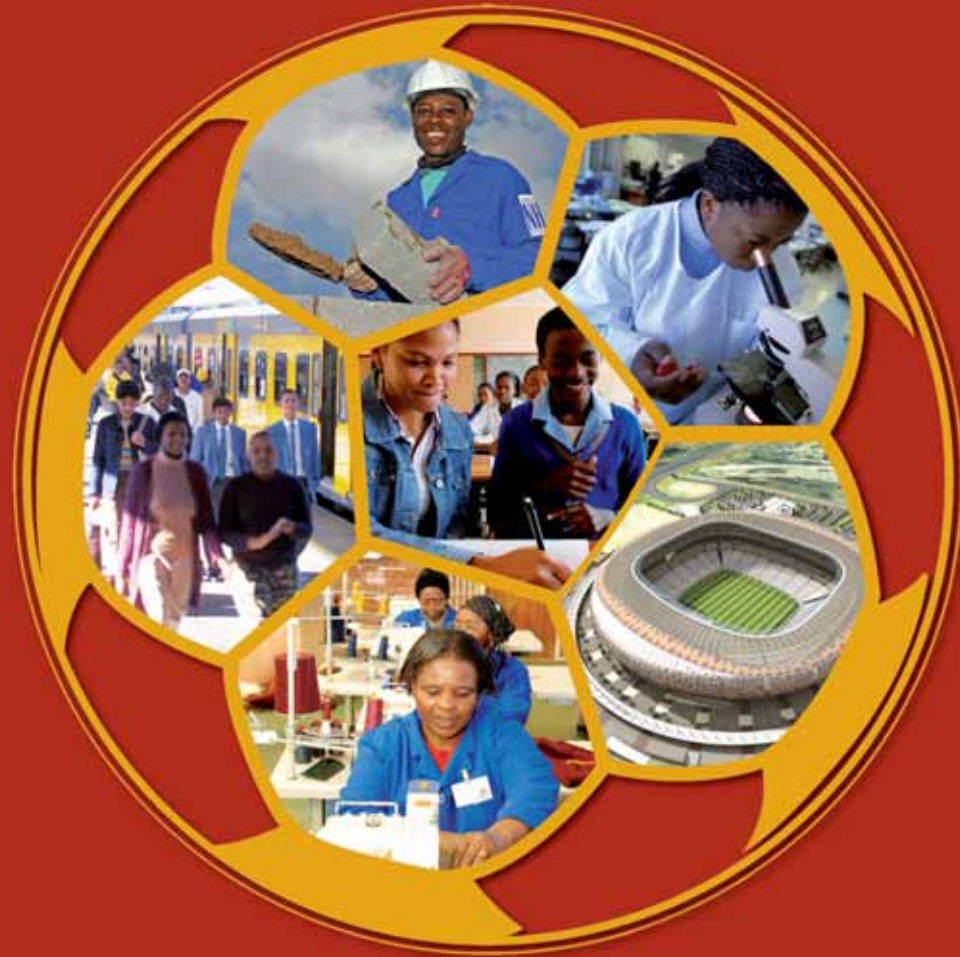


Vote 33

Science and Technology



Estimates of National Expenditure 2010



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA



Estimates of National Expenditure

2010

National Treasury

Republic of South Africa

17 February 2010



ISBN: 978-0-621-39079-7

RP: 03/2010

The *Estimates of National Expenditure 2010* booklet for each vote is compiled with the latest available information from departmental and other sources. Some of this information is unaudited or subject to revision. In this booklet, more comprehensive coverage of goods and services, transfers, public entities and lower level institutional information is provided where applicable.

The *Estimates of National Expenditure 2010* as well as the *Estimates of National Expenditure 2010* booklets are also available on www.treasury.gov.za

Foreword

The Estimates of National Expenditure publication provides Parliament, departments and public entities, ministers, the media, civil society and the public with information about how tax payers' money is being spent: what it buys and for what purpose. Do not be concerned regarding the magnitude of this publication. Instead, let us use this unique reference tool to keep departments and agencies accountable and ensure that the expenditure of public funds achieves its intended policy outcomes, ultimately improving the welfare of our people.

Budgets link the policy choices that government makes with the services that are delivered to people – better budgeting plays an important role in improving service delivery. In line with the 2009 Medium Term Strategic Framework, government has adopted 12 desirable outcomes. At the output level, departments and agencies continue to set targets; for the first time these are in support of the attainment of officially stated outcomes. Budgeted spending on outputs and activities will increasingly reflect this.

Following the 2009 elections, a re-organisation of departments was proclaimed to give effect to the required government policy shifts and to accommodate the necessary changes in the programmes and activities of departments and entities. Several new national departments were created; some functions were transferred between departments. This also resulted in certain national departments being re-named to better capture the content of their new responsibilities. In terms of the new structure of government there are now 37 votes in the Estimates of National Expenditure publication, whereas in 2009 there were 34 votes.

This consolidated publication provides extensive vote level information on strategies and objectives. Legislation, policy developments and other factors affecting these are also noted. Information is presented in a format that aligns government's performance commitments with resource allocations. As with the 2009 Budget, we will publish booklets for individual votes that will provide full coverage of public entities and more detail on transfers and lower level institutional information.

Given the current economic climate, there are greater trade-offs in choosing between spending priorities or in the sequencing of programme implementation. Outputs and activities are constantly being re-evaluated to determine if more effective and cost efficient options are available. As a result, some programmes have to be delayed. Alongside the additions to spending, this publication also indicates details per national vote of savings amounting to R23 billion over the period ahead. These savings have been reallocated to other departments in order to augment funding for government's priorities.

All the figures, targets and outputs result from a wide ranging intergovernmental consultative process, leading to executive approval of additional spending allocations and savings. Many people have contributed to making this publication possible, especially my colleagues in national departments and agencies. Their collaboration and understanding during the allocation and publication processes has been invaluable. Thanks are also due to the dedicated National Treasury team for the publication of this useful resource.



Lesetja Kganyago

Director-General: National Treasury

Introduction

Transparent and accountable governance is strengthened when comprehensive budget documents are tabled for public scrutiny and legislative oversight. The Estimates of National Expenditure provides relevant public sector financial information in a timely and systematic manner, linking performance targets to budgeted expenditure. Specifically, it serves to:

- provide members of Parliament with detailed information on how departments and public entities plan to spend the money that is to be authorised by the legislature
- enable Parliament and society to keep departments and agencies accountable for service delivery commitments that are set out in each chapter
- provide parliamentary committees with a valuable source of information that can assist them in performing their oversight functions.

Although it contains a large volume of information, the 2010 Estimates of National Expenditure presents a summarised account of the spending plans of all national departments and agencies for the next three financial years (2010/11 to 2012/13), expenditure outcomes for the past three years (2006/07 to 2008/09) and revised estimates for the current year (2009/10). Newly formed departments are covered in the same way. Information is also provided on legislation and mandates, policy, strategies, objectives and performance targets over the seven-year period – as well as any changes in these, particularly as they relate to trends in planned expenditure. This provides a platform for review that could result in new policy options or operational alternatives in the achievement of government's objectives.

In keeping with ongoing improvements in the way that public finances are managed and reported, both the quality of information and presentation of the 2010 Estimates of National Expenditure have been enhanced. Information on new departments is mostly covered by way of a separate chapter, although in some cases departments are accommodated within a shared vote and discussed together in the same chapter. Information on savings and cost effective service delivery is included under a separate heading following the strategic overview section. Spending on selected key mega infrastructure projects is discussed in text boxes in the expenditure trends sections of relevant votes. For some votes a new personnel table has been included, showing personnel numbers in relation to the different salary levels and other information, such as the number and type of posts on funded establishment and posts filled. The 2010 Estimates of National Expenditure booklets, which are published separately for each vote, provide more extensive coverage on transfers, public entities, goods and services and lower level institutional information.

Value for money

Budget accountability has historically focused mainly on targeting the performance of government departments and agencies at the output level. Government has now adopted an approach which provides a new methodology that is focused on the attainment of 12 desirable outcomes, using measurable outputs and well defined activities to achieve better value, as well as better value for money. The medium term expenditure framework (MTEF) for the next three years targets spending on government's official outcomes and simultaneously seeks to change the culture in the public service towards greater prudence and efficiency in order to obtain better value for money.

The Ministry for the National Planning Commission and the Ministry for Performance Evaluation and Monitoring are to ensure that planning and implementation in government institutions are focused on the achievement of outcomes and the improvement of performance. In line with this service delivery orientation, new functions and a reconfiguration of existing functions have led to a new national government structure. Taking account of the creation of new departments, 37 votes are now contained in the 2010 Estimates of National Expenditure. The table below provides a list of the new votes and alongside each, the department/s from which functions have been shifted in order to form the basis of the new department.

Newly created vote	Department/s from which all or some functions have been shifted
Agriculture, Forestry and Fisheries	Agriculture Water Affairs and Forestry Environmental Affairs and Tourism
Water Affairs	Water Affairs and Forestry
Human Settlements	Housing Water Affairs and Forestry
Environmental Affairs	Environmental Affairs and Tourism
Tourism	Environmental Affairs and Tourism
Basic Education	Education
Higher Education and Training	Education Labour (still exists)
Cooperative Governance and Traditional Affairs	Provincial and Local Government
Defence and Military Veterans	Defence
Economic Development	Trade and Industry (still exists)
Energy	Minerals and Energy
Mineral Resources	Minerals and Energy
International Relations and Cooperation	Foreign Affairs
Police	Safety and Security
Rural Development and Land Reform	Land Affairs Provincial and Local Government
Women, Children and People with Disabilities	The Presidency (still exists) Justice and Constitutional Development (still exists)

Savings

Given the shortfall in government revenue collection and the pressure on the available resources of the fiscus, this year's budget preparation has focused extensively on finding savings within departmental and agency baselines and on redirecting expenditure towards key priorities within these institutions. Savings arise from effecting changes in public sector spending habits and instituting cost-cutting measures. Over the period ahead, government is to reform procurement systems, rationalise public entities and review a range of programmes – in order to accommodate increased spending on government's priorities in the attainment of its desired outcomes.

During the Budget process, judgements on value for money in achieving outcomes are made by examining funding requests in relation to the implementation plans and costings presented, among other considerations. There is extensive consultation with departments, agencies and intergovernmental forums before proposals are presented to the ministers' committee on the budget¹, approved by Cabinet and then tabled in Parliament.

National departments undertook a rigorous budget baseline savings exercise, and identified R23 billion in savings over the medium term: R6.5 billion in 2010/11, R8.6 billion in 2011/12 and R7.9 billion in 2012/13.

1. A committee of cabinet ministers tasked with considering budgetary issues before they are presented to Cabinet.

About R2.6 billion in savings has been identified over the three years at local government level. Every endeavour was made to decrease spending on non-core goods and services, reschedule expenditure over time in the case of delays, effect exchange rate savings in respect of payments to foreigners, reduce transfers to certain public entities, improve financial management, reduce expenditure on administration in favour of frontline services and find alternative sources of financing.

Major savings amounts over the medium term expenditure framework period are:

- Defence and Military Veterans: R4.5 billion (cancellation of the A400M military aircraft contract)
- Social Development: R1.2 billion (slower uptake of social grants than anticipated and rationalisation of the South African Social Security Agency payments system)
- International Relations and Cooperation: R1.5 billion (revision of foreign costs and deferral of the building of the Pan African Parliament)
- Correctional Services: R4.8 billion (rescheduling of prison building plans)
- Transport: R3.4 billion (deferral of public transport infrastructure projects where planning and design have been delayed).

Additional allocations

The revised national Budget framework provides for additional expenditure by departments of R20.7 billion in 2010/11, R26 billion in 2011/12 and R39.9 billion in 2012/13. Including the government savings of R25.6 billion identified across all spheres, in total an additional R112.2 billion is allocated to government institutions to fund government's key priorities over the next three years. Of the R112.2 billion, national departments receive R56.2 billion (50.1 per cent): R13.1 billion in 2010/11, R18.2 billion in 2011/12 and R24.8 billion in 2012/13. Provinces and municipalities receive the remainder. Conditional grants to provinces and municipalities are reflected in both national budgets and the budgets of provinces or municipalities.

A summary of additional funding by national vote is provided below. Information on direct charges against the National Revenue Fund and the amounts for the provincial and local equitable shares are excluded. Adjustments to provincial and local conditional grants have been included. Details are only noted for national votes receiving relatively large additional allocations for implementing new programmes or extending existing programmes. The total amounts per vote in the discussion below represent the gross additional allocations, before the deduction of savings. This means that these total amounts are all bigger than the overall net change in the budget of a particular vote and therefore they do not balance to the amounts reflected in table 2. In the discussion that follows, these vote totals will be referred to as the *gross total allocation*, received over the MTEF period. In some instances, the savings on a specific vote exceed the *gross total allocation* to that vote and the overall net change in the budget is actually negative.

Central government and financial and administrative services

An amount of R448 million is the gross total allocation to **Parliament's** vote. This is mainly to enhance the capacity of the Office of the Speaker, including provision for the establishment of a budget office in terms of the Money Bills Amendment Procedure and Related Matters Act (2009). Also included is provision for increasing the capacity of the Parliamentary oversight committees.

National Treasury receives an addition of R1.1 billion for the neighbourhood development partnership grant for the regeneration of townships through the development of social and economic infrastructure. An amount of R1.5 billion is allocated in the first two years of the MTEF period for the recapitalisation of the Land Bank.

Social services

The gross total allocation to **Health** amounts to R8.8 billion, most of which is for transfers to the provinces. R8.4 billion is provided for the broadening of HIV and AIDS treatment programmes, in support of the rapid expansion of the antiretroviral treatment rollout. R50 million has been set aside for a mass immunisation campaign to combat measles and polio.

Social Development's gross total allocation is R12.5 billion, mainly this is for the extension of the child support grant up to 18 years of age, as a major intervention against child poverty.

