

# Vote 36

## Trade and Industry

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>9 835 029</b>	<b>9 918 729</b>	–	83 700
<b>of which:</b>				
Current payments	1 536 431	1 675 094	–	138 663
Transfers and subsidies	8 274 464	8 205 789	(68 675)	–
Payments for capital assets	24 134	37 844	–	13 710
Payments for financial assets	–	2	–	2
Executive authority	Minister of Trade and Industry			
Accounting officer	Director-General of Trade and Industry			
Website address	www.thedti.gov.za			

### Aim

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

### 2014 national macro organisation of the state

In accordance with the reorganisation of some national departments announced by the President in May 2014, some functions of the Department of Trade and Industry will shift to the newly created Department of Small Business Development. These changes will be effected by 1 April 2015.

### Mid-year performance status

Indicator	Programme	Outcome	Annual Performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Number of successful technical and business missions to foreign countries and companies undertaken per year	International Trade and Economic Development	Outcome 11: Create a better South Africa and contribute to a better and safer Africa and world	17	13	–
Number of government - to - government platforms per year	International Trade and Economic Development		22	47	–
Number of projects supported under the support programme for industrial innovation per year	Incentive Development and Administration	Outcome 4: Decent employment through inclusive growth	25	0	–
Value of support for industrial innovation projects per year			R46m	0	–
Number of technology incubators supported per year	Broadening Participation	Outcome 5: A skilled and capable workforce to support an inclusive growth path	46	43	–
Number of students supported by technology and human resources for industry programme per year			1 458	1 261	–
Number of researchers supported by technology and human resources for industry programme per year			756	1 149	–
Number of new incubators created per year			6	0	–
Number of small, medium and micro enterprises supported (incubation, quality and technology transfers) per year			962	1 576	–

2014 Adjusted Estimates of National Expenditure

Indicator	Programme	Outcome	Annual Performance			
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15	
Number of quarterly reports on industrial Policy action plan tabled at the ministers review meetings	Industrial Development	Outcome 4: Decent employment through inclusive economic growth	4	1	-	
Number of designations requests submitted to the Minister per year			4	0	-	
Number of students enrolled in the tool-making apprenticeship programme per year			200	148	-	
Number of workers trained through the industrial skills upgrading programme per year			250	253	-	
Number of direct jobs facilitated per year:	Incentive Development and Administration		- Business process offshoring services	6 000	9 181	-
- Enterprise investment programme			2 350	4 602	-	
Number of companies financially assisted per year through:			- Export market and investment assistance	950	1 321	-
- Black business supplier development programme			1 872	588	-	
- Cooperative incentive scheme			431	153	-	
- Automotive incentive scheme			25	30	-	
- Manufacturing competitiveness enhancement programme		350	240	-		
Number of film and television production assisted per year		70	53	-		
Key performance indicators for the critical infrastructure programme: Number of new projects per year		13	2	-		

Mid-year progress

In the first six months of 2014/15, the department facilitated 4 602 jobs through the enterprise investment programme, and 9 181 jobs through business process offshoring services. Both targets were higher than projected for the year, as more applications than anticipated were received. 1 149 researchers were supported through the technology and human resources for industry programme in the first half of 2014/15, which is nearly double the projected 756 researchers. The number of small, medium and micro enterprises (SMMEs) supported through the technology incubation programme was 1 576 by mid-year, exceeding the projected target of 962 for the year. This was due to three new incubators approved towards the end of 2013/14, which became operational in the first two quarters of 2014/15. The support programme for industrial innovation is on hold until the restructuring process for the management of the programme is completed. Adjudication of new applications will resume in November 2014. No designation requests of sectors for local procurement were submitted to the minister in the first six months of 2014/15 as the department was conducting research studies.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Administration	706 946	-	33 700	5 230	-	-	50 000	88 930	795 876
International Trade and Economic Development	147 197	-	-	(3 979)	-	-	-	(3 979)	143 218
Broadening Participation	1 005 777	-	-	(53 326)	-	-	-	(53 326)	952 451
Industrial Development	1 796 824	-	-	(6 430)	-	-	-	(6 430)	1 790 394
Consumer and Corporate Regulation	277 256	-	-	8 313	-	-	-	8 313	285 569
Incentive Development and Administration	5 540 281	-	-	53 342	-	-	-	53 342	5 593 623
Trade and Investment South Africa	360 748	-	-	(3 150)	-	-	-	(3 150)	357 598
<b>Total</b>	<b>9 835 029</b>	<b>-</b>	<b>33 700</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>50 000</b>	<b>83 700</b>	<b>9 918 729</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>1 536 431</b>	<b>-</b>	<b>29 700</b>	<b>58 963</b>	<b>-</b>	<b>-</b>	<b>50 000</b>	<b>138 663</b>	<b>1 675 094</b>
Compensation of employees	916 869	-	16 940	7 561	-	-	-	24 501	941 370
Goods and services	619 562	-	12 760	51 402	-	-	50 000	114 162	733 724
<b>Transfers and subsidies</b>	<b>8 274 464</b>	<b>-</b>	<b>-</b>	<b>(68 675)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(68 675)</b>	<b>8 205 789</b>
Departmental agencies and accounts	1 347 898	-	-	8 511	-	-	-	8 511	1 356 409
Higher education institutions	15 751	-	-	-	-	-	-	-	15 751
Foreign governments and international organisations	35 642	-	-	(2 942)	-	-	-	(2 942)	32 700
Public corporations and private enterprises	6 736 655	-	-	(78 605)	-	-	-	(78 605)	6 658 050
Non-profit institutions	136 768	-	-	3 570	-	-	-	3 570	140 338
Households	1 750	-	-	791	-	-	-	791	2 541
<b>Payments for capital assets</b>	<b>24 134</b>	<b>-</b>	<b>4 000</b>	<b>9 710</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13 710</b>	<b>37 844</b>
Machinery and equipment	12 423	-	4 000	9 478	-	-	-	13 478	25 901
Software and other intangible assets	11 711	-	-	232	-	-	-	232	11 943
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>2</b>
<b>Total</b>	<b>9 835 029</b>	<b>-</b>	<b>33 700</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>50 000</b>	<b>83 700</b>	<b>9 918 729</b>

