

Vote 5

International Relations and Cooperation

Budget summary

R million	2010/11				2011/12	2012/13
	Total to be appropriated	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	1 020.0	777.2	–	242.8	1 080.2	1 141.8
International Relations and Cooperation	2 786.8	2 714.3	13.1	59.4	2 849.3	3 042.3
Public Diplomacy and Protocol Services	232.9	197.1	22.3	13.5	230.4	243.4
International Transfers	784.7	–	784.7	–	927.1	965.6
Total expenditure estimates	4 824.4	3 688.6	820.2	315.7	5 087.0	5 393.0

Executive authority

Minister of International Relations and Cooperation

Accounting officer

Director-General of International Relations and Cooperation

Website address

www.dfa.gov.za

The Estimates of National Expenditure booklets for individual votes are available on www.treasury.gov.za. They provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers, public entities and lower level institutional information.

Aim

The aim of the Department of International Relations and Cooperation is to formulate, coordinate, implement and manage South Africa's foreign policy and international relations programmes.

Programme purposes

Programme 1: Administration

Purpose: Develop overall policy and manage the department.

Programme 2: International Relations and Cooperation

Purpose: Promote relations with foreign countries. Participate in international organisations and institutions in line with South Africa's national values and foreign policy objectives.

Programme 3: Public Diplomacy and Protocol Services

Purpose: Communicate South Africa's role and position in international relations in the domestic and international arenas. Provide protocol services.

Programme 4: International Transfers

Purpose: Fund membership fees and transfers to international organisations.

Strategic overview: 2006/07 – 2012/13

After the 2009 national elections, the Department of Foreign Affairs changed to the Department of International Relations and Cooperation. The name change is in line with international trends, and is informed by the need for greater clarity on the department's mandate. In this regard, over and above its normal functions the department will engage in dynamic partnerships for development and cooperation.

The overall mandate of the Department of International Relations and Cooperation is to meet South Africa's foreign policy objectives by: monitoring developments in the international environment; communicating government's policy positions, developing and advising government on policy options, creating mechanisms and avenues for achieving objectives; protecting South Africa's sovereignty and territorial integrity; assisting South African citizens abroad; and assisting partner departments in managing complex international dynamics.

The main goal over the medium term is to ensure that South Africa's foreign relations contribute to an environment that is conducive to sustainable economic growth and development and serve as a basis for addressing government's identified urgent priorities as stated in the medium term strategic framework.

In support of government's key targets, outlined in the medium term strategic framework, the department's priority will be to pursue African development and enhanced international cooperation.

Key strategic priorities

Consolidation of the African Agenda

Over the MTEF period, South Africa will continue to contribute towards: strengthening the African Union's (AU) governance, capacity and structures; promoting integration and development through the Southern African Development Community (SADC); promoting the implementation of the New Partnership for Africa's Development (NEPAD); supporting peace, security and stability and post-conflict reconstruction initiatives; and strengthening bilateral relations.

Another priority will be establishing the South African Development Partnership Agency, which will be responsible for coordinating all South African development assistance to Africa and implementing South Africa's international development cooperation and partnership policy. This will involve cooperation with developed and developing countries. Focusing mainly on South Africa's work in Africa, the agency will articulate South Africa's objectives in joint programmes with countries of the South and seek to strengthen its relationship with northern partners, mainly through trilateral cooperation. The agency will operate under the Department of International Relations and Cooperation.

Strengthening South-South relations

Ongoing efforts to strengthen South-South relations have resulted in high level intercontinental engagements in recent years. These are critical for promoting solidarity and strengthening interdependence among developing countries in addressing common socioeconomic challenges, such as poverty, education, health, population growth, and issues relating to women and children. Cooperation in the scientific, technical and trade fields has also strengthened, and this is evident in South Africa's participation in the upcoming intercontinental partnerships with South America and India.

South Africa will continue to participate in forums such as the India-Brazil-South Africa Dialogue Forum, the New Asian-African Strategic Partnership, the Indian Ocean Rim Association for Regional Cooperation and the Forum on China-Africa Cooperation, and groupings such as the G77 and the Non-Aligned Movement.

Strengthening North-South relations

The department will focus on trade agreements with North America, the North American free trade area and the European Union (EU), and participate in new forums promoting North-South cooperation, such as the EU-Africa and EU-Latin America partnerships, the Tokyo International Conference on African Development and the Africa-Turkey Korea-Africa forum. Another issue that will require attention is South Africa's ongoing participation in the commonwealth youth programme, with funding having changed from voluntary pledges to

assessed contributions. This implies even more participation by South Africa in the programmes and issues that affect youth internationally.

Participation in the global system of governance

Through its participation in international forums, notably the United Nations (UN) and its agencies, South Africa works actively towards global, political and socioeconomic stability and security within the multilateral system, and promotes human rights and international law. South Africa will continue to participate in international dialogues on disarmament, non-proliferation and arms control, and climate change, and in the G8 summits.

Strengthening political and economic relations

Strengthening South Africa's bilateral relations, particularly with African countries, is a key strategic objective over the MTEF period. The focus will be on strengthening economic cooperation to promote South Africa's trade, investment and tourism potential. The department is coordinating efforts across the national, provincial and local spheres of government, with other stakeholders to compile terms of reference for coordinating its international work, and a strategy for marketing and branding South Africa abroad. The department will continue to promote South Africa as the host of the 2010 FIFA World Cup in both the build-up phase and during the event. The department is ready to respond to the increased inflow of visitors.

Savings and cost effective service delivery

Over the MTEF period, savings of R771.4 million are expected to be realised from foreign exchange rate gains. Allocations of R384 million in 2010/11 and R138 million in 2011/12 for the construction of the Pan African Parliament have been removed from the department's baseline. Alternative methods of funding will be explored. This will not impact negatively on service delivery, as Parliament will continue to operate at Gallagher Estate in Midrand, Gauteng. The transfer payment to the African Renaissance Fund has been reduced by R30 million, R60 million, and R80 million over the medium term. The funds have been allocated to other urgent government priorities. The reduction in the fund's baseline is also not expected to hamper service delivery, as it still has enough funds for all its projects.

