

# Vote 34

## Trade and Industry

### Adjusted budget summary

R thousand	2015/16			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>9 593 715</b>	<b>9 497 844</b>	<b>(95 871)</b>	<b>-</b>
<b>of which:</b>				
Current payments	1 475 675	1 560 988	-	85 313
Transfers and subsidies	8 083 878	7 901 203	(182 675)	-
Payments for capital assets	34 162	35 653	-	1 491
Executive authority	Minister of Trade and Industry			
Accounting officer	Director-General of Trade and Industry			
Website address	www.thedti.gov.za			

### Vote purpose

*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.*

### 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
Number of quarterly reports on the industrial policy action plan tabled at ministerial review meetings per year	Industrial Development	Outcome 4: Decent employment through inclusive economic growth	4	2	-
Number of designation requests submitted to the minister per year	Industrial Development		4	2	-
Number of students enrolled in the tool making apprenticeship programme per year	Industrial Development		120	623	-
Number of workers trained through the industrial skills upgrading programme per year	Industrial Development		250	110	-
Number of direct jobs facilitated through business process services off-shoring per year	Incentive Development and Administration		2 500	3 003	-
Number of companies financially assisted through export market and investment assistance per year	Incentive Development and Administration		970	361	-
Number of companies financially assisted through the automotive incentive scheme per year	Incentive Development and Administration		25	30	-
Number of companies financially assisted through the manufacturing competitiveness enhancement programme per year	Incentive Development and Administration		400	190	-
Number of film and television productions financially assisted per year	Incentive Development and Administration		76	37	-
Critical infrastructure programme: number of new projects approved for incentives per year	Incentive Development and Administration		13	5	-

## Mid-year progress

The department supported a total of 623 students enrolled in the tool-making apprenticeship programme. The target of 120 was exceeded due to additional funding made available from the National Skills Fund.

3 003 direct jobs have been facilitated through the business process off-shoring incentive. In the case of the automotive investment scheme, and the business process services off-shoring incentive, the number of applications has been higher than expected. This explains why the target set at the beginning of 2015/16 has been exceeded.

The department is on track to meet all other annual targets.

## 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	689 740	–	–	17 564	–	61 000	78 564	768 304
International Trade and Economic Development	164 754	–	–	(48 178)	–	–	(48 178)	116 576
Special Economic Zones and Economic Transformation	263 224	–	–	(161 049)	–	(12 471)	(173 520)	89 704
Industrial Development	1 973 534	–	–	734	–	(10 000)	(9 266)	1 964 268
Consumer and Corporate Regulation	294 496	–	–	1 889	–	–	1 889	296 385
Incentive Development and Administration	5 795 639	–	–	166 352	(134 400)	–	31 952	5 827 591
Trade and Investment South Africa	412 328	–	–	22 688	–	–	22 688	435 016
<b>Total</b>	<b>9 593 715</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(134 400)</b>	<b>38 529</b>	<b>(95 871)</b>	<b>9 497 844</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>1 475 675</b>	<b>–</b>	<b>–</b>	<b>24 313</b>	<b>–</b>	<b>61 000</b>	<b>85 313</b>	<b>1 560 988</b>
Compensation of employees	897 730	–	–	–	–	–	–	897 730
Goods and services	577 945	–	–	24 313	–	61 000	85 313	663 258
<b>Transfers and subsidies</b>	<b>8 083 878</b>	<b>–</b>	<b>–</b>	<b>(25 804)</b>	<b>(134 400)</b>	<b>(22 471)</b>	<b>(182 675)</b>	<b>7 901 203</b>
Departmental agencies and accounts	761 528	–	–	(169 649)	–	–	(169 649)	591 879
Higher education institutions	12 474	–	–	–	–	(12 471)	(12 471)	3
Foreign governments and international organisations	31 738	–	–	–	–	–	–	31 738
Public corporations and private enterprises	7 131 597	–	–	141 391	(134 400)	(10 000)	(3 009)	7 128 588
Non-profit institutions	144 078	–	–	2 522	–	–	2 522	146 600
Households	2 463	–	–	(68)	–	–	(68)	2 395
<b>Payments for capital assets</b>	<b>34 162</b>	<b>–</b>	<b>–</b>	<b>1 491</b>	<b>–</b>	<b>–</b>	<b>1 491</b>	<b>35 653</b>
Machinery and equipment	24 103	–	–	6 597	–	–	6 597	30 700
Software and other intangible assets	10 059	–	–	(5 106)	–	–	(5 106)	4 953
<b>Total</b>	<b>9 593 715</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(134 400)</b>	<b>38 529</b>	<b>(95 871)</b>	<b>9 497 844</b>

