

# Vote 19

## Defence and Military Veterans

### Adjusted budget summary

R thousand	2015/16			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated of which:</b>	<b>44 579 390</b>	<b>45 088 161</b>	<b>-</b>	<b>508 771</b>
Current payments	36 161 989	36 607 562	-	445 573
Transfers and subsidies	7 830 500	7 893 698	-	63 198
Payments for capital assets	586 901	586 901	-	-
Executive authority	Minister of Defence and Military Veterans			
Accounting officer	Secretary for Defence			
Website address	www.dod.mil.za			

### Vote purpose

*Defend and protect the Republic of South Africa, its territorial integrity and its people, in accordance with the Constitution and the principles of international law regulating the use of force. Provide for military veterans' benefits.*

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2015/16 as published in the 2015 ENE	Achieved in the first six months of 2015/16 (April to September)	Changed target for 2015/16
Total number of defence attaché offices	Administration	Outcome 11: Create a better South Africa, a better Africa and a better world	45	44	-
Number of military skills development members in the system per year	Administration	Outcome 5: A skilled and capable workforce to support an inclusive growth path	3 863	3 967	-
Number of reserve force person days	Administration	Outcome 3: All people in South Africa are and feel safe	2 442 792	1 397 479	-
Percentage compliance with the Southern African Development Community standby force pledge	Force Employment	Outcome 11: Create a better South Africa, a better Africa and a better world	100%	100%	-
Percentage compliance with number of ordered commitments (external operations)	Force Employment Landward Defence Defence Intelligence	Outcome 3: All people in South Africa are and feel safe	100%	100%	-
Percentage compliance with number of ordered commitments (internal operations)	Force Employment	Outcome 3: All people in South Africa are and feel safe	100%	100%	-
Number of joint, interdepartmental, interagency and multinational military exercises conducted per year	Force Employment	Outcome 11: Create a better South Africa, a better Africa and a better world	5	3	-
Number of landward sub-units deployed on border safeguarding per year	Force Employment	Outcome 3: All people in South Africa are and feel safe	13	13	-
Number of force employment hours flown per year	Air Defence	Outcome 11: Create a better South Africa, a better Africa and a better world	6 500	2 338	-
Number of hours at sea per year	Maritime Defence	Outcome 11: Create a better South Africa, a better Africa and a better world	12 000	3 070	-

Mid-year progress

Most of the performance of the Department of Defence is on track to be achieved against the set targets.

Due to lengthy accreditation processes, 44 out of 45 defence attaché offices have been opened in 2015/16. The last attaché office will be opened in 2016/17.

The South African National Defence Force has had to make more use of the reserve force because of a shortage of regular force members. This is why the target number of military skills development members in the system per year has been exceeded. The target for reserve force person days will be increased to 2 794 958 due to the increased requirement of forces for border safeguarding and for the African Capacity for Immediate Response to Crises.

The South African National Defence Force participated in 5 external operations. 3 of the 5 joint interdepartmental, interagency and multinational military exercises that were planned for the year took place within the first half of the financial year and 2 will be conducted over the next six months.

The South African National Defence Force continued with border safeguarding through the deployment of 13 landward sub-units in Limpopo, Mpumalanga, KwaZulu-Natal, Free State, Eastern Cape, Northern Cape and North West.

4 162 hours will be added to the number of force employment hours flown per year in the second half of the financial year to meet the set target of 6 500 hours. At only 3 070, the number of hours at sea was low, due to delays in the repair and maintenance of vessels but is expected to increase over the next six months.

