

Vote 10

National Treasury

Adjusted budget summary

2013/14				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	25 555 960	25 232 266	(323 694)	–
of which:				
Current payments	1 467 351	1 455 926	(11 425)	–
Transfers and subsidies	20 995 738	20 671 802	(323 936)	–
Payments for capital assets	187 871	199 538	–	11 667
Payments for financial assets	2 905 000	2 905 000	–	–
Direct charge against the National Revenue Fund	446 927 221	449 034 677	–	2 107 456
Executive authority	Minister of Finance			
Accounting officer	Director-General of the National Treasury			
Website address	www.treasury.gov.za			

Aim

Support economic growth and development, good governance, social progress and rising living standards through the accountable, economical, efficient, equitable and sustainable management of public finances, maintenance of macroeconomic and financial sector stability, and effective financial regulation of the economy.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2013/14 as published in the 2013 ENE	Achieved in the first six months of 2013/14 (April to September)	Changed target for 2013/14
Net loan debt as percentage of GDP	Asset and Liability Management	Outcome 4: Decent employment through inclusive economic growth	38.6% (R1 357.2bn)	38% (R1 324.1bn) ²	39.5% (R1 376.7bn)
Value of government gross annual borrowing	Asset and Liability Management		R215.5bn	R143.5bn ²	R211bn
Cost to service debt as a percentage of GDP	Asset and Liability Management		2.8% (R99.7bn)	1.4% (R49.1bn) ²	2.9% (R100.5bn)
Number of hospital public private partnership projects reaching financial close per year ¹	Technical Support and Development Finance	Outcome: 2: A long and healthy life for all South Africans	3	0	–
Number of training courses and workshops presented on the implementation of financial management reforms per year	Financial Systems and Accounting	Outcome 12: An efficient, effective and development orientated public service and an empowered fair and inclusive citizenship	40	10	–
Number of individuals trained per year to assist with the implementation of financial management reforms	Financial Systems and Accounting		700	750	–
Percentage of identified transversal contracts with strategic sourcing principles introduced per year	Financial Systems and Accounting		100% (19)	32% (6)	–
Total number of neighbourhood development partnership grant projects approved	Technical Support and Development Finance	Outcome 4: Decent employment through inclusive economic growth	95	95	–

Indicator	Programme	Outcome	Annual performance		
			Projected for 2013/14 as published in the 2013 ENE	Achieved in the first six months of 2013/14 (April to September)	Changed target for 2013/14
Total number of neighbourhood development partnership grant projects under construction	Technical Support and Development Finance		90	60	–
Number of support programmes and projects related to government priorities to improve the efficacy of government institutions implemented per year ¹	Technical Support and Development Finance	Outcome 12: An efficient, effective and development orientated public service and an empowered fair and inclusive citizenship	100	101	–
Percentage of support plans and Municipal Finance Management Act (2003) implementation plans implemented per year	Technical Support and Development Finance	Outcome 9: A responsive, accountable, effective and efficient local government system	100% (278)	100% (278)	–
Number of long term township regeneration programmes implemented	Technical Support and Development Finance	Outcome 4: Decent employment through inclusive economic growth	55	0	–
Third party investment leverage per year	Technical Support and Development Finance		R2bn	–	–
Number of jobs created per year ¹	Technical Support and Development Finance		25 000	8 924 ³	–

1. Investments and projects that began in 2012/13 or later.

2. These figures are estimated annually.

3. This figure is only for the first quarter of 2013/14, as second quarter information was not available at the time of publication.

Changes to indicators and targets published in the 2013 ENE

The current global and domestic economic conditions, and forecasts of tax revenue and revised expenditure, including adjustments to the budget, have created the need to revise GDP estimates. This has resulted in a change to the estimates for the following indicators: net loan debt as a percentage of GDP, value of government gross annual borrowing, and cost of debt as a percentage of GDP.

Mid-year progress

Although only 10 active training courses to assist with the implementation of financial management reforms were completed by mid-year, the department has plans in place to reach the target of 40 by the end of 2013/14. However, the department exceeded by 50 the target of 700 for the number individuals to be trained for the year. The department expects this figure to be 1 000 by the end of 2013/14. This was due to the demand for training on the Municipal Finance Management Act (2003).

The department implemented strategic sourcing for 6 transversal contracts in the first six months of the year, which is 32 per cent of the 19 targeted for the year. Strategic sourcing is implemented for transversal contracts as opportunities arise. The department expects that further opportunities will arise in the second half of the year and that the target of 19 will be reached by March 2014.

Over the first six months of the year, mainly through the technical assistance unit, the department implemented 101 support programmes at government institutions to improve efficacy. This exceeded the target of 100 for the year as performance is mainly driven by requests from departments for assistance. Such requests cannot always be estimated.

The Employment Creation Facilitation Fund created 8 924 jobs in the first quarter of 2013/14 through the various projects approved in the programme. Based on this rate, the department expects that more jobs will be created to meet the target by March 2014.

