforeseeable /Unavoidable | Virements and shifts | Shifting of funds between votes | Significant and unforeseeable economic and financial events | Other adjustments |                                 |                        |
| <b>Current payments</b>                             | <b>353 135</b> | –                               | –                          | <b>7 000</b>         | –                               | –   | –                 | <b>7 000</b>                    | <b>360 135</b>         |
| Compensation of employees                           | 298 238        | –                               | –                          | 7 000                | –                               | –   | –                 | 7 000                           | 305 238                |
| Goods and services                                  | 54 897         | –                               | –                          | –                    | –                               | –   | –                 | –                               | 54 897                 |
| <b>Transfers and subsidies</b>                      | <b>158 567</b> | –                               | –                          | –                    | –                               | –   | –                 | –                               | <b>158 567</b>         |
| Departmental agencies and accounts                  | 63 136         | –                               | –                          | –                    | –                               | –   | –                 | –                               | 63 136                 |
| Foreign governments and international organisations | 3 346          | –                               | –                          | –                    | –                               | –   | –                 | –                               | 3 346                  |
| Public corporations and private enterprises         | 92 085         | –                               | –                          | –                    | –                               | –   | –                 | –                               | 92 085                 |
| <b>Total</b>  | <b>511 702</b> | –                               | –                          | <b>7 000</b>         | –                               | –   | –                 | <b>7 000</b>                    | <b>518 702</b>         |

**Programme 3: Mining, Minerals and Energy Policy Development**

| Subprogramme                                    |                  | 2023/24                         |                            |                      |                                 |   |                   |                                 |                        |
|---|------------------|---------------------------------|----------------------------|----------------------|---------------------------------|---|-------------------|---------------------------------|------------------------|
|   |                  | Adjustments appropriation       |                            |                      |                                 |   |                   | Total adjustments appropriation | Adjusted appropriation |
| R thousand                                      | Appropriation    | Amounts announced in the Budget | Unforeseeable /Unavoidable | Virements and shifts | Shifting of funds between votes | Significant and unforeseeable economic and financial events | Other adjustments |                                 |                        |
| Mining, Minerals and Energy Policy Development  | 67 660           | –                               | –                          | (2 710)              | –                               | –   | –                 | (2 710)                         | 64 950                 |
| Management Minerals and Petroleum Policy        | 25 152           | –                               | –                          | (1 350)              | –                               | –   | –                 | (1 350)                         | 23 802                 |
| Nuclear, Electricity and Gas Policy             | 15 378           | –                               | –                          | 850                  | –                               | –   | –                 | 850                             | 16 228                 |
| Economic Analysis and Statistics                | 49 420           | –                               | –                          | (2 800)              | –                               | –   | –                 | (2 800)                         | 46 620                 |
| Economic Growth, Promotion and Global Relations | 907 408          | –                               | –                          | –                    | –                               | –   | –                 | –                               | 907 408                |
| Mineral and Energy Planning                     | 15 998           | –                               | –                          | 1 010                | –                               | –   | –                 | 1 010                           | 17 008                 |
| <b>Total</b>                                    | <b>1 081 016</b> | –                               | –                          | <b>(5 000)</b>       | –                               | –   | –                 | <b>(5 000)</b>                  | <b>1 076 016</b>       |