## Adjusted Estimates of National Expenditure 2015

Programme	2015/16							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Administration	4 827 173	-	-	11 714	-	23 514	35 228	4 862 401
Force Employment	3 603 153	-	-	17 086	-	193 070	210 156	3 813 309
Landward Defence	14 805 303	-	-	224 453	-	172 620	397 073	15 202 376
Air Defence	7 049 155	-	-	79 242	-	39 197	118 439	7 167 594
Maritime Defence	3 717 249	-	-	25 658	-	26 240	51 898	3 769 147
Military Health Support	3 932 914	-	-	106 199	-	30 148	136 347	4 069 261
Defence Intelligence	827 451	-	-	-	-	4 008	4 008	831 459
General Support	5 816 992	-	-	(464 352)	-	19 974	(444 378)	5 372 614
<b>Total</b>	<b>44 579 390</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>508 771</b>	<b>508 771</b>	<b>45 088 161</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>36 161 989</b>	<b>-</b>	<b>-</b>	<b>(5 805)</b>	<b>-</b>	<b>451 378</b>	<b>445 573</b>	<b>36 607 562</b>
Compensation of employees	24 594 969	-	-	-	-	295 420	295 420	24 890 389
Goods and services	11 567 020	-	-	(5 805)	-	155 958	150 153	11 717 173
<b>Transfers and subsidies</b>	<b>7 830 500</b>	<b>-</b>	<b>-</b>	<b>5 805</b>	<b>-</b>	<b>57 393</b>	<b>63 198</b>	<b>7 893 698</b>
Provinces and municipalities	33	-	-	-	-	-	-	33
Departmental agencies and accounts	6 687 832	-	-	-	-	57 393	57 393	6 745 225
Foreign governments and international organisations	-	-	-	5 805	-	-	5 805	5 805
Public corporations and private enterprises	1 025 893	-	-	-	-	-	-	1 025 893
Non-profit institutions	7 992	-	-	-	-	-	-	7 992
Households	108 750	-	-	-	-	-	-	108 750
<b>Payments for capital assets</b>	<b>586 901</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>586 901</b>
Buildings and other fixed structures	122 599	-	-	-	-	-	-	122 599
Machinery and equipment	451 167	-	-	-	-	-	-	451 167
Specialised military assets	12 143	-	-	-	-	-	-	12 143
Software and other intangible assets	992	-	-	-	-	-	-	992
<b>Total</b>	<b>44 579 390</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>508 771</b>	<b>508 771</b>	<b>45 088 161</b>

**Programme 1: Administration**

Programme	2015/16							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Ministry	69 734	-	-	-	-	6 141	6 141	75 875
Departmental Direction	53 596	-	-	-	-	-	-	53 596
Policy and Planning	113 586	-	-	(3 072)	-	-	(3 072)	110 514
Financial Services	322 998	-	-	-	-	-	-	322 998
Human Resources Support Services	706 896	-	-	17 543	-	17 373	34 916	741 812
Legal Services	287 291	-	-	-	-	-	-	287 291
Inspection Services	139 834	-	-	-	-	-	-	139 834
Acquisition Services	64 137	-	-	-	-	-	-	64 137
Communication Services	40 975	-	-	-	-	-	-	40 975
South African National Defence Force Command and Control	147 821	-	-	(2 757)	-	-	(2 757)	145 064
Religious Services	13 175	-	-	-	-	-	-	13 175
Defence Reserve Direction	26 204	-	-	-	-	-	-	26 204
Defence Foreign Relations	216 489	-	-	-	-	-	-	216 489
Office Accommodation	2 042 236	-	-	-	-	-	-	2 042 236
Military Veterans Management	582 201	-	-	-	-	-	-	582 201
<b>Total</b>	<b>4 827 173</b>	<b>-</b>	<b>-</b>	<b>11 714</b>	<b>-</b>	<b>23 514</b>	<b>35 228</b>	<b>4 862 401</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>4 187 418</b>	<b>-</b>	<b>-</b>	<b>11 714</b>	<b>-</b>	<b>23 514</b>	<b>35 228</b>	<b>4 222 646</b>
Compensation of employees	1 703 531	-	-	14 876	-	23 514	38 390	1 741 921
Goods and services	2 483 887	-	-	(3 162)	-	-	(3 162)	2 480 725
<b>Transfers and subsidies</b>	<b>623 837</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>623 837</b>
Provinces and municipalities	26	-	-	-	-	-	-	26
Departmental agencies and accounts	604 360	-	-	-	-	-	-	604 360
Non-profit institutions	7 192	-	-	-	-	-	-	7 192
Households	12 259	-	-	-	-	-	-	12 259
<b>Payments for capital assets</b>	<b>15 918</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15 918</b>
Machinery and equipment	15 918	-	-	-	-	-	-	15 918
<b>Total</b>	<b>4 827 173</b>	<b>-</b>	<b>-</b>	<b>11 714</b>	<b>-</b>	<b>23 514</b>	<b>35 228</b>	<b>4 862 401</b>