Efficiency savings of R36 million in 2010/11 and R34 million in 2011/12 have been identified in the following areas: catering and entertainment; travel costs, through enhanced control measures to rationalise domestic travel; administrative support services, by improving the department's ICT and by implementing voice over internet protocol; mobile phone use, through a review of administrative policies, including suspending services to mobile phones once a certain expenditure limit is reached. Savings have been identified in areas where expenditure was not cost effective and did not create value for money, so the reduced funding is not expected to have a negative impact on service delivery.

Selected performance indicators

Table 5.1 International Relations and Cooperation

Indicator	Programme	Past			Current	Projections		
		2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Total number of diplomatic missions abroad:	International Relations and Cooperation	119	121	123	123	123	123	123
- Africa	International Relations and Cooperation	43	45	46	46	46	46	46
- Asia and Middle East	International Relations and Cooperation	31	31	33	32	32	32	32
- Americas and Caribbean	International Relations and Cooperation	18	18	18	18	18	18	18
- Europe	International Relations and Cooperation	27	27	27	27	27	27	27
Number of bilateral agreements signed with foreign countries per year	International Relations and Cooperation	108	54	59	65	72	67	67

Table 5.1 International Relations and Cooperation (continued)

Indicator	Programme	Past			Current	Projections		
		2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Number of countries assisted with post-conflict reconstruction and development per year	International Relations and Cooperation	12	12	12	5	5	7	7
Number of countries assisted with democratic election processes per year	International Relations and Cooperation	2	2	4	4	3	5	5
Number of incoming and outgoing visits facilitated per year	Public Diplomacy and Protocol Services	324	216	333	350	369	374	374
Number of people facilitated through the VIP lounges at international airports (OR Tambo and Cape Town) per year	Public Diplomacy and Protocol Services	18 000	24 141	25 178	26 780	26 958	25 340	25 340
Number of international conferences hosted by South Africa per year	Public Diplomacy and Protocol Services	5	5	5	4	5	6	6
Number of foreign representatives in South Africa per year	Public Diplomacy and Protocol Services	282	285	285	286	487	289	289
Amount of membership fees for international organisations per year	International Transfers	R99.8m	R116.2m	R131.9m	R132.8m	R352.1m	R340.2m	R361.8m

Expenditure estimates

Table 5.2 International Relations and Cooperation

Programme	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10		2010/11	2011/12	2012/13
R million								
1. Administration	537.1	1 181.3	1 638.4	1 207.7	1 162.7	1 020.0	1 080.2	1 141.8
2. International Relations and Cooperation	1 887.0	2 122.8	2 652.8	3 072.0	3 072.0	2 786.8	2 849.3	3 042.3
3. Public Diplomacy and Protocol Services	118.4	141.5	152.6	257.6	257.6	232.9	230.4	243.4
4. International Transfers	402.2	624.1	1 028.4	1 015.6	1 015.6	784.7	927.1	965.6
Total	2 944.7	4 069.7	5 472.3	5 553.0	5 508.0	4 824.4	5 087.0	5 393.0
Change to 2009 Budget estimate				215.9	170.9	(647.6)	(414.0)	(158.3)

Economic classification

Current payments	2 289.2	2 687.9	3 334.9	4 042.7	4 042.7	3 688.6	3 825.0	4 023.1
Compensation of employees	1 136.5	1 293.2	1 683.4	2 062.6	2 062.6	2 017.1	2 101.4	2 203.1
Goods and services	1 152.7	1 394.4	1 650.7	1 980.1	1 980.1	1 671.4	1 723.6	1 820.0
<i>of which:</i>								
Lease payments	493.6	535.5	455.9	822.5	822.5	691.7	721.9	746.2
Property payments	–	0.8	–	156.9	156.9	143.5	140.0	148.8
Travel and subsistence	208.7	279.8	186.7	302.0	302.0	210.0	224.8	279.8
Operating expenditure	119.3	273.3	471.7	194.8	194.8	126.1	128.9	86.4
Interest and rent on land	–	0.3	0.8	–	–	–	–	–
Transfers and subsidies	440.0	653.5	1 061.0	1 040.0	1 040.0	820.2	964.4	1 004.4
Provinces and municipalities	20.6	23.3	16.3	24.4	24.4	22.3	23.5	24.2
Departmental agencies and accounts	150.0	300.0	698.9	631.4	631.4	401.1	555.4	570.5
Foreign governments and international organisations	252.2	324.1	329.4	384.3	384.3	383.7	371.7	395.1
Households	17.2	6.2	16.4	–	–	13.1	13.8	14.6
Payments for capital assets	215.4	728.1	1 043.2	470.3	425.3	315.7	297.6	365.5
Buildings and other fixed structures	119.4	649.9	926.7	423.2	378.2	231.5	249.8	317.0
Machinery and equipment	92.6	61.1	81.5	47.1	47.1	84.2	47.8	48.6
Land and sub-soil assets	–	16.3	35.0	–	–	–	–	–
Software and other intangible assets	3.4	0.8	–	–	–	–	–	–
Payments for financial assets	0.1	0.3	33.1	–	–	–	–	–
Total	2 944.7	4 069.7	5 472.3	5 553.0	5 508.0	4 824.4	5 087.0	5 393.0

Expenditure trends

Expenditure grew from R2.9 billion in 2006/07 to R5.6 billion in 2009/10 at an average annual rate of 23.5 per cent. This growth was mainly due to: the construction of the new head office building; increased contributions to the African Renaissance and International Cooperation Fund, which aims to finance the extension of peacekeeping and developmental initiatives in Africa; the acquisition of properties to expand domestic and international property management portfolios; improvements in the department's ICT infrastructure; and strengthening missions' capacity.