Adjusted Estimates of National Expenditure 2013

Programme	2013/14							Adjusted appropriation
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
Administration	341 691	–	–	14 738	–	–	14 738	356 429
Economic Policy, Tax, Financial Regulation and Research	145 859	–	–	(11 935)	–	–	(11 935)	133 924
Public Finance and Budget Management	252 312	–	–	(21 028)	–	–	(21 028)	231 284
Asset and Liability Management	2 995 196	–	–	(1 202)	–	–	(1 202)	2 993 994
Financial Systems and Accounting	724 589	–	–	10 134	–	–	10 134	734 723
International Financial Relations	1 112 529	–	–	–	(20 544)	–	(20 544)	1 091 985
Civil and Military Pensions, Contributions to Funds and Other Benefits	3 497 031	–	–	–	–	–	–	3 497 031
Technical Support and Development Finance	2 777 806	–	–	9 293	(303 150)	–	(293 857)	2 483 949
Revenue Administration	9 534 393	–	–	–	–	–	–	9 534 393
Financial Intelligence and State Security	4 174 554	–	–	–	–	–	–	4 174 554
Total	25 555 960	–	–	–	(323 694)	–	(323 694)	25 232 266
Direct charge against the National Revenue Fund	446 927 221	109 790	–	–	–	1 997 666	2 107 456	449 034 677
Provincial Equitable Share	337 572 412	109 790	–	–	–	1 254 615	1 364 405	338 936 817
State Debt Costs	99 741 449	–	–	–	–	743 051	743 051	100 484 500
General Fuel Levy Sharing with Metropolitan Municipalities	9 613 360	–	–	–	–	–	–	9 613 360
Total	472 483 181	109 790	–	–	(323 694)	1 997 666	1 783 762	474 266 943
Economic classification								
Current payments	101 208 800	–	–	(11 425)	–	743 051	731 626	101 940 426
Compensation of employees	710 543	–	–	(51 056)	–	–	(51 056)	659 487
Goods and services	756 808	–	–	39 631	–	–	39 631	796 439
Interest and rent on land	99 741 449	–	–	–	–	743 051	743 051	100 484 500
Transfers and subsidies	368 181 510	109 790	–	(242)	(323 694)	1 254 615	1 040 469	369 221 979
Provinces and municipalities	348 347 111	109 790	–	–	–	1 254 615	1 364 405	349 711 516
Departmental agencies and accounts	13 974 573	–	–	2 585	–	–	2 585	13 977 158
Higher education institutions	10 000	–	–	–	–	–	–	10 000
Foreign governments and international organisations	1 077 442	–	–	(4 882)	(20 544)	–	(25 426)	1 052 016
Public corporations and private enterprises	1 327 753	–	–	–	(303 150)	–	(303 150)	1 024 603
Households	3 444 631	–	–	2 055	–	–	2 055	3 446 686
Payments for capital assets	187 871	–	–	11 667	–	–	11 667	199 538
Buildings and other fixed structures	5 000	–	–	–	–	–	–	5 000
Machinery and equipment	16 640	–	–	11 667	–	–	11 667	28 307
Software and other intangible assets	166 231	–	–	–	–	–	–	166 231
Payments for financial assets	2 905 000	–	–	–	–	–	–	2 905 000
Total	472 483 181	109 790	–	–	(323 694)	1 997 666	1 783 762	474 266 943

Programme 1: Administration

Subprogramme	Main appropriation	2013/14 Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
Ministry	3 796	–	–	–	–	–	–	3 796
Departmental Management	39 099	–	–	1 094	–	–	1 094	40 193
Corporate Services	105 524	–	–	(3 518)	–	–	(3 518)	102 006
Enterprise Wide Risk Management	21 775	–	–	10 764	–	–	10 764	32 539
Financial Administration	40 279	–	–	(1 341)	–	–	(1 341)	38 938
Legal Services	16 733	–	–	163	–	–	163	16 896
Internal Audit	12 822	–	–	9 068	–	–	9 068	21 890
Communications	9 941	–	–	(610)	–	–	(610)	9 331
Office Accommodation	91 722	–	–	(882)	–	–	(882)	90 840
Total	341 691	–	–	14 738	–	–	14 738	356 429
Economic classification								
Current payments	324 173	–	–	2 913	–	–	2 913	327 086
Compensation of employees	159 141	–	–	(12 376)	–	–	(12 376)	146 765
Goods and services	165 032	–	–	15 289	–	–	15 289	180 321
Transfers and subsidies	2 170	–	–	1 746	–	–	1 746	3 916
Departmental agencies and accounts	586	–	–	1 554	–	–	1 554	2 140
Households	1 584	–	–	192	–	–	192	1 776
Payments for capital assets	15 348	–	–	10 079	–	–	10 079	25 427
Buildings and other fixed structures	5 000	–	–	–	–	–	–	5 000
Machinery and equipment	10 348	–	–	10 079	–	–	10 079	20 427
Total	341 691	–	–	14 738	–	–	14 738	356 429

Programme 2: Economic Policy, Tax, Financial Regulation and Research

Subprogramme	Main appropriation	2013/14 Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
Programme Management for Economic Policy, Financial Regulation and Research	21 244	–	–	(216)	–	–	(216)	21 028
Research	17 394	–	–	(630)	–	–	(630)	16 764
Financial Sector Policy	29 305	–	–	(3 018)	–	–	(3 018)	26 287
Tax Policy	31 548	–	–	(7 396)	–	–	(7 396)	24 152
Economic Policy	30 132	–	–	(675)	–	–	(675)	29 457
Cooperative Banking Development Agency	16 236	–	–	–	–	–	–	16 236
Total	145 859	–	–	(11 935)	–	–	(11 935)	133 924

Programme 2: Economic Policy, Tax, Financial Regulation and Research (continued)

Programme 27 Economic Policy, Tax, Financial Regulation and Research (continued)

	2013/14							
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Economic classification								
Current payments	119 155	–	–	(12 316)	–	–	(12 316)	106 839
Compensation of employees	84 449	–	–	(12 030)	–	–	(12 030)	72 419
Goods and services	34 706	–	–	(286)	–	–	(286)	34 420
Transfers and subsidies	26 136	–	–	95	–	–	95	26 231
Departmental agencies and accounts	16 236	–	–	–	–	–	–	16 236
Public corporations and private enterprises	9 900	–	–	–	–	–	–	9 900
Households	–	–	–	95	–	–	95	95
Payments for capital assets	568	–	–	286	–	–	286	854
Machinery and equipment	568	–	–	286	–	–	286	854
Total	145 859	–	–	(11 935)	–	–	(11 935)	133 924