**Programme 2: Force Employment**

Programme	2015/16							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Strategic Direction	143 298	-	-	-	-	-	-	143 298
Operational Direction	299 887	-	-	-	-	-	-	299 887
Special Operations	750 199	-	-	-	-	4 189	4 189	754 388
Regional Security	1 405 793	-	-	11 281	-	182 188	193 469	1 599 262
Support to the People	982 319	-	-	-	-	6 693	6 693	989 012
Defence Capability Management	21 657	-	-	5 805	-	-	5 805	27 462
<b>Total</b>	<b>3 603 153</b>	<b>-</b>	<b>-</b>	<b>17 086</b>	<b>-</b>	<b>193 070</b>	<b>210 156</b>	<b>3 813 309</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>3 089 385</b>	<b>-</b>	<b>-</b>	<b>11 281</b>	<b>-</b>	<b>166 840</b>	<b>178 121</b>	<b>3 267 506</b>
Compensation of employees	1 842 007	-	-	11 281	-	10 882	22 163	1 864 170
Goods and services	1 247 378	-	-	-	-	155 958	155 958	1 403 336
<b>Transfers and subsidies</b>	<b>245 819</b>	<b>-</b>	<b>-</b>	<b>5 805</b>	<b>-</b>	<b>26 230</b>	<b>32 035</b>	<b>277 854</b>
Departmental agencies and accounts	230 172	-	-	-	-	26 230	26 230	256 402
Foreign governments and international organisations	-	-	-	5 805	-	-	5 805	5 805
Public corporations and private enterprises	11 994	-	-	-	-	-	-	11 994
Households	3 653	-	-	-	-	-	-	3 653
<b>Payments for capital assets</b>	<b>267 949</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>267 949</b>
Buildings and other fixed structures	4 900	-	-	-	-	-	-	4 900
Machinery and equipment	262 056	-	-	-	-	-	-	262 056
Specialised military assets	993	-	-	-	-	-	-	993
<b>Total</b>	<b>3 603 153</b>	<b>-</b>	<b>-</b>	<b>17 086</b>	<b>-</b>	<b>193 070</b>	<b>210 156</b>	<b>3 813 309</b>

**Programme 3: Landward Defence**

Programme	2015/16							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Strategic Direction	366 808	-	-	(5 400)	-	-	(5 400)	361 408
Infantry Capability	5 816 367	-	-	142 805	-	159 532	302 337	6 118 704
Armour Capability	398 611	-	-	-	-	-	-	398 611
Artillery Capability	527 491	-	-	-	-	-	-	527 491
Air Defence Artillery Capability	580 453	-	-	-	-	-	-	580 453
Engineering Capability	642 861	-	-	87 048	-	13 088	100 136	742 997
Operational Intelligence	218 656	-	-	-	-	-	-	218 656
Command and Control Capability	198 063	-	-	-	-	-	-	198 063
Support Capability	4 414 588	-	-	-	-	-	-	4 414 588
General Training Capability	504 674	-	-	-	-	-	-	504 674
Signal Capability	1 136 731	-	-	-	-	-	-	1 136 731
<b>Total</b>	<b>14 805 303</b>	<b>-</b>	<b>-</b>	<b>224 453</b>	<b>-</b>	<b>172 620</b>	<b>397 073</b>	<b>15 202 376</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>12 248 947</b>	<b>-</b>	<b>-</b>	<b>224 453</b>	<b>-</b>	<b>141 457</b>	<b>365 910</b>	<b>12 614 857</b>
Compensation of employees	10 288 047	-	-	218 704	-	141 457	360 161	10 648 208
Goods and services	1 960 900	-	-	5 749	-	-	5 749	1 966 649
<b>Transfers and subsidies</b>	<b>2 517 869</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31 163</b>	<b>31 163</b>	<b>2 549 032</b>
Provinces and municipalities	5	-	-	-	-	-	-	5
Departmental agencies and accounts	2 450 032	-	-	-	-	31 163	31 163	2 481 195
Public corporations and private enterprises	33 117	-	-	-	-	-	-	33 117
Households	34 715	-	-	-	-	-	-	34 715
<b>Payments for capital assets</b>	<b>38 487</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>38 487</b>
Buildings and other fixed structures	100	-	-	-	-	-	-	100
Machinery and equipment	34 621	-	-	-	-	-	-	34 621
Specialised military assets	3 766	-	-	-	-	-	-	3 766
<b>Total</b>	<b>14 805 303</b>	<b>-</b>	<b>-</b>	<b>224 453</b>	<b>-</b>	<b>172 620</b>	<b>397 073</b>	<b>15 202 376</b>

