

# Vote 3

## Foreign Affairs

R thousand	2007/08 To be appropriated	2008/09	2009/10
<b>MTEF allocations</b>			
Administration	810 324	843 392	1 020 812
Foreign Relations	2 288 463	2 389 761	2 664 589
Public Diplomacy and Protocol	129 319	133 319	202 918
International Transfers	628 257	721 566	777 039
<b>Total</b>	<b>3 856 363</b>	<b>4 088 038</b>	<b>4 665 358</b>
Direct charges against the National Revenue Fund	–	–	–
<b>Total expenditure estimates</b>	<b>3 856 363</b>	<b>4 088 038</b>	<b>4 665 358</b>
<b>Economic classification</b>			
Current payments	2 772 176	2 908 425	3 393 443
Transfers and subsidies	640 153	734 122	790 348
Payments for capital assets	444 034	445 491	481 567
<b>Total expenditure estimates</b>	<b>3 856 363</b>	<b>4 088 038</b>	<b>4 665 358</b>
Executive authority	Minister of Foreign Affairs		
Accounting officer	Director-General of Foreign Affairs		

### Aim

*The aim of the Department of Foreign Affairs is to formulate, co-ordinate, implement and manage South Africa's foreign policy and international relations programmes throughout the world.*

### Programme purposes

#### Programme 1: Administration

Conduct the overall policy development and management of the department.

#### Programme 2: Foreign Relations

Promote relations with foreign countries, and participate in international organisations and institutions, in pursuit of South Africa's national values and foreign policy objectives.

#### Programme 3: Public Diplomacy and Protocol

Promote an understanding, both domestically and internationally, of South Africa's role and position in international relations, and provide protocol services.

#### Programme 4: International Transfers

Fund membership fees and transfers to international organisations.

### Strategic overview: 2003/04 – 2009/10

South Africa's foreign policy is guided by the vision of a better life for all South Africans, informed by the theoretical framework of the African Renaissance, and based on the following principles:

- The interests of the African continent are central to South Africa's foreign policy.
- Human rights are central to international relations and they extend beyond politics, embracing economic, social and environmental issues.
- Justice and respect for international law should guide relations between nations.
- Peace is the goal which all nations should strive for, and where this breaks down, internationally agreed and non-violent mechanisms, including effective arms control regimes, should be employed.
- Multilateralism informs South Africa's global interactions.
- Economic development depends on growing regional and international economic integration and co-operation in an interdependent world.

Government's key foreign policy objectives form part of the international relations, peace and security cluster's programme: consolidating the African agenda, South-South co-operation, North-South dialogue, global governance (political, economic and security) and strengthening bilateral relations.

#### *Consolidating the African agenda*

The focus of South Africa's engagement in Africa is on strengthening the African Union (AU) and its structures, promoting integration and development through the Southern African Development Community (SADC), promoting the implementation of the New Partnership for Africa's Development (NEPAD), supporting peace, security, stability and post-conflict reconstruction initiatives, and strengthening bilateral relations.

Part of the African agenda involves strengthening the AU and its structures. Harmonising and rationalising the regional economic communities is an essential part of the AU's agenda. The AU convened consultative meetings in the five regions to start discussions, and South Africa is expected to lead the integration agenda within SADC.

Establishing the AU specialised technical committees is in progress. A number of South Africans have been seconded to the AU. Despite the deployments so far, South Africa remains underrepresented in both the AU and SADC structures because of difficulties in attracting skills. The Department of Public Service and Administration has been commissioned to make a proposal about this and to finalise the national secondment policy.

As the host of the AU's Pan-African Parliament, South Africa is committed to ensuring that this organisation works effectively. The process of establishing a permanent seat for the Pan-African Parliament is under way. To further support the work of the AU Peace and Security Council, technical support has been provided for the establishment of the SADC Regional Early Warning Centre, which will be launched in Botswana early in 2007 to provide the AU with information on potential conflicts in African countries. A key focus for the coming years will be to make the African standby force operational as soon as possible, so that it can intervene in countries where there are serious conflicts.

In October 2007, South Africa will host a conference to build relations with the African Diaspora. The AU defines the African Diaspora as people of African origin irrespective of their citizenship or nationality, living outside Africa, who are willing to contribute to developing Africa and building the AU.

Support for the regional integration process will be critical in the coming year. For South Africa, this applies specifically to harmonising the southern and eastern geographic regions, SADC and the Common Market of Eastern and Southern Africa (COMESA).

South Africa is a key driver of NEPAD and continues to interact with national, regional, continental and international partners to promote its implementation.

The focus for the MTEF period is to provide concrete support to Africa's regional peace initiatives and processes. South Africa has actively contributed to peace, stability and post-conflict reconstruction in countries such as the Democratic Republic of Congo, Burundi, Sudan, the Comoros and Côte d'Ivoire.

*South-South co-operation*

The India-Brazil-South Africa (IBSA) dialogue forum continues to be of strategic importance. South Africa's political commitment to IBSA has increased trade between the three countries.

As chair of the G77 for 2006, South Africa is responsible for co-ordination and co-operation among the 132 developing country members to promote the South's development agenda and ensure the balanced implementation of the outcomes of the 2005 UN Millennium Review Summit.

*North-South dialogue*

In its engagement with the G8 member states, South Africa successfully attended and participated in the G8 Summit 2006 and two African Partnership Forum meetings and will also participate in the 2007 summit. The focus of the G8 Summit will be: global trade; improving financial markets and global investment conditions; and dialogue on the central importance of technological innovation. In terms of Africa, the focus will be on promoting good governance, peace and security in the region, and on addressing urgent problems of economic development, poverty reduction and the fight against HIV and Aids.

Different government departments have been interacting more with the Organisation for Economic Co-operation and Development (OECD) over a range of issues, including seeking observer status as a step towards acquiring membership on its committees. In the OECD expansion debate, South Africa is being strongly considered for possible future membership. In March 2007, the Department of Foreign Affairs, National Treasury and the Department of Trade and Industry will embark on a fact finding mission to develop a detailed multi-year plan for improving engagement with the OECD.

*Global governance*

The reform of the United Nations will continue to dominate the 2007 multilateral agenda, and South Africa will continue to pursue the interests of Africa and the South through its leadership of the G77 and China. A key challenge for South Africa is to advance development issues in international debates.

*Strengthening bilateral relations*

Strengthening South Africa's bilateral relations, particularly with African countries, is a high level strategic objective, and Cabinet has decided that South Africa should have resident representation in each African country by 2008. Presently, South Africa is represented in 41 of the 53 African countries.