Programme 3: Public Finance and Budget Management

Subprogramme		2013/14						
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Programme Management for Public Finance and Budget Management	22 685	–	–	(4 043)	–	–	(4 043)	18 642
Public Finance	72 076	–	–	(9 022)	–	–	(9 022)	63 054
Budget Office and Coordination	61 624	–	–	(4 114)	–	–	(4 114)	57 510
Intergovernmental Relations	57 160	–	–	(4 649)	–	–	(4 649)	52 511
Financial and Fiscal Commission	38 767	–	–	800	–	–	800	39 567
Total	252 312	–	–	(21 028)	–	–	(21 028)	231 284
Economic classification								
Current payments	212 300	–	–	(23 059)	–	–	(23 059)	189 241
Compensation of employees	172 763	–	–	(21 578)	–	–	(21 578)	151 185
Goods and services	39 537	–	–	(1 481)	–	–	(1 481)	38 056
Transfers and subsidies	38 767	–	–	2 031	–	–	2 031	40 798
Departmental agencies and accounts	38 767	–	–	800	–	–	800	39 567
Households	–	–	–	1 231	–	–	1 231	1 231
Payments for capital assets	1 245	–	–	–	–	–	–	1 245
Machinery and equipment	1 245	–	–	–	–	–	–	1 245
Total	252 312	–	–	(21 028)	–	–	(21 028)	231 284

Programme 4: Asset and Liability Management

Subprogramme		2013/14						
		Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Programme Management for Asset and Liability Management	18 266	–	–	(1 959)	–	–	(1 959)	16 307
State Owned Entity Financial Management and Governance	27 346	–	–	57	–	–	57	27 403
Government Debt Management	17 805	–	–	(71)	–	–	(71)	17 734
Financial Operations	17 110	–	–	1 127	–	–	1 127	18 237
Strategy and Risk Management	9 669	–	–	(356)	–	–	(356)	9 313
Financial Investments	2 905 000	–	–	–	–	–	–	2 905 000
Total	2 995 196	–	–	(1 202)	–	–	(1 202)	2 993 994
Economic classification								
Current payments	89 560	–	–	(1 243)	–	–	(1 243)	88 317
Compensation of employees	66 005	–	–	(1 202)	–	–	(1 202)	64 803
Goods and services	23 555	–	–	(41)	–	–	(41)	23 514
Transfers and subsidies	–	–	–	41	–	–	41	41
Households	–	–	–	41	–	–	41	41
Payments for capital assets	636	–	–	–	–	–	–	636
Machinery and equipment	636	–	–	–	–	–	–	636
Payments for financial assets	2 905 000	–	–	–	–	–	–	2 905 000
Total	2 995 196	–	–	(1 202)	–	–	(1 202)	2 993 994

Programme 5: Financial Systems and Accounting

Subprogramme		2013/14						
		Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Programme Management for Financial Systems and Accounting	9 810	–	–	5 278	–	–	5 278	15 088
Supply Chain Policy	40 630	–	–	2 518	–	–	2 518	43 148
Financial Systems	430 829	–	–	(1 989)	–	–	(1 989)	428 840
Financial Reporting for National Accounts	86 181	–	–	2 284	–	–	2 284	88 465
Financial Management Policy and Compliance Improvement	116 139	–	–	1 951	–	–	1 951	118 090
Audit Statutory Bodies	40 812	–	–	–	–	–	–	40 812
Service Charges: Commercial Banks	188	–	–	92	–	–	92	280
Total	724 589	–	–	10 134	–	–	10 134	734 723
Economic classification								
Current payments	471 767	–	–	8 478	–	–	8 478	480 245
Compensation of employees	156 659	–	–	1 354	–	–	1 354	158 013
Goods and services	315 108	–	–	7 124	–	–	7 124	322 232
Transfers and subsidies	83 575	–	–	595	–	–	595	84 170
Departmental agencies and accounts	83 575	–	–	231	–	–	231	83 806
Households	–	–	–	364	–	–	364	364
Payments for capital assets	169 247	–	–	1 061	–	–	1 061	170 308
Machinery and equipment	3 016	–	–	1 061	–	–	1 061	4 077
Software and other intangible assets	166 231	–	–	–	–	–	–	166 231
Total	724 589	–	–	10 134	–	–	10 134	734 723