Most of the gross total allocation of R3.1 billion to **Basic Education** is for transfers to provinces. An amount of R2.7 billion is allocated for the provision of workbooks in all official languages for grades R to 9, and R28 million is provided for national numeracy and literacy assessments for grades 3, 6 and 9. An additional R120 million is allocated for the national school nutrition programme.

A gross total allocation of R2.4 billion is set aside for **Higher Education and Training**, of which R1 billion is for subsidies for higher education institutions and R1.3 billion is a provincial conditional grant for further education and training colleges.

Justice, crime prevention and security

Police is allocated additional funding of R1.5 billion for an increase in police officers, the establishment of the Directorate for Priority Crime Investigation (the Hawks) and police station property management.

Gross total allocations to **Defence and Military Veterans** amount to R4.7 billion. R2.2 billion is for improving the South African National Defence Force remuneration system. R220 million is provided for expanding the military skills development system intake and R600 million for upgrading the *Landward Defence* programme.

Correctional Services is to receive gross total additional funding amounting to R2.8 billion. This covers the cost of the occupation specific salary dispensation for correctional officials and the impact of the general government employee wage increase.

Economic services and infrastructure

Human Settlements is to receive a R1 billion allocation for upgrading informal settlements and establishing community settlements. The rural household infrastructure grant is allocated R1.2 billion, specifically to support rural communities.

Funds for **Rural Development and Land Reform** are mostly for the rural development programme. An additional allocation of R860 million is for improving the quality of life within rural communities and broadening the base of agricultural production.

Energy receives a gross total allocation of R4.6 billion. R4.5 billion is to provide for part of the capital costs of building a pipeline for fuel from Durban to the Highveld. This allocation will be financed through the fuel levy imposed for this purpose.

Cooperative Governance and Traditional Affairs has a gross total allocation of R10.7 billion. The biggest vote allocation provides for an increase of R2.5 billion for the municipal infrastructure grant, to enable the further expansion of basic services infrastructure delivery aligned to government's 2014 universal access goals. R1.5 billion is allocated for the community work programme, within the expanded public works programme, which enables the non-governmental sector to assist government in providing guaranteed employment on a project basis.

A gross total allocation of R3.8 billion is set aside for **Trade and Industry**. Of this, R3.5 billion is shared equally by the clothing and textile sector and the automotive industry. A further R274 million is allocated for critical infrastructure and regulatory institutions such as the Competition Commission, the Companies and Intellectual Property Commission and other consumer orientated institutions.

Transport's R2.9 billion gross total addition includes funding for the secondary strategic road network, the Passenger Rail Agency of South Africa and the procurement of buses for the 2010 FIFA World Cup.

The main allocation of R500 million for the **Water Affairs** vote is for regional bulk infrastructure to roll out the basic services and water supply in support of human settlement development, in line with government's commitment to universal access by 2014. R498 million is also allocated for the working for water and working on fire programmes, within the expanded public works programme.

Overview of expenditure

The main Budget provides for total expenditure of R818.1 billion in 2010/11, increasing to R888.3 billion in 2011/12 and R964.3 billion in 2012/13. Non-interest expenditure comprises on average 90.1 per cent of total main Budget expenditure, and grows at an average annual rate of 7.6 per cent over the MTEF period. These budgeted estimates provide for a contingency reserve set aside to deal with unanticipated events, amounting to R6 billion in 2010/11, R12 billion in 2011/12 and R24 billion in 2012/13.

The allocations in the main Budget are detailed in the pages of this publication, with a consolidated account provided in the summary tables below.

Summary tables

Table 1: Main budget framework

Table 2: Additional allocation to national votes

Table 3: Expenditure by national vote

Table 4: Expenditure by economic classification

Table 5: Amounts to be appropriated from the National Revenue Fund

Table 6a: Conditional grants to provinces

Table 6b: Conditional grants to municipalities

Table 7: Training expenditure per vote

Table 8: Infrastructure expenditure per vote

Table 9: Personnel expenditure per vote

Table 10: Departmental receipts per vote

Table 1. Main budget framework 2006/07 to 2012/13

R million	Audited outcome			Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Revenue (National Revenue Fund)							
Tax revenue (gross)	495 548.6	572 814.6	625 100.2	590 425.0	647 850.0	721 477.0	818 298.0
Departmental and other receipts, and repayments	10 843.3	11 671.7	12 616.2	8 982.6	10 380.3	11 483.2	12 379.4
Less: Southern Africa Customs Union payments	-25 194.9	-24 712.6	-28 920.6	-27 915.4	-14 991.3	-11 211.0	-22 781.0
Total revenue	481 197.0	559 773.8	608 795.7	571 492.1	643 239.0	721 749.2	807 896.4
<i>Percentage of GDP</i>	26.2%	26.9%	26.2%	23.3%	23.8%	24.3%	24.5%
Expenditure							
State debt cost	52 192.2	52 877.1	54 393.7	57 599.8	71 357.6	88 462.7	104 022.0
<i>Percentage of GDP</i>	2.8%	2.5%	2.3%	2.4%	2.6%	3.0%	3.2%
Current payments ¹	77 911.5	88 599.8	103 563.2	119 215.8	130 938.5	141 636.6	148 890.9
Transfers and subsidies	332 685.1	391 023.5	458 352.8	530 553.1	579 667.8	634 811.7	674 058.0
Payments for capital assets ¹	6 067.8	7 182.9	8 780.8	8 687.9	9 290.5	10 676.6	13 342.9
Payments for financial assets	1 335.8	1 812.5	10 972.9	32 760.0	20 888.6	750.0	–
Contingency reserve	–	–	–	–	6 000.0	12 000.0	24 000.0
Total expenditure	470 192.5	541 495.7	636 063.5	748 816.5	818 142.9	888 337.6	964 313.8
<i>Percentage of GDP</i>	25.6%	26.0%	27.4%	30.6%	30.3%	29.9%	29.3%
Budget deficit²	11 004.5	18 278.1	-27 267.7	-177 324.3	-174 904.0	-166 588.4	-156 417.4
<i>Percentage of GDP</i>	0.6%	0.9%	-1.2%	-7.2%	-6.5%	-5.6%	-4.7%
GDP	1 833 191.0	2 081 626.0	2 320 117.0	2 449 857.9	2 699 888.0	2 967 560.3	3 295 748.7

1. Excludes conditional grants to provinces and local government, which are included in transfers and subsidies.

2. A positive number reflects a surplus and a negative number a deficit.

Table 2. Additional allocation to national votes 2010/11 to 2012/13¹

R million	Medium term expenditure estimates			Total
	2010/11	2011/12	2012/13	
Central Government Administration	1 882.8	3 072.3	7 510.5	12 465.6
1 The Presidency	85.6	106.5	117.1	309.1
2 Parliament	145.9	150.0	152.5	448.4
3 Cooperative Governance and Traditional Affairs	1 206.7	2 557.8	6 958.5	10 723.1
4 Home Affairs	224.0	80.7	87.3	392.1
5 International Relations and Cooperation	92.6	105.6	115.4	313.5
6 Public Works	97.1	35.5	38.5	171.1
7 Women, Children and People with Disabilities	31.0	36.1	41.2	108.3
Financial and Administrative Services	1 826.9	1 837.5	1 381.0	5 045.4
8 Government Communication and Information System	24.5	25.3	25.7	75.4
9 National Treasury	1 721.7	1 660.0	1 298.6	4 680.3
10 Public Enterprises	38.7	3.2	3.5	45.4
11 Public Service and Administration	10.2	11.9	12.9	35.0
12 Statistics South Africa	31.9	137.2	40.3	209.4
Social Services	5 143.8	8 479.1	13 507.1	27 130.0
13 Arts and Culture	15.3	18.1	19.4	52.8
14 Basic Education	800.8	1 052.5	1 278.0	3 131.3
15 Health	1 930.7	2 896.1	3 998.8	8 825.6
16 Higher Education and Training	421.1	761.3	1 249.0	2 431.4
17 Labour	59.2	49.1	51.9	160.3
18 Social Development	1 910.3	3 694.0	6 900.6	12 505.0
19 Sport and Recreation South Africa	6.3	7.9	9.3	23.6
Justice, Crime Prevention and Security	3 899.4	4 730.2	6 437.0	15 066.6
20 Correctional Services	883.1	919.4	952.8	2 755.3
21 Defence and Military Veterans	1 092.7	1 400.3	2 190.1	4 683.2
22 Independent Complaints Directorate	2.2	4.6	5.8	12.7
23 Justice and Constitutional Development	358.9	529.2	686.1	1 574.1
24 Police	1 562.5	1 876.7	2 602.1	6 041.3
Economic Services and Infrastructure	4 296.7	5 684.4	8 184.8	18 166.0
25 Agriculture, Forestry and Fisheries	57.2	195.8	310.8	563.8
26 Communications	5.1	5.9	6.4	17.4
27 Economic Development	115.0	160.0	175.0	450.0
28 Energy	1 528.8	1 544.4	1 546.8	4 620.0
29 Environmental Affairs	88.8	111.3	216.6	416.7
30 Human Settlements	242.9	360.5	1 761.3	2 364.7
31 Mineral Resources	20.3	33.2	43.0	96.5
32 Rural Development and Land Reform	301.2	348.1	352.1	1 001.4
33 Science and Technology	34.7	40.8	93.7	169.2
34 Tourism	47.7	63.3	74.9	185.9
35 Trade and Industry	905.6	1 294.0	1 638.8	3 838.3
36 Transport	495.8	1 081.6	1 359.3	2 936.7
37 Water Affairs	453.7	445.6	606.1	1 505.4
Total	17 049.6	23 803.6	37 020.3	77 873.6

1. Excludes additional allocations on provincial equitable share and other direct charges against the National Revenue Fund.

Table 3. Expenditure by national vote 2006/07 to 2012/13

R million	Audited Outcome			Adjusted appropriation
	2006/07	2007/08	2008/09	2009/10
Central Government Administration				
1 The Presidency	224.4	651.4	312.4	694.8
2 Parliament	755.1	902.1	1 135.1	1 108.0
3 Cooperative Governance and Traditional Affairs	24 571.6	30 026.2	35 343.2	36 683.5
4 Home Affairs	2 546.9	3 241.7	4 666.6	5 263.8
5 International Relations and Cooperation	2 944.7	4 069.7	5 472.3	5 553.0
6 Public Works	3 025.8	3 402.3	4 197.0	5 890.1
7 Women, Children and People with Disabilities	49.6	52.5	61.9	68.2
Financial and Administrative Services				
8 Government Communication and Information System	293.1	380.9	427.5	496.8
9 National Treasury	16 171.0	18 966.2	31 312.1	62 845.6
10 Public Enterprises	2 589.8	4 604.0	3 265.1	3 991.2
11 Public Service and Administration	583.7	609.6	630.6	682.8
12 Statistics South Africa	1 096.6	1 054.3	1 323.1	1 715.2
Social Services				
13 Arts and Culture	1 329.9	1 585.8	2 114.5	2 632.1
14 Basic Education	1 571.6	2 165.3	3 284.4	4 474.4
15 Health	11 338.0	12 762.7	15 464.5	18 423.5
16 Higher Education and Training	14 292.2	15 997.3	18 765.9	20 696.6
17 Labour	1 343.3	1 431.5	1 507.2	1 709.2
18 Social Development	61 676.1	67 191.4	76 096.7	86 508.2
19 Sport and Recreation South Africa	886.5	5 048.0	4 871.4	2 883.9
Justice, Crime Prevention and Security				
20 Correctional Services	9 251.2	11 122.4	12 822.6	13 834.5
21 Defence and Military Veterans	23 817.6	25 180.1	27 801.3	31 325.3
22 Independent Complaints Directorate	65.3	80.9	99.3	116.5
23 Justice and Constitutional Development	5 853.8	7 194.0	8 244.4	9 721.0
24 Police	32 634.9	36 525.9	41 635.2	47 622.0
Economic Services and Infrastructure				
25 Agriculture, Forestry and Fisheries	2 711.0	3 858.6	3 465.0	3 874.5
26 Communications	1 319.6	1 911.8	2 328.6	2 470.5
27 Economic Development	238.7	245.1	220.4	316.2
28 Energy	1 930.8	2 189.1	2 918.4	3 756.9
29 Environmental Affairs	1 164.2	1 654.1	1 882.7	2 244.2
30 Human Settlements	7 178.2	8 716.1	11 147.4	14 036.2
31 Mineral Resources	676.8	758.2	811.6	925.1
32 Rural Development and Land Reform	3 724.6	5 896.6	6 663.7	6 401.4
33 Science and Technology	2 613.0	3 127.3	3 703.5	4 261.7
34 Tourism	853.5	1 065.1	1 211.8	1 155.7
35 Trade and Industry	3 566.1	5 050.2	4 836.6	6 085.9
36 Transport	13 360.4	16 331.6	24 838.6	24 238.5
37 Water Affairs	3 851.9	4 802.9	5 795.3	7 342.6
Total appropriation by vote	262 101.6	309 853.1	370 678.0	442 049.4
Plus:				
Direct charges against the National Revenue Fund				
President and Deputy President salary (The Presidency)	2.2	2.3	4.0	4.3
Members remuneration (Parliament)	223.3	240.7	356.9	376.7
State debt costs (National Treasury)	52 192.2	52 877.1	54 393.7	59 995.0
Provincial equitable share (National Treasury)	149 245.6	171 053.7	201 795.6	236 877.8
General fuel levy sharing with metros (National Treasury)	-	-	-	6 800.1
Skills levy and Setas (Higher Education and Training)	5 328.4	6 284.3	7 234.1	7 750.0
Judges and magistrates salaries (Justice and Constitutional Development)	1 099.3	1 184.5	1 601.1	1 669.7
Total direct charges against the National Revenue Fund	208 090.9	231 642.6	265 385.4	313 473.5
Contingency reserve	-	-	-	-
Projected underspending	-	-	-	-3 000.0
Total	470 192.5	541 495.7	636 063.5	752 522.9