**Programme 4: Air Defence**

Programme	2015/16							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Strategic Direction	16 783	-	-	-	-	-	-	16 783
Operational Direction	177 686	-	-	-	-	-	-	177 686
Helicopter Capability	801 494	-	-	-	-	-	-	801 494
Transport and Maritime Capability	794 867	-	-	-	-	-	-	794 867
Air Combat Capability	1 437 203	-	-	-	-	-	-	1 437 203
Operational Support and Intelligence Capability	284 700	-	-	-	-	1 725	1 725	286 425
Command and Control Capability	901 454	-	-	-	-	-	-	901 454
Base Support Capability	1 735 323	-	-	54 252	-	28 970	83 222	1 818 545
Command Post	54 827	-	-	-	-	-	-	54 827
Training Capability	184 394	-	-	-	-	-	-	184 394
Technical Support Services	660 424	-	-	24 990	-	8 502	33 492	693 916
<b>Total</b>	<b>7 049 155</b>	<b>-</b>	<b>-</b>	<b>79 242</b>	<b>-</b>	<b>39 197</b>	<b>118 439</b>	<b>7 167 594</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>5 144 503</b>	<b>-</b>	<b>-</b>	<b>79 242</b>	<b>-</b>	<b>39 197</b>	<b>118 439</b>	<b>5 262 942</b>
Compensation of employees	3 202 654	-	-	79 242	-	39 197	118 439	3 321 093
Goods and services	1 941 849	-	-	-	-	-	-	1 941 849
<b>Transfers and subsidies</b>	<b>1 855 054</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 855 054</b>
Provinces and municipalities	2	-	-	-	-	-	-	2
Departmental agencies and accounts	1 837 617	-	-	-	-	-	-	1 837 617
Households	17 435	-	-	-	-	-	-	17 435
<b>Payments for capital assets</b>	<b>49 598</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>49 598</b>
Machinery and equipment	42 986	-	-	-	-	-	-	42 986
Specialised military assets	6 612	-	-	-	-	-	-	6 612
<b>Total</b>	<b>7 049 155</b>	<b>-</b>	<b>-</b>	<b>79 242</b>	<b>-</b>	<b>39 197</b>	<b>118 439</b>	<b>7 167 594</b>

**Programme 5: Maritime Defence**

Programme	2015/16							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Maritime Direction	537 666	–	–	–	–	7 517	7 517	545 183
Maritime Combat Capability	1 252 500	–	–	–	–	–	–	1 252 500
Maritime Logistic Support Capability	851 779	–	–	5 745	–	2 185	7 930	859 709
Maritime Human Resources and Training Capability	460 725	–	–	–	–	6 361	6 361	467 086
Base Support Capability	614 579	–	–	19 913	–	10 177	30 090	644 669
<b>Total</b>	<b>3 717 249</b>	<b>–</b>	<b>–</b>	<b>25 658</b>	<b>–</b>	<b>26 240</b>	<b>51 898</b>	<b>3 769 147</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>2 816 643</b>	<b>–</b>	<b>–</b>	<b>25 658</b>	<b>–</b>	<b>26 240</b>	<b>51 898</b>	<b>2 868 541</b>
Compensation of employees	2 057 776	–	–	25 658	–	26 240	51 898	2 109 674
Goods and services	758 867	–	–	–	–	–	–	758 867
<b>Transfers and subsidies</b>	<b>878 072</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>878 072</b>
Departmental agencies and accounts	633 542	–	–	–	–	–	–	633 542
Public corporations and private enterprises	219 884	–	–	–	–	–	–	219 884
Households	24 646	–	–	–	–	–	–	24 646
<b>Payments for capital assets</b>	<b>22 534</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>22 534</b>
Buildings and other fixed structures	2 000	–	–	–	–	–	–	2 000
Machinery and equipment	20 384	–	–	–	–	–	–	20 384
Software and other intangible assets	150	–	–	–	–	–	–	150
<b>Total</b>	<b>3 717 249</b>	<b>–</b>	<b>–</b>	<b>25 658</b>	<b>–</b>	<b>26 240</b>	<b>51 898</b>	<b>3 769 147</b>