Programme 6: International Financial Relations

Subprogramme		2013/14						
R thousand	Main appropriation	Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Programme Management for International Financial Relations	10 292	–	–	6 092	–	–	6 092	16 384
International Economic Cooperation	26 922	–	–	(1 210)	–	–	(1 210)	25 712
Common Monetary Area Compensation	653 932	–	–	(19 534)	(20 544)	–	(40 078)	613 854
Financial and Technical Support	5 651	–	–	(4 882)	–	–	(4 882)	769
African Development Bank and African Development Fund	268 562	–	–	–	–	–	–	268 562
World Bank Group	129 500	–	–	17 859	–	–	17 859	147 359
Collaborative Africa Budget Reform Initiative	1 329	–	–	–	–	–	–	1 329
Commonwealth Fund for Technical Cooperation	4 991	–	–	–	–	–	–	4 991
International Funding Facility for Immunisation	10 000	–	–	–	–	–	–	10 000
African Regional Technical Assistance Centre for Southern Africa	350	–	–	–	–	–	–	350
Infrastructure Consortium for Africa	1 000	–	–	–	–	–	–	1 000
Institute for Economic Development and Planning	–	–	–	1 675	–	–	1 675	1 675
Total	1 112 529	–	–	–	(20 544)	–	(20 544)	1 091 985
Economic classification								
Current payments	37 162	–	–	4 588	–	–	4 588	41 750
Compensation of employees	25 033	–	–	(2 217)	–	–	(2 217)	22 816
Goods and services	12 129	–	–	6 805	–	–	6 805	18 934
Transfers and subsidies	1 075 315	–	–	(4 780)	(20 544)	–	(25 324)	1 049 991
Foreign governments and international organisations	1 075 315	–	–	(4 882)	(20 544)	–	(25 426)	1 049 889
Households	–	–	–	102	–	–	102	102
Payments for capital assets	52	–	–	192	–	–	192	244
Machinery and equipment	52	–	–	192	–	–	192	244
Total	1 112 529	–	–	–	(20 544)	–	(20 544)	1 091 985

Programme 7: Civil and Military Pensions, Contributions to Funds and Other Benefits

Subprogramme		2013/14						
R thousand	Main appropriation	Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Government Pensions Administration Agency	51 857	–	–	–	–	–	–	51 857
Civil Pensions and Contributions to Funds	2 936 597	–	–	(64 900)	–	–	(64 900)	2 871 697
Military Pensions and Other Benefits	508 577	–	–	64 900	–	–	64 900	573 477
Total	3 497 031	–	–	–	–	–	–	3 497 031
Economic classification								
Current payments	51 857	–	–	–	–	–	–	51 857
Goods and services	51 857	–	–	–	–	–	–	51 857

Programme 7: Civil and Military Pensions, Contributions to Funds and Other Benefits (continued)

Programme 1: Civil and Military Pensions, Contributions to Funds and Other Benefits (continued)								
2013/14								
		Adjustments appropriation						
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
Transfers and subsidies	3 445 174	–	–	–	–	–	–	3 445 174
Foreign governments and international organisations	2 127	–	–	–	–	–	–	2 127
Households	3 443 047	–	–	–	–	–	–	3 443 047
Total	3 497 031	–	–	–	–	–	–	3 497 031

Programme 8: Technical Support and Development Finance

Subprogramme		2013/14						
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Programme Management for Technical Support and Development Finance	181 945	—	—	9 293	—	—	9 293	191 238
Local Government Financial Management and Skills Development Grant	523 298	—	—	—	—	—	—	523 298
Neighbourhood Development Partnership Grant	653 041	—	—	—	—	—	—	653 041
Municipal Finance Improvement Programme	121 498	—	—	—	—	—	—	121 498
Employment Creation Facilitation Fund	1 258 024	—	—	—	(303 150)	—	(303 150)	954 874
Integrated Cities Development Grant	40 000	—	—	—	—	—	—	40 000
Total	2 777 806	—	—	9 293	(303 150)	—	(293 857)	2 483 949
Economic classification								
Current payments	161 377	—	—	9 214	—	—	9 214	170 591
Compensation of employees	46 493	—	—	(3 007)	—	—	(3 007)	43 486
Goods and services	114 884	—	—	12 221	—	—	12 221	127 105
Transfers and subsidies	2 615 654	—	—	30	(303 150)	—	(303 120)	2 312 534
Provinces and municipalities	1 161 339	—	—	—	—	—	—	1 161 339
Departmental agencies and accounts	126 462	—	—	—	—	—	—	126 462
Higher education institutions	10 000	—	—	—	—	—	—	10 000
Public corporations and private enterprises	1 317 853	—	—	—	(303 150)	—	(303 150)	1 014 703
Households	—	—	—	30	—	—	30	30
Payments for capital assets	775	—	—	49	—	—	49	824
Machinery and equipment	775	—	—	49	—	—	49	824
Total	2 777 806	—	—	9 293	(303 150)	—	(293 857)	2 483 949

Programme 9: Revenue Administration

Subprogramme	2013/14							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
South African Revenue Service	9 534 393	–	–	–	–	–	–	9 534 393
Total	9 534 393	–	–	–	–	–	–	9 534 393
Economic classification								
Transfers and subsidies	9 534 393	–	–	–	–	–	–	9 534 393
Departmental agencies and accounts	9 534 393	–	–	–	–	–	–	9 534 393
Total	9 534 393	–	–	–	–	–	–	9 534 393

Programme 10: Financial Intelligence and State Security

Subprogramme	2013/14							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Financial Intelligence Centre	201 000	–	–	40 000	–	–	40 000	241 000
Secret Services	3 973 554	–	–	(40 000)	–	–	(40 000)	3 933 554
Total	4 174 554	–	–	–	–	–	–	4 174 554
Economic classification								
Transfers and subsidies	4 174 554	–	–	–	–	–	–	4 174 554
Departmental agencies and accounts	4 174 554	–	–	–	–	–	–	4 174 554
Total	4 174 554	–	–	–	–	–	–	4 174 554

Direct charges against the National Revenue Fund

Subprogramme	2013/14							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Provincial Equitable Share	337 572 412	109 790	–	–	–	1 254 615	1 364 405	338 936 817
State Debt Costs	99 741 449	–	–	–	–	743 051	743 051	100 484 500
General Fuel Levy Sharing with Metropolitan Municipalities	9 613 360	–	–	–	–	–	–	9 613 360
Total	446 927 221	109 790	–	–	–	1 997 666	2 107 456	449 034 677
Economic classification								
Current payments	99 741 449	–	–	–	–	743 051	743 051	100 484 500
Interest and rent on land	99 741 449	–	–	–	–	743 051	743 051	100 484 500
Transfers and subsidies	347 185 772	109 790	–	–	–	1 254 615	1 364 405	348 550 177
Provinces and municipalities	347 185 772	109 790	–	–	–	1 254 615	1 364 405	348 550 177
Total	446 927 221	109 790	–	–	–	1 997 666	2 107 456	449 034 677