**Programme 3: Mining, Minerals and Energy Policy Development (continued)**

| Economic classification                             |                  | 2023/24                         |                            |                      |                                 |   |                   |                                 | Adjusted appropriation |
|---|------------------|---------------------------------|----------------------------|----------------------|---------------------------------|---|-------------------|---------------------------------|------------------------|
|   |                  | Adjustments appropriation       |                            |                      |                                 |   |                   | Total adjustments appropriation |                        |
| R thousand  | Appropriation    | Amounts announced in the Budget | Unforeseeable /Unavoidable | Virements and shifts | Shifting of funds between votes | Significant and unforeseeable economic and financial events | Other adjustments |                                 |                        |
| <b>Current payments</b>                             | <b>198 200</b>   | -                               | -                          | (5 000)              | -                               | -   | -                 | (5 000)                         | <b>193 200</b>         |
| Compensation of employees                           | 106 512          | -                               | -                          | (5 000)              | -                               | -   | -                 | (5 000)                         | 101 512                |
| Goods and services                                  | 91 688           | -                               | -                          | -                    | -                               | -   | -                 | -                               | 91 688                 |
| <b>Transfers and subsidies</b>                      | <b>882 816</b>   | -                               | -                          | -                    | -                               | -   | -                 | -                               | <b>882 816</b>         |
| Departmental agencies and accounts                  | 559 458          | -                               | -                          | -                    | -                               | -   | -                 | -                               | 559 458                |
| Foreign governments and international organisations | 4 679            | -                               | -                          | -                    | -                               | -   | -                 | -                               | 4 679                  |
| Public corporations and private enterprises         | 318 679          | -                               | -                          | -                    | -                               | -   | -                 | -                               | 318 679                |
| <b>Total</b>  | <b>1 081 016</b> | -                               | -                          | (5 000)              | -                               | -   | -                 | (5 000)                         | <b>1 076 016</b>       |

**Programme 4: Mine Health and Safety Inspectorate**

| Subprogramme                       |                | 2023/24                         |                            |                      |                                 |   |                   |                                 | Adjusted appropriation |
|------------------------------------|----------------|---------------------------------|----------------------------|----------------------|---------------------------------|---|-------------------|---------------------------------|------------------------|
|                                    |                | Adjustments appropriation       |                            |                      |                                 |   |                   | Total adjustments appropriation |                        |
| R thousand                         | Appropriation  | Amounts announced in the Budget | Unforeseeable /Unavoidable | Virements and shifts | Shifting of funds between votes | Significant and unforeseeable economic and financial events | Other adjustments |                                 |                        |
| Mine Health and Safety Management  | 9 128          | -                               | -                          | 284                  | -                               | -   | -                 | 284                             | 9 412                  |
| Mine Health and Safety Regions     | 210 217        | -                               | -                          | (10 168)             | -                               | -   | -                 | (10 168)                        | 200 049                |
| Occupational Health                | 14 561         | -                               | -                          | 2 384                | -                               | -   | -                 | 2 384                           | 16 945                 |
| <b>Total</b>                       | <b>233 906</b> | -                               | -                          | (7 500)              | -                               | -   | -                 | (7 500)                         | <b>226 406</b>         |
| <b>Economic classification</b>     |                |                                 |                            |                      |                                 |   |                   |                                 |                        |
| <b>Current payments</b>            | <b>229 170</b> | -                               | -                          | (7 500)              | -                               | -   | -                 | (7 500)                         | <b>221 670</b>         |
| Compensation of employees          | 194 114        | -                               | -                          | (7 500)              | -                               | -   | -                 | (7 500)                         | 186 614                |
| Goods and services                 | 35 056         | -                               | -                          | -                    | -                               | -   | -                 | -                               | 35 056                 |
| <b>Transfers and subsidies</b>     | <b>4 736</b>   | -                               | -                          | -                    | -                               | -   | -                 | -                               | <b>4 736</b>           |
| Departmental agencies and accounts | 4 736          | -                               | -                          | -                    | -                               | -   | -                 | -                               | 4 736                  |
| <b>Total</b>                       | <b>233 906</b> | -                               | -                          | (7 500)              | -                               | -   | -                 | (7 500)                         | <b>226 406</b>         |