**Programme 6: Military Health Support**

Programme	2015/16							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Strategic Direction	172 553	–	–	–	–	–	–	172 553
Mobile Military Health Support	117 641	–	–	1 289	–	–	1 289	118 930
Area Military Health Service	1 383 167	–	–	15 031	–	14 715	29 746	1 412 913
Specialist/Tertiary Health Service	1 399 288	–	–	75 297	–	15 433	90 730	1 490 018
Military Health Product Support Capability	186 668	–	–	–	–	–	–	186 668
Military Health Maintenance Capability	256 623	–	–	14 582	–	–	14 582	271 205
Military Health Training Capability	416 974	–	–	–	–	–	–	416 974
<b>Total</b>	<b>3 932 914</b>	<b>–</b>	<b>–</b>	<b>106 199</b>	<b>–</b>	<b>30 148</b>	<b>136 347</b>	<b>4 069 261</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>3 899 089</b>	<b>–</b>	<b>–</b>	<b>106 199</b>	<b>–</b>	<b>30 148</b>	<b>136 347</b>	<b>4 035 436</b>
Compensation of employees	2 978 314	–	–	106 199	–	30 148	136 347	3 114 661
Goods and services	920 775	–	–	–	–	–	–	920 775
<b>Transfers and subsidies</b>	<b>7 709</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>7 709</b>
Departmental agencies and accounts	6 666	–	–	–	–	–	–	6 666
Non-profit institutions	800	–	–	–	–	–	–	800
Households	243	–	–	–	–	–	–	243
<b>Payments for capital assets</b>	<b>26 116</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>26 116</b>
Buildings and other fixed structures	600	–	–	–	–	–	–	600
Machinery and equipment	24 728	–	–	–	–	–	–	24 728
Specialised military assets	750	–	–	–	–	–	–	750
Software and other intangible assets	38	–	–	–	–	–	–	38
<b>Total</b>	<b>3 932 914</b>	<b>–</b>	<b>–</b>	<b>106 199</b>	<b>–</b>	<b>30 148</b>	<b>136 347</b>	<b>4 069 261</b>

**Programme 7: Defence Intelligence**

Programme	2015/16							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Strategic Direction	71	-	-	-	-	-	-	71
Operations	459 692	-	-	-	-	-	-	459 692
Defence Intelligence Support Services	367 688	-	-	-	-	4 008	4 008	371 696
<b>Total</b>	<b>827 451</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 008</b>	<b>4 008</b>	<b>831 459</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>377 260</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 008</b>	<b>4 008</b>	<b>381 268</b>
Compensation of employees	345 488	-	-	-	-	4 008	4 008	349 496
Goods and services	31 772	-	-	-	-	-	-	31 772
<b>Transfers and subsidies</b>	<b>445 799</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>445 799</b>
Departmental agencies and accounts	442 226	-	-	-	-	-	-	442 226
Households	3 573	-	-	-	-	-	-	3 573
<b>Payments for capital assets</b>	<b>4 392</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 392</b>
Machinery and equipment	4 392	-	-	-	-	-	-	4 392
<b>Total</b>	<b>827 451</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 008</b>	<b>4 008</b>	<b>831 459</b>