Table 3. Expenditure by national vote 2006/07 to 2012/13

Revised estimate	Medium-term expenditure estimates			R million
	2009/10	2010/11	2011/12	
				Central Government Administration
691.8	722.6	772.2	810.5	The Presidency
1 108.0	1 179.2	1 238.6	1 288.4	Parliament
36 629.6	43 921.5	50 449.1	57 238.3	Cooperative Governance and Traditional Affairs
5 159.4	5 719.6	5 003.5	5 144.8	Home Affairs
5 508.0	4 824.4	5 087.0	5 393.0	International Relations and Cooperation
5 740.1	6 446.3	7 984.1	8 246.2	Public Works
68.2	97.8	108.3	114.9	Women, Children and People with Disabilities
				Financial and Administrative Services
496.8	546.2	507.1	515.4	Government Communication and Information System
62 512.7	50 219.9	33 127.9	34 265.6	National Treasury
3 991.2	350.6	186.8	196.2	Public Enterprises
681.0	651.5	657.1	684.1	Public Service and Administration
1 715.2	1 973.4	2 845.9	1 769.6	Statistics South Africa
				Social Services
2 440.1	2 406.7	2 417.4	2 562.7	Arts and Culture
4 197.9	6 166.2	7 549.8	8 099.3	Basic Education
18 025.5	21 497.0	23 707.9	25 844.7	Health
20 681.8	23 720.7	26 104.6	27 856.1	Higher Education and Training
1 674.4	1 783.9	1 866.6	1 942.5	Labour
86 108.2	95 929.1	105 715.4	114 023.7	Social Development
2 872.4	1 245.6	760.5	793.7	Sport and Recreation South Africa
				Justice, Crime Prevention and Security
13 834.5	15 129.0	16 027.4	18 277.2	Correctional Services
30 325.3	30 715.3	33 931.4	36 386.5	Defence and Military Veterans
116.5	129.3	144.1	152.4	Independent Complaints Directorate
9 673.3	10 250.5	11 083.7	11 730.6	Justice and Constitutional Development
47 622.0	52 556.4	56 916.6	60 390.8	Police
				Economic Services and Infrastructure
3 305.5	3 658.0	4 361.4	4 740.5	Agriculture, Forestry and Fisheries
2 354.5	2 114.0	1 814.1	1 630.4	Communications
316.2	418.6	494.4	520.3	Economic Development
3 740.2	5 535.4	5 739.6	5 538.7	Energy
2 244.2	2 607.8	2 817.5	3 058.7	Environmental Affairs
14 036.2	16 201.5	18 483.0	19 603.8	Human Settlements
924.0	1 030.0	1 112.1	1 168.0	Mineral Resources
6 401.4	6 769.6	7 972.9	8 360.1	Rural Development and Land Reform
4 261.7	4 615.5	4 968.8	4 560.2	Science and Technology
1 155.7	1 151.8	1 223.2	1 291.2	Tourism
5 988.8	6 150.1	6 757.4	7 264.0	Trade and Industry
24 164.1	25 086.3	27 960.1	29 169.5	Transport
6 969.8	7 996.6	9 090.2	9 628.2	Water Affairs
437 736.1	461 517.9	486 987.8	520 261.0	Total appropriation by vote
				Plus:
				Direct charges against the National Revenue Fund
4.3	4.6	4.8	5.1	President and Deputy President salary (The Presidency)
376.7	392.7	409.6	430.1	Members remuneration (Parliament)
57 599.8	71 357.6	88 462.7	104 022.0	State debt costs (National Treasury)
236 877.8	260 973.7	280 688.7	294 780.0	Provincial equitable share (National Treasury)
6 800.1	7 542.4	8 531.1	8 957.7	General fuel levy sharing with metros (National Treasury)
7 750.0	8 424.2	9 148.7	9 606.1	Skills levy and Setas (Higher Education and Training)
1 671.7	1 929.9	2 104.2	2 251.9	Judges and magistrates salaries (Justice and Constitutional Development)
311 080.3	350 625.0	389 349.8	420 052.9	Total direct charges against the National Revenue Fund
-	6 000.0	12 000.0	24 000.0	Contingency reserve
-	-	-	-	Projected underspending
748 816.5	818 142.9	888 337.6	964 313.8	Total

Table 4. Expenditure by economic classification 2006/07 to 2012/13

R million	Audited outcome			Adjusted appropriation
	2006/07	2007/08	2008/09	2009/10
Current payments				
Compensation of employees	49 574.2	56 243.2	64 973.4	76 392.8
Salaries and wages	41 022.9	46 738.9	53 788.3	63 755.1
Social contributions	8 551.3	9 504.3	11 185.1	12 637.7
Goods and services	28 335.8	32 354.3	38 587.4	44 065.4
Interest and rent on land	52 193.7	52 879.3	54 396.1	59 995.8
Interest (including interest on finance leases)	52 193.0	52 878.6	54 395.9	59 995.0
Rent on land	0.7	0.7	0.2	0.8
Total current payments	130 103.7	141 476.8	157 956.9	180 454.0
Transfers and subsidies to:				
Provinces and municipalities	205 438.3	243 233.9	289 397.3	345 879.0
Provinces	178 867.2	205 829.6	245 302.3	295 353.2
Provincial revenue funds	178 867.2	205 829.6	245 302.3	295 353.2
Municipalities	26 571.1	37 404.3	44 095.1	50 525.8
Municipal bank accounts	26 571.1	37 404.3	44 095.1	50 525.8
Departmental agencies and accounts	38 102.1	44 531.2	53 572.4	58 512.9
Social security funds	7.0	8.5	2 508.7	12.7
Departmental agencies (non-business entities)	38 095.0	44 522.7	51 063.6	58 500.3
Universities and technikons	11 056.0	12 003.8	13 897.7	15 437.4
Foreign governments and international organisations	919.3	936.0	1 010.6	1 266.8
Public corporations and private enterprises	13 424.4	18 764.3	20 170.1	20 061.4
Public corporations	9 872.3	14 155.2	14 694.3	17 851.2
Subsidies on products or production	4 101.1	3 691.7	4 676.1	5 188.9
Other transfers to public corporations	5 771.2	10 463.5	10 018.2	12 662.3
Private enterprises	3 552.1	4 609.0	5 475.8	2 210.2
Subsidies on products or production	3 339.6	4 111.4	5 193.5	1 855.1
Other transfers to private enterprises	212.5	497.6	282.3	355.1
Non-profit institutions	882.1	1 002.8	1 220.2	1 225.3
Households	62 862.9	70 551.4	79 084.5	91 029.5
Social benefits	59 569.1	65 170.5	73 611.2	85 989.9
Other transfers to households	3 293.8	5 381.0	5 473.3	5 039.6
Total transfers and subsidies	332 685.1	391 023.5	458 352.8	533 412.3
Payments for capital assets				
Buildings and other fixed structures	2 481.5	3 838.2	5 566.8	5 961.3
Buildings	2 376.9	3 325.7	4 893.8	4 843.3
Other fixed structures	104.6	512.5	673.0	1 118.0
Machinery and equipment	3 322.8	3 210.7	2 965.0	2 741.0
Transport equipment	1 522.3	1 528.0	1 419.6	1 467.8
Other machinery and equipment	1 800.5	1 682.7	1 545.4	1 273.1
Specialised military assets	-	-	-	27.6
Biological assets	0.7	11.2	2.7	1.1
Land and subsoil assets	31.5	27.4	49.0	-
Software and other intangible assets	231.4	95.5	197.4	167.4
Total payments for capital assets	6 067.8	7 182.9	8 780.8	8 898.3
Payments for financial assets	1 335.8	1 812.5	10 972.9	32 758.3
Total	470 192.5	541 495.7	636 063.5	755 522.9
Contingency reserve	-	-	-	-
Projected underspending	-	-	-	-3 000.0
Total	470 192.5	541 495.7	636 063.5	752 522.9

Table 4. Expenditure by economic classification 2006/07 to 2012/13

Revised estimate	Medium-term expenditure estimates			R million
	2009/10	2010/11	2011/12	
76 008.7	84 093.2	90 167.3	95 232.5	Current payments
				Compensation of employees
63 383.4	69 171.6	74 337.1	78 539.2	Salaries and wages
12 625.3	14 921.6	15 830.2	16 693.2	Social contributions
43 205.8	46 843.3	51 466.9	53 656.0	Goods and services
57 601.0	71 359.6	88 465.0	104 024.5	Interest and rent on land
57 600.2	71 358.7	88 464.1	104 023.5	Interest (including interest on finance leases)
0.8	0.8	0.9	1.0	Rent on land
176 815.6	202 296.0	230 099.3	252 913.0	Total current payments
				Transfers and subsidies to:
				Provinces and municipalities
345 167.9	381 726.9	417 237.3	442 587.4	Provinces
294 968.2	322 858.2	350 547.1	369 348.4	Provincial revenue funds
294 968.2	322 858.2	350 547.1	369 348.4	
50 199.7	58 868.7	66 690.2	73 239.0	Municipalities
50 199.7	58 868.7	66 690.2	73 239.0	Municipal bank accounts
57 114.3	58 456.5	65 123.0	68 388.7	Departmental agencies and accounts
12.7	11.6	12.4	13.0	Social security funds
57 101.6	58 445.0	65 110.6	68 375.7	Departmental agencies (non-business entities)
15 437.4	17 532.0	19 318.5	20 669.2	Universities and technikons
1 260.9	1 313.9	1 288.8	1 380.3	Foreign governments and international organisations
19 725.2	20 129.1	20 700.1	21 489.8	Public corporations and private enterprises
17 555.0	16 988.4	17 034.7	17 355.7	Public corporations
5 198.9	5 180.8	5 262.0	5 499.9	Subsidies on products or production
12 356.1	11 807.6	11 772.7	11 855.7	Other transfers to public corporations
2 170.1	3 140.7	3 665.4	4 134.1	Private enterprises
1 795.1	2 778.8	3 255.0	3 629.1	Subsidies on products or production
375.1	362.0	410.3	505.0	Other transfers to private enterprises
1 225.1	2 275.2	2 339.0	1 894.0	Non-profit institutions
90 622.4	98 234.2	108 805.0	117 648.6	Households
85 620.3	92 792.8	102 213.6	110 636.4	Social benefits
5 002.1	5 441.4	6 591.5	7 012.1	Other transfers to households
530 553.1	579 667.8	634 811.7	674 058.0	Total transfers and subsidies
				Payments for capital assets
5 862.9	5 994.9	7 237.3	9 660.6	Buildings and other fixed structures
4 743.8	4 537.4	4 836.4	6 935.7	Buildings
1 119.2	1 457.5	2 400.9	2 725.0	Other fixed structures
2 735.2	3 236.9	3 381.4	3 525.6	Machinery and equipment
1 467.8	1 352.7	1 474.3	1 690.0	Transport equipment
1 267.4	1 884.2	1 907.2	1 835.6	Other machinery and equipment
27.6	19.6	24.5	122.0	Specialised military assets
1.1	1.6	0.7	0.7	Biological assets
–	–	–	–	Land and subsoil assets
61.0	37.5	32.7	33.8	Software and other intangible assets
8 687.9	9 290.5	10 676.6	13 342.9	Total payments for capital assets
32 760.0	20 888.6	750.0	0.0	Payments for financial assets
748 816.5	812 142.9	876 337.6	940 313.8	Total
–	6 000.0	12 000.0	24 000.0	Contingency reserve
–	–	–	–	Projected underspending
748 816.5	818 142.9	888 337.6	964 313.8	Total

Table 5. Amounts to be appropriated from the National Revenue Fund for 2010/11

	Appropriated (including direct charges)	Current payments	Transfers and subsidies	Payments for capital assets	Payments for financial assets	To be appropriated	Increase/ Decrease ¹	
R million	2009/10	2010/11						
Central Government Administration								
1	The Presidency	609.6	343.0	371.9	12.2	-	727.2	117.6
2	Parliament	1 350.7	1 275.4	284.8	11.7	-	1 571.9	221.2
3	Cooperative Governance and Traditional Affairs	35 604.4	619.7	43 288.5	13.3	-	43 921.5	8 317.0
4	Home Affairs	5 050.6	3 992.4	1 587.8	139.3	-	5 719.6	669.0
5	International Relations and Cooperation	5 337.0	3 688.6	820.2	315.7	-	4 824.4	-512.6
6	Public Works	5 298.0	2 042.8	3 029.6	1 373.9	-	6 446.3	1 148.3
7	Women, Children and People with Disabilities	64.0	39.3	51.9	6.6	-	97.8	33.8
Financial and Administrative Services								
8	Government Communication and Information System	482.0	355.5	187.4	3.4	-	546.2	64.2
9	National Treasury	354 795.2	72 806.9	296 522.2	14.5	20 750.0	390 093.6	35 298.4
10	Public Enterprises	3 797.3	174.7	36.7	0.6	138.6	350.6	-3 446.8
11	Public Service and Administration	596.3	376.9	271.6	2.9	-	651.5	55.2
12	Statistics South Africa	1 608.6	1 871.5	3.8	98.1	-	1 973.4	364.8
Social Services								
13	Arts and Culture	2 623.5	311.1	2 089.1	6.6	-	2 406.7	-216.7
14	Basic Education	3 929.9	1 777.1	4 385.1	4.1	-	6 166.2	2 236.3
15	Health	17 058.1	1 063.0	20 403.3	30.7	-	21 497.0	4 438.9
16	Higher Education and Training	25 259.6	382.4	31 752.7	9.8	-	32 144.9	6 885.3
17	Labour	1 671.0	1 259.9	515.2	8.8	-	1 783.9	112.9
18	Social Development	86 408.3	543.0	95 376.0	10.1	-	95 929.1	9 520.7
19	Sport and Recreation South Africa	2 859.9	192.9	1 047.6	5.1	-	1 245.6	-1 614.3
Justice, Crime Prevention and Security								
20	Correctional Services	13 238.6	14 007.7	13.1	1 108.3	-	15 129.0	1 890.5
21	Defence and Military Veterans	32 024.4	23 099.0	6 830.1	786.2	-	30 715.3	-1 309.1
22	Independent Complaints Directorate	114.9	126.0	0.1	3.3	-	129.3	14.5
23	Justice and Constitutional Development	11 278.6	9 984.8	1 567.9	627.7	-	12 180.4	901.8
24	Police	46 409.7	49 336.4	438.4	2 781.7	-	52 556.4	6 146.7
Economic Services and Infrastructure								
25	Agriculture, Forestry and Fisheries	2 903.5	1 773.5	1 836.5	47.9	-	3 658.0	754.5
26	Communications	2 266.9	483.2	1 626.7	4.1	-	2 114.0	-152.9
27	Economic Development	292.5	95.2	318.6	4.8	-	418.6	126.1
28	Energy	3 742.3	202.1	5 328.7	4.6	-	5 535.4	1 793.1
29	Environmental Affairs	2 261.0	910.2	1 224.3	473.3	-	2 607.8	346.8
30	Human Settlements	14 020.0	599.5	15 442.8	159.3	-	16 201.5	2 181.5
31	Mineral Resources	904.9	607.3	408.7	14.1	-	1 030.0	125.1
32	Rural Development and Land Reform	6 109.4	1 878.1	4 871.6	19.8	-	6 769.6	660.2
33	Science and Technology	4 234.1	362.0	4 249.5	4.1	-	4 615.5	381.4
34	Tourism	1 109.1	196.1	953.3	2.4	-	1 151.8	42.8
35	Trade and Industry	6 051.7	1 142.9	4 992.6	14.7	-	6 150.1	98.4
36	Transport	23 734.8	743.4	24 301.3	41.6	-	25 086.3	1 351.4
37	Water Affairs	7 462.4	3 632.8	3 238.5	1 125.3	-	7 996.6	534.2
Total	732 562.8	202 296.0	579 667.8	9 290.5	20 888.6	812 142.9	79 580.2	