## Expenditure estimates

**Table 3.1 Foreign Affairs**

Programme	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2003/04	2004/05	2005/06	2006/07		2007/08	2008/09	2009/10
R thousand								
1. Administration	377 591	470 127	505 353	671 551	581 551	810 324	843 392	1 020 812
2. Foreign Relations	1 391 978	1 510 540	1 718 445	1 790 039	1 880 039	2 288 463	2 389 761	2 664 589
3. Public Diplomacy and Protocol	78 644	140 846	109 180	116 029	116 029	129 319	133 319	202 918
4. International Transfers	315 556	271 572	354 733	464 530	444 530	628 257	721 566	777 039
<b>Total</b>	<b>2 163 769</b>	<b>2 393 085</b>	<b>2 687 711</b>	<b>3 042 149</b>	<b>3 022 149</b>	<b>3 856 363</b>	<b>4 088 038</b>	<b>4 665 358</b>
Change to 2006 Budget estimate				–	(20 000)	447 000	442 500	

Table 3.1 Foreign Affairs (continued)

R thousand	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2003/04	2004/05	2005/06	2006/07		2007/08	2008/09	2009/10
<b>Economic classification</b>								
<b>Current payments</b>	<b>1 673 867</b>	<b>1 945 635</b>	<b>2 089 992</b>	<b>2 246 586</b>	<b>2 336 586</b>	<b>2 772 176</b>	<b>2 908 425</b>	<b>3 393 443</b>
Compensation of employees	953 354	1 011 746	1 072 371	1 180 869	1 180 869	1 478 959	1 564 128	1 654 251
Goods and services	718 471	933 524	996 774	1 065 717	1 155 717	1 293 217	1 344 297	1 739 192
<i>of which:</i>								
Communication	48 948	67 822	59 633	58 686	58 686	64 726	70 824	75 586
Computer services	13 955	46 598	11 514	26 935	26 935	29 210	31 503	35 472
Consultants, contractors and special services	9 387	15 113	10 808	24 081	24 081	40 382	43 549	49 027
Inventory	6 165	40 253	36 459	35 364	35 364	37 325	39 587	41 962
Maintenance, repairs and running costs	15 760	82 837	101 885	79 200	79 200	83 952	92 833	105 878
Operating leases	214 803	231 671	401 116	372 476	372 476	384 684	407 459	516 666
Travel and subsistence	135 660	134 794	102 767	123 394	123 394	176 348	189 535	221 414
Public transport	128 678	90 408	124 427	114 560	114 560	122 902	130 275	138 092
Venues and facilities	–	30 292	16 027	16 982	16 982	18 000	19 079	20 224
Attendance fees	–	22 472	19 791	15 618	15 618	16 564	17 557	18 611
Entertainment	–	40 840	35 006	37 511	37 511	39 761	42 147	44 676
Other	145 115	130 424	77 341	160 910	250 910	279 363	259 950	471 584
Financial transactions in assets and liabilities	2 042	365	20 847	–	–	–	–	–
<b>Transfers and subsidies</b>	<b>323 373</b>	<b>307 336</b>	<b>390 607</b>	<b>477 668</b>	<b>457 668</b>	<b>640 153</b>	<b>734 122</b>	<b>790 348</b>
Provinces and municipalities	7 817	15 683	13 650	13 138	13 138	11 896	12 556	13 309
Departmental agencies and accounts	50 000	50 000	100 000	150 000	150 000	300 000	365 925	403 518
Public corporations and private enterprises	–	8 329	9 307	–	–	–	–	–
Foreign governments and international organisations	265 556	221 572	254 733	314 530	294 530	328 257	355 641	373 521
Households	–	11 752	12 917	–	–	–	–	–
<b>Payments for capital assets</b>	<b>166 529</b>	<b>140 114</b>	<b>207 112</b>	<b>317 895</b>	<b>227 895</b>	<b>444 034</b>	<b>445 491</b>	<b>481 567</b>
Buildings and other fixed structures	67 440	27 296	42 820	261 000	171 000	325 294	321 734	330 790
Machinery and equipment	99 089	102 955	129 974	56 895	56 895	118 740	123 757	150 777
Software and other intangible assets	–	9 863	34 318	–	–	–	–	–
<b>Total</b>	<b>2 163 769</b>	<b>2 393 085</b>	<b>2 687 711</b>	<b>3 042 149</b>	<b>3 022 149</b>	<b>3 856 363</b>	<b>4 088 038</b>	<b>4 665 358</b>

## Expenditure trends

Expenditure between 2003/04 and 2006/07 grew from R2,2 billion to R3 billion, an average annual increase of 12 per cent, mainly because of higher contributions to the AU and to the African Renaissance and International Co-operation Fund to extend peacekeeping and development initiatives.

South Africa maintains diplomatic relations with countries and organisations through its missions abroad. *Foreign Relations* accounts for approximately 60,7 per cent of the department's budget, and the bulk of this expenditure is in foreign currency. Exchange rate movements thus have a significant impact on the department's expenditure. In addition, the department increased its representation from 104 missions in 2003/04 to 118 missions in 2006/07 (including an additional 5 to be opened in the latter part of 2006/07), which also accounts for the growth in spending.

In response to the Cabinet decision to have representation in every African country by 2008, the number of missions will further increase over the MTEF period by at least three missions a year.

With the rapid expansion of South Africa's international obligations, there is a need to strengthen and develop capacity to deliver on this growing mandate, including in the Foreign Service Institute and ICT infrastructure.

In the 2007 Budget, the department receives additional allocations of R1,6 billion over the three years of the MTEF period. The budget increases from R3 billion to R4,7 billion between 2006/07 and 2009/10, at an

average annual rate of 15,3 per cent, mainly to accommodate increases in foreign representation, the continued hosting of the Pan-African Parliament, the unitary fee for a new head office campus, capital works at foreign missions and exchange rate adjustments.

### *Infrastructure spending*

Between 2003/04 and 2006/07, expenditure on foreign and domestic property management increased from R112,7 million to R275,8 million, an average annual increase of 34,8 per cent. In 2005/06 and 2006/07, construction projects in the following foreign missions were started: Maseru (Lesotho), Abuja (Nigeria), Addis Ababa (Ethiopia), Dar es Salaam (Tanzania), Kigali (Rwanda), Lilongwe (Malawi), Mbabane (Swaziland), and Gaborone (Botswana).

The budget for acquiring properties abroad increased significantly from 2005/06 as the department decided to start buying properties rather than leasing them. A feasibility study on the most viable option for securing suitable properties was done in the latter part of 2005/06, and finalised in 2006/07. The department will now focus on implementing the recommendations within the current MTEF budget allocation.

The budget for foreign and domestic property management will further increase over the medium term at an average annual rate of 20,5 per cent to R482,3 million in 2009/10 to accommodate the following:

- There has been progress in procuring the head office campus through a public-private partnership. Construction will start at the beginning of 2007/08, and the move to the new campus is expected to be in March 2009. The annual unitary fee, which will be paid in full to the private party from 2009/10, amounts to R161,5 million a year.
- Over the MTEF period, new property acquisitions (chanceries and official residents) in the following countries are planned: Bamako (Mali), Beijing (People's Republic of China), Nairobi (Kenya), Luanda (Angola), Geneva (Switzerland), Riyadh (Saudi Arabia), New Delhi (India), New York (United States), and Tokyo (Japan).
- Refurbishment projects planned for the MTEF period include the structural upgrading of buildings and lifts, electrical works and renovations in Harare, Washington, London, Paris, The Hague, Bern, Madrid and Kinshasa.