## Programme 1: Administration

Subprogramme	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								
Ministry	31 531	–	–	270	–	–	270	31 801
Office of the Director General	93 437	–	–	5 205	–	–	5 205	98 642
Corporate Services	393 088	–	–	23 417	–	61 000	84 417	477 505
Office Accommodation	9 880	–	–	(5 380)	–	–	(5 380)	4 500
Financial Management	73 004	–	–	(2 148)	–	–	(2 148)	70 856
Media and Public Relations	17 854	–	–	(2 000)	–	–	(2 000)	15 854
Marketing Communication and Stakeholder Relations	70 946	–	–	(1 800)	–	–	(1 800)	69 146
<b>Total</b>	<b>689 740</b>	<b>–</b>	<b>–</b>	<b>17 564</b>	<b>–</b>	<b>61 000</b>	<b>78 564</b>	<b>768 304</b>

**Programme 1: Administration (continued)**

Economic classification	2015/16							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
<b>Current payments</b>	<b>671 848</b>	–	–	<b>8 431</b>	–	<b>61 000</b>	<b>69 431</b>	<b>741 279</b>
Compensation of employees	270 579	–	–	2 298	–	–	2 298	272 877
Goods and services	401 269	–	–	6 133	–	61 000	67 133	468 402
<b>Transfers and subsidies</b>	<b>2 423</b>	–	–	<b>(244)</b>	–	–	<b>(244)</b>	<b>2 179</b>
Public corporations and private enterprises	760	–	–	–	–	–	–	760
Households	1 663	–	–	(244)	–	–	(244)	1 419
<b>Payments for capital assets</b>	<b>15 469</b>	–	–	<b>9 377</b>	–	–	<b>9 377</b>	<b>24 846</b>
Machinery and equipment	15 390	–	–	6 770	–	–	6 770	22 160
Software and other intangible assets	79	–	–	2 607	–	–	2 607	2 686
<b>Total</b>	<b>689 740</b>	–	–	<b>17 564</b>	–	<b>61 000</b>	<b>78 564</b>	<b>768 304</b>

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

Subprogramme	2015/16							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
International Trade Development	100 501	–	–	1 071	–	–	1 071	101 572
African Economic Development	64 253	–	–	(49 249)	–	–	(49 249)	15 004
<b>Total</b>	<b>164 754</b>	–	–	<b>(48 178)</b>	–	–	<b>(48 178)</b>	<b>116 576</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>119 122</b>	–	–	<b>(26 215)</b>	–	–	<b>(26 215)</b>	<b>92 907</b>
Compensation of employees	96 609	–	–	(23 947)	–	–	(23 947)	72 662
Goods and services	22 513	–	–	(2 268)	–	–	(2 268)	20 245
<b>Transfers and subsidies</b>	<b>44 873</b>	–	–	<b>(21 663)</b>	–	–	<b>(21 663)</b>	<b>23 210</b>
Departmental agencies and accounts	1 077	–	–	–	–	–	–	1 077
Foreign governments and international organisations	18 178	–	–	–	–	–	–	18 178
Public corporations and private enterprises	25 618	–	–	(21 663)	–	–	(21 663)	3 955
<b>Payments for capital assets</b>	<b>759</b>	–	–	<b>(300)</b>	–	–	<b>(300)</b>	<b>459</b>
Machinery and equipment	759	–	–	(300)	–	–	(300)	459
<b>Total</b>	<b>164 754</b>	–	–	<b>(48 178)</b>	–	–	<b>(48 178)</b>	<b>116 576</b>

**Programme 3: Special Economic Zones and Economic Transformation**

Subprogramme	2015/16							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Enterprise Competitiveness	200 033	–	–	(180 690)	–	–	(180 690)	19 343
Equity and Empowerment	14 049	–	–	12 861	–	–	12 861	26 910
Spatial Industrial Economic Development (Special Economic Zones)	49 142	–	–	6 780	–	(12 471)	(5 691)	43 451
<b>Total</b>	<b>263 224</b>	–	–	<b>(161 049)</b>	–	<b>(12 471)</b>	<b>(173 520)</b>	<b>89 704</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>65 619</b>	–	–	<b>12 079</b>	–	–	<b>12 079</b>	<b>77 698</b>
Compensation of employees	50 337	–	–	2 600	–	–	2 600	52 937
Goods and services	15 282	–	–	9 479	–	–	9 479	24 761
<b>Transfers and subsidies</b>	<b>196 786</b>	–	–	<b>(173 128)</b>	–	<b>(12 471)</b>	<b>(185 599)</b>	<b>11 187</b>
Departmental agencies and accounts	182 743	–	–	(174 149)	–	–	(174 149)	8 594
Higher education institutions	12 471	–	–	–	–	(12 471)	(12 471)	–
Public corporations and private enterprises	1 572	–	–	–	–	–	–	1 572
Non-profit institutions	–	–	–	1 000	–	–	1 000	1 000
Households	–	–	–	21	–	–	21	21
<b>Payments for capital assets</b>	<b>819</b>	–	–	–	–	–	–	<b>819</b>
Machinery and equipment	819	–	–	–	–	–	–	819
<b>Total</b>	<b>263 224</b>	–	–	<b>(161 049)</b>	–	<b>(12 471)</b>	<b>(173 520)</b>	<b>89 704</b>