### Programme 1: Administration

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Ministry	40 670	-	33 700	128	-	-	-	33 828	74 498
Office of the Director General	89 004	-	-	7 606	-	-	-	7 606	96 610
Corporate Services	387 345	-	-	16 358	-	-	50 000	66 358	453 703
Office Accommodation	9 738	-	-	(5 608)	-	-	-	(5 608)	4 130
Financial Management	91 328	-	-	(6 856)	-	-	-	(6 856)	84 472
Media Relations and Public Relations	17 616	-	-	(7 000)	-	-	-	(7 000)	10 616
Communications	71 245	-	-	602	-	-	-	602	71 847
<b>Total</b>	<b>706 946</b>	<b>-</b>	<b>33 700</b>	<b>5 230</b>	<b>-</b>	<b>-</b>	<b>50 000</b>	<b>88 930</b>	<b>795 876</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>694 459</b>	<b>-</b>	<b>29 700</b>	<b>(5 716)</b>	<b>-</b>	<b>-</b>	<b>50 000</b>	<b>73 984</b>	<b>768 443</b>
Compensation of employees	280 949	-	16 940	2 808	-	-	-	19 748	300 697
Goods and services	413 510	-	12 760	(8 524)	-	-	50 000	54 236	467 746
<b>Transfers and subsidies</b>	<b>2 474</b>	<b>-</b>	<b>-</b>	<b>1 704</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 704</b>	<b>4 178</b>
Departmental agencies and accounts	-	-	-	1 711	-	-	-	1 711	1 711
Public corporations and private enterprises	724	-	-	-	-	-	-	-	724
Households	1 750	-	-	(7)	-	-	-	(7)	1 743
<b>Payments for capital assets</b>	<b>10 013</b>	<b>-</b>	<b>4 000</b>	<b>9 242</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13 242</b>	<b>23 255</b>
Machinery and equipment	6 802	-	4 000	9 010	-	-	-	13 010	19 812
Software and other intangible assets	3 211	-	-	232	-	-	-	232	3 443
<b>Total</b>	<b>706 946</b>	<b>-</b>	<b>33 700</b>	<b>5 230</b>	<b>-</b>	<b>-</b>	<b>50 000</b>	<b>88 930</b>	<b>795 876</b>

**Programme 2: International Trade and Economic Development**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
International Trade Development	91 190	-	-	(1 040)	-	-	-	(1 040)	90 150
African Economic Development	56 007	-	-	(2 939)	-	-	-	(2 939)	53 068
<b>Total</b>	<b>147 197</b>	<b>-</b>	<b>-</b>	<b>(3 979)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3 979)</b>	<b>143 218</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>102 548</b>	<b>-</b>	<b>-</b>	<b>(3 837)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3 837)</b>	<b>98 711</b>
Compensation of employees	81 996	-	-	2 854	-	-	-	2 854	84 850
Goods and services	20 552	-	-	(6 691)	-	-	-	(6 691)	13 861
<b>Transfers and subsidies</b>	<b>43 768</b>	<b>-</b>	<b>-</b>	<b>43</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>43</b>	<b>43 811</b>
Foreign governments and international organisations	19 277	-	-	-	-	-	-	-	19 277
Public corporations and private enterprises	24 491	-	-	-	-	-	-	-	24 491
Households	-	-	-	43	-	-	-	43	43
<b>Payments for capital assets</b>	<b>881</b>	<b>-</b>	<b>-</b>	<b>(185)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(185)</b>	<b>696</b>
Machinery and equipment	881	-	-	(185)	-	-	-	(185)	696
<b>Total</b>	<b>147 197</b>	<b>-</b>	<b>-</b>	<b>(3 979)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3 979)</b>	<b>143 218</b>