Expenditure is expected to decrease marginally over the MTEF period at an average annual rate of 0.3 per cent. This is as a result of a decrease in the capital payments budget subsequent to the completion of the head office building in 2009/10 and fewer foreign property acquisitions over the MTEF period. The department will concentrate on completing existing capital projects before embarking on new projects, due to prevailing economic conditions and government spending priorities.

The department receives an additional R314 million over the MTEF period, which includes R76.5 million for the payment of unitary fees for the new head office campus and R237 million for inflation related adjustments in compensation of employees.

Infrastructure spending

Infrastructure spending increased from R119.4 million in 2006/07 to R423.2 million in 2009/10 at an average annual rate of 52.5 per cent. The construction of the new head office building was completed in August 2009 and the department relocated from 7 buildings in and around Pretoria in September 2009. With the new building, the department will have all its units under one roof. This will greatly improve coordination in the department, and in turn have a positive impact on service delivery.

The department has initiated construction projects in Maseru (Lesotho), Addis Ababa (Ethiopia), Abuja (Nigeria) and Lilongwe (Malawi). In addition, the department will acquire property in New Delhi (India), London (United Kingdom) and Lagos (Nigeria), and will build a protocol lounge at the new international airport in Durban.

Over the MTEF period, the department will use the available funds to complete construction and acquisitions projects already under way. The total available for capital projects over the MTEF period is R798.3 million.

Refurbishment projects to the value of R245.8 million are planned for the MTEF period and will include electrical works, renovations and the structural upgrading of buildings and lifts. Refurbishments are planned in Washington, Harare, Tokyo, London, Windhoek, The Hague, Berne, Madrid, Paris, Munich, Copenhagen and Kinshasa.

Departmental receipts

Departmental receipts are generated from: interest earned from mission bank accounts; rent on state owned property; refunds received through value added tax refunds from missions, related to previous financial years; foreign exchange gains; and the sale of capital items, such as redundant furniture and fixtures. Over the MTEF period, revenue is expected to decrease from R39.2 million in 2009/10 to R33.2 million in 2012/13 due to the global recession and the strengthening of the rand against the major currencies.

Table 5.3 Departmental receipts

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Medium-term receipts estimate		
	2006/07	2007/08	2008/09	2009/10		2010/11	2011/12	2012/13
Departmental receipts	46 282	65 056	43 607	39 173	18 439	31 191	33 252	33 152
Sales of goods and services produced by department	–	2 332	521	565	430	653	686	686
Sales of scrap, waste, arms and other used current goods	382	539	34 580	–	4	–	–	–
Interest, dividends and rent on land	3 131	2 116	5 565	6 962	870	7 310	7 676	7 676
Sales of capital assets	1 168	4 958	2 242	1 948	1 147	2 045	2 148	3 651
Transactions in financial assets and liabilities	41 601	55 111	699	29 698	15 988	21 183	22 742	21 139
Total	46 282	65 056	43 607	39 173	18 439	31 191	33 252	33 152

Programme 1: Administration

Expenditure estimates

Table 5.4 Administration

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R million							
Minister ¹	0.9	0.9	1.6	1.7	1.8	1.9	2.0
Deputy Ministers ¹	1.4	1.5	2.7	2.8	3.0	3.2	3.3
Management	46.6	62.1	68.8	78.6	83.9	86.9	91.3
Corporate Services	325.9	418.7	531.4	575.3	560.2	589.5	568.0
Diplomatic Academy	–	–	–	62.6	69.1	73.2	79.3
Foreign and Domestic Properties Management	118.2	650.1	973.2	423.2	231.5	249.8	317.0
Office Accommodation	44.1	48.1	60.7	63.5	70.6	75.8	80.8
Total	537.1	1 181.3	1 638.4	1 207.7	1 020.0	1 080.2	1 141.8
Change to 2009 Budget estimate				214.6	(269.0)	(33.8)	112.3

¹ From 2008/09, the current payments relating to the total remuneration package of political office bearers are shown, before this, only salary and car allowance are included. Administrative and other subprogramme expenditure may in addition include payments for capital assets as well as transfers and subsidies.

Economic classification

Current payments	364.6	530.1	644.1	779.7	777.2	826.1	820.4
Compensation of employees	141.0	168.5	197.9	266.7	298.0	314.4	330.1
Goods and services	223.7	361.4	445.4	513.0	479.2	511.7	490.3
<i>of which:</i>							
Lease payments	55.2	74.7	71.7	173.4	153.3	168.5	177.0
Travel and subsistence	60.4	76.0	18.1	71.0	25.6	27.1	28.7
Operating expenditure	16.2	106.0	199.6	150.8	115.2	117.6	74.3
Interest and rent on land	–	0.3	0.8	–	–	–	–
Transfers and subsidies	1.5	1.1	4.6	–	–	–	–
Provinces and municipalities	0.1	0.1	–	–	–	–	–
Households	1.4	1.1	4.6	–	–	–	–
Payments for capital assets	171.0	650.3	988.7	428.0	242.8	254.1	321.3
Buildings and other fixed structures	118.2	629.6	926.7	423.2	231.5	249.8	317.0
Machinery and equipment	49.5	3.7	27.0	4.8	11.3	4.3	4.3
Land and sub-soil assets	–	16.3	35.0	–	–	–	–
Software and other intangible assets	3.4	0.7	–	–	–	–	–
Payments for financial assets	(0.0)	(0.2)	1.1	–	–	–	–
Total	537.1	1 181.3	1 638.4	1 207.7	1 020.0	1 080.2	1 141.8

Expenditure trends

Expenditure increased from R537.1 million in 2006/07 to R1.2 billion in 2009/10, at an average annual rate of 31 per cent. The *Foreign and Domestic Property Management* subprogramme contributed to this increase due to the construction of the head office building and the initiation of capital projects in missions. This also explains the significant increases in capital payments, of about 280.3 per cent in 2007/08 and 52 per cent in 2008/09. Expenditure on improving the department's ICT infrastructure also contributed to this growth, and explains the growth in expenditure on goods and services at an average annual rate of 31.9 per cent.