**Programme 4: Industrial Development**

Subprogramme	2015/16							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Industrial Competitiveness	677 988	–	–	9 295	–	–	9 295	687 283
Customised Sector Programmes	1 295 546	–	–	(8 561)	–	(10 000)	(18 561)	1 276 985
<b>Total</b>	<b>1 973 534</b>	<b>–</b>	<b>–</b>	<b>734</b>	<b>–</b>	<b>(10 000)</b>	<b>(9 266)</b>	<b>1 964 268</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>125 808</b>	<b>–</b>	<b>–</b>	<b>5 355</b>	<b>–</b>	<b>–</b>	<b>5 355</b>	<b>131 163</b>
Compensation of employees	104 646	–	–	–	–	–	–	104 646
Goods and services	21 162	–	–	5 355	–	–	5 355	26 517
<b>Transfers and subsidies</b>	<b>1 846 955</b>	<b>–</b>	<b>–</b>	<b>(4 736)</b>	<b>–</b>	<b>(10 000)</b>	<b>(14 736)</b>	<b>1 832 219</b>
Departmental agencies and accounts	368 652	–	–	–	–	–	–	368 652
Higher education institutions	3	–	–	–	–	–	–	3
Foreign governments and international organisations	6 249	–	–	–	–	–	–	6 249
Public corporations and private enterprises	1 327 973	–	–	(6 258)	–	(10 000)	(16 258)	1 311 715
Non-profit institutions	144 078	–	–	1 522	–	–	1 522	145 600
<b>Payments for capital assets</b>	<b>771</b>	<b>–</b>	<b>–</b>	<b>115</b>	<b>–</b>	<b>–</b>	<b>115</b>	<b>886</b>
Machinery and equipment	771	–	–	99	–	–	99	870
Software and other intangible assets	–	–	–	16	–	–	16	16
<b>Total</b>	<b>1 973 534</b>	<b>–</b>	<b>–</b>	<b>734</b>	<b>–</b>	<b>(10 000)</b>	<b>(9 266)</b>	<b>1 964 268</b>

**Programme 5: Consumer and Corporate Regulation**

Subprogramme	2015/16							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Policy and Legislative Development	25 935	–	–	(8 188)	–	–	(8 188)	17 747
Enforcement and Compliance	43 906	–	–	(602)	–	–	(602)	43 304
Regulatory Services	224 655	–	–	10 679	–	–	10 679	235 334
<b>Total</b>	<b>294 496</b>	<b>–</b>	<b>–</b>	<b>1 889</b>	<b>–</b>	<b>–</b>	<b>1 889</b>	<b>296 385</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>80 611</b>	<b>–</b>	<b>–</b>	<b>(2 753)</b>	<b>–</b>	<b>–</b>	<b>(2 753)</b>	<b>77 858</b>
Compensation of employees	60 995	–	–	(1 111)	–	–	(1 111)	59 884
Goods and services	19 616	–	–	(1 642)	–	–	(1 642)	17 974
<b>Transfers and subsidies</b>	<b>213 735</b>	<b>–</b>	<b>–</b>	<b>4 614</b>	<b>–</b>	<b>–</b>	<b>4 614</b>	<b>218 349</b>
Departmental agencies and accounts	209 056	–	–	4 500	–	–	4 500	213 556
Foreign governments and international organisations	4 679	–	–	–	–	–	–	4 679
Households	–	–	–	114	–	–	114	114
<b>Payments for capital assets</b>	<b>150</b>	<b>–</b>	<b>–</b>	<b>28</b>	<b>–</b>	<b>–</b>	<b>28</b>	<b>178</b>
Machinery and equipment	150	–	–	28	–	–	28	178
<b>Total</b>	<b>294 496</b>	<b>–</b>	<b>–</b>	<b>1 889</b>	<b>–</b>	<b>–</b>	<b>1 889</b>	<b>296 385</b>

**Programme 6: Incentive Development and Administration**

Subprogramme	2015/16							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Broadening Participation Incentives	63 793	–	–	(2 238)	–	–	(2 238)	61 555
Manufacturing Incentives	3 781 822	–	–	143 704	–	–	143 704	3 925 526
Services Investment Incentives	569 866	–	–	268 852	–	–	268 852	838 718
Infrastructure Investment Support	1 341 533	–	–	(240 824)	(134 400)	–	(375 224)	966 309
Product and Systems Development	17 479	–	–	(1 537)	–	–	(1 537)	15 942
Strategic Partnership and Customer Care	21 146	–	–	(1 605)	–	–	(1 605)	19 541
<b>Total</b>	<b>5 795 639</b>	<b>–</b>	<b>–</b>	<b>166 352</b>	<b>(134 400)</b>	<b>–</b>	<b>31 952</b>	<b>5 827 591</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>172 632</b>	<b>–</b>	<b>–</b>	<b>4 769</b>	<b>–</b>	<b>–</b>	<b>4 769</b>	<b>177 401</b>
Compensation of employees	133 670	–	–	40	–	–	40	133 710
Goods and services	38 962	–	–	4 729	–	–	4 729	43 691
<b>Transfers and subsidies</b>	<b>5 611 027</b>	<b>–</b>	<b>–</b>	<b>169 312</b>	<b>(134 400)</b>	<b>–</b>	<b>34 912</b>	<b>5 645 939</b>
Public corporations and private enterprises	5 610 227	–	–	169 312	(134 400)	–	34 912	5 645 139
Households	800	–	–	–	–	–	–	800
<b>Payments for capital assets</b>	<b>11 980</b>	<b>–</b>	<b>–</b>	<b>(7 729)</b>	<b>–</b>	<b>–</b>	<b>(7 729)</b>	<b>4 251</b>
Machinery and equipment	2 000	–	–	–	–	–	–	2 000
Software and other intangible assets	9 980	–	–	(7 729)	–	–	(7 729)	2 251
<b>Total</b>	<b>5 795 639</b>	<b>–</b>	<b>–</b>	<b>166 352</b>	<b>(134 400)</b>	<b>–</b>	<b>31 952</b>	<b>5 827 591</b>

