

# Vote 3

## Foreign Affairs

R thousand	2006/07			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>3 042 149</b>	<b>3 042 149</b>	-	-
<i>of which:</i>				
Current payments	2 158 818	2 237 586	-	78 768
Transfers and subsidies	485 579	486 668	-	1 089
Payments for capital assets	397 752	317 895	(79 857)	-
Executive authority	Minister of Foreign Affairs			
Accounting officer	Director-General of Foreign Affairs			

### Aim

*The Department of Foreign Affairs formulates, co-ordinates, implements and manages South Africa's foreign policy and international relations programmes throughout the world.*

### Changes to programme purposes and measurable objectives

No changes were made to programme purposes or measurable objectives.

### Adjusted Estimates of National Expenditure 2006

Table 3.1: Foreign Affairs

Programme	2006/07						
	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand							
1. Administration	673 723	-	-	(11 172)	-	(11 172)	662 551
2. Foreign Relations	1 783 845	-	-	6 194	-	6 194	1 790 039
3. Public Diplomacy and Protocol	111 051	-	-	4 978	-	4 978	116 029
4. International Transfers	473 530	-	-	-	-	-	473 530
<b>Total</b>	<b>3 042 149</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 042 149</b>
<b>Economic classification</b>							
<b>Current payments</b>	<b>2 158 818</b>	<b>-</b>	<b>-</b>	<b>78 768</b>	<b>-</b>	<b>78 768</b>	<b>2 237 586</b>
Compensation of employees	1 392 501	-	-	(209 225)	-	(209 225)	1 183 276
Goods and services	766 317	-	-	287 993	-	287 993	1 054 310
<b>Transfers and subsidies</b>	<b>485 579</b>	<b>-</b>	<b>-</b>	<b>1 089</b>	<b>-</b>	<b>1 089</b>	<b>486 668</b>
Provinces and municipalities	12 049	-	-	1 089	-	1 089	13 138
Departmental agencies and accounts	-	-	-	150 000	-	150 000	150 000
Foreign governments and international organisations	473 530	-	-	(150 000)	-	(150 000)	323 530
<b>Payments for capital assets</b>	<b>397 752</b>	<b>-</b>	<b>-</b>	<b>(79 857)</b>	<b>-</b>	<b>(79 857)</b>	<b>317 895</b>
Buildings and other fixed structures	261 000	-	-	-	-	-	261 000
Machinery and equipment	136 752	-	-	(79 857)	-	(79 857)	56 895
<b>Total</b>	<b>3 042 149</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 042 149</b>

## Details of adjustments to Estimates of National Expenditure 2006

### Virements

**Table 3.2: Details on virements per programme and economic classification**

Programme / Economic classification	R thousand		Motivation
	From	To	
<b>1. Administration</b>	<b>(33 757)</b>	<b>22 585</b>	
<b>Current payments</b>	-	<b>22 415</b>	
Compensation of employees	-	27	Funds shifted from compensation of employees (in programme 2) will be used for government's contribution to medical aids.
Goods and services	-	22 388	Funds shifted from machinery and equipment (in this programme) will be used for computer services (R2,994 million), consultants (R21,339 million), and travel expenses (R8,21 million) for finance, the ministry, human resources and ICT.
<b>Transfers and subsidies</b>	-	<b>170</b>	
Provinces and municipalities	-	170	Funds shifted from transfers to provinces and municipalities (in programme 3) and from compensation of employees (in programme 2) will be used for RSC levies.
<b>Payments for capital assets</b>	<b>(33 757)</b>	-	
Machinery and equipment	(33 757)	-	Savings arose because costs for furniture and computers for new missions were overestimated.
<b>2. Foreign Relations</b>	<b>(260 269)</b>	<b>266 463</b>	
<b>Current payments</b>	<b>(213 438)</b>	<b>265 419</b>	
Compensation of employees	(213 438)	-	Savings arose partly because costs for staff were overestimated, and partly due to vacant posts.
Goods and services	-	265 419	Funds shifted from payments for capital assets (in programme 1) and compensation of employees (in this programme) will be used for consultants (R1,55 million), operating leases (R81,35 million) and travel expenses (R30,98 million) in missions. R153,414 million is under other expenditure, such as catering, SITA information services, entertainment, maintenance, and course fees.
<b>Transfers and subsidies</b>	-	<b>1 044</b>	
Provinces and municipalities	-	1 044	Funds shifted from compensation of employees (in this programme) will be used for RSC levies.
<b>Payments for capital assets</b>	<b>(46 831)</b>	-	
Machinery and equipment	(46 831)	-	Savings arose because computer equipment for the upgraded network was bought in 2005/06, and not in 2006/07 as anticipated.
<b>3. Public Diplomacy and Protocol</b>	<b>(125)</b>	<b>5 103</b>	
<b>Current payments</b>	-	<b>4 372</b>	
Compensation of employees	-	4 186	Funds shifted from compensation of employees (in programme 1) will be used for establishing two new directorates (Content Development and Product Development). Carry-through costs over the medium term will be funded from the baseline budget.
Goods and services	-	186	Funds shifted from compensation of employees (in programme 2) will be used for incoming and outgoing international visits.
<b>Transfers and subsidies</b>	<b>(125)</b>	-	
Provinces and municipalities	(125)	-	Savings arose because RSC levies were phased out after June 2006.
<b>Payments for capital assets</b>	-	<b>731</b>	
Machinery and equipment	-	731	Funds shifted from machinery and equipment (in programme 2) will be used for replacing furniture and buying new furniture and computers.
<b>4. International Transfers</b>	<b>(150 000)</b>	<b>150 000</b>	
<b>Transfers and subsidies</b>	<b>(150 000)</b>	<b>150 000</b>	
Departmental agencies and accounts	-	150 000	Funds have been shifted from transfers to foreign governments and organisations (in this programme) because the transfer to the African Renaissance Fund was incorrectly classified there.
Foreign governments and international organisations	(150 000)	-	The transfer to the African Renaissance Fund was incorrectly classified and has been shifted.
<b>Total for vote</b>	<b>(444 151)</b>	<b>444 151</b>	

## Gifts, donations and sponsorships – R1,016 million

The Department of Foreign Affairs will donate R1,016 million to the Gambian government for hosting the African Union heads of state and government summit in Banjul in June/July 2006 to help cover the costs of accommodation, vehicle leases, interpreting equipment and translators.