**Programme 3: Broadening Participation**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Enterprise Development	902 464	-	-	(52 627)	-	-	-	(52 627)	849 837
Equity and Empowerment	52 853	-	-	239	-	-	-	239	53 092
Regional Economic Development	50 460	-	-	(938)	-	-	-	(938)	49 522
<b>Total</b>	<b>1 005 777</b>	<b>-</b>	<b>-</b>	<b>(53 326)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(53 326)</b>	<b>952 451</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>105 806</b>	<b>-</b>	<b>-</b>	<b>10 961</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10 961</b>	<b>116 767</b>
Compensation of employees	75 234	-	-	1 316	-	-	-	1 316	76 550
Goods and services	30 572	-	-	9 645	-	-	-	9 645	40 217
<b>Transfers and subsidies</b>	<b>899 305</b>	<b>-</b>	<b>-</b>	<b>(64 467)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(64 467)</b>	<b>834 838</b>
Departmental agencies and accounts	799 393	-	-	1 800	-	-	-	1 800	801 193
Higher education institutions	15 748	-	-	-	-	-	-	-	15 748
Public corporations and private enterprises	67 844	-	-	(66 342)	-	-	-	(66 342)	1 502
Non-profit institutions	16 320	-	-	-	-	-	-	-	16 320
Households	-	-	-	75	-	-	-	75	75
<b>Payments for capital assets</b>	<b>666</b>	<b>-</b>	<b>-</b>	<b>180</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>180</b>	<b>846</b>
Machinery and equipment	666	-	-	180	-	-	-	180	846
<b>Total</b>	<b>1 005 777</b>	<b>-</b>	<b>-</b>	<b>(53 326)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(53 326)</b>	<b>952 451</b>

**Programme 4: Industrial Development**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Industrial Competitiveness	657 302	-	-	(6 613)	-	-	-	(6 613)	650 689
Customised Sector Programmes	1 139 522	-	-	183	-	-	-	183	1 139 705
<b>Total</b>	<b>1 796 824</b>	<b>-</b>	<b>-</b>	<b>(6 430)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(6 430)</b>	<b>1 790 394</b>

**Programme 4: Industrial Development (continued)**

Economic classification	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
<b>Current payments</b>	<b>129 027</b>	-	-	(14 721)	-	-	-	(14 721)	<b>114 306</b>
Compensation of employees	102 646	-	-	(7 000)	-	-	-	(7 000)	95 646
Goods and services	26 381	-	-	(7 721)	-	-	-	(7 721)	18 660
<b>Transfers and subsidies</b>	<b>1 667 043</b>	-	-	<b>8 194</b>	-	-	-	<b>8 194</b>	<b>1 675 237</b>
Departmental agencies and accounts	348 010	-	-	-	-	-	-	-	348 010
Higher education institutions	3	-	-	-	-	-	-	-	3
Foreign governments and international organisations	5 592	-	-	208	-	-	-	208	5 800
Public corporations and private enterprises	1 192 990	-	-	4 395	-	-	-	4 395	1 197 385
Non-profit institutions	120 448	-	-	3 570	-	-	-	3 570	124 018
Households	-	-	-	21	-	-	-	21	21
<b>Payments for capital assets</b>	<b>754</b>	-	-	<b>97</b>	-	-	-	<b>97</b>	<b>851</b>
Machinery and equipment	754	-	-	97	-	-	-	97	851
<b>Total</b>	<b>1 796 824</b>	-	-	<b>(6 430)</b>	-	-	-	<b>(6 430)</b>	<b>1 790 394</b>

**Programme 5: Consumer and Corporate Regulation**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Policy and Legislative Development	20 069	-	-	(1 326)	-	-	-	(1 326)	18 743
Enforcement and Compliance	34 549	-	-	1 306	-	-	-	1 306	35 855
Regulatory Services	222 638	-	-	8 333	-	-	-	8 333	230 971
<b>Total</b>	<b>277 256</b>	-	-	<b>8 313</b>	-	-	-	<b>8 313</b>	<b>285 569</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>71 988</b>	-	-	<b>3 284</b>	-	-	-	<b>3 284</b>	<b>75 272</b>
Compensation of employees	49 562	-	-	7 583	-	-	-	7 583	57 145
Goods and services	22 426	-	-	(4 299)	-	-	-	(4 299)	18 127
<b>Transfers and subsidies</b>	<b>204 968</b>	-	-	<b>5 029</b>	-	-	-	<b>5 029</b>	<b>209 997</b>
Departmental agencies and accounts	200 495	-	-	5 000	-	-	-	5 000	205 495
Foreign governments and international organisations	4 473	-	-	-	-	-	-	-	4 473
Households	-	-	-	29	-	-	-	29	29
<b>Payments for capital assets</b>	<b>300</b>	-	-	-	-	-	-	-	<b>300</b>
Machinery and equipment	300	-	-	-	-	-	-	-	300
<b>Total</b>	<b>277 256</b>	-	-	<b>8 313</b>	-	-	-	<b>8 313</b>	<b>285 569</b>