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

Subprogramme	2015/16							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Investment Promotion and Facilitation	48 254	–	–	–	–	–	–	48 254
Export Promotion and Marketing	36 950	–	–	–	–	–	–	36 950
Trade and Investment In South Africa Executive Management Unit	316 286	–	–	22 381	–	–	22 381	338 667
Export Development and Support	10 838	–	–	307	–	–	307	11 145
<b>Total</b>	<b>412 328</b>	<b>–</b>	<b>–</b>	<b>22 688</b>	<b>–</b>	<b>–</b>	<b>22 688</b>	<b>435 016</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>240 035</b>	<b>–</b>	<b>–</b>	<b>22 647</b>	<b>–</b>	<b>–</b>	<b>22 647</b>	<b>262 682</b>
Compensation of employees	180 894	–	–	20 120	–	–	20 120	201 014
Goods and services	59 141	–	–	2 527	–	–	2 527	61 668
<b>Transfers and subsidies</b>	<b>168 079</b>	<b>–</b>	<b>–</b>	<b>41</b>	<b>–</b>	<b>–</b>	<b>41</b>	<b>168 120</b>
Foreign governments and international organisations	2 632	–	–	–	–	–	–	2 632
Public corporations and private enterprises	165 447	–	–	–	–	–	–	165 447
Households	–	–	–	41	–	–	41	41
<b>Payments for capital assets</b>	<b>4 214</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>4 214</b>
Machinery and equipment	4 214	–	–	–	–	–	–	4 214
<b>Total</b>	<b>412 328</b>	<b>–</b>	<b>–</b>	<b>22 688</b>	<b>–</b>	<b>–</b>	<b>22 688</b>	<b>435 016</b>