1. A positive number reflects an increase and a negative number a decrease.

Table 6a. Conditional grants to provinces 2006/07 to 2012/13 ¹

R million	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimates		
	2006/07	2007/08	2008/09	2009/10		2010/11	2011/12	2012/13
Central Government Administration								
3	–	–	29.7	–	–	–	–	–
6	710.1	836.6	889.3	1 501.2	1 401.2	1 483.8	1 962.0	2 060.1
Financial and Administrative Services								
9	4 983.5	6 276.2	7 384.5	13 449.2	13 449.2	11 314.9	13 091.2	14 007.6
Social Services								
13	–	163.2	344.6	440.6	440.6	512.7	543.4	570.8
14	1 242.5	1 376.9	2 114.1	2 575.4	2 575.4	3 931.4	5 048.1	5 447.4
15	10 206.5	11 552.7	14 028.7	16 702.5	16 417.5	19 852.8	21 971.8	24 030.4
16	1 973.7	2 435.3	3 005.8	3 168.3	3 168.3	3 772.7	3 972.0	4 169.1
19	119.0	194.0	293.7	402.3	402.3	426.4	452.0	474.6
Economic Services and Infrastructure								
25	401.1	761.7	898.0	973.7	973.7	1 116.9	1 437.1	1 508.9
30	6 677.8	8 149.9	10 177.9	12 592.3	12 592.3	15 160.6	17 222.4	17 938.7
32	8.0	–	–	–	–	–	–	–
35	58.2	–	–	–	–	–	–	–
36	3 241.0	3 029.4	4 340.3	6 669.9	6 669.9	4 312.4	4 158.5	4 360.9
Total	29 621.6	34 775.9	43 506.6	58 475.4	58 090.4	61 884.5	69 858.4	74 568.4

1. Detail provided in the Division of Revenue Act (2010).

Table 6b. Conditional grants to municipalities 2006/07 to 2012/13 ¹

R million	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimates		
	2006/07	2007/08	2008/09	2009/10		2010/11	2011/12	2012/13
Central Government Administration								
3	6 138.4	8 954.1	9 308.4	11 633.5	11 633.5	12 740.9	15 293.3	18 557.9
6	–	–	–	201.7	201.7	623.0	1 108.0	1 163.4
Financial and Administrative Services								
9	410.3	716.5	361.5	851.4	611.4	1 394.6	1 575.1	1 586.3
Social Services								
19	600.0	4 605.0	4 295.0	2 168.7	2 168.7	512.6	–	–
Economic Services and Infrastructure								
28	390.7	462.5	589.1	1 108.0	1 092.2	1 240.1	1 376.6	1 151.4
36	518.0	1 174.0	2 928.7	2 428.0	2 428.0	3 709.9	4 436.1	4 136.7
37	385.7	732.9	994.6	925.0	854.6	890.1	380.0	399.0
Total	8 443.1	16 645.0	18 477.3	19 316.2	18 990.1	21 111.1	24 169.1	26 994.8

1. Detail provided in the Division of Revenue Act (2010).

Table 7. Training expenditure per vote 2006/07 to 2012/13

R million	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates			
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	
Central Government Administration								
1	The Presidency	1.5	2.3	1.4	1.9	2.2	2.4	2.6
2	Parliament	10.7	10.6	11.9	10.1	10.4	14.2	15.0
3	Cooperative Governance and Traditional Affairs	1.7	2.3	1.7	1.8	2.4	2.6	2.7
4	Home Affairs	35.6	32.4	34.0	35.1	30.9	28.2	28.5
5	International Relations and Cooperation	4.0	13.1	8.1	12.4	14.4	14.1	14.1
6	Public Works	12.8	15.2	22.0	26.1	27.5	28.5	29.9
Financial and Administrative Services								
8	Government Communication and Information System	2.4	4.7	4.2	3.7	4.4	4.2	4.4
9	National Treasury	9.3	16.1	16.9	33.6	19.8	20.4	21.2
10	Public Enterprises	0.8	1.6	1.7	2.2	1.9	2.0	2.0
11	Public Service and Administration	2.0	2.2	3.7	2.6	3.6	3.5	3.7
12	Statistics South Africa	7.7	11.9	14.0	21.2	45.1	42.1	40.0
Social Services								
13	Arts and Culture	2.4	3.1	4.5	2.1	2.3	2.4	2.5
14	Basic Education	1.6	2.8	6.5	1.7	2.5	2.4	2.5
15	Health	5.5	9.5	1.8	4.5	5.5	6.1	6.6
16	Higher Education and Training	1.8	2.5	2.9	1.9	2.6	2.8	2.9
17	Labour	8.9	6.5	8.9	8.3	8.9	9.3	9.8
18	Social Development	2.2	1.7	1.8	2.3	2.5	2.6	2.8
19	Sport and Recreation South Africa	0.5	0.9	0.9	1.1	1.1	1.1	1.1
Justice, Crime Prevention and Security								
20	Correctional Services	111.4	125.6	76.0	89.5	64.0	100.5	105.6
21	Defence and Military Veterans	85.6	87.4	117.7	113.6	145.6	151.0	167.0
22	Independent Complaints Directorate	0.5	0.6	0.6	0.7	0.7	0.8	0.8
23	Justice and Constitutional Development	12.4	18.3	37.5	86.4	78.9	83.6	89.4
24	Police	807.5	966.0	1 124.0	1 006.5	1 386.6	1 449.0	1 514.2
Economic Services and Infrastructure								
25	Agriculture, Forestry and Fisheries	27.3	20.3	24.2	16.4	20.0	21.8	23.3
26	Communications	3.1	3.7	6.0	9.0	9.4	9.9	10.4
27	Economic Development	-	-	-	-	0.1	0.2	0.2
28	Energy	0.6	0.7	1.6	2.1	3.5	3.9	4.1
29	Environmental Affairs	2.3	2.1	2.2	2.3	2.5	2.7	2.9
30	Human Settlements	2.0	1.2	2.9	12.9	14.1	15.2	16.1
31	Mineral Resources	1.5	1.7	3.8	9.1	3.5	3.9	4.1
32	Rural Development and Land Reform	11.6	9.0	9.4	11.9	12.6	13.3	13.9
33	Science and Technology	1.0	3.6	5.2	6.5	5.1	5.4	5.6
34	Tourism	1.5	1.4	1.5	1.0	1.0	1.0	1.1
35	Trade and Industry	3.2	1.0	2.5	9.3	11.0	11.5	12.0
36	Transport	3.0	3.2	1.8	3.9	4.0	4.0	4.1
37	Water Affairs	37.0	38.9	40.8	63.1	65.7	67.3	70.7
Total		1 223.1	1 424.2	1 604.9	1 616.8	2 016.3	2 133.7	2 237.8

Table 8. Infrastructure expenditure per vote 2006/07 to 2012/13 ¹

R million	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Central Government Administration							
2 Parliament	–	5.1	40.5	–	–	–	–
3 Cooperative Governance and Traditional Affairs	6 138.4	8 754.1	9 138.1	11 433.5	12 528.9	15 068.6	18 322.0
4 Home Affairs	45.1	61.4	68.0	56.1	67.2	132.5	129.8
5 International Relations and Cooperation	119.4	649.9	926.7	423.2	231.5	249.8	317.0
6 Public Works	414.1	488.0	988.4	1 220.6	1 303.9	1 603.9	1 634.7
Financial and Administrative Services							
9 National Treasury	5 035.7	6 327.3	7 768.0	9 910.6	12 569.9	14 486.6	15 405.0
Social Services							
13 Arts and Culture	312.1	281.2	448.6	801.4	557.8	455.6	483.0
14 Basic Education	–	–	–	–	80.0	200.0	210.0
15 Health	1 498.7	2 118.5	1 884.8	3 495.2	3 939.6	3 789.7	3 805.0
16 Higher Education and Training	90.5	77.5	54.8	37.0	32.0	26.0	22.0
17 Labour	78.5	64.4	37.6	56.8	25.9	34.6	0.0
19 Sport and Recreation South Africa	600.0	4 605.0	4 295.0	1 661.1	302.3	–	–
Justice, Crime Prevention and Security							
20 Correctional Services	794.8	1 087.0	1 035.5	1 012.5	1 108.3	1 163.1	2 675.6
21 Defence and Military Veterans	49.2	93.4	476.5	452.0	1 120.7	841.1	1 218.3
23 Justice and Constitutional Development	323.7	361.1	479.5	515.5	631.5	759.4	865.0
24 Police	510.5	727.0	843.3	1 049.7	1 118.2	1 235.3	1 544.6
Economic Services and Infrastructure							
25 Agriculture, Forestry and Fisheries	120.0	112.0	108.6	115.0	172.9	270.8	253.5
26 Communications	100.0	646.0	950.0	810.0	420.9	279.0	167.0
28 Energy	1 328.9	1 525.6	1 888.8	2 400.3	4 271.9	4 366.4	4 565.5
29 Environmental Affairs	199.8	405.7	437.4	512.3	656.7	664.8	693.0
30 Human Settlements	–	3 829.9	1 885.1	1 674.3	2 014.8	2 248.4	2 341.9
32 Rural Development and Land Reform	14.4	5.6	6.3	11.8	17.4	18.3	44.7
33 Science and Technology	175.0	272.0	408.0	699.3	745.7	801.0	254.4
35 Trade and Industry	468.0	911.0	967.5	1 283.3	769.9	721.4	758.6
36 Transport	5 801.6	7 934.8	10 601.2	12 799.8	14 131.7	16 038.7	16 542.4
37 Water Affairs	85.9	644.4	1 467.1	1 976.8	2 279.9	3 358.1	3 805.1
Total	24 304.4	41 988.0	47 205.2	54 408.3	61 099.7	68 813.1	76 057.9

1. Amounts include mega infrastructure projects and programmes (over R300 million per year for a minimum of three years, or R900 million total project cost), large projects and programmes (between R300 million and R50 million per year within a given MTEF period), small projects and programmes (less than R50 million per year). Infrastructure transfers to other spheres, agencies and entities, fixed installations transferred to households and maintenance and repair projects are also included. Details are provided in the additional tables in each vote.