**Programme 6: Incentive Development and Administration**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Broadening Participation Incentives	421 352	-	-	(41 585)	-	-	-	(41 585)	379 767
Manufacturing Incentives	3 649 733	-	-	179 214	-	-	-	179 214	3 828 947
Services Investment Incentives	580 496	-	-	(21 155)	-	-	-	(21 155)	559 341
Infrastructure Development Support	853 800	-	-	(65 635)	-	-	-	(65 635)	788 165
Product and Systems Development	15 736	-	-	847	-	-	-	847	16 583
Business Development and After Care	19 164	-	-	1 656	-	-	-	1 656	20 820
<b>Total</b>	<b>5 540 281</b>	<b>-</b>	<b>-</b>	<b>53 342</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>53 342</b>	<b>5 593 623</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>190 045</b>	<b>-</b>	<b>-</b>	<b>69 400</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>69 400</b>	<b>259 445</b>
Compensation of employees	158 393	-	-	-	-	-	-	-	158 393
Goods and services	31 652	-	-	69 400	-	-	-	69 400	101 052
<b>Transfers and subsidies</b>	<b>5 340 236</b>	<b>-</b>	<b>-</b>	<b>(16 058)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(16 058)</b>	<b>5 324 178</b>
Public corporations and private enterprises	5 340 236	-	-	(16 658)	-	-	-	(16 658)	5 323 578
Households	-	-	-	600	-	-	-	600	600
<b>Payments for capital assets</b>	<b>10 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10 000</b>
Machinery and equipment	1 500	-	-	-	-	-	-	-	1 500
Software and other intangible assets	8 500	-	-	-	-	-	-	-	8 500
<b>Total</b>	<b>5 540 281</b>	<b>-</b>	<b>-</b>	<b>53 342</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>53 342</b>	<b>5 593 623</b>

**Programme 7: Trade and Investment South Africa**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Investment Promotion and Facilitation	49 520	-	-	1 819	-	-	-	1 819	51 339
Export Promotion and Marketing	160 262	-	-	(4 295)	-	-	-	(4 295)	155 967
International Operations	123 408	-	-	1 435	-	-	-	1 435	124 843
Export Development and Support	27 558	-	-	(2 109)	-	-	-	(2 109)	25 449
<b>Total</b>	<b>360 748</b>	<b>-</b>	<b>-</b>	<b>(3 150)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3 150)</b>	<b>357 598</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>242 558</b>	<b>-</b>	<b>-</b>	<b>(408)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(408)</b>	<b>242 150</b>
Compensation of employees	168 089	-	-	-	-	-	-	-	168 089
Goods and services	74 469	-	-	(408)	-	-	-	(408)	74 061
<b>Transfers and subsidies</b>	<b>116 670</b>	<b>-</b>	<b>-</b>	<b>(3 120)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3 120)</b>	<b>113 550</b>
Foreign governments and international organisations	6 300	-	-	(3 150)	-	-	-	(3 150)	3 150
Public corporations and private enterprises	110 370	-	-	-	-	-	-	-	110 370
Households	-	-	-	30	-	-	-	30	30
<b>Payments for capital assets</b>	<b>1 520</b>	<b>-</b>	<b>-</b>	<b>376</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>376</b>	<b>1 896</b>
Machinery and equipment	1 520	-	-	376	-	-	-	376	1 896
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>2</b>
<b>Total</b>	<b>360 748</b>	<b>-</b>	<b>-</b>	<b>(3 150)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3 150)</b>	<b>357 598</b>

## Details of adjustments to the Estimates of National Expenditure 2014

### Unforeseeable and unavoidable expenditure – R33.7 million

Programme 1: Administration

An additional R33.7 million has been allocated for the establishment of the Department of Small Business Development.

### Virements and shifts

#### Programmes

1. Administration
2. International Trade and Economic Development
3. Broadening Participation
4. Industrial Development
5. Consumer and Corporate Regulation
6. Incentive Development and Administration
7. Trade and Investment South Africa

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(14 987)</b>	<b>Programme 1</b>		<b>9 395</b>
Goods and services	Cost containment measures effected on training and staff development; travel and subsistence; venues and facilities; reduction on resettlements due to no costs incurred for new employees	(153)	Households	Leave gratuities and donations for deceased employees	153
	Reduced spending on operating leases as a result of a credit note for electricity, and cost containment measures effected on consultants; venues and facilities; travel and subsistence	(9 010)	Machinery and equipment	Area network buffer boxes; office equipment; server, storage and virtual machine ware; security equipment; video conferencing; printers and computer equipment for new employees; and a motor vehicle	9 010
	Reduced spending on communication due to reimbursements of telephone expenses by department and agency staff	(232)	Software and other intangible assets	Computer software	232
	Cost containment measures effected on operating payments such as printing and publications as well as membership and subscription fees to professional bodies	(5 000)	<b>Programme 5</b>		<b>5 000</b>
			Departmental agencies and accounts	ICT for the National Credit Regulator, consumer workshops, and for legal and professional fees <sup>1</sup>	5 000
			<b>Programme 2</b>		<b>432</b>
Compensation of employees	Reallocation of funds from phase 1 to 3 of the salary upgrading process	(432)	Compensation of employees	Implementation of phase 4 of the upgrading of salaries	432
			<b>Programme 1</b>		<b>160</b>
Households	Reduced spending on donations and gifts	(160)	Goods and services	Shortfall in the budget for outreach programmes	160
Shifts within the programme as a percentage of the programme budget		1.4%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.8%</b>			