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

### Virements and shifts

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>			<b>Programme 1</b>		
Households	Reduced spending due to a lower intake of bursaries for non-employees	(221)	Machinery and equipment	Replacement of ageing office equipment for regional offices	221
	Reduced spending due to a lower intake of bursaries for non-employees	(107)	Software and other intangible assets	Computer software	107
Compensation of employees	Realignment of personnel budget to PERSAL	(2 600)	<b>Programme 3</b>		<b>2 600</b>
	Realignment of personnel budget to PERSAL	(307)	Compensation of employees	Realignment of personnel budget to PERSAL	2 600
			<b>Programme 7</b>		<b>307</b>
			Compensation of employees	Realignment of personnel budget to PERSAL	307
Goods and services	Cost containment measures effected on consultants and advisory services and venues and facilities	(84)	<b>Programme 1</b>		<b>8 030</b>
	Cost containment measures effected on consultants and advisory services, travel and subsistence and operating payments. Reallocation funds from operating leases due to savings realised on a credit balance from the Department of Public Works	(5 446)	Households	Leave gratuities	84
	Reduced spending on administration fees and operating leases		Machinery and equipment	Computer equipment for new employees	5 446
	Reallocation of funds from operating leases due to a credit balance from the Department of Public Works	(2 500)	Software and other intangible assets	Computer software	2 500
	Cost containment measures effected on external audit fees, advertising and travel and subsistence	(10 000)	<b>Programme 3</b>		<b>10 000</b>
			Goods and services	Establishment of the Black Economic Empowerment Commission to implement the amended Broad-Based Black Economic Empowerment Act (2013)	10 000
	Cost containment measures effected on venues and facilities	(637)	<b>Programme 4</b>		<b>734</b>
Machinery and equipment	Reduction in computer hardware, desktops and laptops <sup>2</sup>	(97)	Public corporations and private enterprises	Establishment of a jewellery development cluster programme in South Africa <sup>2</sup>	637
			Public corporations and private enterprises	Establishment of a jewellery development cluster programme in South Africa <sup>2</sup>	97
Shifts within the programme as a percentage of the programme budget		1.2%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>2.0%</b>			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 2</b>		<b>(49 590)</b>	<b>Programme 7</b>		<b>41</b>
Households	Cost containment measures effected on travel and subsistence	(41)	Households	Leave gratuities	41
Compensation of employees	Realignment of personnel budget to PERSAL	(5 205)	<b>Programme 1</b>		<b>5 205</b>
	Realignment of personnel budget to PERSAL	(19 813)	Compensation of employees	Realignment of personnel budget to PERSAL	5 205
Goods and services	Cost containment measures effected on travel and subsistence	(41)	<b>Programme 7</b>		<b>19 813</b>
	Reallocation of funds from consumable supplies, consumable stationery and printing, operating leases, travel and subsistence, venues and facilities	(2 527)	Compensation of employees	Realignment of programme structure	19 813
Machinery and equipment	Reduced spending on computer hardware, desktops and laptops <sup>2</sup>	(300)	<b>Programme 2</b>		<b>41</b>
Public corporations and private enterprises	Reallocation of funds due to the discontinuation of the contractual obligation for services that were rendered by the Development Bank of Southern Africa <sup>2</sup>	(21 663)	Households	Leave gratuities	41
			<b>Programme 7</b>		<b>2 527</b>
			Goods and services	Realignment of programme structure	2 527
			<b>Programme 2</b>		<b>300</b>
			Goods and services	Membership fees for the Advisory Centre on World Trade Organisation Law	300
			<b>Programme 6</b>		<b>21 663</b>
			Public corporations and private enterprises	Management of regional spatial development programme within the department <sup>2</sup>	21 663
Shifts within the programme as a percentage of the programme budget		0.2%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>29.9%<sup>2</sup></b>			
<b>Programme 3</b>		<b>(175 170)</b>	<b>Programme 3</b>		<b>521</b>
Goods and services	Cost containment measures effected on consumables: stationery	(21)	Households	Leave gratuities	21
	Cost containment measures effected on consultancy and advisory services	(500)	Departmental agencies and accounts	Regulation of the B-BBEE verification industry by the Independent Regulatory Board of Auditors <sup>2</sup>	500
Departmental agencies and accounts	Reallocation of funds from transfer payment: to the National Research Foundation due to discontinuation of the contractual obligation <sup>2</sup>	(174 649)	<b>Programme 6</b>		<b>174 649</b>
			Public corporations and private enterprises	Management of the technology and human resources for industry programme within the department <sup>2</sup>	174 649
Shifts within the programme as a percentage of the programme budget		0.2%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>66.3%<sup>2</sup></b>			
<b>Programme 4</b>		<b>(17 167)</b>	<b>Programme 4</b>		<b>17 167</b>
Goods and services	Reduced use of computer services	(99)	Machinery and equipment	Computer equipment for new employees	99
	Cost containment measures effected on consultancy and advisory services and venues and facilities	(16)	Software and other intangible assets	Software for the implementation of the tender monitoring system	16
	Cost containment measures effected on travel and subsistence	(1 530)	Public corporations and private enterprises	Establishment of a jewellery development cluster programme in South Africa <sup>2</sup>	1 530
	Cost containment measures effected on consultancy and advisory services				

2015 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Public corporations and private enterprises	Reallocation of funds from the Council for Scientific and Industrial Research's National Cleaning Production Centre due to some of the programmes being postponed <sup>2</sup>	(8 522)	Non-profit institutions	Research on African industrial development and mining laboratories by Trade and Industrial Policy Strategies <sup>2</sup>	8 522
Non-profit institutions	Reallocation of funds from transfer payment to the Proudly South African campaign due to funds being re-evaluated <sup>2</sup>	(7 000)	Goods and services	Contribution towards the implementation of Operation Phakisa in the mining sector	7 000
Shifts within the programme as a percentage of the programme budget		0.9%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 5</b>		<b>(2 753)</b>	<b>Programme 2</b>		<b>438</b>
Compensation of employees	Realignment of personnel budget to PERSAL	(438)	Compensation of employees	Realignment of personnel budget to PERSAL	438
	Realignment of personnel budget to PERSAL	(673)	<b>Programme 6</b>		<b>673</b>
			Compensation of employees	Realignment of personnel budget to PERSAL	673
<b>Goods and services</b>			<b>Programme 5</b>		<b>1 642</b>
	Cost containment measures effected on travel and subsistence and operating payments	(114)	Households	Donations Leave gratuities	114
	Cost containment measures effected on travel and subsistence	(28)	Machinery and equipment	Leave gratuities	28
	Cost containment measures effected on venues and facilities	(1 500)	Departmental agencies and accounts	Appointment of a service provider for the National Gambling Board to conduct a study on on-line gambling Appointment of a service provider for the National Credit Regulator to conduct monitoring of compliance, including inspections <sup>1</sup>	1 500
Shifts within the programme as a percentage of the programme budget		0.6%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.4%</b>			
<b>Programme 6</b>		<b>(298 362)</b>	<b>Programme 2</b>		<b>633</b>
Compensation of employees	Realignment of personnel budget to PERSAL	(633)	Compensation of employees	Realignment of personnel budget to PERSAL	633
<b>Software and other intangible assets</b>			<b>Programme 1</b>		<b>3 000</b>
	Reallocation of funds from computer software due to a delay in the implementation of the integrated electronic management system <sup>1</sup>	(1 800)	Goods and services	Electronic vulnerability management tool that will conduct vulnerability assessment and provide the ability to manage and report on the vulnerabilities	1 800
	Reallocation of funds from computer software due to a delay in the implementation of the integrated electronic management system	(1 200)	Machinery and equipment	Vehicle for equipment transportation and events and outreach programmes	1 200
	Reclassification of funds incorrectly classified in the 2015 ENE <sup>1</sup>	(4 729)	<b>Programme 6</b>		<b>4 729</b>
			Goods and services	Maintenance of IT software	4 729



FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Public corporations and private enterprises	Reallocation of funds due to fewer claims than anticipated for the special economic zones: investment incentives <sup>2</sup>	(12 000)	<b>Programme 1</b>		<b>23 000</b>
			Goods and services	Electronic vulnerability management tool that will conduct vulnerability assessment and provide ability to manage and report on vulnerabilities. Establishment of the Black Economic Empowerment Commission to implement the amended Broad-Based Black Economic Empowerment Act (2013)	12 000
	Reallocation of funds due to fewer claims than anticipated for the special economic zones: investment incentives <sup>2</sup>	(11 000)	Goods and services	Electronic vulnerability management tool that will conduct vulnerability assessment and provide ability to manage and report on the vulnerabilities	11 000
	Reallocation of funds due to fewer claims than anticipated for the special economic zones: investment incentives <sup>2</sup>	(1 000)	<b>Programme 3</b>		<b>1 000</b>
			Non-profit institutions	Economic study conducted by the Black Business Council on the development of black Industrialists <sup>2</sup>	1 000
Reallocation of funds due to fewer claims than anticipated for the special economic zones: investment incentives <sup>2</sup>	(3 000)	<b>Programme 5</b>		<b>3 000</b>	
		Departmental agencies and accounts	Provision of support to the National Consumer Tribunal for the growing numbers of cases <sup>2</sup>	3 000	
Reallocation of funds due to fewer claims than anticipated for the special economic zones: investment incentives and the critical infrastructure programme <sup>2</sup>	(263 000)	<b>Programme 6</b>		<b>263 000</b>	
		Public corporations and private enterprises	Higher demand and spending projected for the following incentives: industrial development zones: other; film and television incentives; and the export market and investment assistance <sup>2</sup>	263 000	
Shifts within the programme as a percentage of the programme budget		4.6%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.5%</b>			
<b>Total</b>		<b>(565 041)</b>			<b>565 041</b>

1. National Treasury approval has been obtained.

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

## Declared unspent funds – R134.400 million

### Programme 6: Incentive Development and Administration

R134.400 million in unspent funds has been declared on special economic zones, due to the multi-year nature and timing of approved physical infrastructure projects.

## Other adjustments – R38.529 million

### **Funds shifted between votes following the transfer of a function – R22.471 million**

#### Programme 3: Special Economic Zones and Economic Transformation

R12.471 million has been transferred from the Department of Trade and Industry to the Department of Small Business Development following the shifting of the function relating to the local economic development directorate. The funds will be for the transfer to the University of Johannesburg for its capacity building programme for economic development.

**Programme 4: Industrial Development**

R10 million has been transferred from the Department of Trade and Industry to the Department of Small Business Development following the shift of the function of the creative industries sector desk. The funds will be for the transfer to the Industrial Development Corporation for its customised sector programme.

**Self-financing expenditure – R61 million**

**Programme 1: Administration**

R61 million has been received from the department's public entities for accommodation on the department's campus. The funds will be used to supplement the payments due by the department in terms of the public-private partnership agreement in relation to the campus.