Details of adjustments to the Estimates of National Expenditure 2013

Virements and shifts

Programmes

1. Administration
2. Economic Policy, Tax, Financial Regulation and Research
3. Public Finance and Budget Management
4. Asset and Liability Management
5. Financial Systems and Accounting
6. International Financial Relations
7. Civil and Military Pensions, Contributions to Funds and Other Benefits
8. Technical Support and Development Finance
9. Revenue Administration
10. Financial Intelligence and State Security

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(12 549)	Programme 1		12 549
Compensation of employees	Vacant posts	(1 554)	Departmental agencies and accounts	Transfer payments to the Finance, Accounting, Management, Consulting and other Financial Services Sector Education and Training Authority based on the directive from the Department of Public Service and Administration ¹	1 554
	Vacant posts	(6 394)	Goods and services	Advisory services, Special Pensions Appeal Board, guarding services, legal fees, consultants for the internal audit plan, and contractors for the refurbishment of the security control room	6 394
	Vacant posts	(4 253)	Machinery and equipment	Replacement of obsolete equipment and the installation of an integrated security system	4 253
	Vacant posts	(175)	Households	Leave gratuities	175
Goods and services	Reallocation of funds from spending on personnel agencies, as permanent staff have replaced temporary personnel	(156)	Machinery and equipment	Replacement of obsolete equipment and the installation of an integrated security system	156
	Reallocation of funds from spending on personnel agencies, as permanent staff have replaced temporary personnel	(17)	Households	Leave gratuities	17
Shifts within the programme as a percentage of the programme budget		3.7%			
Virements to other programmes as a percentage of the programme budget		0.0%			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 2		(12 816)	Programme 2		725
Compensation of employees	Vacant posts	(500)	Goods and services	Travel and subsistence, and the renewal of an economic software contract	500
	Vacant posts	(130)	Machinery and equipment	Replacement of obsolete equipment	130
	Vacant posts	(95)	Households	Leave gratuities	95
	Vacant posts	(2 642)	Programme 5		2 642
			Goods and services	Capacity enhancements to the office of the chief procurement officer	2 642
	Vacant posts	(8 663)	Programme 8		8 663
			Goods and services	Consultants for the infrastructure delivery improvement programme projects	8 663
			Programme 2		156
Goods and services	Reallocation of funds from travel and subsistence	(156)	Machinery and equipment	Replacement of obsolete equipment	156
	Reallocation of funds from spending on consultants working on economic research	(630)	Programme 8		630
			Goods and services	Consultants for the infrastructure delivery improvement programme projects	630
Shifts within the programme as a percentage of the programme budget		0.6%			
Virements to other programmes as a percentage of the programme budget ²		8.2%			
Programme 3		(24 095)	Programme 1		13 181
Compensation of employees	Vacant posts	(9 068)	Goods and services	Consultants for the internal audit plan	9 068
	Vacant posts	(4 113)	Machinery and equipment	Installation of an integrated security system	4 113
	Vacant posts	(800)	Programme 3		2 491
			Departmental agencies and accounts	Transfer to the Financial and Fiscal Commission to host the intergovernmental fiscal relations conference ¹	800
	Vacant posts	(1 036)	Goods and services	Consultants for the standard chart of accounts project for local government project	1 036
	Vacant posts	(655)	Households	Leave gratuities	655
	Vacant posts	(3 167)	Programme 5		5 906
			Goods and services	Capacity enhancements to the office of the chief procurement officer, and consultants to develop financial management training material	3 167
	Vacant posts	(302)	Machinery and equipment	Replacement of obsolete equipment and capacity enhancements to the office of the chief procurement officer	302
	Vacant posts	(194)	Households	Leave gratuities	194
	Vacant posts	(2 243)	Compensation of employees	Capacity enhancements to the office of the chief procurement officer	2 243

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Goods and services	Reallocation of funds from spending on consultants working on the comprehensive expenditure review project	(1 557)	Programme 1		1 557
			Machinery and equipment	Installation of the integrated security system	1 557
			Programme 3		576
	Reallocation of funds from spending on consultants working on the social security reform project	(576)	Households	Leave gratuities	576
			Programme 5		384
	Reallocation of funds from spending on consultants working on the comprehensive expenditure review project	(384)	Goods and services	Capacity enhancements to the office of the chief procurement officer	384
Shifts within the programme as a percentage of the programme budget		1.2%			
Virements to other programmes as a percentage of the programme budget ²		8.3%			
Programme 4		(1 243)	Programme 5		1 202
Compensation of employees	Vacant posts	(912)	Goods and services	Travel and subsistence	912
	Vacant posts	(290)	Machinery and equipment	Replacement of obsolete equipment	290
Goods and services			Programme 4		41
	Reallocation of funds from spending on consultants following the resignation of a consultant	(41)	Households	Leave gratuities	41
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 5		(1 483)	Programme 5		1 483
Compensation of employees	Vacant posts	(613)	Goods and services	Consultants to develop financial management training material	613
	Vacant posts	(106)	Machinery and equipment	Replacement of obsolete equipment	106
	Vacant posts	(170)	Households	Leave gratuities	170
Goods and services	Reallocation of funds from operating systems and hardware < R5 000	(231)	Departmental agencies and accounts	Transfers to the Accounting Standards Board to replace obsolete equipment ¹	231
	Reallocation of funds from operating systems and hardware < R5 000	(363)	Machinery and equipment	Replacement of obsolete equipment	363
Shifts within the programme as a percentage of the programme budget		0.2%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 6		(24958)	Programme 6		24958
Compensation of employees	Vacant posts	(1 923)	Goods and services	Travel and subsistence, and hosting the World Economic Forum Africa 2013	1 923
	Vacant posts	(192)	Machinery and equipment	Replacement of obsolete equipment	192
	Vacant posts	(102)	Households	Leave gratuities	102