2014 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 2</b>		<b>(6 924)</b>	<b>Programme 1</b>		<b>4 226</b>
Goods and services	Cost containment measures effected on travel and subsistence; venues and facilities; and advertising	(4 226)	Goods and services	IT services and software licences	4 226
			<b>Programme 2</b>		<b>2 489</b>
	Cost containment measures effected on travel and subsistence	(2 422)	Compensation of employees	Implementation of phase 4 of the upgrading of salaries	2 422
	Cost containment measures effected on travel and subsistence	(67)	Households	Leave gratuities	67
			<b>Programme 1</b>		<b>185</b>
Machinery and equipment	Reduced spending on office equipment and computer hardware <sup>2</sup>	(185)	Goods and services	IT services and software licences	185
			<b>Programme 2</b>		<b>24</b>
Households	Reduced spending on leave gratuities	(24)	Goods and services	Shortfall in the budget for travel and subsistence	24
Shifts within the programme as a percentage of the programme budget		1.7%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>3.0%</b>			
<b>Programme 3</b>		<b>(67 897)</b>	<b>Programme 1</b>		<b>1 300</b>
Goods and services	Cost containment measures effected on consultants	(1 300)	Goods and services	Appointment of consultants to develop the regional industrial cluster framework for South Africa	1 300
			<b>Programme 3</b>		<b>13 255</b>
	Cost containment measures effected on consultants and venues and facilities	(75)	Households	Leave gratuities, donations, and gifts for the All About Public Procurement Awards sponsored by the State Owned Enterprises Procurement Forum	75
	Cost containment measures effected on consultants, and venues and facilities	(180)	Machinery and equipment	Office equipment	180
Public corporations and private enterprises	Reallocation of funds from the transfer payment to the Industrial Development Corporation for the Isivande Women's Fund due to the fund being re-evaluated; reallocation of funds from the Industrial Development Corporation's support programme for industrial innovation due to the integration of the programme into the department <sup>2</sup>	(11 200)	Goods and services	Support for the Black Business Council, the black industrialists development programme, and for training and development	11 200
	Reduction on the transfer payment to the Industrial Development Corporation for the Isivande Women's Fund due to the fund being re-evaluated <sup>2</sup>	(1 800)	Departmental agencies and accounts	Allocation to the Independent Regulatory Board of Auditors for broad based black economic empowerment (B-BBEE) verification services <sup>1</sup>	1 800
	Reallocation of funds from the transfer payment to Industrial Development Corporation's support programme for industrial innovation due to the integration of the programme into the department <sup>2</sup>	(53 342)	<b>Programme 6</b>		<b>53 342</b>
			Public corporations and private enterprises	Reallocation to the scheme for broadening participation for women's development and the integration of the support programme for industrial innovation into the department's programme <sup>2</sup>	53 342
Shifts within the programme as a percentage of the programme budget		1.3%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>5.4%</b>			



FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 4</b>		<b>(14 721)</b>	<b>Programme 4</b>		<b>7 721</b>
Goods and services	Cost containment measures effected on venues and facilities	(21)	Households	Leave gratuities and donations for a deceased employee	21
	Cost containment measures effected on venues and facilities	(97)	Machinery and equipment	Computer equipment for new employees	97
	Cost containment measures effected on venues and facilities	(208)	Foreign governments and international organisations	Increased membership fee for the United Nations Industrial Development Organisation, due to the depreciation of the Rand <sup>2</sup>	208
	Cost containment measures effected on stationery; print and office supplies; and consultants	(4 395)	Public corporations and private enterprises	Increased membership fee for the South African Bureau of Standards' small business technical consulting funding and for the budget shortfall in the Industrial Development Corporation's customer sector programme <sup>2</sup>	4 395
	Cost containment measures effected on consultants	(3 000)	Non-profit institutions	Allocation to Trade and Industrial Policy Strategies to fund research work towards regional industrialisation in the automotive, chemicals, cosmetics, plastics and pharmaceutical sectors <sup>1</sup>	3 000
			<b>Programme 1</b>		<b>1 801</b>
Compensation of employees	Reallocation of funds from phase 1 to 3 of the salary upgrading process	(1 801)	Compensation of employees	Implementation of phase 4 of the upgrading of salaries	1 801
	Reallocation of funds from phase 1 to 3 of the salary upgrading process	(1 316)	<b>Programme 3</b>		<b>1 316</b>
			Compensation of employees	Implementation of phase 4 of the upgrading of salaries	1 316
	Reallocation of funds from phase 1 to 3 of the salary upgrading process	(3 883)	<b>Programme 5</b>		<b>3 883</b>
			Compensation of employees	Implementation of phase 4 of the upgrading of salaries	3 883
Shifts within the programme as a percentage of the programme budget		0.4%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.4%</b>			
<b>Programme 5</b>		<b>(4 299)</b>	<b>Programme 4</b>		<b>570</b>
Goods and services	Cost containment measures effected on consultants and advisory services	(570)	Non-profit institutions	Allocation to Trade and Industrial Policy Strategies to fund research work towards regional industrialisation in the automotive, chemicals, cosmetics, plastics and pharmaceutical sectors <sup>2</sup>	570
	Reduced spending on computer services as a result of delays in the implementation of the case management system	(3 700)	<b>Programme 5</b>		<b>3 729</b>
	Cost containment measures effected on consultants and advisory services; catering; communication; stationery and printing; travel and subsistence, and venues		Compensation of employees	Implementation of phase 4 of the upgrading of salaries <sup>1</sup>	3 700
	Cost containment measures effected on consultants and advisory services	(29)	Households	Leave gratuities	29
Shifts within the programme as a percentage of the programme budget		1.3%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.2%</b>			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 6</b>		<b>(120 000)</b>	<b>Programme 6</b>		<b>120 000</b>
Public corporations and private enterprises	Reallocation of funds from the industrial development zones: other due to changes in the standard chart of accounts <sup>2</sup>	(600)	Households	Leave gratuities	600
	Reallocation of funds from the industrial development zones: other due to changes in the standard chart of accounts <sup>2</sup>	(69 400)	Goods and services	Pre-feasibility studies for special economic zones, and shortfall in the budget for operating leases, travel and subsistence, fleet services and communication	69 400
	Reallocation of funds from the industrial development zones: other <sup>2</sup>	(50 000)	Public corporations and private enterprises	Special economic zones investment incentives, due to the higher demand for the funding of infrastructure projects <sup>2</sup>	50 000
Shifts within the programme as a percentage of the programme budget		2.2%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 7</b>		<b>(3 558)</b>	<b>Programme 7</b>		<b>408</b>
Goods and services	Cost containment measures effected on venues and facilities	(30)	Households	Leave gratuities	30
	Cost containment measures effected on venues and facilities, and travel and subsistence	(376)	Machinery and equipment	Computer equipment for new employees	376
	Cost containment measures effected on venues and facilities	(2)	Payments for financial assets	Shortfalls arising from the depreciation of the Rand leading to increased expenditure incurred by foreign offices	2
Foreign governments and international organisations	Reallocation of funds from the transfer payment for the International Bank for Reconstruction and Development <sup>2</sup>	(1 439)	<b>Programme 1</b>		<b>3 150</b>
	Reallocation of funds from the transfer payment for the International Bank for Reconstruction and Development <sup>2</sup>	(1 711)	Compensation of employees	Implementation of the cell phone allowance for qualifying employees <sup>1</sup>	1 439
			Departmental agencies and accounts	Transfer payment to the Public Service Sector Education and Training Authority <sup>1</sup>	1 711
Shifts within the programme as a percentage of the programme budget		0.1%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.9%</b>			
<b>Total</b>		<b>(232 386)</b>			<b>232 386</b>

1. National Treasury approval has been obtained.

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

## Other adjustments – R50 million

### Self-financing expenditure

#### Programme 1: Administration

R50 million has been received from the department's public entities for accommodation on the department's campus. This will be used to supplement the payment due as part of the public private partnership agreement.

## Expenditure outcome for 2013/14 and actual expenditure for 2014/15

Programme	2013/14 Audited outcome					2014/15 Actual expenditure			
	Adjusted appropriation	Apr 13 - Sep 13	adjusted appropriation % of	Apr 13 - Mar 14	adjusted appropriation % of	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	adjusted appropriation % of
R thousand									
Administration	725 929	331 245	45.6	700 370	96.5	795 876	8.0	337 041	42.3
International Trade and Economic Development	141 638	62 395	44.1	139 566	98.5	143 218	1.4	62 549	43.7
Broadening Participation	1 010 307	506 963	50.2	999 833	99.0	952 451	9.6	522 562	54.9
Industrial Development	1 616 224	935 487	57.9	1 575 586	97.5	1 790 394	18.1	1 181 346	66.0
Consumer and Corporate Regulation	256 157	129 676	50.6	256 698	100.2	285 569	2.9	178 940	62.7
Incentive Development and Administration	5 443 134	2 140 364	39.3	5 361 292	98.5	5 593 623	56.4	1 597 970	28.6
Trade and Investment South Africa	322 191	164 960	51.2	346 951	107.7	357 598	3.6	120 664	33.7
<b>Total</b>	<b>9 515 580</b>	<b>4 271 090</b>	<b>44.9</b>	<b>9 380 296</b>	<b>98.6</b>	<b>9 918 729</b>	<b>100.0</b>	<b>4 001 072</b>	<b>40.3</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>1 527 677</b>	<b>667 611</b>	<b>43.7</b>	<b>1 479 700</b>	<b>96.9</b>	<b>1 675 094</b>	<b>16.9</b>	<b>727 561</b>	<b>43.4</b>
Compensation of employees	818 272	379 267	46.3	789 346	96.5	941 370	9.5	455 787	48.4
Goods and services	709 405	288 344	40.6	690 354	97.3	733 724	7.4	271 774	37.0
<b>Transfers and subsidies</b>	<b>7 950 011</b>	<b>3 596 814</b>	<b>45.2</b>	<b>7 880 776</b>	<b>99.1</b>	<b>8 205 789</b>	<b>82.7</b>	<b>3 266 663</b>	<b>39.8</b>
Departmental agencies and accounts	1 285 722	720 459	56.0	1 287 727	100.2	1 356 409	13.7	862 113	63.6
Higher education institutions	12 834	6 666	51.9	12 830	100.0	15 751	0.2	7 500	47.6
Foreign governments and international organisations	34 538	–	0.0	37 573	108.8	32 700	0.3	515	1.6
Public corporations and private enterprises	6 510 211	2 853 293	43.8	6 511 248	100.0	6 658 050	67.1	2 309 153	34.7
Non-profit institutions	104 119	14 717	14.1	26 885	25.8	140 338	1.4	86 160	61.4
Households	2 587	1 679	64.9	4 513	174.4	2 541	0.0	1 222	48.1
<b>Payments for capital assets</b>	<b>37 891</b>	<b>6 014</b>	<b>15.9</b>	<b>18 656</b>	<b>49.2</b>	<b>37 844</b>	<b>0.4</b>	<b>6 788</b>	<b>17.9</b>
Machinery and equipment	13 546	5 246	38.7	12 041	88.9	25 901	0.3	6 788	26.2
Software and other intangible assets	24 345	768	3.2	6 615	27.2	11 943	0.1	–	0.0
<b>Payments for financial assets</b>	<b>1</b>	<b>651</b>	<b>651.0</b>	<b>1 164</b>	<b>1164.0</b>	<b>2</b>	<b>0.0</b>	<b>60</b>	<b>3000.0</b>
<b>Total</b>	<b>9 515 580</b>	<b>4 271 090</b>	<b>44.9</b>	<b>9 380 296</b>	<b>98.6</b>	<b>9 918 729</b>	<b>100.0</b>	<b>4 001 072</b>	<b>40.3</b>