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

Programme	2014/15					2015/16			
	Audited outcome					Actual expenditure			
R thousand	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
Administration	768 742	337 041	43.8	699 945	91.1	768 304	8.1	344 802	44.9
International Trade and Economic Development	143 218	62 549	43.7	142 793	99.7	116 576	1.2	54 102	46.4
Special Economic Zones and Economic Transformation	264 700	522 562	197.4	250 871	94.8	89 704	0.9	36 627	40.8
Industrial Development	1 786 828	1 181 346	66.1	1 784 153	99.9	1 964 268	20.7	1 096 300	55.8
Consumer and Corporate Regulation	285 569	178 940	62.7	281 121	98.4	296 385	3.1	207 935	70.2
Incentive Development and Administration	5 218 978	1 597 970	30.6	5 176 712	99.2	5 827 591	61.4	1 613 095	27.7
Trade and Investment South Africa	349 905	120 664	34.5	348 915	99.7	435 016	4.6	269 792	62.0
<b>Total</b>	<b>8 817 940</b>	<b>4 001 072</b>	<b>45.4</b>	<b>8 684 510</b>	<b>98.5</b>	<b>9 497 844</b>	<b>100.0</b>	<b>3 622 653</b>	<b>38.1</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>1 574 211</b>	<b>727 561</b>	<b>46.2</b>	<b>1 442 611</b>	<b>91.6</b>	<b>1 560 988</b>	<b>16.4</b>	<b>723 463</b>	<b>46.3</b>
Compensation of employees	867 617	455 787	52.5	815 309	94.0	897 730	9.5	436 363	48.6
Goods and services	706 594	271 774	38.5	627 302	88.8	663 258	7.0	287 100	43.3
<b>Transfers and subsidies</b>	<b>7 207 494</b>	<b>3 266 663</b>	<b>45.3</b>	<b>7 217 250</b>	<b>100.1</b>	<b>7 901 203</b>	<b>83.2</b>	<b>2 894 378</b>	<b>36.6</b>
Departmental agencies and accounts	727 758	862 113	118.5	730 047	100.3	591 879	6.2	484 031	81.8
Higher education institutions	15 751	7 500	47.6	17 458	110.8	3	–	–	–
Foreign governments and international organisations	32 700	515	1.6	26 598	81.3	31 738	0.3	–	–
Public corporations and private enterprises	6 304 748	2 309 153	36.6	6 304 176	100.0	7 128 588	75.1	2 317 323	32.5
Non-profit institutions	124 018	86 160	69.5	134 018	108.1	146 600	1.5	90 758	61.9
Households	2 519	1 222	48.5	4 953	196.6	2 395	–	2 266	94.6
<b>Payments for capital assets</b>	<b>36 233</b>	<b>6 788</b>	<b>18.7</b>	<b>19 933</b>	<b>55.0</b>	<b>35 653</b>	<b>0.4</b>	<b>4 613</b>	<b>12.9</b>
Machinery and equipment	24 290	6 788	27.9	19 438	80.0	30 700	0.3	4 056	13.2
Software and other intangible assets	11 943	–	–	495	4.1	4 953	0.1	557	11.2
<b>Payments for financial assets</b>	<b>2</b>	<b>60</b>	<b>3 000.0</b>	<b>4 716</b>	<b>235 800.0</b>	<b>–</b>	<b>–</b>	<b>199</b>	<b>–</b>
<b>Total</b>	<b>8 817 940</b>	<b>4 001 072</b>	<b>45.4</b>	<b>8 684 510</b>	<b>98.5</b>	<b>9 497 844</b>	<b>100.0</b>	<b>3 622 653</b>	<b>38.1</b>

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

Total expenditure in 2014/15 was 98.5 per cent of the 2014/15 adjusted appropriation. Expenditure in the first six months of 2015/16 was R3.6 billion or 38.1 per cent of the adjusted appropriation of R9.5 billion for the year. In comparison, mid-year expenditure in 2014/15 was R4 billion or 45.4 per cent of the adjusted appropriation. Compared to the first six months of 2014/15, expenditure over the same period in 2015/16 decreased by R378.4 million or 9.5 per cent. This was mainly due to the decrease in spending on compensation of employees, and on transfer payments such as departmental agencies and accounts.

## Departmental receipts

	2014/15					2015/16				
	Adjusted estimate	Audited outcome			Actual receipts					
		Apr 14 - Sep 14	adjusted estimate	% of	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 15 - Sep 15	adjusted estimate	
R thousand										
<b>Departmental receipts</b>	<b>85 015</b>	<b>40 334</b>	<b>47.4</b>	<b>82 551</b>	<b>97.1</b>	<b>83 141</b>	<b>81 996</b>	<b>100.0</b>	<b>22 427</b>	<b>27.4</b>
<b>Tax receipts</b>	<b>5 300</b>	<b>1 221</b>	<b>23.0</b>	<b>2 925</b>	<b>55.2</b>	<b>5 110</b>	<b>4 110</b>	<b>5.0</b>	<b>1 352</b>	<b>26 972.9</b>
Sales of goods and services produced by department	493	223	45.2	524	106.3	581	455	0.6	216	47.5
Sales of scrap, waste, arms and other used current goods	-	-	-	-	-	1	-	-	-	-
Fines, penalties and forfeits	241	82	34.0	97	40.2	210	42	-	22	52.4
Interest, dividends and rent on land	429	55	12.8	1 348	314.2	400	400	0.5	357	89.3
Sales of capital assets	250	223	89.2	223	89.2	250	400	0.5	360	90.0
Transactions in financial assets and liabilities	78 302	38 530	49.2	77 434	98.9	76 589	76 589	93.4	20 120	26.3
<b>Total</b>	<b>85 015</b>	<b>40 334</b>	<b>47.4</b>	<b>82 551</b>	<b>97.1</b>	<b>83 141</b>	<b>81 996</b>	<b>100.0</b>	<b>22 427</b>	<b>27.4</b>

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

Revenue in the first six months of 2015/16 was R22.4 million, or 27.4 per cent of the adjusted revenue estimate of R82 million for the year. In comparison, the mid-year revenue in 2014/15 was R40.3 million, or 47.4 per cent of the adjusted estimate. Compared to the first six months of 2014/15, revenue over the same period in 2015/16 decreased by R17.9 million, or 44.4 per cent. This was mainly due to a decrease in debt recovered from rentals.