Expenditure over the MTEF period is expected to decrease marginally at an average annual rate of 1.9 per cent. This decrease is due to the completion of the head office building and some of the capital projects in missions, which both result in decreases in the *Foreign and Domestic Property Management* subprogramme.

The medium term spending focus in this programme will mainly be on completing capital projects in missions. The department will also continue improving ICT infrastructure for better communication and coordination with the missions.

Programme 2: International Relations and Cooperation

- *Bilateral Relations Management* is a management component at head office responsible for developing and monitoring policy. It also provides support to the diplomatic missions abroad. The subprogramme represents 10 per cent of the total budget of the programme, and funding is mainly used for head office support functions, including personnel.
- *Diplomatic Representation* implements foreign policy and oversees the activities of all South African missions worldwide. It is also the main cost driver of this programme and represents more than half of the total budget of the department. Funding in this programme is mainly used for the day-to-day running of the missions.

Objectives and measures

- Contribute towards strengthening the AU and its structures by:
 - providing financial and technical support for the operationalisation of the African Court of Justice and AU financial institutions by 2012/13
 - providing financial support for the operations of the Pan African Parliament and the construction of the permanent headquarters by 2012/13.
- Contribute towards the political and economic integration of African regions by supporting the implementation of the outcomes of the tripartite summit of the Common Market for Eastern and Southern Africa, the East African Community and the SADC for the establishment of a free trade area covering the tripartite countries by January 2012.
- Contribute towards improving governance and capacity in the SADC secretariat over the next 3 years by implementing the job evaluation plan of the SADC secretariat and assisting with recruitment process.
- Contribute towards NEPAD's process for socioeconomic development in Africa by actively participating in the African peer review mechanism, submitting the African peer review mechanism country report regularly (when required), and assisting other countries with preparing their reports.
- Increase South African representation in Africa by establishing a new mission by 2010/11.
- Strengthen bilateral, trilateral and multilateral interests and relations in the India-Brazil-South Africa Dialogue Forum by continuous active participation in forum structures and hosting the forum summit in 2010/11.
- Contribute to strengthening political solidarity, economic cooperation and socio-cultural relations with Asian countries by actively participating in New Asian-African Strategic Partnership structures during the MTEF period.
- Strengthen North-South economic and political relations and cooperation to advance the African Agenda by engaging with the G8 and the Tokyo international conference on African development over the next 3 years.

Service delivery focus

In August 2008, South Africa hosted and chaired the launch of the SADC regional free trade area as part of efforts towards economic development and regional integration, and facilitated the adoption of a global political agreement for political and economic stabilisation in Zimbabwe.

South Africa, as host to the Pan African Parliament, continued to provide technical and logistical support to the parliament. However, funding for the construction of the new parliament building was suspended while the department, National Treasury and the Department of Public Works consider alternative funding options. It is expected that a decision will be made by the end of 2009/10. A host country agreement for the NEPAD office was also concluded in October 2008.

As part of its contribution to post-conflict reconstruction and development, South Africa entered a general cooperation agreement with the Democratic Republic of the Congo in 2009 to promote political, economic and social cooperation between the 2 countries. South Africa also coordinated peace processes in Burundi, which included providing funding through the African Renaissance Fund.

In strengthening South-South cooperation, South Africa participated in the India-Brazil-South Africa ministerial communiqué in May 2008 and summit in October 2008, resulting in the expansion of cooperation between the 3 countries. South Africa also participated in the UN Conference on Trade and Development held in Ghana in April 2008. In terms of North-South cooperation, South Africa participated in the G8 Hokkaido Summit in Japan in 2008. With agricultural liberalisation as a key objective, South Africa continues to play a key role in working towards a successful conclusion of the Doha negotiations.

On the global governance level, South Africa participated in, among others, a meeting with the International Atomic Energy Agency on nuclear disarmament and non-proliferation in 2008 and a G20 summit in the wake of the global recession in November 2008, which culminated in a declaration and action plan. South Africa also contributed R17 million for humanitarian assistance to regions such as Southern Sudan, the Democratic Republic of the Congo, the Horn of Africa, Guinea Bissau, the Caribbean, the People's Republic of China, and Gaza, as well as the UN Central Emergency Response Fund.

South Africa continued to strengthen political and economic relations by: celebrating 10 years of bilateral relations with China in 2009 and initiating efforts to close the trade deficit between the 2 countries by negotiating the partnership for growth and development agreement; and facilitating the signing of a preferential trade agreement between the Southern African Customs Union and the Common Market of the South in 2008. The South Africa-EU strategic partnership was strengthened in 2008 through a trade, development and cooperation agreement.