Table 9. Personnel expenditure per vote 2006/07 to 2012/13

R million	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimates			
	2006/07	2007/08	2008/09	2009/10		2010/11	2011/12	2012/13	
Central Government Administration									
1	The Presidency	100.5	118.7	144.3	187.4	184.4	218.1	242.4	258.2
2	Parliament	446.6	521.0	708.6	780.1	780.1	856.1	905.7	951.2
3	Cooperative Governance and Traditional Affairs	116.2	128.1	153.8	172.3	164.8	241.9	255.3	268.1
4	Home Affairs	844.7	1 087.0	1 296.0	1 659.1	1 659.1	1 896.2	2 134.8	2 243.7
5	International Relations and Cooperation	1 136.5	1 293.2	1 683.4	2 062.6	2 062.6	2 017.1	2 101.4	2 203.1
6	Public Works	613.6	746.4	916.6	1 012.2	1 012.2	1 121.4	1 201.7	1 249.6
7	Women, Children and People with Disabilities	3.8	4.8	5.9	10.0	10.0	15.7	27.5	29.9
Financial and Administrative Services									
8	Government Communication and Information System	84.1	116.2	114.0	137.1	136.9	147.0	157.5	166.3
9	National Treasury	230.9	272.7	321.0	438.5	408.5	538.5	573.0	598.6
10	Public Enterprises	47.2	56.0	70.4	81.4	81.4	88.0	93.5	98.3
11	Public Service and Administration	92.5	115.8	129.1	153.4	153.4	174.4	183.4	193.4
12	Statistics South Africa	414.9	472.0	700.7	1 015.8	1 015.8	891.0	1 065.1	992.5
Social Services									
13	Arts and Culture	95.1	107.2	126.8	146.3	141.3	149.0	159.4	168.7
14	Basic Education	117.0	150.4	186.3	229.9	251.4	255.4	273.8	288.1
15	Health	231.7	258.6	292.5	329.1	329.1	369.7	403.4	442.4
16	Higher Education and Training	131.7	146.2	174.8	203.3	203.6	228.9	245.8	261.1
17	Labour	435.4	497.9	491.3	632.6	611.2	738.4	760.6	811.4
18	Social Development	111.1	133.6	184.1	225.4	225.4	245.1	260.6	277.7
19	Sport and Recreation South Africa	30.1	43.4	54.5	67.6	59.6	75.3	73.7	77.4
Justice, Crime Prevention and Security									
20	Correctional Services	5 606.6	6 799.2	8 077.8	9 313.0	9 313.0	10 483.8	11 058.5	11 611.2
21	Defence and Military Veterans	9 037.6	9 735.9	10 620.0	12 223.2	12 223.2	13 450.4	14 630.1	15 686.9
22	Independent Complaints Directorate	36.8	45.7	58.0	66.5	66.5	74.1	85.5	90.4
23	Justice and Constitutional Development	3 619.7	4 250.9	5 326.2	6 277.1	6 233.7	6 834.7	7 375.3	7 846.8
24	Police	22 730.2	25 610.6	29 147.4	33 770.2	33 770.2	37 148.8	39 660.3	41 777.4
Economic Services and Infrastructure									
25	Agriculture, Forestry and Fisheries	717.4	778.8	908.8	1 138.5	938.5	1 144.2	1 244.2	1 380.2
26	Communications	99.0	97.7	108.0	147.4	147.4	160.4	169.2	177.9
27	Economic Development	-	-	-	12.6	12.6	59.5	78.0	89.8
28	Energy	49.7	68.2	84.6	113.1	112.1	133.0	140.4	142.8
29	Environmental Affairs	156.7	196.3	212.3	260.3	260.3	324.9	351.5	368.9
30	Human Settlements	81.4	107.3	136.9	217.4	217.4	290.2	313.4	328.9
31	Mineral Resources	196.4	222.3	245.5	287.6	287.0	352.3	392.1	414.7
32	Rural Development and Land Reform	406.0	476.4	614.2	954.8	954.8	1 072.2	1 141.5	1 199.8
33	Science and Technology	83.7	104.1	144.9	200.2	200.2	215.0	227.3	239.1
34	Tourism	102.8	130.8	106.4	89.6	89.6	98.5	112.1	160.6
35	Trade and Industry	283.6	327.5	383.1	513.0	469.0	557.8	590.4	628.5
36	Transport	111.2	131.3	182.6	221.0	221.0	259.4	282.2	296.6
37	Water Affairs	972.0	890.7	862.5	1 043.1	1 001.4	1 166.5	1 196.7	1 212.4
Total		49 574.2	56 243.2	64 973.4	76 392.8	76 008.7	84 093.2	90 167.3	95 232.5

Table 10. Departmental receipts per vote 2006/07 to 2012/13 ¹

R million	Audited outcome			Adjusted estimate	Revised estimate	Medium-term receipts estimates			
	2006/07	2007/08	2008/09	2009/10		2010/11	2011/12	2012/13	
Central Government Administration									
1	The Presidency	1.7	0.3	0.2	0.5	0.5	0.3	0.3	0.3
2	Parliament	41.9	51.7	55.2	16.3	17.8	15.5	11.9	11.5
3	Cooperative Governance and Traditional Affairs	6.8	0.7	0.8	0.6	0.6	0.6	0.6	0.6
4	Home Affairs	468.2	421.1	355.7	429.5	429.5	455.3	482.6	506.7
5	International Relations and Cooperation	46.3	65.1	43.6	39.2	18.4	31.2	33.3	33.2
6	Public Works	79.9	95.8	28.5	25.6	31.5	26.6	27.7	29.4
Financial and Administrative Services									
8	Government Communication and Information System	3.1	3.1	3.3	2.9	2.9	3.0	3.0	3.0
9	National Treasury	4 355.1	6 116.7	5 270.4	4 148.5	3 839.0	2 354.2	2 544.8	2 602.9
10	Public Enterprises	0.1	0.1	0.8	0.1	0.1	0.1	0.1	0.1
11	Public Service and Administration	1.8	2.7	1.0	0.9	0.9	0.7	0.7	0.7
12	Statistics South Africa	1.5	17.7	2.8	6.9	6.9	2.2	2.5	2.6
Social Services									
13	Arts and Culture	3.2	0.4	3.6	1.0	1.0	0.6	0.6	0.7
14	Basic Education	0.6	1.9	1.5	0.9	0.9	1.1	1.2	1.2
15	Health	33.3	41.2	31.2	33.7	33.7	31.5	32.8	32.9
16	Higher Education and Training	6.2	6.9	6.7	6.5	6.6	6.9	7.0	7.0
17	Labour	6.1	8.4	28.9	12.9	12.9	16.1	22.4	24.3
18	Social Development	865.3	237.0	16.5	0.2	20.2	510.2	10.2	10.2
19	Sport and Recreation South Africa	5.6	0.0	0.3	0.6	5.7	0.3	0.4	0.4
Justice, Crime Prevention and Security									
20	Correctional Services	100.0	136.3	80.5	131.2	136.7	143.4	152.0	161.0
21	Defence and Military Veterans	492.8	551.9	629.4	676.7	676.7	702.5	729.2	756.9
22	Independent Complaints Directorate	0.0	0.4	0.1	0.1	0.1	0.1	0.1	0.1
23	Justice and Constitutional Development	319.5	317.0	356.8	358.9	358.9	377.6	399.8	422.5
24	Police	251.9	345.1	376.5	332.6	332.6	341.7	321.3	324.5
Economic Services and Infrastructure									
25	Agriculture, Forestry and Fisheries	141.1	121.1	254.0	219.7	216.7	119.3	121.5	118.2
26	Communications	2 613.8	3 007.4	3 520.1	933.0	1 160.8	925.0	959.4	993.4
27	Economic Development	177.5	229.3	244.4	484.8	420.0	230.0	243.8	250.0
28	Energy	0.1	1.2	3.3	3.5	3.5	3.7	3.9	4.1
29	Environmental Affairs	4.9	4.7	8.5	2.7	2.7	0.8	0.8	0.8
30	Human Settlements	1.9	0.7	2.4	0.5	2.8	0.5	0.5	0.6
31	Mineral Resources	191.0	267.1	261.3	161.8	161.8	205.6	211.8	213.9
32	Rural Development and Land Reform	158.8	176.4	64.2	231.2	61.1	68.4	69.0	64.5
33	Science and Technology	1.0	0.2	0.3	1.0	1.0	0.1	0.1	0.1
35	Trade and Industry	66.6	94.2	64.9	66.7	67.0	108.3	114.9	120.2
36	Transport	330.4	362.5	215.8	231.7	116.6	127.8	137.4	144.3
37	Water Affairs	137.2	0.1	26.6	72.6	39.8	41.2	44.0	44.0
Total departmental receipts as per Estimates of National Expenditure		10 915.2	12 686.3	11 960.0	8 635.5	8 188.0	6 852.2	6 691.4	6 887.0
Less: Parliament (retained departmental receipts)		41.9	51.7	55.2	16.3	17.8	15.5	11.9	11.5
Plus: South African Revenue Service departmental receipts collection		-30.0	58.0	711.4	1 205.8	812.4	3 543.6	4 803.7	5 503.9
Total departmental receipts as per Budget Review		10 843.3	12 692.6	12 616.2	9 825.0	8 982.6	10 380.3	11 483.2	12 379.4

1. Departmental receipts exclude extraordinary receipts which are deposited into the National Revenue Fund. Extraordinary receipts are included in the Budget Review.

Information contained in each chapter

The Estimates of National Expenditure publication describes in detail the planned spending of all national government departments for three years going forward: that is, the years of the medium term expenditure framework (MTEF). The Estimates of National Expenditure is tabled in Parliament by the Minister of Finance on the day the main Budget is tabled. It provides details about the allocation of expenditure to all national departments set out in the appropriation bill, which is tabled on the same day.

The appropriation bill is divided into votes. A vote generally specifies the total amount appropriated per department. Each chapter in the Estimates of National Expenditure relates to a vote. By appropriating funds from the National Revenue Fund through the approval of the appropriation bill, Parliament authorises expenditure.

Votes are arranged into the following functional groupings to facilitate analysis of interdepartmental initiatives and service delivery.

- central government administration
- financial and administrative services
- social services
- justice, crime prevention and security
- economic services and infrastructure.

These functional groupings are informal and are not the same as either the government's cluster system groupings or the standard chart of accounts' more rigorous classification of government functions.

The Estimates of National Expenditure booklets for individual votes are available on www.treasury.gov.za. They provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers, public entities and lower level institutional information.

The chapter for each vote contains the following information:

Budget summary

This table shows the budgeted expenditure for the vote for the MTEF period.

R million	2010/11					2011/12	2012/13
	Total to be Appropriated	Current payments	Transfers and subsidies	Payments for capital assets	Payments for financial assets	Total	Total
MTEF allocation							
Programme name							
Programme name							
Programme name							
Subtotal							
Direct charge against the National Revenue Fund							
Item							
Item							
Total expenditure estimates							
Executive authority	Minister						
Accounting officer	Director-General / Chief Operating Officer						
Website address							

Due to rounding off, the figures do not necessarily add up to the total. Figures are mostly denoted in rand million unless otherwise indicated.

The **2010/11 total to be appropriated** shows the expenditure allocation for 2010/11 and corresponds with the information in the 2010 Appropriation Bill.

The totals to be appropriated by Parliament are categorised by economic classification into **current payments, transfers and subsidies, payments for capital assets** and **payments for financial assets**.

Current payments are payments made by the department for its operational requirements.

Transfers and subsidies are payments made by the department for which the department does not directly receive anything in return.

Payments for capital assets are payments made by a department for an asset that can be used for more than one year and from which future economic benefits or service potential are expected to flow.

Payments for financial assets mainly consist of payments made by departments as loans to public corporations or as equity investments in public corporations. The reason for expensing the payments rather than treating them as financing is that, unlike other financial transactions, the purpose of the transaction is not profit oriented. This column is only shown in departments where such payments have been budgeted for. Payments for theft and losses are included in this category; however, these payments are not budgeted for and will thus only appear in the historical information, which can be seen in the expenditure estimates table.

Estimates for the two outer years of the expenditure framework, **2011/12** and **2012/13**, are also shown. These estimates are not included in the 2010 Appropriation Bill as they are still only indicative of actual expenditure levels in the outer years of the MTEF period. Parliament typically only appropriates or authorises expenditure for one financial year at a time. These forward estimates or indicative allocations do, however, form the basis for the planning of the 2011 Budget.

Direct charges against the National Revenue Fund are amounts appropriated in terms of statutes and do not require parliamentary approval. They are not budgeted for in terms of a programme on a particular vote and include, for example, state debt costs.

The last lines of the table provide accountability information: the department's executive authority, accounting officer and website address.

Aim

The aim of the vote captures the department's mandate, strategic objectives or its administrative functions, and corresponds with the aim stated in the appropriation bill.

Programme purposes

Each vote is comprised of several programmes. The activities and functions performed by a department are typically divided into these programmes. Programme 1 is the *Administration* programme, which houses the administrative activities and functions required to keep the department operating. Each vote programme is listed individually with its purpose, as stated in the appropriation bill. The programme purpose outlines the activities and functions of the particular programme as per the approved budget programme structure, in terms of the Public Finance Management Act (1999).

Strategic overview: 2006/07 – 2012/13

This section describes the department's strategic direction over the period under review. It includes policy and mandate developments and legislative changes as well as a table of selected quantitative and trendable performance indicators.

Savings and cost effective service delivery

In this section, departments discuss details of the cost savings measures and reprioritisation of budgets effected in the 2009/10 financial year and to be effected over the MTEF period ahead.

Savings typically emanate from reduced expenditure on non-core goods and services, the rescheduling of expenditure over time in the case of delays, reduced transfers to certain public entities, improved financial management, reduced expenditure on administration in favour of frontline services and through seeking alternative sources of financing.

Selected performance indicators

Indicator	Programme	Past			Current	Projections		
		2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13

The table presents only a selected set of a department or entity's performance information and is not intended to provide a comprehensive view of performance.

An **indicator** is a numerical measure that tracks a department's or entity's progress towards its goal. An indicator may measure inputs, activities, outputs, outcomes or in certain instances explanatory information relating to the internal or external environment.

The **programme** column links the indicator to the programme associated with it.

Expenditure estimates

This table shows expenditure outcomes and estimates over a seven-year period, by vote programme and by economic classification item.

Programme	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10		2010/11	2011/12	2012/13
R million								
1. Programme name								
2. Programme name								
3. Programme name								
Subtotal								
Direct charge against the National Revenue Fund								
Item								
Item								
Total								
Change to 2009 Budget estimate								

Economic classification

Current payments			
Economic classification item			
Economic classification item			
Transfers and subsidies			
Economic classification item			
Economic classification item			
Payments for capital assets			
Economic classification item			
Economic classification item			
Payments for financial assets			
Total			

Expenditure is set out first by **programme** and then by **economic classification** over a seven-year period.

For comparability, where programme structures have been changed in recent years, expenditure has, where possible, been reallocated to the new approved programme structure for all seven years. The president's appointment of ministers and deputy ministers after the 2009 general elections has necessitated a reorganisation of national departments, including renaming departments and establishing new departments. As a result, functions may have shifted between departments as a whole or in part, and new functions may have been defined.

Audited outcomes are presented as they appear in the department or entity's annual financial statements, with amounts reallocated for any subsequent approved budget programme structure changes.

Adjusted appropriation includes the changes made to the appropriation voted in the 2009 main Budget for the financial year, with amounts reallocated for any subsequent approved programme structure changes. Changes are generally made mid-year at the time of the adjustments budget. These adjustments can only be made in terms of the circumstances listed in section 30 of the Public Finance Management Act (1999). Adjustments are included in the adjustments appropriation bill, which Parliament approves before expenditure can take place, and the details are published in the Adjusted Estimates of National Expenditure publication.