**Programme 8: General Support**

Programme	2015/16							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Joint Logistic Services	3 082 816	-	-	(464 352)	-	-	(464 352)	2 618 464
Command and Management Information Systems	954 813	-	-	-	-	-	-	954 813
Military Police	510 084	-	-	-	-	19 974	19 974	530 058
Technology Development	424 345	-	-	-	-	-	-	424 345
Departmental Support	844 934	-	-	-	-	-	-	844 934
<b>Total</b>	<b>5 816 992</b>	<b>-</b>	<b>-</b>	<b>(464 352)</b>	<b>-</b>	<b>19 974</b>	<b>(444 378)</b>	<b>5 372 614</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>4 398 744</b>	<b>-</b>	<b>-</b>	<b>(464 352)</b>	<b>-</b>	<b>19 974</b>	<b>(444 378)</b>	<b>3 954 366</b>
Compensation of employees	2 177 152	-	-	(455 960)	-	19 974	(435 986)	1 741 166
Goods and services	2 221 592	-	-	(8 392)	-	-	(8 392)	2 213 200
<b>Transfers and subsidies</b>	<b>1 256 341</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 256 341</b>
Departmental agencies and accounts	483 217	-	-	-	-	-	-	483 217
Public corporations and private enterprises	760 898	-	-	-	-	-	-	760 898
Households	12 226	-	-	-	-	-	-	12 226
<b>Payments for capital assets</b>	<b>161 907</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>161 907</b>
Buildings and other fixed structures	114 999	-	-	-	-	-	-	114 999
Machinery and equipment	46 082	-	-	-	-	-	-	46 082
Specialised military assets	22	-	-	-	-	-	-	22
Software and other intangible assets	804	-	-	-	-	-	-	804
<b>Total</b>	<b>5 816 992</b>	<b>-</b>	<b>-</b>	<b>(464 352)</b>	<b>-</b>	<b>19 974</b>	<b>(444 378)</b>	<b>5 372 614</b>

## Details of adjustments to the Estimates of National Expenditure 2015

### Virements and shifts

<b>Programmes</b>					
1. Administration					
2. Force Employment					
3. Landward Defence					
4. Air Defence					
5. Maritime Defence					
6. Military Health Support					
7. Defence Intelligence					
8. General Support					
<b>FROM:</b>			<b>TO:</b>		
<b>Programme by economic classification</b>	<b>Motivation</b>	<b>R thousand</b>	<b>Programme by economic classification</b>	<b>Motivation</b>	<b>R thousand</b>
<b>Programme 1</b>		<b>(8 562)</b>	<b>Programme 3</b>		<b>2 757</b>
Goods and services	Funds budgeted for guard services rendered to the Defence Headquarters	(2 757)	Goods and services	Guard services rendered to the Defence Headquarters	2 757
	Underspending on computer services <sup>1</sup>	(5 805)	<b>Programme 2</b>		<b>5 805</b>
			Foreign governments and international organisations	Contribution towards the hosting of Amani Africa II field training exercise for the African Standby Force <sup>1</sup>	5 805
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.2%</b>			
<b>Programme 3</b>		<b>(5 400)</b>	<b>Programme 1</b>		<b>5 400</b>
Goods and services	Funds budgeted for services to be provided by the Centre for Conflict Simulation	(5 400)	Goods and services	Services provided by the Centre for Conflict Simulation	5 400
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 8</b>		<b>(464 352)</b>	<b>Programme 1</b>		<b>14 876</b>
Compensation of employees	Reallocation of funds due to incorrect allocation	(14 876)	Compensation of employees	Increase in personnel remuneration	14 876
	Reallocation of funds due to incorrect allocation	(11 281)	<b>Programme 2</b>		<b>11 281</b>
	Reallocation of funds due to incorrect allocation	(218 704)	Compensation of employees	Increase in personnel remuneration	11 281
	Reallocation of funds due to incorrect allocation	(79 242)	<b>Programme 3</b>		<b>218 704</b>
	Reallocation of funds due to incorrect allocation	(25 658)	Compensation of employees	Increase in personnel remuneration	218 704
	Reallocation of funds for increase in personnel remuneration	(106 199)	<b>Programme 4</b>		<b>79 242</b>
			Compensation of employees	Increase in personnel remuneration	79 242
			<b>Programme 5</b>		<b>25 658</b>
			Compensation of employees	Increase in personnel remuneration	25 658
			<b>Programme 6</b>		<b>106 199</b>
			Compensation of employees	Increase in personnel remuneration	106 199
Goods and services	Funds budgeted for guard services rendered to the Defence Headquarters	(8 392)	<b>Programme 3</b>		<b>8 392</b>
			Goods and services	Guard services rendered to the Defence Headquarters	8 392
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>8.0%<sup>2</sup></b>			
<b>Total</b>		<b>(478 314)</b>			<b>478 314</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 – R508.771 million**

### ***Adjustments due to significant and unforeseeable economic and financial events R295.420 million***

An additional R295.420 million has been allocated to the department to cover the costs of increases in personnel remuneration that were higher than provided for in the main Budget, as follows:

Programme 1: Administration  
R23.514 million

Programme 2: Force Employment  
R10.882 million

Programme 3: Landward Defence  
R141.457 million

Programme 4: Air Defence  
R39.197 million

Programme 5: Maritime Defence  
R26.240 million

Programme 6: Military Health Support  
R30.148 million

Programme 7: Defence Intelligence  
R4.008 million

Programme 8: General Support  
R19.974 million

### ***Self-financing expenditure – R213.351 million***

R213.351 million in revenue was generated from reimbursements from the United Nations for South Africa's contribution towards peace support operations and the selling of equipment and spares procured through the special defence account has been surrendered to the National Revenue Fund. These funds will be used for defence activities, as follows:

Programme 2: Force Employment  
R182.188 million

Programme 3: Landward Defence  
R31.163 million



**Expenditure outcome for 2014/15 and actual expenditure for 2015/16**

Programme	2014/15 Audited outcome					2015/16 Actual expenditure			
	Adjusted appropriation	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted appropriation	Apr 14 - Mar 15	Apr 14 - Mar 15 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted appropriation
R thousand									
Administration	4 499 662	2 239 871	49.8	4 658 985	103.5	4 862 401	10.8	2 272 712	46.7
Force Employment	3 486 958	1 485 914	42.6	3 631 441	104.1	3 813 309	8.5	1 388 702	36.4
Landward Defence	14 241 855	6 648 673	46.7	14 049 116	98.6	15 202 376	33.7	7 304 353	48.0
Air Defence	7 176 612	2 450 101	34.1	6 913 523	96.3	7 167 594	15.9	3 136 933	43.8
Maritime Defence	3 678 505	1 626 114	44.2	3 802 369	103.4	3 769 147	8.4	1 789 108	47.5
Military Health Support	3 849 063	1 903 406	49.5	4 053 113	105.3	4 069 261	9.0	2 097 570	51.5
Defence Intelligence	813 718	381 356	46.9	819 775	100.7	831 459	1.8	392 799	47.2
General Support	5 110 506	1 977 247	38.7	4 914 059	96.2	5 372 614	11.9	2 365 683	44.0
<b>Total</b>	<b>42 856 879</b>	<b>18 712 682</b>	<b>43.7</b>	<b>42 842 381</b>	<b>100.0</b>	<b>45 088 161</b>	<b>100.0</b>	<b>20 747 860</b>	<b>46.0</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>34 471 135</b>	<b>15 748 660</b>	<b>45.7</b>	<b>34 343 473</b>	<b>99.6</b>	<b>36 607 562</b>	<b>81.2</b>	<b>16 949 174</b>	<b>46.3</b>
Compensation of employees	22 476 233	11 308 903	50.3	23 005 809	102.4	24 890 389	55.2	12 115 344	48.7
Goods and services	11 994 902	4 439 757	37.0	11 337 664	94.5	11 717 173	26.0	4 833 830	41.3
<b>Transfers and subsidies</b>	<b>7 863 804</b>	<b>2 774 955</b>	<b>35.3</b>	<b>7 400 180</b>	<b>94.1</b>	<b>7 893 698</b>	<b>17.5</b>	<b>3 634 464</b>	<b>46.0</b>
Provinces and municipalities	94	18	19.1	54	57.4	33	-	17	51.5
Departmental agencies and accounts	6 650 230	2 130 901	32.0	6 144 266	92.4	6 745 225	15.0	3 020 949	44.8
Foreign governments and international organisations	-	-	-	-	-	5 805	-	5 804	100.0
Public corporations and private enterprises	1 096 251	582 397	53.1	1 114 145	101.6	1 025 893	2.3	543 753	53.0
Non-profit institutions	7 650	5 136	67.1	7 909	103.4	7 992	-	3 596	45.0
Households	109 579	56 503	51.6	133 806	122.1	108 750	0.2	60 345	55.5
<b>Payments for capital assets</b>	<b>521 940</b>	<b>185 707</b>	<b>35.6</b>	<b>1 081 225</b>	<b>207.2</b>	<b>586 901</b>	<b>1.3</b>	<b>163 021</b>	<b>27.8</b>
Buildings and other fixed structures	123 707	13 764	11.1	64 877	52.4	122 599	0.3	24 332	19.8
Machinery and equipment	347 061	165 590	47.7	1 010 517	291.2	451 167	1.0	123 140	27.3
Specialised military assets	45 293	6 337	14.0	4 386	9.7	12 143	-	15 549	128.0
Software and other intangible assets	5 879	16	0.3	1 445	24.6	992	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>3 360</b>	<b>-</b>	<b>17 503</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 201</b>	<b>-</b>
<b>Total</b>	<b>42 856 879</b>	<b>18 712 682</b>	<b>43.7</b>	<b>42 842 381</b>	<b>100.0</b>	<b>45 088 161</b>	<b>100.0</b>	<b>20 747 860</b>	<b>46.0</b>