**Programme 5: Mineral and Energy Resources Programmes and Projects**

| Subprogramme  | 2023/24                         |                            |                      |                                 |   |                   |                                 | Adjusted appropriation |                  |
|---|---------------------------------|----------------------------|----------------------|---------------------------------|---|-------------------|---------------------------------|------------------------|------------------|
|   | Appropriation                   | Adjustments appropriation  |                      |                                 |   |                   | Total adjustments appropriation |                        |                  |
| R thousand  | Amounts announced in the Budget | Unforeseeable /Unavoidable | Virements and shifts | Shifting of funds between votes | Significant and unforeseeable economic and financial events | Other adjustments |                                 |                        |                  |
| Programmes and Projects Management Integrated National Electrification Programme  | 6 249                           | -                          | -                    | (3 803)                         | -   | -                 | -                               | (3 803)                | 2 446            |
| Programmes and Projects Management Office   | 6 327 748                       | -                          | -                    | (49 867)                        | -   | (430 000)         | -                               | (479 867)              | 5 847 881        |
| Electricity Infrastructure and Industry Transformation Energy Efficiency Projects | 68 087                          | -                          | -                    | 870                             | -   | -                 | -                               | 870                    | 68 957           |
| Renewable Energy Projects   | 6 349                           | -                          | -                    | 504                             | -   | -                 | -                               | 504                    | 6 853            |
| Environmental Management Projects   | 253 503                         | -                          | -                    | (3 249)                         | -   | -                 | -                               | (3 249)                | 250 254          |
| <b>Total</b>  | <b>7 018 274</b>                | <b>-</b>                   | <b>-</b>             | <b>(1 500)</b>                  | <b>-</b>  | <b>(430 000)</b>  | <b>-</b>                        | <b>(431 500)</b>       | <b>6 586 774</b> |
| <b>Economic classification</b>  |                                 |                            |                      |                                 |   |                   |                                 |                        |                  |
| <b>Current payments</b>   | <b>642 180</b>                  | <b>-</b>                   | <b>-</b>             | <b>51 300</b>                   | <b>-</b>  | <b>-</b>          | <b>-</b>                        | <b>51 300</b>          | <b>693 480</b>   |
| Compensation of employees   | 105 498                         | -                          | -                    | (1 500)                         | -   | -                 | -                               | (1 500)                | 103 998          |
| Goods and services  | 536 682                         | -                          | -                    | 52 800                          | -   | -                 | -                               | 52 800                 | 589 482          |
| <b>Transfers and subsidies</b>  | <b>6 376 094</b>                | <b>-</b>                   | <b>-</b>             | <b>(52 800)</b>                 | <b>-</b>  | <b>(430 000)</b>  | <b>-</b>                        | <b>(482 800)</b>       | <b>5 893 294</b> |
| Provinces and municipalities  | 2 436 138                       | -                          | -                    | -                               | -   | (180 000)         | -                               | (180 000)              | 2 256 138        |
| Departmental agencies and accounts  | 81 383                          | -                          | -                    | -                               | -   | -                 | -                               | -                      | 81 383           |
| Foreign governments and international organisations                               | 3 201                           | -                          | -                    | -                               | -   | -                 | -                               | -                      | 3 201            |
| Public corporations and private enterprises                                       | 3 855 372                       | -                          | -                    | (52 800)                        | -   | (250 000)         | -                               | (302 800)              | 3 552 572        |
| <b>Total</b>  | <b>7 018 274</b>                | <b>-</b>                   | <b>-</b>             | <b>(1 500)</b>                  | <b>-</b>  | <b>(430 000)</b>  | <b>-</b>                        | <b>(431 500)</b>       | <b>6 586 774</b> |