The **revised estimate** for 2009/10 represents National Treasury's current estimate, in consultation with the department, of expenditure outcomes. This does not imply a change in the amounts voted to departments in the 2009/10 adjusted appropriation; it is merely a more recent estimate of what the department will indeed spend.

The **medium-term expenditure estimates** are shown for 2010/11, 2011/12 and 2012/13. The spending figures for 2010/11 constitute the proposed appropriation to be funded from the National Revenue Fund that is contained in the main appropriation bill, which has to be considered by Parliament after it has been tabled. The medium-term expenditure estimates for 2011/12 and 2012/13 are indicative allocations, and will form the basis for planning the 2011 Budget.

Direct charges against the National Revenue Fund are amounts appropriated in terms of statutes and do not require parliamentary approval. They are not budgeted for in terms of a programme on a particular vote and include, for example, state debt costs.

The **totals**, which are the sum of the expenditure on programmes and direct charges, are also classified into current payments, transfers and subsidies, payments for capital assets and payments for financial assets.

Expenditure trends

The main expenditure trends and vote programme structure changes from 2006/07 to 2012/13 are described. Trends are generally represented over the MTEF period between 2009/10 and 2012/13, or over the entire period between 2006/07 and 2012/13.

An explanation of the spending focus over the MTEF period in relation to the strategic objectives and the performance targets that will be achieved over the period is given. Expenditure growth in the historical period is also typically compared to expenditure anticipated over the MTEF period. Reasons are given for trends that are identified, and the significant increases or decreases in expenditure are explained in terms of the underlying policies and service delivery objectives that inform the trends. A summary of the new (additional) allocations to the vote programme's baseline budget is given. The baseline is derived from the previous year's forward estimates. Expenditure on existing and new infrastructure is discussed.

Generally, unless otherwise indicated, average annual growth rates are reflected in nominal, not real, terms. Where inflationary growth has been excluded from the calculation and real growth estimates are provided, the consumer price index has been used to deflate the growth rate.

Departmental receipts

Departmental (non-tax) receipts for 2009/10 are described, as well as the anticipated receipts for the MTEF period.

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Medium-term receipts estimate		
	2006/07	2007/08	2008/09	2009/10		2010/11	2011/12	2012/13
Departmental receipts								
Economic classification item								
Economic classification item								
Total								

Information on each programme

Each programme section (with the exception of the *Administration* programme) opens with the purposes of the subprogrammes that form that programme. The details of functions performed within subprogrammes and the principle for distributing funds across spending areas within subprogrammes are also described.

Programme 1 is always *Administration*, which includes spending on the ministry, the director-general's office and central corporate services.

Objectives and measures

Objectives and measures are indicated for each programme. Objectives should include an explanation of strategic intent as well as specific interventions and progress measures. (Programme 1 (*Administration*) is generally exempt from providing objectives and measures.)

For example: Improve service to eligible citizens and residents (objective) by reducing the time taken to issue passports and travel documents (specific intervention) from 10 days in 2008/09 to 5 days in 2011/12 (progress measure).

Service delivery focus

Information is provided on recent achievements for each programme, including service delivery and operational achievements for the previous year and for the current financial year to date. Reports are given relative to the targets that were presented in previous Estimates of National Expenditure and Adjusted Estimates of National Expenditure publications.

Expenditure estimates (per programme)

Tables for each programme set out expenditure by subprogramme and economic classification over a seven-year period.

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R million							
Subprogramme name							
Subprogramme name							
Subprogramme name							
Total							
Change to 2009 Budget estimate							

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R million							
Economic classification							
Current payments							
Economic classification item							
Economic classification item							
Transfers and subsidies							
Economic classification item							
Economic classification item							
Payments for capital assets							
Economic classification item							
Economic classification item							
Payments for financial assets							
Total							

Expenditure trends (per programme)

Important expenditure trends for each programme are explained. The scope of the information provided in this section is similar to what is provided for the entire vote.

Public entities and other agencies

Where appropriate, the discussion of an entity is linked to a specific vote programme and is shown directly after the discussion of that programme.

The scope of information contained in the write-up on public entities is similar to what is reported for the department.

Information on each of the public entities generally consists of the following:

- key legislative mandates in terms of which the entity was established and within which it operates
- selected performance indicators relating to the entity's mandate
- planned deliverables for the next MTEF period
- key objectives achieved during the previous reporting periods
- financial data tables for the entity, focusing on the sources of funding for the entity, key spending areas and expenditure trends, and if applicable an analysis of some of the more important items on the entity's balance sheet
- reprioritisation and savings measures implemented.

Additional tables

Additional tables appear at the end of the vote. These include:

Summary of expenditure trends and estimates per programme and economic classification

This table shows the budgeted expenditure as well as the audited outcome and revised estimate for 2008/09 and 2009/10 respectively.

Summary of personnel numbers and compensation of employees

Employment information is provided in respect of the department. The amount spent by a department on compensation of employees is shown.

Information is provided on different categories of employees.

The **unit cost** refers to the average cost per person employed by the department. It is calculated by dividing the compensation figure by the personnel numbers.

Personnel numbers refers to the physical number (head count) of people employed by the department.

Details of establishment and personnel numbers per salary level

Employment information is provided in respect of the department. The amount spent by a department on compensation of employees is shown.

Information is provided on the number of posts in the department at different salary levels **per programme** as at 30 September 2009.

Number of posts on approved establishment refers to the number of departmental employment positions approved by the Department of Public Service and Administration.

Number of funded posts refers to the number of departmental employment positions which are provided within the budget.

Number of posts additional to the establishment typically refers to additional employment positions that have been allocated on an ad hoc basis and that do not form part of the approved departmental establishment.

Summary of expenditure on training

Information is provided on the funds spent on training, and the number of people trained by the department.

Summary of conditional grants to provinces and municipalities

A conditional grant refers to an allocation made by the national government, from its nationally raised revenue, to a province, local government or municipality, on condition that certain requirements or services are met.

Summary of departmental public private partnerships projects

Disclosure notes with additional details are provided for the projects signed in terms of Treasury Regulation 16.

Public private partnerships refer to contractual arrangements in which a private party performs part of a government function and assumes the associated risks. In return, the private party receives a fee according to predefined performance criteria. A public private partnership may also be a project in which a private party uses state assets for its own commercial purposes, and government benefits from the profits generated by the enterprise.

Unitary fee refers to the total payment made to the private party for the provision of all types of services.

A **signed** project is a public private partnership project which has reached financial close and is being implemented.

Projects in preparation are in some stage of inception, feasibility or procurement, but have not yet reached financial close.

Project monitoring costs are associated with the ongoing evaluation and monitoring of public private partnerships in operation.

Advisory fees are costs related to the hiring of transaction advisors who assist government with feasibility studies and procurement in the public private partnership project process.

Revenue generated is shown in cases where public private partnership projects have revenue generating potential such as tourism projects or toll roads.

Summary of donor funding

Donor funding is funding received by departments over and above the allocations provided in the South African government's appropriation legislation.

Donor funding comprises official development assistance and other local and international donations.

Official development assistance is an official resource flow from the international donor community to the South African government in the form of grants, technical cooperation and financial cooperation.

The **programme** column links the donor funding to the vote programme that is associated with it.

The **spending focus** shows what the department aims to achieve by using the funding.

Summary of expenditure on infrastructure

The infrastructure table includes new and replacement assets, maintenance and repairs, upgrades and additions, and rehabilitation, renovation and refurbishment of assets.

Infrastructure transfers to other spheres, agencies and departments refers to transfers and grants to other government components for expenditure on infrastructure.

Fixed installations transferred to households shows the transfer of funds to individual South Africans to be used for the construction of fixed 'on-site' structures that enhance the welfare of households.

Maintenance on infrastructure refers to all maintenance, repairs and refurbishment expenditure on infrastructure that prolongs the life and retains the value of the infrastructure asset. This item does not include day-to-day maintenance.

In all tables a dash (-) indicates that information is unavailable or zero.

Science and Technology

National Treasury
Republic of South Africa



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Vote 33

Science and Technology

Budget summary

R thousand	2010/11			
	Total to be appropriated	Current payments	Transfers and subsidies	Payments for capital assets
MTEF allocation				
Administration	182 932	179 097	1 000	2 835
Research, Development and Innovation	1 284 040	45 913	1 237 917	210
International Cooperation and Resources	135 111	58 869	75 750	492
Human Capital and Knowledge Systems	1 748 671	31 360	1 717 206	105
Socioeconomic Partnerships	1 264 787	46 730	1 217 599	458
Total expenditure estimates	4 615 541	361 969	4 249 472	4 100
Executive authority	Minister of Science and Technology			
Accounting officer	Director-General of Science and Technology			
Website address	www.dst.gov.za			

The Estimates of National Expenditure booklets for individual votes are available on www.treasury.gov.za. They provide more comprehensive coverage of vote specific

Aim

The aim of the Department of Science and Technology is to realise the full potential of science and technology in social and economic development, through the development of human resources, research and innovation.

Programme purposes

Programme 1: Administration

Purpose: Conduct the overall management of the department. Ensure that the organisations funded by the department comply with good corporate governance practices and their activities are aligned with the strategic focus of the national system of innovation. Monitor and evaluate the performance of the science councils.

Programme 2: Research, Development and Innovation

Purpose: Policy leadership innovation and research.

Programme 3: International Cooperation and Resources

Purpose: Develop and monitor bilateral and multilateral relationships and agreements in science and technology to strengthen the national system of innovation and enable a flow of knowledge, capacity and resources into South Africa and Africa.

Programme 4: Human Capital and Knowledge Systems

Purpose: Develop and implement national programmes to produce knowledge and develop human capital and the associated infrastructure, equipment and public research services.

Programme 5: Socioeconomic Partnerships

Purpose: A strategic partner within government and with industry, contributing to South Africa's transition to a knowledge economy.

Strategic overview: 2006/07 – 2012/13

The main focus of the Department of Science and Technology is on implementing the national research and development strategy. The strategy is implemented through an integrated approach that includes human resource development, knowledge generation, investment in science and technology infrastructure, and the strategic management of the public science and technology system.

Strategic priorities for creating a knowledge based economy

Over the medium term, government's medium term strategic framework, the national research and development strategy and the 10-year innovation plan guide and inform the department's strategic priorities for socioeconomic development. The medium term strategic framework identifies technological innovation as playing a critical role in speeding up growth and transforming the economy to create decent work and sustainable livelihoods. The framework emphasises biotechnology, pharmaceuticals, space science and technology, energy security and environmental change (including climate change).

10-year innovation plan

The national research and development strategy is based on an integrated approach that includes human resource development, knowledge generation, investment in science and technology infrastructure, and improving the strategic management of the public science and technology system. The 10-year innovation plan for South Africa for 2008 to 2018, called innovation towards a knowledge based economy, recognises that while South Africa's science and technology system has made important strides, there is a large gap between South Africa and the countries identified as knowledge driven economies.

To close this gap, the national system of innovation needs to become more focused on long term objectives, including urgently confronting South Africa's failure to commercialise the results of scientific research, and the inadequate production (both qualitative and quantitative) of knowledge workers capable of building a globally competitive economy. The plan's success will be measured by the degree to which science; technology and innovation play a driving role in enhancing productivity, economic growth and socioeconomic development.

More emphasis on implementation

So far, the implementation of the 10-year innovation plan has resulted in three major developments: the Technology Innovation Agency, the Intellectual Property Rights from Publicly Financed Research and Development Act (2008), and the centres of competence. The Technology Innovation Agency will address the challenges of commercialising scientific results and the fragmentation of funding instruments for establishing a network of centres of competence. These centres are instruments for developing new research and development led industries and foster cooperation between industry, higher education institutions and science councils. The agency will accelerate translating research results into products and services. It will also support the development of technology based enterprises, thus stimulating venture capital and foreign direct investment.

The Intellectual Property Rights from Publicly Financed Research and Development Act (2008) is a step forward for stimulating innovation and economic growth. It provides a mechanism for identifying commercialisation opportunities arising from publicly funded research and development, and gives preferential access to such opportunities for small enterprises and black owned entities.

Aligning scientific and technological innovation with sectoral priorities

Following Cabinet approval of the national industrial policy framework in 2007, the department introduced new strategic policy capacity aimed at identifying and facilitating the research, development, and innovation activities needed for growth and competitiveness in strategic economic sectors. The department will identify frontier technology interventions that support important labour intensive sectors, such as mining, agriculture, and tourism. It will also sharpen the focus of the advanced manufacturing technology strategy in light of the

current economic downturn to generate long term growth opportunities. It will accelerate the implementation of a technology localisation framework, which supports the technological capabilities of local manufacturing companies that are potential suppliers to large scale government infrastructure programmes. Finally, the department will promote new long term research and development led technology and knowledge based industries, such as advanced batteries, titanium products and biocomposites, enabling South Africa to shift from a resource based economy to a knowledge based economy and create new growth engines.

Rural development and the regional innovation system

The department recently began to explore ways in which innovation can support sustainable economic development and social upliftment in rural areas. These include new approaches to agro-processing and affordable wireless connectivity solutions. A study was conducted in Eastern Cape, which identified a number of interventions that can drive innovation led initiatives.

Innovation to support small medium and micro enterprises and communities

New ideas and innovation based approaches, such as wireless mesh networks, can help to develop small, medium and micro enterprises (SMME) and communities. Over the last few years, the department has initiated a range of pilot projects and demonstrator community enterprise development initiatives in aquaculture, fisheries, and agro-processing targeted at marginalised communities. The department's role is to demonstrate the viability of innovation based approaches and identify the prerequisites for success. Successful projects, such as the abalone aquaculture project, are migrated to other government departments or agencies for large scale rollout.

Research and development

The increase of gross national expenditure on research and development as a percentage of GDP has been reasonably steady, growing from 0.60 per cent in 1997 to 0.95 per cent in 2006. The department is aiming for research and development expenditure to reach a 1 per cent of GDP by 2008/09. The 2007/08 research and development survey which was released in November 2009 showed that expenditure on research and development as a percentage of GDP decreased slightly in 2007/08, but this is expected to have increased in 2008/09.