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Foreign governments and international organisations	Reallocation of funds from the transfer payment for financial and technical support ¹	(4 882)	Goods and services	Hosting of the World Economic Forum Africa 2013	4 882
	Reallocation of funds from the transfer payment to the common monetary area due to: economic conditions that affected the circulation of the Rand in member countries; exchange rates; and low interest rates ¹	(17 859)	Foreign governments and international organisations	Selective capital increase payment to the World Bank ¹	17 859
Shifts within the programme as a percentage of the programme budget		2.2%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 8		(3 007)	Programme 8		3 007
Compensation of employees	Vacant posts	(2 928)	Goods and services	Travel and subsistence, and consultants for infrastructure delivery improvement programme projects	2 928
	Vacant posts	(49)	Machinery and equipment	Replacement of obsolete equipment	49
	Vacant posts	(30)	Households	Leave gratuities	30
Shifts within the programme as a percentage of the programme budget		0.1%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 10		(35 000)	Programme 10		35 000
Departmental agencies and accounts	Reallocation of funds due to delays in the implementation of Secret Services projects ²	(35 000)	Departmental agencies and accounts	Relocation and tenant installation costs at the new offices of the Financial Intelligence Centre ¹	35 000
Shifts within the programme as a percentage of the programme budget		0.8%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Total		(115 151)			115 151

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virements in terms of the Public Finance Management Act, (Act 1 of 1999).

Other adjustments – R323.694 million

Declared unspent funds

R323.694 million has been declared in unspent funds, as follows:

Programme 6: International Financial Relations

R20.544 million for transfers to the common monetary area compensation, due to the lower circulation of the Rand and the impact of lower interest and exchange rates.

Programme 8: Technical Support and Development Finance

R303.150 million for transfers to the Employment Creation Facilitation Fund, due to significant delays in finalising contracts with successful applicants and difficulties experienced by funded projects in proving results and achieving contracted outcomes.

Direct charges against the National Revenue Fund – R2.107 billion

Adjustments due to funds rolled over

R109.790 million has been rolled over for the provincial equitable share. R109.366 million of this has been allocated to pay property rates and R424 000 for the Marikana claims, as follows:

R28.251 million to Mpumalanga for property rates for provincially owned properties.

R36.615 million to Free State for property rates for provincially owned properties.

R44.5 million to Western Cape for property rates for provincially owned properties.
R125 000 to Free State for the Marikana claims.
R299 000 to Mpumalanga for the Marikana claims.

Adjustments due to significant and unforeseeable economic and financial events

An additional R1.255 billion has been allocated to the provincial equitable share for higher than expected salary adjustment (R563.806 million) and for the upgrading of clerical posts (R690.809 million).

State debt costs

State debt costs projections based on macroeconomic forecasts have been increased by R743.051 million.

Expenditure for 2012/13 and preliminary expenditure for 2013/14

Programme	2012/13 Expenditure outcome					2013/14 Preliminary expenditure			
	Adjusted appropriation	Apr 12 - Sep 12	Apr 12 - Sep 12 % of adjusted appropriation	Apr 12 - Mar 13	Apr 12 - Mar 13 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ total (%)	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted appropriation
R thousand									
Administration	321 138	127 378	39.7	296 742	92.4	356 429	0.1	148 018	41.5
Economic Policy, Tax, Financial Regulation and Research	122 508	57 317	46.8	111 234	90.8	133 924	0.0	61 444	45.9
Public Finance and Budget Management	247 315	118 757	48.0	221 052	89.4	231 284	0.0	106 902	46.2
Asset and Liability Management	282 807	238 041	84.2	278 205	98.4	2 993 994	0.6	2 946 054	98.4
Financial Systems and Accounting	686 335	277 608	40.4	639 346	93.2	734 723	0.2	239 860	32.6
International Financial Relations	1 040 498	68 217	6.6	1 003 051	96.4	1 091 985	0.2	23 264	2.1
Civil and Military Pensions, Contributions to Funds and Other Benefits	3 345 872	1 299 646	38.8	3 343 603	99.9	3 497 031	0.7	1 382 379	39.5
Technical Support and Development Finance	1 999 636	779 283	39.0	1 994 291	99.7	2 483 949	0.5	1 071 621	43.1
Revenue Administration	9 149 374	4 597 185	50.2	9 149 374	100.0	9 534 393	2.0	4 767 198	50.0
Financial Intelligence and State Security	3 982 121	1 955 909	49.1	3 982 121	100.0	4 174 554	0.9	2 101 887	50.3
Subtotal	21 177 604	9 519 341	45.0	21 019 019	99.3	25 232 266	5.3	12 848 627	50.9
Direct charge against the National Revenue Fund	410 849 972	201 087 683	48.9	410 176 618	99.8	449 034 677	94.7	221 176 360	49.3
Provincial Equitable Share	313 015 798	154 528 706	49.4	313 015 798	100.0	338 936 817	71.5	168 786 221	49.8
State Debt Costs	88 794 487	43 545 748	49.0	88 121 133	99.2	100 484 500	21.2	49 185 686	48.9
General Fuel Levy Sharing with Metropolitan Municipalities	9 039 687	3 013 229	33.3	9 039 687	100.0	9 613 360	2.0	3 204 453	33.3
Total	432 027 576	210 607 024	48.7	431 195 637	99.8	474 266 943	100.0	234 024 987	49.3