**Expenditure trends for the first half of 2015/16**

Total expenditure in 2014/15 was 100 per cent of the 2014/15 adjusted appropriation. Expenditure in the first six months of 2015/16 was R20.7 billion, or 46 per cent of the adjusted appropriation of R45.1 billion for the year. In comparison, mid-year expenditure in 2014/15 was R18.7 billion, or 43.7 per cent of the 2014/15 adjusted appropriation. Compared to the first six months of 2014/15, expenditure over the same period in 2015/16 increased by R2 billion, or 10.9 per cent. This was mainly due to the increase in personnel remuneration emanating from the 2015 public sector wage agreement, and because the costs of the acquisition and upgrading of the main weapon systems and technology were higher than in 2014/15.

## Departmental receipts

R thousand	2014/15					2015/16				
	Adjusted estimate	Audited outcome				Budget estimate	Actual receipts			
		Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted estimate	Apr 14 - Mar 15	Apr 14 - Mar 15 % of adjusted estimate		Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted estimate
<b>Departmental receipts</b>	<b>814 908</b>	<b>270 408</b>	<b>33.2</b>	<b>923 792</b>	<b>113.4</b>	<b>818 166</b>	<b>818 166</b>	<b>100.0</b>	<b>301 452</b>	<b>36.8</b>
Sales of goods and services produced by department	300 035	140 442	46.8	285 956	95.3	272 246	358 771	43.9	162 969	45.4
Sales of scrap, waste, arms and other used current goods	19 026	709	3.7	3 676	19.3	20 186	20 186	2.5	5 694	28.2
Transfers received	174 508	91 718	52.6	542 149	310.7	185 153	185 153	23	94 166	50.9
Fines, penalties and forfeits	3 851	850	22.1	1 733	45.0	4 086	4 086	-	424	10.4
Interest, dividends and rent on land	2 635	2 150	81.6	3 558	135.0	2 796	2 796	0.3	2 320	83.0
Sales of capital assets	56 125	13 375	23.8	42 507	75.7	59 549	59 549	7.3	14 232	23.9
Transactions in financial assets and liabilities	258 728	21 164	8.2	44 213	17.1	274 150	187 625	22.9	21 647	11.5
<b>Total</b>	<b>814 908</b>	<b>270 408</b>	<b>33.2</b>	<b>923 792</b>	<b>113.4</b>	<b>818 166</b>	<b>818 166</b>	<b>100.0</b>	<b>301 452</b>	<b>36.8</b>

### Revenue trends for the first half of 2015/16

Revenue in the first six months of 2015/16 was R301.5 million, or 36.8 per cent of the adjusted revenue estimate of R818.2 million for the year. In comparison, mid-year revenue in 2014/15 was R270.4 million, or 33.2 per cent of the 2014/15 adjusted estimate. Compared to the first six months of 2014/15, revenue over the same period in 2015/16 increased by R31 million, or 11.5 per cent. This was mainly due to the increase in tariffs for the rental of state owned property and an increase in the disposal of redundant equipment.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	2015/16							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Force Employment</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	<b>230 159</b>	-	-	-	-	<b>26 230</b>	<b>26 230</b>	<b>256 389</b>
Special defence account	230 159	-	-	-	-	26 230	26 230	256 389
<b>Foreign governments and international organisations</b>								
<b>Current</b>	-	-	-	<b>5 805</b>	-	-	<b>5 805</b>	<b>5 805</b>
Southern African Development Community	-	-	-	5 805	-	-	5 805	5 805
<b>Landward Defence</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	<b>2 449 942</b>	-	-	-	-	<b>31 163</b>	<b>31 163</b>	<b>2 481 105</b>
Special defence account	2 449 942	-	-	-	-	31 163	31 163	2 481 105