Regional and international cooperation

Regional and international cooperation advances science and technology through shared learning. The department's strategies include leading South Africa's engagement in the United Nations (UN) family of science organisations, maximising participation in major summits and international conventions, strengthening South-South partnerships, and accessing international research programmes such as the European Union's (EU) framework programme of research.

Savings and cost effective service delivery

Over the MTEF period, a R578.8 million baseline reduction will be realised through improving efficiency and value for money, and reducing waste and ineffective spending. Although the development of innovation capacity will slow down, the department will be able to continue with existing activities and meet its objectives. The reductions per programme over the MTEF period are:

The *Research Development and Innovation* programme's budget is reduced by R142.7 million. The affected areas are the Innovation Fund, the biotechnology strategy, innovation projects, space science and the Square Kilometre Array project. The *International Cooperation and Resources* programme's budget is reduced by R9.9 million, affecting global science projects. The *Human Capital and Knowledge System* programme's budget has been reduced by R261 million. The affected areas are learnerships, human resource development, emerging research areas, youth programmes, science themes and the National Research Foundation. The *Socioeconomic Partnerships* programme's budget has been reduced by R165.2 million. The affected areas are advanced manufacturing technology, global change, human and social development dynamics, local manufacturing

capacity, quality of life nuclear technology, the research information management system, resource based industries, science and technology indicators, IT, and the Council for Scientific and Industrial Research.

Selected performance indicators

Table 33.1 Science and Technology

Indicator	Programme	Past			Current	Projections		
		2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Size of the portfolio of intellectual property, including the number of patents, patents applications and trademarks resulting from publicly funded research	Research, Development and Innovation, and Socioeconomic Partnerships	-	-	-	-	20	40	55
Number of companies provided with a technology assistance package per year to facilitate successful participation in infrastructure public procurement processes	Socioeconomic Partnerships	-	-	-	24	24	24	28
Total number of research chairs established at higher education institutions	Human Capital and Knowledge Systems, and Socioeconomic Partnerships	21	72	82	82	102	132	150
Total number of peer reviewed scientific and technical papers published		-	-	-	500	620	706	774
Total number of internships awarded		49	68	100	225	348	371	471
Number of students registered for Masters and PhDs per year and supported by targeted human capital development instruments		-	280	415	1 200	1 400	1 800	2 000
Amount of foreign funds leveraged in support of science, technology and innovation cooperation	International Cooperation and Resources	R70m	R94.1m	R189m	R230m	R196.3m	R199.3m	R68.1m
Total number of functional centres of excellence	Research, Development and Innovation, Human Capital and Knowledge Systems, and Socioeconomic Partnerships	7	7	7	8	9	9	9
Number of learners benefiting per year from targeted mathematics, science, English, engineering and technology capacity building programmes	Research, Development and Innovation, Human Capital and Knowledge Systems, and Socioeconomic Partnerships	-	-	-	2 550	2 700	2 700	2 700
Number of new joint science, technology and innovation initiatives with African partners	Research, Development and Innovation, Human Capital and Knowledge Systems, and Socioeconomic Partnerships	-	-	-	-	8	10	12
Number of new technologies under development	Research, Development and Innovation, Human Capital and Knowledge Systems, and Socioeconomic Partnerships	5	9	13	17	22	31	44
Number of new technology based companies established as a result of products developed through funded research and development programmes	Research, Development and Innovation, Human Capital and Knowledge Systems, and Socioeconomic Partnerships	5	8	14	15	17	22	29
Number of households benefiting from technology based interventions per year	Socioeconomic Partnerships	-	-	-	-	2 800	3 000	3 500

Expenditure estimates

Table 33.2 Science and Technology

Programme	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10		2010/11	2011/12	2012/13
R thousand								
1. Administration	225 904	116 771	129 912	173 569	173 569	182 932	193 861	203 820
2. Research, Development and Innovation	394 047	529 846	855 832	1 143 393	1 143 393	1 284 040	1 341 174	826 200
3. International Co-operation and Resources	124 304	99 433	140 509	131 963	131 963	135 111	143 092	148 482
4. Human Capital and Knowledge Systems	878 181	1 275 300	1 457 640	1 598 974	1 598 974	1 748 671	1 955 127	1 933 948
5. Socio-Economic Partnerships	990 563	1 105 930	1 119 575	1 213 796	1 213 796	1 264 787	1 335 515	1 447 799
Total	2 612 999	3 127 280	3 703 468	4 261 695	4 261 695	4 615 541	4 968 769	4 560 249
Change to 2009 Budget estimate				27 584	27 584	(92 542)	(129 009)	(188 038)

Economic classification

Current payments	173 916	210 918	260 190	342 390	342 390	361 969	382 573	401 877
Compensation of employees	83 743	104 075	144 869	200 160	200 160	214 971	227 327	239 092
Goods and services	90 173	106 843	115 321	142 230	142 230	146 998	155 246	162 785
<i>of which:</i>								
<i>Administrative fees</i>	1 041	1 224	621	3 880	3 880	4 565	4 772	5 023
<i>Advertising</i>	1 524	2 066	10 678	5 594	5 594	6 023	6 272	6 572
<i>Assets less than the capitalisation threshold</i>	168	190	581	451	451	544	564	592
<i>Audit cost: External</i>	532	781	1 614	1 407	1 407	1 431	1 505	1 580
<i>Bursaries: Employees</i>	547	777	1 172	1 500	1 500	1 551	1 635	1 720
<i>Catering: Departmental activities</i>	729	1 245	2 111	2 393	2 393	2 289	2 563	2 665
<i>Communication</i>	5 609	7 038	6 811	7 755	7 755	8 442	8 478	8 919
<i>Computer services</i>	1 841	2 243	3 226	4 835	4 835	4 411	4 971	5 223
<i>Consultants and professional services: Business and advisory services</i>	205	300	4 871	22 185	22 185	18 209	20 986	21 940
<i>Consultants and professional services: Infrastructure and planning</i>	–	–	–	472	472	–	–	–
<i>Consultants and professional services: Legal costs</i>	–	–	268	502	502	1 408	1 058	1 111
<i>Contractors</i>	1 396	1 844	2 293	4 863	4 863	5 558	5 681	5 920
<i>Agency and support / outsourced services</i>	30 229	33 807	21 140	20 175	20 175	22 869	25 069	26 342
<i>Entertainment</i>	872	939	1 216	917	917	1 377	1 316	1 380
<i>Inventory: Fuel, oil and gas</i>	258	373	35	56	56	88	60	63
<i>Inventory: Materials and supplies</i>	1 269	1 850	–	–	–	–	–	–
<i>Inventory: Other consumables</i>	18	21	268	770	770	829	886	931
<i>Inventory: Stationery and printing</i>	4 008	4 881	3 812	4 579	4 579	5 115	5 610	5 793
<i>Lease payments</i>	4 280	6 252	3 861	3 155	3 155	3 235	3 609	3 792
<i>Property payments</i>	–	–	3 387	3 945	3 945	4 412	4 220	4 431
<i>Travel and subsistence</i>	27 659	31 664	38 207	37 803	37 803	41 629	43 263	45 414
<i>Training and development</i>	1 371	1 667	2 023	3 219	3 219	3 348	3 519	3 698
<i>Operating expenditure</i>	2 704	3 649	4 915	6 310	6 310	4 564	4 307	4 547
<i>Venues and facilities</i>	3 913	4 032	2 211	5 464	5 464	5 101	4 902	5 129
Transfers and subsidies	2 293 388	2 908 359	3 439 880	3 914 820	3 914 820	4 249 472	4 582 938	4 154 953
Provinces and municipalities	64	–	–	–	–	–	–	–
Departmental agencies and accounts	1 160 159	1 516 928	1 866 540	2 230 799	2 230 799	2 081 974	2 309 928	2 347 412
Universities and technikons	45 972	45 817	69 452	119 875	119 875	–	–	–
Public corporations and private enterprises	740 719	1 023 212	1 075 099	1 204 031	1 204 031	900 637	935 264	973 141
Non-profit institutions	345 490	322 215	428 439	360 115	360 115	1 266 861	1 337 746	834 400
Payments for capital assets	145 607	7 921	3 323	4 485	4 485	4 100	3 258	3 419
Buildings and other fixed structures	133 174	–	–	–	–	–	–	–
Machinery and equipment	12 433	7 921	3 323	4 485	4 485	4 100	3 258	3 419
Payments for financial assets	88	82	75	–	–	–	–	–
Total	2 612 999	3 127 280	3 703 468	4 261 695	4 261 695	4 615 541	4 968 769	4 560 249

Expenditure trends

Expenditure increased at an average annual rate of 17.7 per cent between 2006/07 and 2009/10, rising from R2.6 billion in 2006/07 to R4.3 billion in 2009/10. This was mainly due to: substantial allocations for projects in the *Research, Development and Innovation* programme; human capital development initiatives; and increased funding for organisations such as the South African Research Network and the National Research Foundation in the *Human Capital and Knowledge Systems* programme, and the Council for Scientific and Industrial Research and Human Science Research Council in the *Socioeconomic Partnerships* programme.

Expenditure is expected to increase to R4.6 billion at an average annual rate of 2.3 per cent between 2009/10 and 2012/13. This marginal growth can be attributed to: the discontinued allocation for the Square Kilometre Array project from 2012/13 in the *Research, Development and Innovation* programme; the salary adjustments for the department and its public entities; and the additional allocation of R50 million to the South African Research Chairs Initiative.

Over the medium term, the spending focus will remain on human resource development, knowledge generation, and investment in science and technology infrastructure.

Infrastructure spending

In May 2007, a primary node of the Centre for High Performance Computing was launched in Cape Town. This is a joint initiative between the department and the Council for Scientific and Industrial Research's Meraka Institute. The centre provides researchers with the computing power they need for sophisticated research and innovation. The centre, in conjunction with the department, will conduct a feasibility study for the second node, which will be a very large database. The second node will cater for the generation of data emanating from the centre, the Square Kilometre Array radio telescope, and the National Bioinformatics Network. To date, R207 million has been spent on the project and R234.6 million has been allocated over the MTEF period.

The layout of the first phase of the physical infrastructure for the South African Research Network reached a significant milestone when the first 4 research infrastructure sites went live in Johannesburg in March 2008. The sites are the main campuses of the University of the Witwatersrand and the University of Johannesburg, and 2 of the University of Johannesburg's satellite campuses. Currently, the Tshwane University of Technology is being connected. The connection between Hartebeesthoek radio astronomy observatory and the Satellite Applications Centre was completed in May 2008. This ensures full access to the pan-European GEANT network, a multi-gigabit data communications network reserved specifically for research and education. To date, R366 million has been spent on the rollout of the network, and R302.7 million has been allocated over the MTEF period.

The South African Strategic Forum for Research Infrastructure will play a major role developing a 10-year national research infrastructure strategy as well as the establishing and maintaining a database of the forum's records. The national equipment programme supports research by acquiring state of the art equipment for researchers and scientists to encourage cutting edge, innovative and competitive science

In September 2006, South Africa and Australia were short listed as suitable sites for the Square Kilometre Array radio telescope. The successful bid is expected to be announced in 2012. Both bidding countries are building demonstrator telescopes. Construction of a precursor to the South African MeerKAT demonstrator has started at the site in Northern Cape. Infrastructure layout for the MeerKAT has begun and supporting legislation is being implemented. To date, total spending for the Square Kilometre Array project has been R834.6 million, and over the medium term payments will amount to R1.1 billion.

Scientific and technological activities

The 2004 governance framework for science and technology sets out the key elements for the proper management of the science and technology base. Having taken major steps to improve the funding of science and technology in the public sector, government has set up a comprehensive database to monitor scientific and technological activities. A review of how departments use funding for science was initiated, and will be published annually as a national science and technology expenditure report.

The department's investment is assessed in 3 categories: scientific and technological services, which includes payments for studies on policy, research and development plans in different programmes; scientific and

technical education and training, which includes science and youth programmes, and bursaries in the department for training employees in the natural sciences and engineering; and scientific and technological innovation, which includes programmes such as technology diffusion, science platforms, cross-cutting science and technology activities, transfers to the National Research Foundation for research chairs, national facilities, centres of excellence and research infrastructure. The work done by the Human Sciences Research Council, the National Advisory Council on Innovation, the Academy of Science of South Africa and other science councils is shown in the table below.

Table 33.3 Summary of expenditure on science and technology activities funded by the Department of Science and Technology

R thousand	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
STS	405 777	614 828	71 338	599 988	360 283	380 761	310 220
STET	24 482	35 300	49 828	61 548	54 439	59 364	63 182
STI	1 830 266	2 279 254	2 781 818	3 159 576	2 984 373	3 142 450	3 176 721
Total STAs	2 260 525	2 929 382	3 402 984	3 821 112	3 399 095	3 582 575	3 550 075

Table 33.4 Public institutions that undertake scientific and technological activities which report to the Department of Science and Technology

R thousand	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
National Advisory Council on Innovation	9 132	9 757	10 351	11 949	12 666	13 261	13 924
Academy of Science of South Africa	3 000	3 400	3 820	9 893	10 554	11 152	11 710
Africa Institute of South Africa	28 879	26 530	27 830	27 122	30 594	32 440	34 062
Human Science Research Council	119 873	115 949	160 706	157 858	169 730	180 729	189 887
National Research Foundation	586 671	648 394	680 832	680 396	741 343	79 368	77 410
Council for Scientific and Industrial research	483 194	507 352	534 749	561 487	627 348	630 986	668 249
South African National Energy Research Institute	40 000	42 000	44 268	-	-	-	-
Total	1 270 749	1 353 382	1 462 556	1 443 055	1 592 235	1 664 486	1 695 242

Departmental receipts

The department's receipts include miscellaneous items such as debt repayments, interest on bank accounts, and recovered private telephone costs. The receipts for the medium term are expected to increase marginally. Only R79 000 had been received after the adjustments budget. The amount for future years cannot be determined with certainty.