R thousand	2012/13 Expenditure outcome					2013/14 Preliminary expenditure			
	Adjusted appropriation	Apr 12 - Sep 12	Apr 12 - Sep 12 % of adjusted appropriation	Apr 12 - Mar 13	Apr 12 - Mar 13 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ total (%)	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted appropriation
Economic classification									
Current payments	90 127 755	44 134 626	49.0	89 531 369	99.3	101 940 426	21.5	49 771 399	48.8
Compensation of employees	616 099	304 546	49.4	589 747	95.7	659 487	0.1	322 823	49.0
Goods and services	717 169	284 332	39.6	820 489	114.4	796 439	0.2	262 890	33.0
Interest and rent on land	88 794 487	43 545 748	49.0	88 121 133	99.2	100 484 500	21.2	49 185 686	48.9
Transfers and subsidies	341 488 407	166 226 711	48.7	341 319 152	100.0	369 221 979	77.9	181 306 095	49.1
Provinces and municipalities	323 111 830	158 118 261	48.9	323 111 830	100.0	349 711 516	73.7	172 713 342	49.4
Departmental agencies and accounts	13 396 801	6 664 220	49.7	13 396 786	100.0	13 977 158	2.9	6 990 428	50.0
Higher education institutions	9 000	3 500	38.9	9 000	100.0	10 000	0.0	–	0.0
Foreign governments and international organisations	1 012 713	55 494	5.5	974 627	96.2	1 052 016	0.2	3 218	0.3
Public corporations and private enterprises	655 502	89 592	13.7	655 502	100.0	1 024 603	0.2	239 266	23.4
Non-profit institutions	85	–	0.0	–	0.0	–	0.0	–	0.0
Households	3 302 476	1 295 644	39.2	3 171 407	96.0	3 446 686	0.7	1 359 841	39.5
Payments for capital assets	211 414	45 679	21.6	19 895	9.4	199 538	0.0	42 491	21.3
Buildings and other fixed structures	5 002	–	0.0	615	12.3	5 000	0.0	–	0.0
Machinery and equipment	29 295	1 158	4.0	19 280	65.8	28 307	0.0	12 507	44.2
Software and other intangible assets	177 117	44 521	25.1	–	0.0	166 231	0.0	29 984	18.0
Payments for financial assets	200 000	200 008	100.0	325 221	162.6	2 905 000	0.6	2 905 002	100.0
Total	432 027 576	210 607 024	48.7	431 195 637	99.8	474 266 943	100.0	234 024 987	49.3

Expenditure trends for the first half of 2013/14

Total expenditure for 2012/13 was 99.8 per cent of the 2012/13 adjusted appropriation. Expenditure in the first six months of 2013/14 was R234.025 billion, or 49.3 per cent of the adjusted appropriation of R474.267 billion for the year. In comparison, mid-year expenditure in 2012/13 was R210.607 billion, or 48.7 per cent of the 2012/13 adjusted appropriation. Compared to the first six months of 2012/13, expenditure over the same period in 2013/14 increased by R23.418 billion, or 11.1 per cent. This was due to increased direct charges against the National Revenue Fund, including R5.640 billion for the state debt cost payments, as well as R14.258 billion for the equitable share payments to provinces and municipalities. The increase was also due to an increase of R2.708 billion in spending in the *Asset and Liability Management* programme for the recapitalisation of the Development Bank of Southern Africa and Postbank, and transfers to the Land and Agricultural Development Bank of Southern Africa.

Departmental receipts

	2012/13					2013/14				
	Audited outcome					Actual receipts				
	Adjusted estimate	Apr 12 - Sep 12	Apr 12 - Sep 12 % of adjusted estimate	Apr 12 - Mar 13	Apr 12 - Mar 13 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ total (%)	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted estimate
R thousand										
Departmental receipts	3 400 539	1 487 878	43.8	4 201 708	123.6	3 709 646	3 395 908	23.0	2 198 187	64.7
Sales of goods and services produced by department	40 450	10 435	25.8	53 855	133.1	104 957	152 220	1.0	58 147	38.2
Sales of scrap, waste, arms and other used current goods	8	3	37.5	11	137.5	10	9	0.0	4	44.4
Interest, dividends and rent on land	3 109 481	1 406 372	45.2	3 245 937	104.4	2 524 139	2 163 139	14.6	1 153 298	53.3
Sales of capital assets	100	29	29.0	–	–	40	40	0.0	–	–
Transactions in financial assets and liabilities	250 500	71 039	28.4	901 905	360.0	1 080 500	1 080 500	7.3	986 738	91.3
Extraordinary receipts	1 200 000	7 244 083	603.7	11 533 610	961.1	4 400 000	11 011 428	76.4	7 914 892	71.9
Revaluation profits on foreign currency transactions	–	144 706	–	939 005	–	–	5 003 000	34.7	4 388 297	87.7
Debt portfolio restructuring	–	4 762 133	–	5 952 689	–	1 100 000	1 332 000	9.2	911 516	68.4
Premiums on loan transactions	1 200 000	2 287 244	190.6	4 589 278	382.4	3 300 000	4 600 000	31.9	2 538 651	55.2
Liquidation of South African Special Risks Insurance Association (SASRIA)	–	50 000	–	50 000	–	–	75 000	0.5	75 000	100.0
Investment	–	–	–	–	–	–	–	–	–	–
Other (Mainly penalties and Retail bonds)	–	668	–	2 638	–	–	1 428	0.0	1 428	100.0
Total	4 600 539	8 732 629	189.8	15 735 318	342.0	8 109 646	14 407 336	100.0	10 113 079	70.2