### **Peacekeeping operations in Africa**

The African agenda is the anchor of South Africa's foreign policy objectives. It seeks to achieve greater unity and solidarity among African countries to accelerate political and socio-economic integration and to promote peace, security and stability.

South Africa's role in Africa has expanded to support the mandate of the president, who has been called on to broker peace in conflict areas in Africa. South Africa is also key to making sure that Africa's developmental challenges are put on the agenda of international forums and that governments identify areas for co-operation on reconstruction and economic stability.

In 2000, the Department of Foreign Affairs set up the African Renaissance and International Co-operation Fund to promote economic co-operation between South Africa and other countries by granting loans or giving assistance for development projects. The aim was to enable the South African government to identify and fund co-operation initiatives between African countries to promote democracy, good governance and socio-economic development and integration; to prevent and resolve conflict; and to provide humanitarian and other assistance.

Specific programmes have been started in the DRC, Burundi and Sudan.

**Democratic Republic of Congo:** South Africa was very involved in the political transition in the DRC. Support for a democratic electoral process took place in two phases, namely the presidential election in July 2006 and the second round of presidential and provincial elections in October 2006. In May 2006, in terms of an agreement with the United Nations Development Programme (UNDP), South Africa committed to printing and delivering the election ballot papers for both rounds of elections. A South African observer mission was deployed, and South Africa's Independent Electoral Commission gave technical assistance in capacity building and training electoral officers, and shared its expertise in election management and printing and transporting ballot papers.

**Burundi:** Resources were set aside to support the president's special envoy to the Great Lakes Region as well as to facilitate the Burundi peace process. A ceasefire agreement between the Burundi government and the Palipehutu Force for National Liberation has been signed and implementation mechanisms are in place.

**Sudan:** Most of the work in Sudan has focused on supporting the implementation of the comprehensive peace agreement. South Africa facilitated the Sudan-Oslo donor conference and continued with implementing the Foreign Affairs-Sudan People's Liberation Movement/Army-University of South Africa capacity and institution building project. The project started in 2005 and is aimed at equipping the leadership of Southern Sudan to participate equitably and effectively in the government of national unity. This project will also help Southern Sudan to deliver basic social services.

The Department of Foreign Affairs is developing a comprehensive and co-ordinated strategy for South Africa's engagement with all its partners in Africa. South Africa will continue to participate in the UN and AU peace missions to contribute to security and stability in Africa.

Further post-conflict reconstruction and development programmes in several African countries are planned for the MTEF period, which will be co-ordinated primarily through the African Renaissance and International Co-operation Fund.

## Departmental receipts

Departmental receipts come from interest received from mission bank accounts, parking fees, value added tax (VAT) refunds from missions for previous financial years, foreign exchange gains, and the sale of capital items such as redundant furniture and fixtures. Over the MTEF period, revenue is expected to increase at an average annual rate of 5 per cent, due to VAT refunds related to a projected increase in the operations of missions, interest received from mission bank accounts and the sale of movable assets.

**Table 3.2 Departmental receipts**

R thousand	Audited outcome			Adjusted appropriation	Medium-term receipts estimate		
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
<b>Departmental receipts</b>	<b>49 737</b>	<b>37 376</b>	<b>42 164</b>	<b>36 089</b>	<b>38 290</b>	<b>40 045</b>	<b>41 837</b>
Sales of goods and services produced by department	7 297	–	475	590	645	709	780
Transfers received	183	416	–	–	–	–	–
Interest, dividends and rent on land	1 376	3 066	2 080	4 823	5 064	5 343	5 664
Sales of capital assets	701	843	1 487	1 637	1 800	1 981	2 100
Financial transactions in assets and liabilities	40 180	33 051	38 122	29 039	30 781	32 012	33 293
<b>Total</b>	<b>49 737</b>	<b>37 376</b>	<b>42 164</b>	<b>36 089</b>	<b>38 290</b>	<b>40 045</b>	<b>41 837</b>

## Programme 1: Administration

*Administration* conducts the overall policy development and management of the department. The programme also provides consular and agency services in Pretoria and abroad, and purchases vehicles for the department. Providing and maintaining secure, economical and representative housing and office accommodation for all staff members abroad (including partner departments) is also a function of this programme.

## Expenditure estimates

**Table 3.3 Administration**

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
R thousand							
Minister <sup>1</sup>	809	791	843	885	938	985	1 034
Deputy Ministers <sup>2</sup>	958	1 296	1 348	1 374	1 456	1 528	1 604
Management	24 961	27 457	50 525	56 476	63 728	66 914	130 930
Corporate Services	237 600	366 090	362 015	336 108	364 602	381 005	403 865
Government Motor Transport	572	2 685	429	900	945	997	1 057
Foreign and Domestic Properties Management	112 691	71 808	90 193	275 808	378 655	391 963	482 322
<b>Total</b>	<b>377 591</b>	<b>470 127</b>	<b>505 353</b>	<b>671 551</b>	<b>810 324</b>	<b>843 392</b>	<b>1 020 812</b>
Change to 2006 Budget estimate				(2 172)	(28 549)	6 539	

1. Payable as from 1 April 2006. Salary: R707 956. Car allowance: R176 988.

2. Payable as from 1 April 2006. Salary: R549 264. Car allowance: R137 315. (two deputy ministers)

Table 3.3 Administration (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
<b>Economic classification</b>							
<b>Current payments</b>	<b>296 317</b>	<b>405 554</b>	<b>407 931</b>	<b>394 345</b>	<b>430 682</b>	<b>464 321</b>	<b>629 245</b>
Compensation of employees	108 714	113 358	150 320	172 979	184 103	194 228	205 856
Goods and services	185 561	291 831	257 611	221 366	246 579	270 093	423 389
<i>of which:</i>							
<i>Communication</i>	15 932	31 435	23 665	20 695	22 980	25 700	27 242
<i>Computer services</i>	8 015	42 981	7 865	14 585	15 460	16 388	17 371
<i>Consultants, contractors and special services</i>	–	13 282	7 529	18 966	20 104	21 310	22 589
<i>Inventory</i>	3 472	7 003	8 575	6 723	7 126	7 554	8 007
<i>Maintenance, repairs and running costs</i>	–	18 652	50 253	35 000	37 100	39 220	41 573
<i>Operating leases</i>	35 089	47 936	56 335	51 760	61 361	75 169	160 478
<i>Travel and subsistence</i>	37 215	21 020	27 378	13 398	14 202	15 054	15 957
<i>Public transport</i>	20 569	35 232	34 994	43 592	46 208	48 980	51 919
<i>Venues and facilities</i>	–	3 578	854	1 407	1 491	1 580	1 675
<i>Attendance fees</i>	–	6 160	11 464	6 791	7 198	7 630	8 088
<i>Entertainment</i>	–	1 457	1 070	1 539	1 631	1 729	1 833
<i>Other</i>	65 269	63 095	27 629	6 910	11 718	9 779	66 657
Financial transactions in assets and liabilities	2 042	365	–	–	–	–	–
<b>Transfers and subsidies</b>	<b>67</b>	<b>5 185</b>	<b>6 891</b>	<b>251</b>	<b>–</b>	<b>–</b>	<b>–</b>
Provinces and municipalities	67	410	460	251	–	–	–
Public corporations and private enterprises	–	4 253	5 429	–	–	–	–
Households	–	522	1 002	–	–	–	–
<b>Payments for capital assets</b>	<b>81 207</b>	<b>59 388</b>	<b>90 531</b>	<b>276 955</b>	<b>379 642</b>	<b>379 071</b>	<b>391 567</b>
Buildings and other fixed structures	67 440	27 296	42 820	261 000	325 294	321 734	330 790
Machinery and equipment	13 767	22 229	13 434	15 955	54 348	57 337	60 777
Software and other intangible assets	–	9 863	34 277	–	–	–	–
<b>Total</b>	<b>377 591</b>	<b>470 127</b>	<b>505 353</b>	<b>671 551</b>	<b>810 324</b>	<b>843 392</b>	<b>1 020 812</b>