### Expenditure trends for the first half of 2014/15

Total expenditure in 2013/14 was 98.6 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R4.001 billion, or 40.3 per cent of the adjusted appropriation of R9.919 billion for the year. In comparison, mid-year expenditure in 2013/14 was R4.271 billion, or 44.9 per cent of the 2013/14 adjusted appropriation. Compared to the first six months of 2013/14, expenditure over the same period in 2014/15 decreased by R270.018 million, or 6.3 per cent. This was mainly due to a decrease in spending on goods and services in travel and subsistence, contractors and venues and facilities.

## Departmental receipts

	2013/14					2014/15				
	Audited outcome					Actual receipts				
	Adjusted estimate	Apr 13 - Sep 13	adjusted estimate % of	Apr 13 - Mar 14	adjusted estimate % of	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 14 - Sep 14	adjusted estimate % of
R thousand										
<b>Departmental receipts</b>	<b>89 023</b>	<b>13 576</b>	<b>15.2</b>	<b>71 741</b>	<b>80.6</b>	<b>96 631</b>	<b>85 015</b>	<b>100.0</b>	<b>40 334</b>	<b>47.4</b>
<b>Tax receipts</b>	<b>5 200</b>	<b>1 518</b>	<b>29.2</b>	<b>4 228</b>	<b>81.3</b>	<b>5 300</b>	<b>5 300</b>	<b>6.2</b>	<b>1 221</b>	<b>23.0</b>
Sales of goods and services produced by department	525	214	40.8	482	91.8	413	493	0.6	223	45.2
Sales of scrap, waste, arms and other used current goods	–	–	0.0	–	0.0	1	–	0.0	–	0.0
Fines, penalties and forfeits	30	6	20.0	20 420	68 066.7	195	241	0.3	82	34.0
Interest, dividends and rent on land	25 032	38	0.2	94	0.4	26 000	429	0.5	55	12.8
Sales of capital assets	–	–	–	38	0.0	200	250	0.3	223	89.2
Transactions in financial assets and liabilities	58 236	11 800	20.3	46 479	79.8	64 522	78 302	92.1	38 530	49.2
<b>Total</b>	<b>89 023</b>	<b>13 576</b>	<b>15.2</b>	<b>71 741</b>	<b>80.6</b>	<b>96 631</b>	<b>85 015</b>	<b>100.0</b>	<b>40 334</b>	<b>47.4</b>

### Revenue trends for the first half of 2014/15

Revenue in the first six months of 2014/15 was R40.334 million, or 47.4 per cent of the adjusted revenue estimate of R85.015 million for the year. In comparison, mid-year revenue in 2013/14 was R13.576 million, or 15.2 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue over the same period in 2014/15 increased by R26.758 million, or 197.1 per cent. This was mainly due to the increase in debts recovered.