Expenditure estimates

Table 5.5 International Relations and Cooperation

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R million							
Bilateral Relations Management	307.0	348.1	400.4	401.3	285.8	292.2	299.5
<i>Africa Multilateral Head Office</i>	110.1	113.3	35.4	43.2	46.0	48.7	51.5
<i>Africa Bilateral Head Office</i>	41.8	55.5	101.4	78.3	83.3	88.2	93.2
<i>America Head Office</i>	22.1	27.9	32.0	27.7	29.5	31.2	33.0
<i>Europe Head Office</i>	20.6	24.0	27.8	29.6	31.5	33.3	35.2
<i>Asia and Middle-East Head Office</i>	32.7	39.0	38.5	44.0	46.8	49.5	52.4
<i>Multilateral Head Office</i>	79.6	88.3	165.3	178.5	48.8	41.2	34.3
Diplomatic Representation	1 580.0	1 774.7	2 252.4	2 670.7	2 501.0	2 557.2	2 742.8
<i>Africa Multilateral Missions</i>	20.4	22.3	29.0	30.1	32.0	33.9	35.9
<i>Africa Bilateral Missions</i>	386.4	465.9	591.2	682.1	725.7	768.5	812.3
<i>America Missions</i>	240.1	256.9	326.0	392.1	417.2	441.8	467.0
<i>Europe Missions</i>	506.0	567.1	719.9	801.6	439.6	394.1	460.3
<i>Asia and Middle-East Missions</i>	381.4	401.2	496.0	691.6	735.9	759.3	798.7
<i>Multilateral Missions</i>	45.7	61.2	90.3	73.3	150.6	159.5	168.6
Total	1 887.0	2 122.8	2 652.8	3 072.0	2 786.8	2 849.3	3 042.3
Change to 2009 Budget estimate				(56.6)	(428.4)	(391.5)	(259.7)
Economic classification							
Current payments	1 830.3	2 054.2	2 556.2	3 029.7	2 714.3	2 792.0	2 983.5
Compensation of employees	948.6	1 073.2	1 424.2	1 724.1	1 585.2	1 646.9	1 724.5
Goods and services	881.7	981.0	1 132.0	1 305.7	1 129.1	1 145.0	1 259.1
<i>of which:</i>							
<i>Lease payments</i>	436.0	458.7	382.0	646.7	535.5	550.3	565.8
<i>Property payments</i>	–	–	–	156.9	143.5	140.0	148.8
<i>Travel and subsistence</i>	122.5	166.5	127.8	160.9	145.2	157.1	208.3
<i>Operating expenditure</i>	101.1	160.1	265.9	29.0	7.7	8.2	8.8
Transfers and subsidies	13.2	10.9	11.9	–	13.1	13.8	14.6
Provinces and municipalities	0.1	6.8	1.2	–	–	–	–
Households	13.1	4.2	10.7	–	13.1	13.8	14.6

Table 5.5 International Relations and Cooperation (continued)

R million	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Economic classification							
Payments for capital assets	43.3	57.2	52.7	42.3	59.4	43.5	44.2
Buildings and other fixed structures	1.2	0.0	–	–	–	–	–
Machinery and equipment	42.0	57.0	52.7	42.3	59.4	43.5	44.2
Software and other intangible assets	0.0	0.2	–	–	–	–	–
Payments for financial assets	0.2	0.5	32.1	–	–	–	–
Total	1 887.0	2 122.8	2 652.8	3 072.0	2 786.8	2 849.3	3 042.3

Expenditure trends

Expenditure grew at an average annual rate of 17.6 per cent from R1.9 billion in 2006/07 to R3.1 billion in 2009/10. This was due to an increase in the number of missions (from 119 in 2006/07 to 123 in 2009/10) and to strengthening the capacity of missions that previously operated on a smaller scale. This capacity building drive also explains the significant growth in current payments at an average annual rate of 18.3 per cent over the same period. Expenditure for supporting the operations of the Pan African Parliament also contributed to the growth.

Expenditure is expected to decrease marginally over the MTEF period at an average annual rate of 0.3 per cent, due to an expected strengthening of the Rand against other major currencies. As expenditure in this programme is significantly affected by exchange rate fluctuations, the strengthening of the Rand is expected to offset increases in expenditure incurred in foreign currencies.

Over the MTEF period, the department will focus on strengthening capacity for small scale missions to improve service delivery. The department will also continue to support the activities of missions and the implementation of foreign policy.

Programme 3: Public Diplomacy and Protocol Services

- *Public Diplomacy* liaises with the media, engages with national stakeholders, and promotes South Africa's policies and programmes both nationally and internationally. Funding mainly relates to logistical costs for promotions, policies and programmes.
- *Protocol* deals with protocol administration, protocol ceremonial services, state visits, diplomatic liaison, and intergovernmental or provincial protocol services. The subprogramme organises international conferences and ensures the availability of guesthouses for visitors. Funding is used to cover costs relating to the presidential inauguration, the facilitation of incoming and outgoing state visits, and training on protocol matters.

Objectives and measures

- Provide logistical, media and communication support to the ministry through daily updates to missions abroad and through international and local media briefings, conferences and interviews within 10 days of an event.
- Facilitate incoming and outgoing visits by providing protocol and diplomacy services for hosting international conferences and summits, including the NEPAD heads of state implementation committee, and the annual AU foreign ministers' meeting.

Service delivery focus

The *Public Diplomacy* subprogramme continued its marketing activities with the aim of building and projecting a positive image of South Africa. Key activities in 2008/09 included the SADC ministerial and heads of state summits, the South African tourism indaba, 2 imbizo outreach campaigns in KwaZulu-Natal, an exhibition during its 2008 budget vote, and an investment conference in 2009 in Eastern Cape.

In 2008/09, the *Protocol* subprogramme coordinated 160 ceremonial events, managed 255 incoming and outgoing visits and assisted in 2010 FIFA World Cup related events. The department also assisted provinces and local governments in managing 364 outgoing visits and 51 incoming visits.

In 2008/09, the department provided training sessions on protocol etiquettes and FIFA protocol for the 2010 FIFA World Cup host cities and for premiers' offices in the host provinces. The department also actively participated in, and in some cases was the major driver of, a number of 2010 FIFA World Cup and 2009 FIFA Confederations Cup related events such as the 2009 FIFA Confederations Cup draw show and the 500 days countdown celebrations in 2009.