**Programme 6: Nuclear Energy Regulation and Management**

| Subprogramme  |                  | 2023/24                         |                            |                      |                                 |   |                                 |                   | Adjusted appropriation |
|---|------------------|---------------------------------|----------------------------|----------------------|---------------------------------|---|---------------------------------|-------------------|------------------------|
|   |                  | Adjustments appropriation       |                            |                      |                                 |   | Total adjustments appropriation |                   |                        |
| R thousand  | Appropriation    | Amounts announced in the Budget | Unforeseeable /Unavoidable | Virements and shifts | Shifting of funds between votes | Significant and unforeseeable economic and financial events |                                 | Other adjustments |                        |
| Nuclear Energy Management                           | 9 263            | –                               | –                          | (1 500)              | –                               | –   | –                               | (1 500)           | 7 763                  |
| Nuclear Safety and Technology                       | 1 136 181        | –                               | –                          | 1 955                | –                               | –   | –                               | 1 955             | 1 138 136              |
| Nuclear Non-proliferation and Radiation Security    | 15 482           | –                               | –                          | (1 955)              | –                               | –   | –                               | (1 955)           | 13 527                 |
| <b>Total</b>  | <b>1 160 926</b> | <b>–</b>                        | <b>–</b>                   | <b>(1 500)</b>       | <b>–</b>                        | <b>–</b>  | <b>–</b>                        | <b>(1 500)</b>    | <b>1 159 426</b>       |
| <b>Economic classification</b>                      |                  |                                 |                            |                      |                                 |   |                                 |                   |                        |
| <b>Current payments</b>                             | <b>45 571</b>    | <b>–</b>                        | <b>–</b>                   | <b>(1 500)</b>       | <b>–</b>                        | <b>–</b>  | <b>–</b>                        | <b>(1 500)</b>    | <b>44 071</b>          |
| Compensation of employees                           | 35 852           | –                               | –                          | (1 500)              | –                               | –   | –                               | (1 500)           | 34 352                 |
| Goods and services                                  | 9 719            | –                               | –                          | –                    | –                               | –   | –                               | –                 | 9 719                  |
| <b>Transfers and subsidies</b>                      | <b>1 115 355</b> | <b>–</b>                        | <b>–</b>                   | <b>–</b>             | <b>–</b>                        | <b>–</b>  | <b>–</b>                        | <b>–</b>          | <b>1 115 355</b>       |
| Departmental agencies and accounts                  | 97 435           | –                               | –                          | –                    | –                               | –   | –                               | –                 | 97 435                 |
| Foreign governments and international organisations | 25 921           | –                               | –                          | –                    | –                               | –   | –                               | –                 | 25 921                 |
| Public corporations and private enterprises         | 991 999          | –                               | –                          | –                    | –                               | –   | –                               | –                 | 991 999                |
| <b>Total</b>  | <b>1 160 926</b> | <b>–</b>                        | <b>–</b>                   | <b>(1 500)</b>       | <b>–</b>                        | <b>–</b>  | <b>–</b>                        | <b>(1 500)</b>    | <b>1 159 426</b>       |

**Virements and shifts within the vote**

| Programmes   |              |                |                                      |                    |              |
|--|--------------|----------------|--------------------------------------|--------------------|--------------|
| 1. Administration  |              |                |                                      |                    |              |
| 2. Minerals and Petroleum Regulation   |              |                |                                      |                    |              |
| 3. Mining, Minerals and Energy Policy Development                            |              |                |                                      |                    |              |
| 4. Mine Health and Safety Inspectorate                                       |              |                |                                      |                    |              |
| 5. Mineral and Energy Resources Programmes and Projects                      |              |                |                                      |                    |              |
| 6. Nuclear Energy Regulation and Management                                  |              |                |                                      |                    |              |
| From:  |              |                | To:                                  |                    |              |
| Programme by economic classification   | Motivation   | R thousand     | Programme by economic classification | Motivation         | R thousand   |
| <b>Programme 3</b>   |              | <b>(5 000)</b> | <b>Programme 2</b>                   |                    | <b>5 000</b> |
| Compensation of employees  | Vacant posts | (5 000)        | Compensation of employees            | Salaries and wages | 5 000        |
| Shifts within the programme as a percentage of the programme budget          |              | 0.0%           |                                      |                    |              |
| <b>Virements to other programmes as a percentage of the programme budget</b> |              | <b>0.5%</b>    |                                      |                    |              |
| <b>Programme 4</b>   |              | <b>(7 500)</b> | <b>Programme 1</b>                   |                    | <b>5 500</b> |
| Compensation of employees  | Vacant posts | (5 500)        | Compensation of employees            | Salaries and wages | 5 500        |
|  |              | (2 000)        | <b>Programme 2</b>                   |                    | <b>2 000</b> |
|  |              |                | Compensation of employees            | Salaries and wages | 2 000        |
| Shifts within the programme as a percentage of the programme budget          |              | 0.0%           |                                      |                    |              |
| <b>Virements to other programmes as a percentage of the programme budget</b> |              | <b>3.2%</b>    |                                      |                    |              |