Revenue trends for the first half of 2013/14

Excluding extraordinary receipts, revenue for the first six months of 2013/14 was R2.198 billion, which is 64.7 per cent of the adjusted receipts estimate of R3.396 billion for the year. In comparison, the revenue collected by mid-year in 2012/13 was R1.488 billion, or 43.8 per cent of the 2012/13 adjusted estimate. Compared to the first six months of 2012/13, revenue over the same period in 2013/14 increased by R710.309 million or 47.7 per cent, this was mainly due to transactions in financial assets and liabilities, interest, dividends and rent on land.

Changes to transfers and subsidies, including conditional grants

Summary of changes to transfers and subsidies per programme

2013/14								
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/Unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Administration								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	586	–	–	1 554	–	–	1 554	2 140
Finance, accounting, management, consulting and other financial services sector education and training authority	474	–	–	1 658	–	–	1 658	2 132
Communication	112	–	–	(104)	–	–	(104)	8

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

2013/14								
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/Unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Households								
Social benefits								
Current	-	-	-	192	-	-	192	192
Employee social benefits	-	-	-	192	-	-	192	192
Economic Policy, Tax, Financial Regulation and Research								
Households								
Social benefits								
Current	-	-	-	95	-	-	95	95
Employee social benefits	-	-	-	95	-	-	95	95
Public Finance and Budget Management								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	38 767	-	-	800	-	-	800	39 567
Financial and Fiscal Commission	38 767	-	-	800	-	-	800	39 567
Households								
Social benefits								
Current	-	-	-	1 231	-	-	1 231	1 231
Employee social benefits	-	-	-	1 231	-	-	1 231	1 231
Asset and Liability Management								
Households								
Social benefits								
Current	-	-	-	41	-	-	41	41
Employee social benefits	-	-	-	41	-	-	41	41
Financial Systems and Accounting								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	9 830	-	-	231	-	-	231	10 061
Accounting Standards Board	9 830	-	-	231	-	-	231	10 061
Households								
Social benefits								
Current	-	-	-	364	-	-	364	364
Employee social benefits	-	-	-	364	-	-	364	364
International Financial Relations								
Foreign governments and international organisations								
Current	653 932	-	-	(17 859)	(20 544)	-	(38 403)	615 529
Common Monetary Area Compensation	653 932	-	-	(19 534)	(20 544)	-	(40 078)	613 854
Institute for Economic Development and Planning	-	-	-	1 675	-	-	1 675	1 675
Capital	135 151	-	-	12 977	-	-	12 977	148 128
Financial and technical support	5 651	-	-	(4 882)	-	-	(4 882)	769
World Bank Group	129 500	-	-	17 859	-	-	17 859	147 359

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

Summary of changes to transfers and subsidies per programme (continued)								
	2013/14							
		Adjustments appropriation						
R thousand	Main appropriation	Roll-overs	Unforeseeable/Unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
Households								
Social benefits								
Current	–	–	–	102	–	–	102	102
Employee social benefits	–	–	–	102	–	–	102	102
Civil and Military Pensions, Contributions to Funds and Other Benefits								
Households								
Social benefits								
Current	2 899 803	–	–	–	–	–	–	2 899 803
Other benefits	77 754	–	–	11 000	–	–	11 000	88 754
Post-Retirement Medical scheme contributions	1 558 033	–	–	(30 000)	–	–	(30 000)	1 528 033
Special Pensions	501 121	–	–	(12 000)	–	–	(12 000)	489 121
Political Officer Bearers Pension Fund	245 798	–	–	(34 800)	–	–	(34 800)	210 998
Pension benefits: President of South Africa	8 544	–	–	900	–	–	900	9 444
Military Pensions: Ex-Servicemen	33 060	–	–	(3 000)	–	–	(3 000)	30 060
South African citizen force	204 800	–	–	(62 000)	–	–	(62 000)	142 800
Other benefits: Ex-servicemen	70 693	–	–	(41 000)	–	–	(41 000)	29 693
Non-statutory Forces	200 000	–	–	170 900	–	–	170 900	370 900
Technical Support and Development Finance								
Public corporations and private enterprises								
Public corporations								
Other transfers								
Current	1 196 355	–	–	–	(303 150)	–	(303 150)	893 205
Development Bank of Southern Africa	1 196 355	–	–	–	(303 150)	–	(303 150)	893 205
Households								
Social benefits								
Current	–	–	–	30	–	–	30	30
Employee social benefits	–	–	–	30	–	–	30	30
Financial Intelligence and State Security								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	3 695 309	–	–	(35 000)	–	–	(35 000)	3 660 309
Financial Intelligence Centre	170 041	–	–	5 000	–	–	5 000	175 041
Secret Services	3 525 268	–	–	(40 000)	–	–	(40 000)	3 485 268
Capital	30 959	–	–	35 000	–	–	35 000	65 959
Financial Intelligence Centre	30 959	–	–	35 000	–	–	35 000	65 959
Direct charge against the National Revenue Fund								
Provinces and municipalities								
Provinces								
Provincial Revenue Funds								
Current	337 572 412	109 790	–	–	–	1 254 615	1 364 405	338 936 817
Provincial Equitable Share	337 572 412	109 790	–	–	–	1 254 615	1 364 405	338 936 817