## Changes to transfers and subsidies, including conditional grants

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

	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
<b>Administration</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	–	–	–	1 711	–	–	–	1 711	1 711
Public Service Sector Education and Training Authority	–	–	–	1 711	–	–	–	1 711	1 711
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	–	–	–	149	–	–	–	149	149
Employee social benefits	–	–	–	149	–	–	–	149	149
<b>Other transfers to households</b>									
<b>Current</b>	160	–	–	(156)	–	–	–	(156)	4
Gifts and donations	160	–	–	(156)	–	–	–	(156)	4
<b>International Trade and Economic Development</b>									
<b>Foreign governments and international organisations</b>									
<b>Current</b>	13 774	–	–	–	–	–	–	–	13 774
World Trade Organisation	10 624	–	–	3 150	–	–	–	3 150	13 774
Comprehensive Nuclear Test-Ban-Treaty Organisation	3 150	–	–	(3 150)	–	–	–	(3 150)	–
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	–	–	–	43	–	–	–	43	43
Employee social benefits	–	–	–	43	–	–	–	43	43

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

R thousand	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Broadening Participation</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	-	-	-	1 800	-	-	-	1 800	1 800
Independent Regulatory Board of Auditors	-	-	-	1 800	-	-	-	1 800	1 800
<b>Public corporations and private enterprises</b>									
<b>Public corporations</b>									
<b>Other transfers</b>									
<b>Current</b>	11 190	-	-	(11 190)	-	-	-	(11 190)	-
Industrial Development Corporation: Isivande Women's Fund	11 190	-	-	(11 190)	-	-	-	(11 190)	-
<b>Capital</b>	55 153	-	-	(55 152)	-	-	-	(55 152)	1
Industrial Development Corporation	55 153	-	-	(55 152)	-	-	-	(55 152)	1
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	35	-	-	-	35	35
Employee social benefits	-	-	-	35	-	-	-	35	35
<b>Households</b>									
<b>Other transfers to households</b>									
<b>Current</b>	-	-	-	40	-	-	-	40	40
Gifts and donations	-	-	-	40	-	-	-	40	40
<b>Industrial Development</b>									
<b>Foreign governments and international organisations</b>									
<b>Current</b>	5 592	-	-	208	-	-	-	208	5 800
United Nations Industrial Development Organisation	5 592	-	-	208	-	-	-	208	5 800
<b>Public corporations and private enterprises</b>									
<b>Public corporations</b>									
<b>Other transfers</b>									
<b>Current</b>	1 170 490	-	-	4 395	-	-	-	4 395	1 174 885
Industrial Development Corporation of South Africa	879 609	-	-	7 635	-	-	-	7 635	887 244
Council for Scientific and Industrial Research	69 422	-	-	(3 500)	-	-	-	(3 500)	65 922
South African Bureau of Standards	221 459	-	-	260	-	-	-	260	221 719
<b>Non-profit institutions</b>									
<b>Current</b>	6 000	-	-	3 570	-	-	-	3 570	9 570
Trade and industrial policy strategies	6 000	-	-	3 570	-	-	-	3 570	9 570
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	13	-	-	-	13	13
Employee social benefits	-	-	-	13	-	-	-	13	13
<b>Households</b>									
<b>Other transfers to households</b>									
<b>Current</b>	-	-	-	8	-	-	-	8	8
Gifts and donations	-	-	-	8	-	-	-	8	8
<b>Consumer and Corporate Regulation</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	63 845	-	-	5 000	-	-	-	5 000	68 845
National Credit Regulator	63 845	-	-	5 000	-	-	-	5 000	68 845
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	29	-	-	-	29	29
Employee social benefits	-	-	-	29	-	-	-	29	29

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

R thousand	2014/15							Adjusted appropriation	
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		Total adjustments appropriation
<b>Incentive Development and Administration</b>									
<b>Public corporations and private enterprises</b>									
<b>Public corporations</b>									
<b>Other transfers</b>									
<b>Capital</b>	-	-	-	45 152	-	-	-	45 152	45 152
Support Programme for Industrial Innovation	-	-	-	45 152	-	-	-	45 152	45 152
<b>Public corporations and private enterprises</b>									
<b>Private enterprises</b>									
<b>Subsidies on production or products</b>									
<b>Current</b>	770 000	-	-	(140 000)	-	-	-	(140 000)	630 000
Services sector development incentives	570 000	-	-	(20 000)	-	-	-	(20 000)	550 000
Industrial development zones: Other	200 000	-	-	(120 000)	-	-	-	(120 000)	80 000
<b>Capital</b>	450 000	-	-	150 000	-	-	-	150 000	600 000
Special economic zones	450 000	-	-	150 000	-	-	-	150 000	600 000
<b>Public corporations and private enterprises</b>									
<b>Private enterprises</b>									
<b>Other transfers</b>									
<b>Current</b>	640 000	-	-	28 190	-	-	-	28 190	668 190
Broadening participation development incentives	400 000	-	-	(91 810)	-	-	-	(91 810)	308 190
Export market and investment assistance	240 000	-	-	120 000	-	-	-	120 000	360 000
<b>Capital</b>	190 000	-	-	(100 000)	-	-	-	(100 000)	90 000
Critical infrastructure programme	190 000	-	-	(100 000)	-	-	-	(100 000)	90 000
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	600	-	-	-	600	600
Employee social benefits	-	-	-	600	-	-	-	600	600
<b>Trade and Investment South Africa</b>									
<b>Foreign governments and international organisations</b>									
<b>Current</b>	3 150	-	-	(3 150)	-	-	-	(3 150)	-
Export Consultancy Trust Funds - International Bank for Reconstruction and Development (World Bank)	3 150	-	-	(3 150)	-	-	-	(3 150)	-
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	30	-	-	-	30	30
Employees social benefits	-	-	-	30	-	-	-	30	30