**Virements and shifts within the vote (continued)**

| <b>Programmes</b>  |   |                   |   |  |                   |
|--|---|-------------------|---|--|-------------------|
| <b>Programme by economic classification</b>                                  | <b>Motivation</b>   | <b>R thousand</b> | <b>Programme by economic classification</b> | <b>Motivation</b>  | <b>R thousand</b> |
| <b>Programme 5</b>   |   | <b>(54 300)</b>   | <b>Programme 1</b>                          |  | <b>1 500</b>      |
| Compensation of employees  | Vacant posts  | (1 500)           | Compensation of employees                   | Salaries and wages   | 1 500             |
| Public corporations and private enterprises                                  | Integrated national electrification programme: Eskom <sup>1</sup> | (52 800)          | <b>Programme 5</b>                          |  | <b>52 800</b>     |
|  |   |                   | Goods and services                          | Business and advisory services for the rehabilitation of derelict and ownerless mines <sup>1</sup> | 52 800            |
| Shifts within the programme as a percentage of the programme budget          |   | 0.8%              |   |  |                   |
| <b>Virements to other programmes as a percentage of the programme budget</b> |   | <b>0.0%</b>       |   |  |                   |
| <b>Programme 6</b>   |   | <b>(1 500)</b>    | <b>Programme 1</b>                          |  | <b>1 500</b>      |
| Compensation of employees  | Vacant posts  | (1 500)           | Compensation of employees                   | Salaries and wages   | 1 500             |
| Shifts within the programme as a percentage of the programme budget          |   | 0.0%              |   |  |                   |
| <b>Virements to other programmes as a percentage of the programme budget</b> |   | <b>0.1%</b>       |   |  |                   |
| <b>Total</b>   |   | <b>(68 300)</b>   |   |  | <b>68 300</b>     |

1. Only Parliament may approve this virement.

**Adjustments due to significant and unforeseeable economic and financial events**

Cabinet has approved reductions of R430 million to the department’s baseline, all of which is in Programme 5: Mineral and Energy Resources Programmes and Projects.

**Expenditure outcome for 2022/23 and actual expenditure for 2023/24**

| Programme  | 2022/23                |                  |                        |                   |                 | 2023/24                |                                   |                        |                 |                        |
|--|------------------------|------------------|------------------------|-------------------|-----------------|------------------------|-----------------------------------|------------------------|-----------------|------------------------|
|  | Adjusted appropriation | Outcome          |                        |                   |                 | Adjusted appropriation | Adjusted appropriation/ Total (%) | Actual expenditure     |                 |                        |
|  |                        | Apr 22 - Sep 22  | adjusted appropriation | % of              | Apr 22 - Mar 23 |                        |                                   | adjusted appropriation | Apr 23 - Sep 23 | adjusted appropriation |
| R thousand   |                        |                  |                        |                   |                 |                        |                                   |                        |                 |                        |
| Administration                                       | 729 612                | 279 614          | 38.3                   | 651 586           | 89.3            | 703 894                | 6.9                               | 329 519                | 46.8            |                        |
| Minerals and Petroleum Regulation                    | 512 294                | 254 112          | 49.6                   | 504 578           | 98.5            | 518 702                | 5.1                               | 260 422                | 50.2            |                        |
| Mining, Minerals and Energy Policy Development       | 880 006                | 444 555          | 50.5                   | 853 047           | 96.9            | 1 076 016              | 10.5                              | 685 787                | 63.7            |                        |
| Mine Health and Safety Inspectorate                  | 236 602                | 106 624          | 45.1                   | 218 097           | 92.2            | 226 406                | 2.2                               | 116 007                | 51.2            |                        |
| Mineral and Energy Resources Programmes and Projects | 6 917 057              | 1 903 121        | 27.5                   | 6 728 565         | 97.3            | 6 586 774              | 64.1                              | 2 233 881              | 33.9            |                        |
| Nuclear Energy Regulation and Management             | 1 171 966              | 1 072 440        | 91.5                   | 1 162 711         | 99.2            | 1 159 426              | 11.3                              | 1 060 270              | 91.4            |                        |
| <b>Total</b>   | <b>10 447 537</b>      | <b>4 060 466</b> | <b>38.9</b>            | <b>10 118 584</b> | <b>96.9</b>     | <b>10 271 218</b>      | <b>100.0</b>                      | <b>4 685 886</b>       | <b>45.6</b>     |                        |