Expenditure estimates

Table 5.6 Public Diplomacy and Protocol Services

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R million							
Public Diplomacy	25.8	23.5	36.8	49.6	48.5	52.3	58.2
Protocol	92.6	118.0	115.9	208.0	184.3	178.1	185.2
Total	118.4	141.5	152.6	257.6	232.9	230.4	243.4
Change to 2009 Budget estimate				42.3	79.9	71.2	60.1

Economic classification

Current payments	94.2	103.5	134.6	233.2	197.1	206.9	219.2
Compensation of employees	46.9	51.4	61.3	71.8	134.0	140.1	148.5
Goods and services	47.3	52.1	73.4	161.4	63.1	66.8	70.7
<i>of which:</i>							
Lease payments	2.4	2.1	2.2	2.4	2.9	3.1	3.3
Property payments	–	0.8	–	–	–	–	–
Travel and subsistence	25.9	37.3	40.9	70.1	39.2	40.5	42.9
Operating expenditure	1.9	7.2	6.2	15.0	3.1	3.1	3.3
Transfers and subsidies	23.1	17.4	16.2	24.4	22.3	23.5	24.2
Provinces and municipalities	20.4	16.4	15.1	24.4	22.3	23.5	24.2
Households	2.7	0.9	1.1	–	–	–	–
Payments for capital assets	1.1	20.7	1.8	–	13.5	–	–
Buildings and other fixed structures	–	20.2	–	–	–	–	–
Machinery and equipment	1.1	0.4	1.8	–	13.5	–	–
Total	118.4	141.5	152.6	257.6	232.9	230.4	243.4

Details of selected transfers and subsidies

Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	20.4	16.4	15.1	24.4	22.3	23.5	24.2
Diplomatic missions	20.4	16.4	15.1	24.4	22.3	23.5	24.2

Expenditure trends

Expenditure increased from R118.4 million in 2006/07 to R257.6 million in 2009/10 at an average annual rate of 29.6 per cent, due to a significant increase in the number of incoming and outgoing state visits, which in turn increased the demand for protocol services. The department provides protocol advice and support to other government departments, non-governmental organisations, the private sector and the 2010 FIFA World Cup local organising committee. The increase in 2009/10 is also due to an allocation of R60 million to the *Protocol* subprogramme for the presidential inauguration in May 2009.

The department has been building capacity to respond to the increased demand for protocol and diplomatic services, hence the significant growth in compensation of employees. Between 2006/07 and 2009/10,

expenditure on compensation of employees grew at an average annual rate of 15.2 per cent. The growth trend will continue over the MTEF period, at an average annual rate of 27.4 per cent, with the highest increase in 2010/11 at 86.5 per cent.

Expenditure is expected to decrease marginally over the MTEF period at an average annual rate of 1.9 per cent, as no further expenses for the presidential inauguration are expected. In this period, facilitating and coordinating protocol services for 2010 FIFA World Cup events will continue to be the department's major focus. The department will also continue to: implement identified media liaison interventions; provide speech writing and other strategic communication services; implement the marketing communication plan; manage and maintain guesthouses and state protocol lounges; and improve the planning, execution and management of international state events.

Programme 4: International Transfers

- *International* funds fees and contributions to various international organisations.

Expenditure estimates

Table 5.7 International Transfers

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R million							
International Organisations	402.2	624.1	1 028.4	1 015.6	784.7	927.1	965.6
Total	402.2	624.1	1 028.4	1 015.6	784.7	927.1	965.6
Change to 2009 Budget estimate				15.6	(30.0)	(60.0)	(70.9)
Economic classification							
Transfers and subsidies	402.2	624.1	1 028.4	1 015.6	784.7	927.1	965.6
Departmental agencies and accounts	150.0	300.0	698.9	631.4	401.1	555.4	570.5
Foreign governments and international organisations	252.2	324.1	329.4	384.3	383.7	371.7	395.1
Total	402.2	624.1	1 028.4	1 015.6	784.7	927.1	965.6
Details of selected transfers and subsidies							
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	150.0	300.0	698.9	631.4	401.1	555.4	570.5
African Renaissance and International Cooperation Fund	150.0	300.0	698.9	631.4	401.1	555.4	570.5
Foreign governments and international organisations							
Current	251.6	323.5	328.2	383.0	382.3	370.4	393.7
African Union	85.0	110.4	118.5	151.2	159.0	152.1	160.8
India Brazil South Africa Trust Fund	5.4	10.1	7.4	7.7	8.1	8.1	8.5
New Partnership for Africa's Development	30.0	30.0	31.6	30.0	34.6	34.6	36.5
Other International Organisations	4.1	0.2	1.0	1.1	1.1	1.1	1.2
United Nations Development Programme	–	5.5	5.2	5.4	5.6	5.6	5.9
African, Caribbean and Pacific Group of states	3.1	3.2	3.7	3.8	3.9	3.9	4.2
Commonwealth	7.0	8.1	17.7	8.6	9.4	9.4	9.9
Southern African Development Community	25.3	29.6	30.8	35.1	33.3	33.3	35.2
United Nations	64.3	86.1	79.4	91.2	91.9	86.9	91.8
Bacterial and Toxic Weapons Convention	–	–	0.5	0.5	0.5	0.5	0.5
Comprehensive Test Ban Treaty	2.4	2.9	5.5	5.8	6.0	6.0	6.4
Humanitarian Aid	17.8	34.0	24.1	40.5	25.7	25.7	27.1
South Centre Capital Fund	0.5	1.0	1.1	1.2	1.2	1.2	1.3
United Nations Development Programme in Southern Africa	6.6	1.3	1.1	1.1	1.2	1.2	1.2
United Nations Children's Fund	0.2	0.4	0.2	–	0.2	0.2	2.4
United Nations Convention on the Law of Sea	–	0.6	0.5	–	0.6	0.6	0.6

Expenditure trends

Expenditure in this programme grew from R402.2 million in 2006/07 to R1 billion in 2009/10 at an average annual rate of 36.2 per cent. The growth was due to the recapitalisation of the African Renaissance and International Cooperation Fund to increase funding for post-conflict reconstruction and development initiatives in Burundi and the Democratic Republic of the Congo, and for economic reconstruction programmes in Zimbabwe.