## Changes to transfers and subsidies, including conditional grants

### Summary of changes to transfers and subsidies per 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								
<b>Administration</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	-	-	-	84	-	-	84	84
Employee social benefits	-	-	-	84	-	-	84	84
<b>Households</b>								
<b>Other transfers to households</b>								
<b>Current</b>	1 663	-	-	(328)	-	-	(328)	1 335
Bursaries for non-employees	1 663	-	-	(328)	-	-	(328)	1 335
<b>International Trade and Economic Development</b>								
<b>Public corporations and private enterprises</b>								
<b>Public corporations</b>								
<b>Other transfers</b>								
<b>Current</b>	21 663	-	-	(21 663)	-	-	(21 663)	-
Development Bank of Southern Africa: Regional spatial development initiatives	21 663	-	-	(21 663)	-	-	(21 663)	-
<b>Special Economic Zones and Economic Transformation</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	174 649	-	-	(174 149)	-	-	(174 149)	500
National Research Foundation: Technology and human resources for industry programme	174 649	-	-	(174 649)	-	-	(174 649)	-
Independent Regulatory Board for Auditors	-	-	-	500	-	-	500	500

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

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>Higher education institutions</b>								
<b>Current</b>	<b>12 471</b>	-	-	-	-	<b>(12 471)</b>	<b>(12 471)</b>	-
University of Johannesburg: Capacity building programme for economic development	12 471	-	-	-	-	(12 471)	(12 471)	-
<b>Non-profit institutions</b>								
<b>Current</b>	-	-	-	<b>1 000</b>	-	-	<b>1 000</b>	<b>1 000</b>
Black Business Council	-	-	-	1 000	-	-	1 000	1 000
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	-	-	-	<b>21</b>	-	-	<b>21</b>	<b>21</b>
Employee social benefits	-	-	-	21	-	-	21	21
<b>Industrial Development</b>								
<b>Public corporations and private enterprises</b>								
<b>Public corporations</b>								
<b>Other transfers</b>								
<b>Current</b>	<b>232 936</b>	-	-	<b>(6 258)</b>	-	<b>(10 000)</b>	<b>(16 258)</b>	<b>216 678</b>
Industrial Development Corporation: Customised sector programme	155 294	-	-	-	-	(10 000)	(10 000)	145 294
Council for Scientific and Industrial Research: National Cleaner Production Centre	63 522	-	-	(8 522)	-	-	(8 522)	55 000
Council for Scientific and Industrial Research: National Foundry Technology Network	14 120	-	-	2 264	-	-	2 264	16 384
<b>Non-profit institutions</b>								
<b>Current</b>	<b>42 208</b>	-	-	<b>1 522</b>	-	-	<b>1 522</b>	<b>43 730</b>
Trade and Industrial Policy Strategies	10 000	-	-	8 522	-	-	8 522	18 522
Proudly South African campaign	32 208	-	-	(7 000)	-	-	(7 000)	25 208
<b>Consumer and Corporate Regulation</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	<b>140 239</b>	-	-	<b>4 500</b>	-	-	<b>4 500</b>	<b>144 739</b>
National Credit Regulator	65 727	-	-	1 000	-	-	1 000	66 727
National Gambling Board	31 483	-	-	500	-	-	500	31 983
National Consumer Tribunal	43 029	-	-	3 000	-	-	3 000	46 029
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	-	-	-	<b>114</b>	-	-	<b>114</b>	<b>114</b>
Employee social benefits	-	-	-	114	-	-	114	114
<b>Incentive Development and Administration</b>								
<b>Public corporations and private enterprises</b>								
<b>Private enterprises</b>								
<b>Subsidies on production or products</b>								
<b>Current</b>	<b>4 052 400</b>	-	-	<b>399 312</b>	-	-	<b>399 312</b>	<b>4 451 712</b>
Services sector development incentives	560 000	-	-	264 663	-	-	264 663	824 663
Manufacturing development incentives	3 422 400	-	-	84 649	-	-	84 649	3 507 049
Industrial development zones: Other	70 000	-	-	50 000	-	-	50 000	120 000
<b>Capital</b>	<b>1 070 000</b>	-	-	<b>(200 000)</b>	<b>(134 400)</b>	-	<b>(334 400)</b>	<b>735 600</b>
Special economic zones	1 070 000	-	-	(200 000)	(134 400)	-	(334 400)	735 600

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

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>Public corporations and private enterprises</b>								
<b>Private enterprises</b>								
<b>Other transfers</b>								
<b>Current</b>	<b>240 000</b>	-	-	<b>60 000</b>	-	-	<b>60 000</b>	<b>300 000</b>
Export market and investment assistance	240 000	-	-	60 000	-	-	60 000	300 000
<b>Capital</b>	<b>190 000</b>	-	-	<b>(90 000)</b>	-	-	<b>(90 000)</b>	<b>100 000</b>
Critical infrastructure programme	190 000	-	-	(90 000)	-	-	(90 000)	100 000
<b>Trade and Investment South Africa</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	-	-	-	<b>41</b>	-	-	<b>41</b>	<b>41</b>
Employee social benefits	-	-	-	41	-	-	41	41