## Expenditure outcome for 2022/23 and actual expenditure for 2023/24 (continued)

| Economic classification                             | 2022/23                |                  |   |                   |                                   | 2023/24                                     |                 |   |             |
|---|------------------------|------------------|---|-------------------|-----------------------------------|---|-----------------|---|-------------|
|   | Adjusted appropriation | Outcome          |   |                   | Adjusted appropriation/ Total (%) | Actual expenditure                          |                 |   |             |
|   |                        | Apr 22 - Sep 22  | Apr 22 - Sep 22 % of adjusted appropriation | Apr 22 - Mar 23   |                                   | Apr 22 - Mar 23 % of adjusted appropriation | Apr 23 - Sep 23 | Apr 23 - Sep 23 % of adjusted appropriation |             |
| R thousand  |                        |                  |   |                   |                                   |   |                 |   |             |
| <b>Current payments</b>                             | <b>2 401 075</b>       | <b>748 219</b>   | <b>31.2</b>                                 | <b>2 077 451</b>  | <b>86.5</b>                       | <b>2 196 191</b>                            | <b>21.4</b>     | <b>870 675</b>                              | <b>39.6</b> |
| Compensation of employees                           | 1 066 128              | 492 386          | 46.2  | 1 015 368         | 95.2                              | 1 066 567                                   | 10.4            | 530 021                                     | 49.7        |
| Goods and services                                  | 1 334 947              | 255 833          | 19.2  | 1 062 083         | 79.6                              | 1 129 624                                   | 11.0            | 340 654                                     | 30.2        |
| <b>Transfers and subsidies</b>                      | <b>8 033 000</b>       | <b>3 310 480</b> | <b>41.2</b>                                 | <b>8 021 915</b>  | <b>99.9</b>                       | <b>8 060 664</b>                            | <b>78.5</b>     | <b>3 813 918</b>                            | <b>47.3</b> |
| Provinces and municipalities                        | 2 342 872              | 618 777          | 26.4  | 2 342 872         | 100.0                             | 2 256 138                                   | 22.0            | 645 409                                     | 28.6        |
| Departmental agencies and accounts                  | 605 176                | 395 508          | 65.4  | 604 265           | 99.8                              | 809 628                                     | 7.9             | 634 444                                     | 78.4        |
| Foreign governments and international organisations | 32 867                 | 4 576            | 13.9  | 25 056            | 76.2                              | 37 147                                      | 0.4             | 4 627                                       | 12.5        |
| Public corporations and private enterprises         | 5 049 678              | 2 288 545        | 45.3  | 5 043 051         | 99.9                              | 4 955 335                                   | 48.2            | 2 528 083                                   | 51.0        |
| Households  | 2 407                  | 3 074            | 127.7                                       | 6 671             | 277.1                             | 2 416                                       | 0.0             | 1 355                                       | 56.1        |
| <b>Payments for capital assets</b>                  | <b>13 462</b>          | <b>1 767</b>     | <b>13.1</b>                                 | <b>18 604</b>     | <b>138.2</b>                      | <b>14 363</b>                               | <b>0.1</b>      | <b>1 293</b>                                | <b>9.0</b>  |
| Buildings and other fixed structures                | 2 416                  | 115              | 4.8   | 878               | 36.3                              | 2 522                                       | 0.0             | 335   | 13.3        |
| Machinery and equipment                             | 11 046                 | 1 652            | 15.0  | 17 726            | 160.5                             | 11 841                                      | 0.1             | 958   | 8.1         |
| <b>Payments for financial assets</b>                | <b>-</b>               | <b>-</b>         | <b>-</b>                                    | <b>614</b>        | <b>-</b>                          | <b>-</b>                                    | <b>-</b>        | <b>-</b>                                    | <b>-</b>    |
| <b>Total</b>  | <b>10 447 537</b>      | <b>4 060 466</b> | <b>38.9</b>                                 | <b>10 118 584</b> | <b>96.9</b>                       | <b>10 271 218</b>                           | <b>100.0</b>    | <b>4 685 886</b>                            | <b>45.6</b> |

## Expenditure trends

Total expenditure in 2022/23 was R10.1 billion, 96.9 per cent of the adjusted appropriation for the year. Mid-year expenditure in 2022/23 was R4.1 billion, 38.9 per cent of the adjusted appropriation, whereas expenditure in the first half of 2023/24 was R4.7 billion, 45.6 per cent of the adjusted appropriation of R10.3 billion. Compared to the first half of 2022/23, expenditure over the same period in 2023/24 increased by R625.4 million, 15.4 per cent. This was mainly due to allocations for the Council for Geoscience and the integrated national electrification programme for Eskom and municipalities.