Over the MTEF period, expenditure is expected to decrease marginally at an average annual of rate of 1.7 per cent. This is mainly due to the reduction in the transfer payment to the African Renaissance Fund to enable government to fund other urgent priorities.

Additional tables

Table 5.A Summary of expenditure trends and estimates per programme and economic classification

Programme	Appropriation		Audited outcome	Appropriation			Revised estimate
	Main	Adjusted		Main	Additional	Adjusted	
R million	2008/09		2008/09	2009/10			2009/10
1. Administration	1 049.9	1 715.4	1 638.4	993.1	214.6	1 207.7	1 162.7
2. International Relations and Cooperation	2 410.7	2 662.3	2 652.8	3 128.6	(56.6)	3 072.0	3 072.0
3. Public Diplomacy and Protocol Services	147.3	159.3	152.6	215.3	42.3	257.6	257.6
4. International Transfers	732.8	1 032.8	1 028.4	1 000.0	15.6	1 015.6	1 015.6
Total	4 340.7	5 569.8	5 472.3	5 337.0	215.9	5 553.0	5 508.0
Economic classification							
Current payments	2 980.9	3 244.4	3 334.9	3 993.4	49.3	4 042.7	4 042.7
Compensation of employees	1 456.9	1 458.4	1 683.4	2 013.3	49.3	2 062.6	2 062.6
Goods and services	1 523.9	1 785.9	1 650.7	1 980.1	–	1 980.1	1 980.1
Interest and rent on land	–	–	0.8	–	–	–	–
Transfers and subsidies	767.6	1 067.6	1 061.0	1 024.4	15.6	1 040.0	1 040.0
Provinces and municipalities	22.7	22.7	16.3	24.4	–	24.4	24.4
Departmental agencies and accounts	398.9	698.9	698.9	631.4	–	631.4	631.4
Foreign governments and international organisations	333.9	333.9	329.4	368.7	15.6	384.3	384.3
Public corporations and private enterprises	12.0	12.0	–	–	–	–	–
Households	–	–	16.4	–	–	–	–
Payments for capital assets	592.3	1 257.8	1 043.2	319.3	151.0	470.3	425.3
Buildings and other fixed structures	486.7	1 117.2	926.7	272.2	151.0	423.2	378.2
Machinery and equipment	105.6	105.6	81.5	47.1	–	47.1	47.1
Land and sub-soil assets	–	35.0	35.0	–	–	–	–
Payments for financial assets	–	–	33.1	–	–	–	–
Total	4 340.7	5 569.8	5 472.3	5 337.0	215.9	5 553.0	5 508.0

Table 5.B Summary of personnel numbers and compensation of employees

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Permanent and full time contract employees							
Compensation (R million)	1 136.5	1 293.2	1 683.4	2 062.6	2 037.1	2 121.4	2 228.1
Unit cost (R million)	0.3	0.3	0.4	0.5	0.4	0.5	0.5
<i>Administration</i>	<i>0.2</i>	<i>0.2</i>	<i>0.2</i>	<i>0.3</i>	<i>0.3</i>	<i>0.3</i>	<i>0.3</i>
<i>International Relations and Cooperation</i>	<i>0.3</i>	<i>0.3</i>	<i>0.4</i>	<i>0.5</i>	<i>0.5</i>	<i>0.5</i>	<i>0.6</i>
<i>Public Diplomacy and Protocol Services</i>	<i>0.2</i>	<i>0.2</i>	<i>0.2</i>	<i>0.3</i>	<i>0.4</i>	<i>0.4</i>	<i>0.4</i>
Personnel numbers (head count)	4 313	4 493	4 504	4 521	4 533	4 549	4 549
Personnel numbers (head count)	83	89	13	12	10	9	9
Total for department							
Compensation (R million)	1 136.5	1 293.2	1 683.4	2 062.6	2 037.1	2 121.4	2 228.1
Unit cost (R million)	0.3	0.3	0.4	0.5	0.4	0.5	0.5
Personnel numbers (head count)	4 396	4 582	4 517	4 533	4 543	4 558	4 558

Table 5.C Detail of approved establishment and personnel numbers according to salary level ¹

	Personnel post status as at 30 September 2009			Number of personnel posts filled / planned for on funded establishment						
	Number of posts on approved establishment	Number of funded posts	Number of posts additional to the establishment	Actual			Mid year ²	Medium-term estimate		
				2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Department	4 533	4 492	119	4 313	4 493	4 504	4 521	4 533	4 549	4 549
Salary level 1 – 6	480	477	86	412	396	413	403	480	480	480
Salary level 7 – 10	3 333	3 300	19	3 289	3 518	3 478	3 494	3 333	3 349	3 349
Salary level 11 – 12	440	436	10	387	352	371	381	440	440	440
Salary level 13 – 16	280	279	4	225	227	242	243	280	280	280
Administration	1 060	1 056	119	737	756	827	818	1 060	1 060	1 060
Salary level 1 – 6	354	354	86	293	289	299	291	354	354	354
Salary level 7 – 10	526	522	19	329	346	403	394	526	526	526
Salary level 11 – 12	120	120	10	77	86	85	89	120	120	120
Salary level 13 – 16	60	60	4	38	35	40	44	60	60	60
International Relations and Cooperation	3 115	3 092	-	3 345	3 498	3 416	3 437	3 115	3 131	3 131
Salary level 1 – 6	53	53	-	65	59	57	56	53	53	53
Salary level 7 – 10	2 589	2 566	-	2 822	3 021	2 914	2 936	2 589	2 605	2 605
Salary level 11 – 12	274	274	-	285	238	256	259	274	274	274
Salary level 13 – 16	199	199	-	173	180	189	186	199	199	199
Public Diplomacy and Protocol Services	358	344	-	231	239	261	266	358	358	358
Salary level 1 – 6	73	70	-	54	48	57	56	73	73	73
Salary level 7 – 10	218	212	-	138	151	161	164	218	218	218
Salary level 11 – 12	46	42	-	25	28	30	33	46	46	46
Salary level 13 – 16	21	20	-	14	12	13	13	21	21	21

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. As at 30 September 2009.