### Expenditure trends

The programme provides support services throughout the department through its corporate services and human capital management branches, including ICT and financial services, foreign and domestic property management and human resource management. The Foreign Service Institute, responsible for training diplomats to be posted to foreign offices, is also part of this programme.

Expenditure over the seven-year period grows consistently, from R377,6 million in 2003/04 to R1 billion in 2009/10, with the most significant growth in the *Management* and *Foreign and Domestic Property Management* subprogrammes.

The increases between 2003/04 and 2006/07 are due mainly to revamping the department's ICT infrastructure, which started in 2004/05 and will end in 2006/07. Another factor is the increase in the foreign properties budget for buying properties abroad.

With the devolution of property management budgets from the Department of Public Works, the increased spending on the acquisition of properties abroad, as well as the provision for the new head office campus, the programme will see an average annual increase of 15 per cent over the MTEF period. The budget for the acquisition of properties abroad increases by 20,5 per cent increase over the MTEF period, and the unitary fee for the head office campus is R161,5 million, which will be paid in full from 2009/10.

## Recent outputs

The department continued with several capital projects such as the design, development and procurement phase of the chancery projects in Addis Ababa, Abuja and Maseru. Land was procured in Kigali and Dar es Salaam.

The head office campus project started in 2004 and has progressed to the level of appointing the best and final offer (BAFO). The BAFO process will be finalised in 2006/07 and it is anticipated that the concession agreement will be negotiated and signed during the latter part of 2006/07.

The department acquired an asset management system that enabled the production of a credible asset register for head office.

Considerable effort has gone into addressing the department's capacity needs: a skills audit was completed; a leadership development programme for management was developed; and in 2005/06, a learnership programme was introduced. Learners who graduated from the programme in May 2006 were mostly absorbed into the department. Further, a cadet programme was introduced in 2006/07, which began with identifying young, talented and unemployed graduates who will undergo comprehensive training in international relations and diplomacy. The department is working with UNISA to shape and develop the curriculum.

## Programme 2: Foreign Relations

*Foreign Relations* promotes relations with foreign countries and facilitates the department's participation in international organisations and institutions, in line with South Africa's national values and foreign policy objectives. While all the objectives apply to all regions, the emphasis may differ, depending on the current circumstances or anticipated developments in a particular region.

## Expenditure estimates

**Table 3.4 Foreign Relations**

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
R thousand							
Bilateral Relations Management							
Africa	109 857	98 407	195 440	152 851	216 224	177 665	183 106
Asia and Australasia	8 951	40 273	25 692	27 234	52 912	36 211	38 384
Americas and Europe	37 899	31 163	37 671	39 931	42 824	44 655	47 334
Multilateral	30 274	31 904	45 949	49 017	52 814	54 816	58 105
Diplomatic Representation							
Africa	373 188	347 626	392 711	481 864	576 370	629 106	695 424
Asia and Australasia	175 771	283 122	331 165	349 695	405 174	446 832	494 653
Americas and Europe	567 739	604 743	621 201	606 635	846 794	890 293	1 030 823
Multilateral	88 299	73 302	68 616	82 813	95 351	110 183	116 760
<b>Total</b>	<b>1 391 978</b>	<b>1 510 540</b>	<b>1 718 445</b>	<b>1 790 039</b>	<b>2 288 463</b>	<b>2 389 761</b>	<b>2 664 589</b>
Change to 2006 Budget estimate				6 194	386 766	345 131	



Table 3.4 Foreign Relations (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
<b>Economic classification</b>							
<b>Current payments</b>	<b>1 306 912</b>	<b>1 415 882</b>	<b>1 590 018</b>	<b>1 750 014</b>	<b>2 225 591</b>	<b>2 324 946</b>	<b>2 574 589</b>
Compensation of employees	814 717	861 735	885 633	947 881	1 234 487	1 306 211	1 381 521
Goods and services	492 195	554 147	683 538	802 133	991 104	1 018 735	1 193 068
<i>of which:</i>							
<i>Communication</i>	31 583	33 892	34 089	35 925	39 500	42 682	45 755
<i>Computer services</i>	4 600	3 360	3 506	12 150	13 500	14 850	17 820
<i>Consultants, contractors and special services</i>	9 387	1 831	1 785	3 532	18 600	20 460	24 552
<i>Inventory</i>	–	22 559	23 914	24 433	25 899	27 453	29 100
<i>Maintenance, repairs and running costs</i>	15 760	64 087	51 583	44 000	46 640	53 388	64 066
<i>Operating leases</i>	179 714	180 074	339 690	318 812	321 229	330 070	353 835
<i>Travel and subsistence</i>	90 716	67 986	49 201	89 258	134 387	146 481	175 777
<i>Public transport</i>	98 493	47 497	79 210	62 130	65 858	69 809	73 998
<i>Venues and facilities</i>	–	20 139	14 703	15 085	15 990	16 949	17 966
<i>Attendance fees</i>	–	10 051	7 992	8 472	8 990	9 529	10 101
<i>Entertainment</i>	–	38 604	32 945	34 922	37 017	39 238	41 592
<i>Other</i>	61 942	64 067	44 920	153 414	263 494	247 826	338 506
Financial transactions in assets and liabilities	–	–	20 847	–	–	–	–
<b>Transfers and subsidies</b>	<b>221</b>	<b>17 516</b>	<b>13 098</b>	<b>1 264</b>	<b>–</b>	<b>–</b>	<b>–</b>
Provinces and municipalities	221	4 000	490	1 264	–	–	–
Public corporations and private enterprises	–	4 076	3 873	–	–	–	–
Households	–	9 440	8 735	–	–	–	–
<b>Payments for capital assets</b>	<b>84 845</b>	<b>77 142</b>	<b>115 329</b>	<b>38 761</b>	<b>62 872</b>	<b>64 815</b>	<b>90 000</b>
Machinery and equipment	84 845	77 142	115 288	38 761	62 872	64 815	90 000
Software and other intangible assets	–	–	41	–	–	–	–
<b>Total</b>	<b>1 391 978</b>	<b>1 510 540</b>	<b>1 718 445</b>	<b>1 790 039</b>	<b>2 288 463</b>	<b>2 389 761</b>	<b>2 664 589</b>

## Expenditure trends

Expenditure between 2003/04 and 2006/07 grew at a fairly modest average annual rate of 8,7 per cent.