## Departmental receipts

| Economic classification                                  | 2022/23           |                 |  |                 |                 | 2023/24           |                                       |  |                 |  |
|--|-------------------|-----------------|--|-----------------|-----------------|-------------------|---------------------------------------|--|-----------------|--|
|  | Adjusted estimate | Outcome         |  |                 | Budget estimate | Adjusted estimate | Adjusted receipts estimate/ Total (%) | Actual receipts                        |                 |  |
|  |                   | Apr 22 - Sep 22 | Apr 22 - Sep 22 % of adjusted estimate | Apr 22 - Mar 23 |                 |                   |                                       | Apr 22 - Mar 23 % of adjusted estimate | Apr 23 - Sep 23 | Apr 23 - Sep 23 % of adjusted estimate |
| R thousand   |                   |                 |  |                 |                 |                   |                                       |  |                 |  |
| <b>Departmental receipts</b>                             | <b>48 978</b>     | <b>19 688</b>   | <b>40.2</b>                            | <b>36 742</b>   | <b>75.0</b>     | <b>51 354</b>     | <b>43 477</b>                         | <b>100.0</b>                           | <b>22 511</b>   | <b>51.8</b>                            |
| Sales of goods and services produced by the department:  | 16 620            | 9 408           | 56.6                                   | 19 206          | 115.6           | 17 451            | 22 608                                | 52.0                                   | 12 076          | 53.4                                   |
| Sales of scrap, waste, arms and other used current goods | -                 | -               | -                                      | -               | -               | 2                 | -                                     | -                                      | -               | -                                      |
| Fines, penalties and forfeits                            | 1 494             | 1 493           | 99.9                                   | 2 404           | 160.9           | 1 494             | 4 694                                 | 10.8                                   | 2 347           | 50.0                                   |
| Interest, dividends and rent on land                     | 28 105            | 6 903           | 24.6                                   | 13 606          | 48.4            | 29 510            | 14 866                                | 34.2                                   | 7 433           | 50.0                                   |
| Transactions in financial assets and liabilities         | 2 759             | 1 884           | 68.3                                   | 1 526           | 55.3            | 2 897             | 1 309                                 | 3.0                                    | 655             | 50.0                                   |
| <b>Total</b>   | <b>48 978</b>     | <b>19 688</b>   | <b>40.2</b>                            | <b>36 742</b>   | <b>75.0</b>     | <b>51 354</b>     | <b>43 477</b>                         | <b>100.0</b>                           | <b>22 511</b>   | <b>51.8</b>                            |

## Revenue trends

Mid-year revenue in 2022/23 was R19.7 million, 40.2 per cent of the adjusted estimate, whereas revenue for the first half of 2023/24 was R22.5 million, 51.8 per cent of the adjusted estimate of R43.5 million. Compared to the first half of 2022/23, revenue over the same period in 2023/24 increased by R2.8 million, 14.3 per cent. This was mainly due to an increase in the collection of mine examination fees, environmental application fees, and penalties issued and collected from mines that had defaulted on payment agreements.