Table 5.D Summary of expenditure on training

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Compensation of employees (R million)	1 136.5	1 293.2	1 683.4	2 062.6	2 037.1	2 121.4	2 228.1
Training expenditure (R million)	4.0	13.1	8.1	12.4	14.4	14.1	14.1
Training as percentage of compensation	0.4%	1.0%	0.5%	0.6%	0.7%	0.7%	0.6%
Total number trained in department (head count)	1 117	1 139	1 139	1 139			
<i>of which:</i>							
Employees receiving bursaries (head count)	95	95	9	9			
Learnerships trained (head count)	79	42	42	42			

Table 5.E Summary of departmental public private partnership (PPP) projects

Project description: Department of international Relations and Cooperation office campus	Project annual unitary fee at time of contract	Budgeted expenditure	Medium-term expenditure estimate			
			2009/10	2010/11	2011/12	2012/13
R million						
Projects signed in terms of Treasury Regulation 16	109.9	109.9	143.5	140.0	148.8	
PPP unitary charge	109.9	109.9	143.5	140.0	148.8	
Total	109.9	109.9	143.5	140.0	148.8	

Disclosure notes for projects signed in terms of Treasury Regulation 16

Project name	DIRCO Office Campus
Brief description	DIRCO Office Campus
Date PPP agreement was signed	Estimated date: 13 March 2009
Duration of PPP agreement	25 years
Escalation index for unitary fee	CPIX
Net Present Value of all payment obligations discounted at appropriate duration government bond yield	Unitary fee and its cost implication is subjected to CPIX adjustments

Table 5.F Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate			
				2006/07	2007/08	2008/09		2009/10	2010/11	2011/12	2012/13
R million											
Departmental infrastructure											
Head Office Campus	Construction of headquarter for the department	Handed over	965.5	-	300.0	665.5	-	-	-	-	-
Addis Ababa	Chancery and three residences	Construction	-	26.5	66.6	-	-	-	-	-	-
Washington (Refurbishment of Chancery)	Functional and effective office accommodation	Feasibility	205.4	-	-	59.4	79.2	41.0	30.7	28.2	
New Delhi (Acquisition of Land)	Land for the construction of a Chancery	Various	370.0	-	-	35.0	130.0	34.0	4.5	35.0	
Refurbishment at Missions	Refurbishment of infrastructure	Various	60.2	43.1	49.0	40.6	125.2	49.0	33.7	63.2	
Brussels (Acquisition of Chancery)	Functional and effective office accommodation and staff housing	Various	-	-	93.6	-	-	-	-	-	-
Abuja (Construction of Chancery and Official Residence)	Functional and effective office accommodation and official residence	Construction	122.3	2.7	57.1	26.1	42.6	19.4	-	-	-
Pan African Parliament	Functional and effective office accommodation and Parliamentary facilities	Feasibility	-	-	-	48.0	-	-	-	-	-
Maseru (Construction of Chancery and Staff Housing)	Functional and effective office accommodation and staff housing	Construction	105.2	22.6	35.9	46.4	8.6	-	-	-	-
Dar es Salaam (Construction of Chancery)	Functional and effective office accommodation	Design	49.5	0.1	1.8	0.9	9.0	28.0	12.5	-	-
Kigali (Construction of Chancery and Official Residence)	Functional and effective office accommodation and official residence	Design	49.5	-	0.6	0.8	3.7	5.5	22.8	27.0	
Mbabane (Construction of Chancery)	Functional and effective office accommodation	Feasibility	39.0	-	-	-	2.5	3.5	18.0	10.0	
Riyadh (Acquisition of Land)	Land for the construction of a Chancery	Handed over	-	-	10.6	-	-	-	-	-	-
Bujumbura (Acquisition of Chancery)	Functional and effective office accommodation	Construction	-	-	4.9	-	-	-	-	-	-
Gaborone (Acquisition of Chancery)	Functional and effective office accommodation	Construction	-	-	22.7	-	-	-	-	-	-
Lilongwe (Construction of Chancery and staff Housing)	Functional and effective office accommodation and staff housing	Design	68.8	0.1	0.9	1.4	5.6	19.5	32.0	15.0	
Mbabane (Construction of staff housing)	Functional and effective staff housing	Design	78.0	0.2	2.5	1.2	7.5	22.0	33.5	15.5	
Kigali	-	-	-	0.1	2.2	-	-	-	-	-	-
Gaborone (Construction of Official Residence)	Functional and effective Official Residence	Design	23.0	24.0	0.2	1.4	3.5	-	12.0	11.0	
Riyadh (Construction of Chancery and Official Residence)	Functional and effective office accommodation and official residence	Feasibility	75.0	-	-	-	1.8	2.7	25.0	35.0	
Bamako (Construction of Chancery, Official Residence and Staff housing)	Functional and effective office accommodation and official residence	Feasibility	48.0	-	0.2	-	0.8	2.2	4.5	15.0	

Table 5.F Summary of expenditure on infrastructure (continued)

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2006/07	2007/08	2008/09		2010/11	2011/12	2012/13
R million										
Dakar (Construction of Chancery)	Functional and effective office accommodation	Feasibility	48.0	-	-	-	0.8	2.2	18.0	27.0
Montivideo (Construction of staff housing)	Functional and effective staff housing	Feasibility	4.5	-	-	0.8	-	-	-	-
Luanda (Construction of Chancery)	Functional and effective office accommodation	Feasibility	9.5	-	-	-	1.5	2.5	2.5	35.0
Tokyo and New York	-	-	-	-	1.0	-	-	-	-	-
Total			2 321.3	119.4	649.9	926.7	423.2	231.5	249.8	317.0