In 2005/06 the Africa budget increased considerably, mainly due to: an additional R38,6 million for the Côte d'Ivoire peace process; R61,7 million for hosting the Pan-African Parliament; and R18 million for opening new missions in Africa. In previous years, bilateral relations with Asia and the Middle East received a smaller budget allocation as more emphasis was placed on Africa. In 2004/05, a budget of R18 million was allocated for the Asia-Africa Sub-regional Organisations conference, capacity building and other operational resources. The year after this once-off allocation, expenditure decreased.

Between 2003/04 and 2006/07, foreign representation increased from 104 missions abroad to 118, which also accounts for the increase in expenditure during this period.

Over the medium term, the programme budget is set to grow from R1,8 billion in 2006/07 to R2,7 billion in 2009/10, with the most significant growth in 2007/08 (27,8 per cent).

The increase in 2007/08 is largely due to exchange rate fluctuations. It is anticipated that the rand will be weaker against the major foreign currencies than in 2006/07. Once-off projects that also contribute to the increase in 2007/08 include the New Asia-Africa Strategic Partnership conference, the African Diaspora conference and funding for the continent wide design competition for the new Pan-African Parliament building. By the end of 2009/10, the department expects to have opened missions in every country in Africa at a rate of at least three missions per year, totalling 53 missions.

## Service delivery objectives and indicators

### Recent outputs

South Africa continues to support the operation of the Pan-African Parliament. The inter-ministerial committee has identified a suitable building site for the permanent parliament building and approved the jury that will adjudicate the continent wide design competition.

In support of the work of the AU Peace and Security Council, South Africa was instrumental in developing the AU strategy for post-conflict and reconstruction and development in Africa. South Africa was appointed as the AU mediator in some conflicts, including Burundi and Côte d'Ivoire. South Africa has participated in UN and AU peace missions: the African mission in Sudan; and the UN missions in Burundi, the Comoros, Ethiopia and Eritrea. South Africa supported the electoral processes in Burundi and the DRC.

After intensive consultations with all stakeholders, guidelines for developing a national strategy for NEPAD have been developed, to be followed by a draft national implementation strategy for South Africa for consideration by the international relations, peace and security cluster.

South Africa was active in driving the SADC integration agenda and hosted an extraordinary SADC summit on regional economic integration, which set out a timetable for full integration.

South Africa's review as part of the NEPAD African Peer Review Mechanism is almost complete, and the final report will be tabled at the 7<sup>th</sup> African Peer Review Forum in July 2007.

In strengthening political and economic relations with bilateral partners in the North and South, the Department of Foreign Affairs facilitated a number of incoming visits (from China and India) and outgoing visits (to Italy, Mozambique and Namibia). The department also involved in numerous structured bilateral engagements for strengthening economic and political relations. Bilateral agreements were signed with 34 countries.

In August 2006, South Africa was elected to serve on the UN Security Council for 2007 and 2008.

In 2006/07, new missions were opened in Ouagadougou (Burkina Faso), Cotonou (Benin), Bucharest (Republic of Romania) and Trinidad and Tobago (Republic of Port of Spain).

### Medium-term output targets

#### Foreign Relations

**Measurable objective:** Promote South Africa's foreign policy internationally and within multilateral institutions, through diplomatic interventions to strengthen foreign relations.

Subprogramme	Output	Measure/Indicator	Target
Bilateral Relations Management	An operational African Union and its structures	Participate in finalising specialised technical committees Initiate merger of Court of Justice and Human Rights and People	March 2008 June 2007
	Capacity to implement NEPAD programmes	Initiate establishment of AU financial institutions: African Monetary Fund, African Bank, African Investment Fund Number of specialists seconded to NEPAD structures in 2007/08	June 2007 2 high level specialists
	Operational SADC and its structures	Finalise implementation of restructuring process	March 2008
	Post-conflict reconstruction support to African countries	Involvement in identified projects: DRC, Burundi, Sudan	March 2008
	Support to the Pan-African Parliament	Adjudicate continental design competition for parliament building	2007/08
	Participation in selected UN and AU peace-keeping operations	South Africa's involvement as per request by UN and AU	As per schedule of AU and UN
Strengthened relations with the African Diaspora, Asia and the Caribbean community	Strengthened relations with the African Diaspora, Asia and the Caribbean community	Host African Diaspora conference and New Asia-Africa Strategic Partnership	August and October 2007
	Strengthened bilateral relations	Joint bilateral commissions and agreements concluded	As per schedules with respective countries
	Occupy the non-permanent seat in the UN Security Council	Full participation to advance interests of South Africa and Africa	2007/08
Diplomatic Representation	Increased foreign representation	Number of new missions opened in Africa, Asia and Middle East, and America	3 in Africa, 2 in Asia and Middle East, and 1 in America

## Programme 3: Public Diplomacy and Protocol

*Public Diplomacy and Protocol* markets South Africa's foreign policy objectives, projects a positive image of South Africa and Africa, and provides state protocol services.

There are two subprogrammes:

- *Public Diplomacy* liaises with the media, engages with national stakeholders, and promotes South Africa's policies and programmes locally and internationally.
- *Protocol* deals with protocol administration, protocol ceremonial services, state visits, diplomatic liaison, and intergovernmental or provincial protocol services; organises international conferences; and manages guesthouses. The subprogramme also provides for activities related to the presidential inauguration.

## Expenditure estimates

Table 3.5 Public Diplomacy and Protocol

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
R thousand							
Public Diplomacy	17 614	36 180	21 700	26 500	32 873	34 517	36 588
Protocol	61 030	104 666	87 480	89 529	96 446	98 802	166 330
<b>Total</b>	<b>78 644</b>	<b>140 846</b>	<b>109 180</b>	<b>116 029</b>	<b>129 319</b>	<b>133 319</b>	<b>202 918</b>
Change to 2006 Budget estimate				4 978	13 233	11 178	