## Expenditure 2005/06 and preliminary expenditure 2006/07

Table 3.3: Foreign Affairs

Programme	2005/06				2006/07		
	Expenditure outcome				Preliminary expenditure		
	Adjusted appropriation	Apr 2005 - Sep 2005	Apr 2005 - Mar 2006	Apr 05 - Mar 06 % of adjusted appropriation	Adjusted appropriation	Apr 2006 - Sep 2006	% change 05/06 - 06/07 Apr - Sep
R thousand							
1. Administration	531 574	167 836	502 368	94,5	662 551	182 058	8,5
2. Foreign Relations	1 736 546	750 742	1 718 524	99,0	1 790 039	812 836	8,3
3. Public Diplomacy and Protocol	112 480	46 023	109 180	97,1	116 029	45 697	(0,7)
4. International Transfers	356 530	55 092	358 662	100,6	473 530	189 726	244,4
<b>Total</b>	<b>2 737 130</b>	<b>1 019 693</b>	<b>2 688 734</b>	<b>98,2</b>	<b>3 042 149</b>	<b>1 230 317</b>	<b>20,7</b>
<b>Current payments</b>	<b>2 119 557</b>	<b>904 422</b>	<b>2 087 007</b>	<b>98,5</b>	<b>2 237 586</b>	<b>992 020</b>	<b>9,7</b>
Compensation of employees	1 089 993	463 935	1 072 371	98,4	1 183 276	515 436	11,1
Goods and services	1 029 564	440 270	993 789	96,5	1 054 310	492 553	11,9
Financial transactions in assets and liabilities	-	217	20 847	-	-	(15 969)	(7459,0)
<b>Transfers and subsidies</b>	<b>396 919</b>	<b>92 186</b>	<b>394 616</b>	<b>99,4</b>	<b>486 668</b>	<b>190 672</b>	<b>106,8</b>
Provinces and municipalities	13 659	190	13 650	99,9	13 138	212	11,6
Departmental agencies and accounts	100 000	-	100 000	100,0	150 000	100 000	(100,0)
Foreign governments and international organisations	260 975	85 631	259 734	99,5	323 530	79 844	(6,8)
Public corporations and private enterprises	9 829	2 741	9 307	94,7	-	3 793	38,4
Households	12 456	3 624	11 925	95,7	-	6 823	88,3
<b>Payments for capital assets</b>	<b>220 654</b>	<b>23 085</b>	<b>207 111</b>	<b>93,9</b>	<b>317 895</b>	<b>47 625</b>	<b>106,3</b>
Buildings and other fixed structures	44 000	-	42 820	97,3	261 000	75	(100,0)
Machinery and equipment	142 336	21 429	130 703	91,8	56 895	47 517	121,7
Software and other intangible assets	34 318	1 656	33 588	97,9	-	33	(98,0)
<b>Total</b>	<b>2 737 130</b>	<b>1 019 693</b>	<b>2 688 734</b>	<b>98,2</b>	<b>3 042 149</b>	<b>1 230 317</b>	<b>20,7</b>

## Selected expenditure trends for the first half of the 2006/07 financial year

Expenditure in the first six months of 2006/07 was R1,2 billion, or 40,4 per cent of the adjusted appropriation of R3 billion for the year as a whole.

The increase in transfers for departmental agencies and accounts is as a result of an earlier transfer to the African Renaissance Fund to support the DRC elections.

Capital assets show an increase under machinery and equipment due to filled vacancies and the opening of new missions.

## Summary of changes to transfers and subsidies, and conditional grants

Table 3.4: Summary of changes to transfers and subsidies per programme

		2006/07					
		Additional appropriation				Total additional appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
<b>1. Administration</b>	<b>81</b>	-	-	170	-	170	251
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	81	-	-	170	-	170	251
Regional Services Council levies	81	-	-	170	-	170	251
<b>2. Foreign Relations</b>	<b>220</b>	-	-	1 044	-	1 044	1 264
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	220	-	-	1 044	-	1 044	1 264
Regional Services Council levies	220	-	-	1 044	-	1 044	1 264
<b>3. Public Diplomacy and Protocol</b>	<b>11 748</b>	-	-	(125)	-	(125)	11 623
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	11 748	-	-	(125)	-	(125)	11 623
Regional Services Council levies	125	-	-	(125)	-	(125)	-
Departmental agencies and accounts							
Entities							
Current	-	-	-	150 000	-	150 000	150 000
African Renaissance Fund	-	-	-	150 000	-	150 000	150 000
Foreign governments and international organisations							
Current	473 530	-	-	(150 000)	-	(150 000)	323 530
African Union	155 000	-	-	(1 016)	-	(1 016)	153 984
United Nations: Membership fees	80 000	-	-	(66)	-	(66)	79 934
African Renaissance Fund	150 000	-	-	(150 000)	-	(150 000)	-
United Nations Voluntary Fund on Disability	-	-	-	66	-	66	66
Gambian government	-	-	-	1 016	-	1 016	1 016