## Changes to transfers and subsidies, including conditional grants

### Summary of changes to transfers and subsidies per programme

|   |   | 2023/24                         |                            |                      |                                 |   |                   |                                 |                        |  |
|---|---|---------------------------------|----------------------------|----------------------|---------------------------------|---|-------------------|---------------------------------|------------------------|--|
|   |   | Adjustments appropriation       |                            |                      |                                 |   |                   | Total adjustments appropriation | Adjusted appropriation |  |
| R thousand  | Appropriation   | Amounts announced in the Budget | Unforeseeable /Unavoidable | Virements and shifts | Shifting of funds between votes | Significant and unforeseeable economic and financial events | Other adjustments |                                 |                        |  |
| <b>Administration</b>                                       |   |                                 |                            |                      |                                 |   |                   |                                 |                        |  |
| <b>Departmental agencies and accounts</b>                   |   |                                 |                            |                      |                                 |   |                   |                                 |                        |  |
| <b>Departmental agencies (non-business entities)</b>        |   |                                 |                            |                      |                                 |   |                   |                                 |                        |  |
|   | <b>Current</b>  | <b>3 480</b>                    | -                          | -                    | -                               | -   | -                 | -                               | <b>3 480</b>           |  |
|   | Energy and Water  | 1 263                           | -                          | -                    | (103)                           | -   | -                 | (103)                           | 1 160                  |  |
|   | Sector Education and Training Authority                     |                                 |                            |                      |                                 |   |                   |                                 |                        |  |
|   | Mining  | 2 217                           | -                          | -                    | (1 057)                         | -   | -                 | (1 057)                         | 1 160                  |  |
|   | Qualifications Authority                                    |                                 |                            |                      |                                 |   |                   |                                 |                        |  |
|   | Chemical Industries   | -                               | -                          | -                    | 1 160                           | -   | -                 | 1 160                           | 1 160                  |  |
|   | Education and Training Authority                            |                                 |                            |                      |                                 |   |                   |                                 |                        |  |
| <b>Mineral and Energy Resources Programmes and Projects</b> |   |                                 |                            |                      |                                 |   |                   |                                 |                        |  |
| <b>Provinces and municipalities</b>                         |   |                                 |                            |                      |                                 |   |                   |                                 |                        |  |
| <b>Municipalities</b>                                       |   |                                 |                            |                      |                                 |   |                   |                                 |                        |  |
| <b>Municipal bank accounts</b>                              |   |                                 |                            |                      |                                 |   |                   |                                 |                        |  |
|   | <b>Capital</b>  | <b>2 212 046</b>                | -                          | -                    | -                               | -   | (180 000)         | (180 000)                       | <b>2 032 046</b>       |  |
|   | Integrated national electrification programme grant         | 2 212 046                       | -                          | -                    | -                               | -   | (180 000)         | (180 000)                       | 2 032 046              |  |
| <b>Public corporations and private enterprises</b>          |   |                                 |                            |                      |                                 |   |                   |                                 |                        |  |
| <b>Public corporations</b>                                  |   |                                 |                            |                      |                                 |   |                   |                                 |                        |  |
| <b>Subsidies on production or products</b>                  |   |                                 |                            |                      |                                 |   |                   |                                 |                        |  |
|   | <b>Capital</b>  | <b>3 821 156</b>                | -                          | -                    | (52 800)                        | -   | (250 000)         | (302 800)                       | <b>3 518 356</b>       |  |
|   | Eskom - integrated national electrification programme grant | 3 821 156                       | -                          | -                    | (52 800)                        | -   | (250 000)         | (302 800)                       | 3 518 356              |  |

**Summary of changes to conditional grants: Local government**

|            |   | 2023/24                         |                            |                      |                                 |   |                   |                                 |                        |  |
|------------|---|---------------------------------|----------------------------|----------------------|---------------------------------|---|-------------------|---------------------------------|------------------------|--|
|            |   | Adjustments appropriation       |                            |                      |                                 |   |                   |                                 |                        |  |
| R thousand | Appropriation   | Amounts announced in the Budget | Unforeseeable /Unavoidable | Virements and shifts | Shifting of funds between votes | Significant and unforeseeable economic and financial events | Other adjustments | Total adjustments appropriation | Adjusted appropriation |  |
|            | <b>Mineral and Energy Resources Programmes and Projects</b> |                                 |                            |                      |                                 |   |                   |                                 |                        |  |
|            |   | 2 436 138                       | -                          | -                    | -                               | (180 000)   | -                 | (180 000)                       | 2 256 138              |  |
|            | Integrated national electrification programme grant         | 2 212 046                       | -                          | -                    | -                               | (180 000)   | -                 | (180 000)                       | 2 032 046              |  |