### Economic classification

	70 638	124 199	92 043	102 227	115 903	119 159	189 609
<b>Current payments</b>							
Compensation of employees	29 923	36 653	36 418	60 009	60 369	63 689	66 874
Goods and services	40 715	87 546	55 625	42 218	55 534	55 470	122 735
<i>of which:</i>							
Communication	1 433	2 495	1 879	2 066	2 246	2 442	2 589
Computer services	1 340	257	143	200	250	265	281
Consultants, contractors and special services	–	–	1 494	1 583	1 678	1 779	1 886
Inventory	2 693	10 691	3 970	4 208	4 300	4 580	4 855
Maintenance, repairs and running costs	–	98	49	200	212	225	239
Operating leases	–	3 661	5 091	1 904	2 094	2 220	2 353
Travel and subsistence	7 729	45 788	26 188	20 738	27 759	28 000	29 680
Public transport	9 616	7 679	10 223	8 838	10 836	11 486	12 175
Venues and facilities	–	6 575	470	490	519	550	583
Attendance fees	–	6 261	335	355	376	398	422
Entertainment	–	779	991	1 050	1 113	1 180	1 251
Other	17 904	3 262	4 792	586	4 151	2 345	66 421
<b>Transfers and subsidies</b>	<b>7 529</b>	<b>13 063</b>	<b>15 885</b>	<b>11 623</b>	<b>11 896</b>	<b>12 556</b>	<b>13 309</b>
Provinces and municipalities	7 529	11 273	12 700	11 623	11 896	12 556	13 309
Public corporations and private enterprises	–	–	5	–	–	–	–
Households	–	1 790	3 180	–	–	–	–
<b>Payments for capital assets</b>	<b>477</b>	<b>3 584</b>	<b>1 252</b>	<b>2 179</b>	<b>1 520</b>	<b>1 604</b>	<b>–</b>
Machinery and equipment	477	3 584	1 252	2 179	1 520	1 604	–
<b>Total</b>	<b>78 644</b>	<b>140 846</b>	<b>109 180</b>	<b>116 029</b>	<b>129 319</b>	<b>133 319</b>	<b>202 918</b>

## Expenditure trends

The department has expanded its activities in the traditional area of diplomacy. The role of *Protocol* has increased significantly with incoming and outgoing state visits, hosting international conferences and a further role for South Africa in the international arena.

In 2005/06, rollovers of R14,2 million were allocated for the Progressive Governance Summit, which South Africa hosted.

Expenditure will increase over the MTEF period at an average annual rate of 20,5 per cent, due to additional allocations for protocol services and the presidential inauguration in 2009/10. The department is also busy revamping the state protocol lounges at the Cape Town and OR Tambo airports.

## Service delivery objectives and indicators

### Recent outputs

In 2005/06, the department facilitated a total of 369 outgoing and incoming visits by heads of state and/or governments. The highlights were the state visits to Chile, Gabon, Congo, Uganda, Greece and Italy. South Africa also hosted high profile state visits from the presidents of Botswana and India, and an official visit from the UN secretary-general.

The department co-ordinated protocol and logistics for major conferences and events, such as the India-Brazil-South Africa trilateral ministerial meeting in September 2006, the Non-Aligned Movement countries and the Asia-Africa Sub-regional Organisations conference in September 2004, the Heads of Mission conference and the Progressive Governance Summit in February 2005, the Pan-African Parliament opening in September 2004, and the Caribbean Diaspora conference in Jamaica in October 2004.

At the end of 2005/06, the diplomatic community in South Africa consisted of approximately 8 500 members at 279 foreign missions. In the same year, two bilateral missions were opened: the Embassy of the Republic of Mauritania and the Embassy of the Republic of Suriname. The multilateral organisation, Food Agriculture Natural Resources Policy Analysis Network, opened an office in South Africa in 2006.

The department worked closely with the Government Communication and Information System on communicating a number of public diplomacy events, including the SADC election observers in the DRC, the fourth session of the Pan-African Parliament, and the Progressive Governance Summit.

### Medium-term output targets

#### Public Diplomacy and Protocol

**Measurable objective:** Project a positive image of the ministry, the department and South Africa through communicating the department's programmes and providing protocol services.

Subprogramme	Output	Measure/Indicator	Target
Public Diplomacy	South Africa marketed internationally	Marketing strategy communicated to all missions abroad Media and photographic products and audiovisual aids at all events of missions abroad Marketing strategy implemented at trade fairs, exhibitions and international events	March 2008 March 2008 March 2008
	Improved understanding in South Africa of progress /outcomes of major global agreements/treaties/protocols	Frequency of distribution of user friendly publication in South Africa	Bi-monthly publication
	Logistical, media and communication support to the ministry abroad and domestically	Frequency of production of internal communication materials	Monthly publication
		Frequency of updates to missions abroad and head office Effective and timely international and local media briefings, press conferences, speech presentations and distribution, photo opportunities and interviews	Daily updates As per minister's schedule of visits, media briefings, press conferences, as well as per demand
Protocol	Well managed and co-ordinated incoming and outgoing state and official visits	Number of visits co-ordinated Satisfaction rating (percentage)	Per schedule of visits 80-90% satisfaction
	Well co-ordinated international visits of provinces and local governments	Logistical and ceremonial support provided	Per schedule of events
	Accreditation of foreign representation in South Africa	Number of newly accredited foreign representations in South Africa	Per accreditation requests by foreign missions
	Logistical services for all international conferences hosted by South Africa	Logistical support to conferences provided on time and in line with international standards	Per schedule of conferences
		Number of conferences hosted and organised Satisfaction rating (percentage)	Per schedule of conferences 80-90% satisfaction

## Programme 4: International Transfers

The *International Transfers* programme provides for the payment of fees and contributions to various international organisations, through its single subprogramme *International Organisations*.

### Expenditure estimates

**Table 3.6 International Transfers**

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
R thousand							
International Organisations	315 556	271 572	354 733	464 530	628 257	721 566	777 039
<b>Total</b>	<b>315 556</b>	<b>271 572</b>	<b>354 733</b>	<b>464 530</b>	<b>628 257</b>	<b>721 566</b>	<b>777 039</b>
Change to 2006 Budget estimate				(9 000)	75 550	79 652	
<b>Economic classification</b>							
<b>Transfers and subsidies</b>	<b>315 556</b>	<b>271 572</b>	<b>354 733</b>	<b>464 530</b>	<b>628 257</b>	<b>721 566</b>	<b>777 039</b>
Departmental agencies and accounts	50 000	50 000	100 000	150 000	300 000	365 925	403 518
Foreign governments and international organisations	265 556	221 572	254 733	314 530	328 257	355 641	373 521
<b>Total</b>	<b>315 556</b>	<b>271 572</b>	<b>354 733</b>	<b>464 530</b>	<b>628 257</b>	<b>721 566</b>	<b>777 039</b>
<b>Details of transfers and subsidies:</b>							
<b>Departmental agencies and accounts</b>							
<b>Public entities</b>							
<b>Current</b>	<b>50 000</b>	<b>50 000</b>	<b>100 000</b>	<b>150 000</b>	<b>300 000</b>	<b>365 925</b>	<b>403 518</b>
African Renaissance Fund	50 000	50 000	100 000	150 000	300 000	365 925	403 518
<b>Foreign governments and international organisations</b>							
<b>Current</b>	<b>265 556</b>	<b>221 572</b>	<b>254 733</b>	<b>314 530</b>	<b>328 257</b>	<b>355 641</b>	<b>373 521</b>
United Nations Convention on the Law of Sea	–	–	–	500	500	500	536
World Food Programme	100 000	–	–	–	–	–	–
United Nations Voluntary Fund for Disability	–	–	–	66	66	86	92
United Nations Children's Fund	210	–	3 415	200	200	200	214
United Nations Development Programme	717	950	732	950	998	1 093	1 172
United Nations Economic Community	–	–	–	200	200	200	214
Organisation for Economic Co-operation and Development	–	–	–	205	205	205	220
Southern African Development Community: Membership fees	17 847	25 764	19 791	12 665	27 250	28 900	30 981
India Brazil South Africa Trust Fund	–	–	6 008	7 000	7 000	7 564	8 109
African Union	58 140	31 374	104 993	149 070	147 048	158 156	165 223
New Partnership for Africa's Development	24 497	70 500	30 000	30 000	30 000	34 219	36 683
Commonwealth: Membership fees	5 367	5 078	6 335	7 000	7 350	8 048	8 627
United Nations: Membership fees	49 157	44 107	54 643	79 934	79 000	86 980	89 300
Other international organisations	381	253	420	1 029	979	979	1 586
Indian Ocean Rim Research Centre	49	86	–	120	126	138	148
Humanitarian aid	2 038	34 707	18 167	13 000	15 326	15 500	16 616
Group of 77 countries	33	–	10	100	100	100	107
Bacterial and Toxic Weapons Convention	–	–	–	414	435	476	510
African, Caribbean and Pacific: Membership fee	2 086	1 838	1 916	2 200	2 310	2 529	2 711
Bureau of International Exposition: Membership fees	28	–	24	25	26	28	30
Comprehensive Test Ban Treaty	2 306	2 396	3 854	4 986	5 235	5 732	6 145
South Centre	1 008	1 007	1	1 000	1 050	1 150	1 233
Perrez-Guerrero Trust Fund	–	49	50	50	53	58	62
United Nations: Human rights	–	96	617	300	300	300	322
United Nations: Technical co-operation	100	–	105	100	100	100	107
United Nations Development Programme: Local office costs	1 592	3 367	3 652	2 400	2 400	2 400	2 573
Gambian government	–	–	–	1 016	–	–	–
<b>Total</b>	<b>315 556</b>	<b>271 572</b>	<b>354 733</b>	<b>464 530</b>	<b>628 257</b>	<b>721 566</b>	<b>777 039</b>

## **Expenditure trends**

Expenditure between 2003/04 and 2006/07 grew at an average annual rate of 13,8 per cent, and will grow at an average annual rate of 18,7 per cent over the MTEF period. Expenditure in 2003/04 budget included transfers to the World Food Programme. In 2004/05 no contribution was made, explaining the decrease in the programme's expenditure.

The most significant growth occurs between 2005/06 (from R354,7 million) and 2007/08 (to R628,3 million), an average annual increase of 33 per cent, due to the increased contribution to the AU from R105 million in 2005/06 to R147 million in 2007/08, and more funding for the African Renaissance and International Co-operation Fund, which increased from R100 million in 2005/06 to R300 million in 2007/08.

Over the MTEF period, South Africa's contribution to the AU will increase from 8,3 per cent to 15 per cent of the AU's budget. Additional allocations of R275 million over the three years will augment the African Renaissance and International Co-operation Fund due to an increase in development initiatives supported by the fund.

## **Public entities and other agencies**

### **African Renaissance and International Co-operation Fund**

The African Renaissance and International Co-operation Fund was established in terms of section 2(1) of the African Renaissance and International Co-operation Fund Act (2000). The fund's purpose is to promote economic co-operation between South Africa and other countries, especially in Africa, by giving financial assistance to development projects.

The fund enables the South African government to identify and fund projects aimed at the following strategic areas:

#### *Promotion of democracy, good governance and human resource development*

Between 2005/06 and 2006/07, a significant portion of funds has been dedicated to post-conflict reconstruction support and pre-election public administration support (R40,9 million) and the funding for the first and second round of elections in the DRC (R278 million). The Burundi project (R10 million) extended support to the entire peace process and focused on capacity building, institutional transformation, management training, human resource development and agricultural development. South Africa was also an observer in the Zimbabwe parliamentary elections.

In 2005/06, assistance to the national transitional government of Liberia (R25,8 million) for the disarmament process and elections was a major project.

Institution and capacity building for Sudan People's Liberation Movement/Army was crucial. A training project to provide skills to the Southern Sudan leadership was undertaken in the areas of governance, financial management, public administration, diplomacy and international relations, as well as telecommunications and information systems.

#### *Prevention and resolution of conflict*

In 2006/07, funds were committed to peacekeeping efforts in Southern Sudan, Sudan, Northern Mali, Cote d'Ivoire, Guinea Bissau, Burundi and Mauritania.

#### *Socio-economic development and integration*

In 2003/04, a partnership project was developed between Nigeria, Libya and South Africa to restore destroyed infrastructure in Sierra Leone (R30 million).

A hydrological project in Lesotho was funded, which enabled the Department of Water Affairs to: survey, map and take inventory of all water resources in Lesotho; develop a surface resource database; and provide data for the Lesotho government, NGOs and individuals involved in water resource development projects.

*Humanitarian assistance*

In 2005/06, humanitarian assistance was provided to Western Sahara (R10 million). South Africa identified projects which will contribute to the wellbeing of the Sahrawi people, particularly women and children, in terms of their food and nutrition, health, water and sanitation needs.

*Co-operation between South Africa and other countries, in particular African countries*

A high level commission on the war on terrorism in Africa was established through the Africa Institute of South Africa. The objective of the commission was to: propose an African perspective on terrorism and the war on terror; propose possible policy responses; reflect on African anti-terrorism efforts; generate public debate on the issue; and explore how African states can contribute to international anti-terrorism efforts.

The main source of funding for the African Renaissance and International Co-operation Fund is a transfer payment from the Department of Foreign Affairs. From 2003/04 to 2006/07, this transfer increased from R50 million to R150 million to accommodate increased support to African countries for peace and stability. Over the MTEF period, the fund will receive increased transfers (R300 million, R365,9 million and R403,5 million) to expand programmes aimed at conflict resolution, post-conflict reconstruction and other development projects in Africa.

## Additional tables

Table 3.A Summary of expenditure trends and estimates per programme and economic classification

Programme	Appropriation		Audited outcome	Appropriation			Revised estimate
	Main	Adjusted		Main	Additional	Adjusted	
R thousand	2005/06		2005/06	2006/07			2006/07
1. Administration	508 913	540 574	505 353	682 723	(11 172)	671 551	581 551
2. Foreign Relations	1 699 874	1 734 334	1 718 445	1 783 845	6 194	1 790 039	1 880 039
3. Public Diplomacy and Protocol	90 118	112 480	109 180	111 051	4 978	116 029	116 029
4. International Transfers	339 530	349 742	354 733	464 530	–	464 530	444 530
<b>Total</b>	<b>2 638 435</b>	<b>2 737 130</b>	<b>2 687 711</b>	<b>3 042 149</b>	<b>–</b>	<b>3 042 149</b>	<b>3 022 149</b>
<b>Economic classification</b>							
<b>Current payments</b>	<b>2 066 598</b>	<b>2 126 345</b>	<b>2 089 992</b>	<b>2 167 818</b>	<b>78 768</b>	<b>2 246 586</b>	<b>2 336 586</b>
Compensation of employees	1 399 758	1 089 993	1 072 371	1 390 094	(209 225)	1 180 869	1 180 869
Goods and services	666 840	1 036 352	996 774	777 724	287 993	1 065 717	1 155 717
Financial transactions in assets and liabilities	–	–	20 847	–	–	–	–
<b>Transfers and subsidies</b>	<b>339 927</b>	<b>390 131</b>	<b>390 607</b>	<b>476 579</b>	<b>1 089</b>	<b>477 668</b>	<b>457 668</b>
Provinces and municipalities	397	13 659	13 650	12 049	1 089	13 138	13 138
Departmental agencies and accounts	–	100 000	100 000	–	150 000	150 000	150 000
Public corporations and private enterprises	–	9 829	9 307	–	–	–	–
Foreign governments and international organisations	339 530	254 187	254 733	464 530	(150 000)	314 530	294 530
Households	–	12 456	12 917	–	–	–	–
<b>Payments for capital assets</b>	<b>231 910</b>	<b>220 654</b>	<b>207 112</b>	<b>397 752</b>	<b>(79 857)</b>	<b>317 895</b>	<b>227 895</b>
Buildings and other fixed structures	112 232	44 000	42 820	261 000	–	261 000	171 000
Machinery and equipment	119 678	142 336	129 974	136 752	(79 857)	56 895	56 895
Software and intangible assets	–	34 318	34 318	–	–	–	–
<b>Total</b>	<b>2 638 435</b>	<b>2 737 130</b>	<b>2 687 711</b>	<b>3 042 149</b>	<b>–</b>	<b>3 042 149</b>	<b>3 022 149</b>

Table 3.B Summary of personnel numbers and compensation of employees

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates		
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
<b>A. Permanent and full-time contract employees</b>							
Compensation (R thousand)	953 354	1 011 746	1 072 371	1 180 869	1 478 959	1 564 128	1 654 251
Unit cost (R thousand)	261	261	273	290	346	348	368
Personnel numbers (head count)	3 655	3 875	3 930	4 076	4 280	4 493	4 493
<b>Total for department</b>							
<b>Compensation (R thousand)</b>	<b>953 354</b>	<b>1 011 746</b>	<b>1 072 371</b>	<b>1 180 869</b>	<b>1 478 959</b>	<b>1 564 128</b>	<b>1 654 251</b>
<b>Unit cost (R thousand)</b>	<b>261</b>	<b>261</b>	<b>273</b>	<b>290</b>	<b>346</b>	<b>348</b>	<b>368</b>
<b>Personnel numbers (head count)</b>	<b>3 655</b>	<b>3 875</b>	<b>3 930</b>	<b>4 076</b>	<b>4 280</b>	<b>4 493</b>	<b>4 493</b>
<b>D. Learnerships</b>							
Payments for learnerships (R thousand) (G&S)	–	–	4 000	4 000	4 000	4 000	4 000
Number of learnerships (head count)	–	–	39	79	42	42	42



Table 3.C Summary of expenditure on training

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates		
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
<b>Training and staff development</b>							
Expenditure (R thousand)	1 716	2 937	20 034	17 874	12 784	14 544	15 415
Number of employees trained (head count)	656	1 095	1 165	928	2 140	2 696	2 696
<b>Bursaries (employees)</b>							
Expenditure per programme (R thousand)	625	449	894	381	500	520	551
Number of employees (head count)	116	95	76	81	86	91	91
<b>Total</b>	<b>2 341</b>	<b>3 386</b>	<b>20 928</b>	<b>18 255</b>	<b>13 284</b>	<b>15 064</b>	<b>15 966</b>
<b>Number of employees</b>	<b>772</b>	<b>1 190</b>	<b>1 241</b>	<b>1 009</b>	<b>2 226</b>	<b>2 787</b>	<b>2 787</b>

Table 3.D Summary of expenditure on infrastructure

Description	Service delivery outputs			Adjusted appropriation	Medium-term expenditure estimate		
	Audited outcome			2006/07	2007/08	2008/09	2009/10
R thousand	2003/04	2004/05	2005/06				
<b>Other large infrastructure projects (Over R20 million)</b>							
Maseru: Design and construction of chancery and staff housing and purchase of housing	–	–	14 594	22 566	41 871	–	–
Abuja: Design and construction of chancery and official residence	–	–	–	2 684	60 086	21 952	–
Addis Ababa: Design and construction of chancery and 3 residences	–	–	20 000	26 504	54 617	–	–
Dar Es Salaam: Design and acquisition phase of project	–	–	–	100	8 000	20 000	–
Kigali: Design and acquisition phase of project	–	–	–	100	6 000	18 000	–
Lilongwe: Design and acquisition phase of project	–	–	–	100	6 000	17 000	–
Mbabane: Design and construction of chancery and staff housing	–	–	–	200	5 000	27 000	25 000
Gaborone: Construction of official residence	–	–	–	24 000	2 500	4 500	–
Bamako: Design and construction of chancery official and staff res.	–	–	–	–	31 720	19 500	25 000
Beijing: Acquisition of chancery	–	–	–	–	–	73 000	35 000
Nairobi: Acquisition of chancery and official residences	–	–	–	–	–	28 000	–
Luanda: Construction of chancery	–	–	–	–	–	–	25 000
Geneva: Acquisition of chancery	–	–	–	–	–	–	120 000
Riyadh: Design and construction of chancery and official residence	–	–	–	–	–	–	12 294
New Delhi: Acquisition of land	–	–	–	–	–	–	35 000
Kinshasa and Berlin: Design and construction of chancery official and staff res.	67 440	27 296	–	–	–	–	–
<b>Groups of small projects or programmes</b>							
Tokyo and New York: Feasibility studies and PPP projects commencement	–	–	–	–	20 000	15 000	–
<b>Maintenance on infrastructure (capital)</b>							
Various missions: Refurbishment and maintenance	–	–	8 226	184 746	89 500	77 782	53 496
<b>Total</b>	<b>67 440</b>	<b>27 296</b>	<b>42 820</b>	<b>261 000</b>	<b>325 294</b>	<b>321 734</b>	<b>330 790</b>

**Table 3.E Summary of departmental public-private partnership projects**

R thousand	Project unitary fee at time of contract	Budgeted	Medium-term expenditure estimate		
		expenditure 2006/07	2007/08	2008/09	2009/10
PPP unitary charge	161 500	–	–	13 458	161 500
Advisory fees	–	3 000	1 500	1 500	–
Project monitoring cost	–	568	1 530	1 606	1 687
<b>Total</b>	<b>161 500</b>	<b>3 568</b>	<b>3 030</b>	<b>16 564</b>	<b>163 187</b>

**Disclosure notes for projects signed in terms of Treasury Regulation 16**

Project name	Acquisition of suitable and sustainable office accommodation for Department of Foreign Affairs
Brief description	Office campus for Department of Foreign Affairs staff in Pretoria
Date PPP agreement was signed	Estimated date: 2 April 2007
Duration of PPP agreement	25 years
Escalation index for unitary fee	CPIX