Table 33.5 Departmental receipts

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Medium-term receipts estimate		
	2006/07	2007/08	2008/09	2009/10		2010/11	2011/12	2012/13
Departmental receipts	1 029	219	333	1 005	1 005	111	112	115
Sales of goods and services produced by department	301	24	26	25	25	26	26	27
Sales of scrap, waste, arms and other used current goods	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	-	6	9	6	6	7	7	8
Sales of capital assets	57	110	-	-	-	-	-	-
Transactions in financial assets and liabilities	671	79	298	974	974	78	79	80
Total	1 029	219	333	1 005	1 005	111	112	115

Programme 1: Administration

Expenditure estimates

Table 33.6 Administration

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R thousand							
Minister ¹	1 038	1 107	1 584	1 709	1 816	1 916	2 012
Deputy Minister ¹	865	949	1 306	1 407	1 496	1 578	1 657
Management	15 211	11 297	14 226	50 951	66 542	70 673	74 073
Corporate Services	204 304	95 310	107 912	106 554	100 281	106 737	112 474
Governance	2 636	3 801	3 445	9 653	8 988	8 919	9 365
Office Accommodation	1 850	4 307	1 439	3 295	3 809	4 038	4 239
Total	225 904	116 771	129 912	173 569	182 932	193 861	203 820
Change to 2009 Budget estimate				2 314	5 661	6 305	7 019

1. From 2008/09, the current payments relating to the total remuneration package of political office bearers are shown, before this, only salary and car allowance are included. Administrative and other subprogramme expenditure may in addition include payments for capital assets as well as transfers and subsidies.

Economic classification

	79 248	108 720	127 066	169 049	179 097	190 889	200 750
Current payments							
Compensation of employees	37 465	47 412	60 682	96 810	105 600	111 940	117 936
Goods and services	41 783	61 308	66 384	72 239	73 497	78 949	82 814
<i>of which:</i>							
Administrative fees	558	819	393	3 564	4 125	4 352	4 572
Advertising	844	1 239	8 905	4 874	5 040	5 300	5 565
Assets less than the capitalisation threshold	67	99	509	377	398	405	426
Audit cost: External	532	781	1 614	1 407	1 431	1 505	1 580
Bursaries: Employees	434	637	1 172	1 500	1 526	1 605	1 685
Catering: Departmental activities	235	345	959	1 053	1 001	1 047	1 100
Communication	2 535	3 719	3 010	4 212	4 289	4 508	4 733
Computer services	866	1 270	2 357	4 205	3 916	4 446	4 671
Consultants and professional services: Business and advisory services	205	300	3 932	8 226	8 271	9 850	10 260
Consultants and professional services: Infrastructure and planning	–	–	–	472	–	–	–
Consultants and professional services: Legal costs	–	–	268	–	480	505	530
Contractors	1 235	1 812	1 657	4 444	4 525	4 799	5 038
Agency and support / outsourced services	17 004	24 950	15 111	4 212	4 206	4 565	4 793
Entertainment	155	228	414	534	475	511	537
Inventory: Fuel, oil and gas	254	372	35	56	88	60	63
Inventory: Materials and supplies	1 261	1 850	–	–	–	–	–
Inventory: Other consumables	6	9	85	621	562	623	655
Inventory: Stationery and printing	1 797	2 636	1 547	2 093	2 523	2 803	2 833
Lease payments	3 735	5 480	2 996	2 110	2 169	2 257	2 370
Property payments	–	–	3 362	3 945	4 014	4 220	4 431
Travel and subsistence	7 363	10 804	12 823	16 675	16 468	17 370	18 358
Training and development	879	1 290	2 005	3 219	3 277	3 446	3 618
Operating expenditure	1 300	1 908	2 771	3 193	2 989	3 156	3 313
Venues and facilities	518	760	459	1 247	1 724	1 616	1 683

Table 33.6 Administration (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Economic classification							
Current payments							
Transfers and subsidies	2 481	1 131	649	1 000	1 000	1 000	1 000
Provinces and municipalities	28	-	-	-	-	-	-
Departmental agencies and accounts	100	-	-	-	-	-	-
Universities and technikons	885	446	49	55	-	-	-
Non-profit institutions	937	550	600	945	1 000	1 000	1 000
Households	531	135	-	-	-	-	-
Payments for capital assets	144 087	6 838	2 125	3 520	2 835	1 972	2 070
Buildings and other fixed structures	133 174	-	-	-	-	-	-
Machinery and equipment	10 913	6 838	2 125	3 520	2 835	1 972	2 070
Payments for financial assets	88	82	72	-	-	-	-
Total	225 904	116 771	129 912	173 569	182 932	193 861	203 820

Details of transfers and subsidies

Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	28	-	-	-	-	-	-
Regional Services Council levies	28	-	-	-	-	-	-
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	100	-	-	-	-	-	-
Institutional and Programme Support	100	-	-	-	-	-	-
Universities and technikons							
Current	885	446	49	55	-	-	-
Institutional and Programme Support	885	446	49	55	-	-	-
Non-profit institutions							
Current	937	550	600	945	1 000	1 000	1 000
Institutional and Programme Support	937	550	600	945	1 000	1 000	1 000
Households							
Other transfers to households							
Current	531	135	-	-	-	-	-
Gifts and Donations	531	135	-	-	-	-	-

Expenditure trends

Expenditure decreased from R225.9 million in 2006/07 to R173.6 million in 2009/10, at an average annual rate of 8.4 per cent. This can be attributed to once-off expenditure in 2006/07 relating to the purchase of the department's new building and the decreases in outsourced services and operating leases.

Expenditure is expected to increase over the MTEF period from R173.6 million to R203.8 million, at an average annual rate of 5.5 per cent. This is due to an increase in compensation of employees spending due to: cost of living adjustments to salaries; the carry through costs of the senior management salary adjustments in September 2008, and the funding of additional positions in the ministry, following the change in the executive authority of the department. In addition, advertising, audit and communication expenditure is expected to increase over the medium term due to tariff adjustments.

Programme 2: Research, Development and Innovation

- *Space Sciences* focuses on creating the necessary strategic and institutional regimes for a viable space programme and an earth observation system. This includes providing strategic direction on the Square Kilometre Array demonstrator telescope, MeerKAT, to ensure that Africa is well positioned to host it. Targeted national space initiatives are intended to harness the benefits of space science and technology for socioeconomic growth and sustainable development.
- *Hydrogen and Energy* provides policy leadership in long term, cross-cutting research, development and innovation in the energy sector. The subprogramme plays a key role in developing a sustainable and globally competitive South African energy knowledge base and industry that will ensure broad socioeconomic benefits from the nascent global hydrogen economy.
- *Biotechnology and Health* provides policy leadership for developing a world class bio-economy in South Africa. This will be achieved through innovation instruments that provide financial, intellectual property and innovation management support.
- *Innovation Instruments and Planning* drives strategic interventions that will enable South Africa to translate a greater proportion of its scientific knowledge outputs into commercial technology products and services. This is achieved through policy and institutional structures that facilitate the development of technology and its progression into national and international markets.

Funding for all these subprogrammes is allocated on the basis of approved business plans and service level agreements between the department and relevant entities.

Objectives and measures

- Support the creation of a viable space industry in South Africa through operationalising the South African National Space Agency by establishing an interim structure and appointing the board of directors by December 2010.
- Position South Africa to host the Square Kilometre Array radio telescope in 2012 by constructing 7 dishes as part of the demonstrator telescope, MeerKAT, by March 2011.
- Drive the delivery of sustainable energy solutions by showcasing a hybrid transportation technology powered by a fuel cell or battery by March 2011.
- Provide a strategic roadmap for the growth of the bio-economy in South Africa by finalising the capability audit and the bio-economy strategy by September 2010 and the Farmer to Pharma implementation plan by June 2010.
- Promote technology commercialisation that will increase the number of technology based companies in South Africa by operationalising the Technology Innovation Agency by March 2011.
- Harness intellectual property emanating from public financed research by establishing the National Intellectual Property Management Office and 3 offices of technology transfer by March 2011.

Service delivery focus

In 2009/10, the Technology Innovation Agency Board was established and an interim chief executive officer appointed. In 2010/11, the focus will be on fully operationalising the agency. In September 2009, the SumbandilaSAT was launched into space. The focus in 2010/11 will be to increase space applications to address socioeconomic issues. This will be done by extending financial support for developing 5 new applications to form part of the South African earth observation strategy portal. In 2009, the Square Kilometre Array radio telescope core site attracted 2 international initiatives, the C-Band All Sky Survey and the Precision Array to Probe the Epoch of Reionisation.

As a result of the hydrogen and fuel cells technologies research, development and innovation strategy, in 2009 a private company in the mining industry announced an investment of over R100 million into a platinum market development and beneficiation strategy. In the same year, a public private partnership including this company, another private company and the department was proposed, to establish local fuel cells manufacture. The

Innovation Fund is currently completing the due diligence exercise, and the decision to invest or not will be made by March 2010. A plant to manufacture fuel cells in South Africa is planned over 18 months.

To reduce disease in South Africa, the department launched the following initiatives in 2009/10: the South African HIV and AIDS research and innovation platform to provide evidence based solutions to contribute to the Department of Health's current strategic plan for HIV and AIDS; the tuberculosis research centre of competence, concentrating on developing technologies and drugs; and iThemba Pharmaceuticals, a drug discovery company for research and development for new and affordable medicines for infectious diseases.

With the draft of the regulations under the Intellectual Property Rights from Publicly Financed Research and Development Act (2008) finalised in 2008, the focus in 2010/11 will be to establish the National Intellectual Property Management Office as a government agency along with offices of technology transfer at higher education institutions.

Expenditure estimates

Table 33.7 Research, Development and Innovation

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R thousand							
Space Science	202 315	296 157	344 206	574 427	611 547	659 342	113 613
Hydrogen and Energy	9 587	33 820	139 650	149 985	134 178	142 780	148 919
Biotechnology and Health	178 114	194 164	228 098	259 344	310 019	298 447	321 768
Innovation Planning and Instruments	4 031	5 705	143 878	159 637	228 296	240 605	241 900
Total	394 047	529 846	855 832	1 143 393	1 284 040	1 341 174	826 200
Change to 2009 Budget estimate				510	(31 362)	(41 852)	(69 456)

Economic classification

	13 493	16 065	26 704	40 941	45 913	48 245	50 657
Current payments							
Compensation of employees	5 805	8 824	14 859	21 339	22 021	23 233	24 394
Goods and services	7 688	7 241	11 845	19 602	23 892	25 012	26 263
<i>of which:</i>							
Administrative fees	167	157	76	80	113	125	139
Advertising	312	294	842	150	293	305	312
Assets less than the capitalisation threshold	25	24	18	13	48	78	79
Bursaries: Employees	52	49	–	–	25	30	35
Catering: Departmental activities	63	59	192	246	241	250	235
Communication	493	464	711	765	689	723	766
Computer services	190	179	186	70	175	189	201
Consultants and professional services: Business and advisory services	–	–	478	1 500	1 110	1 150	1 202
Consultants and professional services: Legal costs	–	–	–	502	528	553	581
Contractors	1	1	174	120	192	255	239
Agency and support / outsourced services	968	912	2 184	10 883	14 597	15 276	16 065
Entertainment	107	101	163	41	39	41	47
Inventory: Other consumables	–	–	12	76	71	73	83
Inventory: Stationery and printing	337	317	545	637	607	636	681
Lease payments	104	98	110	60	103	113	123
Travel and subsistence	3 950	3 720	5 911	4 120	4 382	4 579	4 739
Training and development	294	277	–	–	71	73	80
Operating expenditure	53	50	86	129	277	211	278
Venues and facilities	572	539	157	210	331	352	378

Table 33.7 Research, Development and Innovation (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Economic classification							
Current payments							
Transfers and subsidies	380 116	513 388	828 912	1 102 227	1 237 917	1 292 709	775 312
Provinces and municipalities	17	–	–	–	–	–	–
Departmental agencies and accounts	150 900	302 962	458 526	698 248	302 224	318 299	321 443
Universities and technikons	26 439	16 314	54 149	87 347	–	–	–
Public corporations and private enterprises	30 254	49 682	32 556	73 625	–	–	–
Non-profit institutions	172 254	144 426	283 681	243 007	935 693	974 410	453 869
Households	252	4	–	–	–	–	–
Payments for capital assets	438	393	215	225	210	220	231
Machinery and equipment	438	393	215	225	210	220	231
Payments for financial assets	–	–	1	–	–	–	–
Total	394 047	529 846	855 832	1 143 393	1 284 040	1 341 174	826 200
Details of transfers and subsidies							
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	17	–	–	–	–	–	–
Regional Services Council levies	17	–	–	–	–	–	–
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	150 900	222 962	194 262	206 023	302 224	318 299	321 443
Biotechnology Strategy	–	37 500	2 000	7 500	–	–	–
South African National Energy Research Institute	–	–	–	8 614	41 976	44 495	46 720
Gifts and Donations	–	–	–	–	–	–	–
Health Innovation	–	65	–	–	–	–	–
HIV/ AIDS Prevention and Treatment Technologies	–	8 067	–	–	18 206	19 298	20 263
Hydrogen Strategy	–	–	8 680	16 500	–	–	–
Innovation Fund	131 260	141 818	140 000	149 229	189 518	181 389	184 723
Innovation Projects	–	–	–	3 000	30 000	50 000	47 500
International Centre for Genetic Engineering and Biotechnology	–	10 000	–	–	9 900	9 900	10 395
Space Science	205	–	18 086	9 180	–	–	–
Square Kilometre Array	19 435	25 512	25 496	12 000	12 624	13 217	11 842
Capital	–	80 000	264 264	492 225	–	–	–
Space Science	–	–	–	1 932	–	–	–
Square Kilometre Array	–	80 000	264 264	490 293	–	–	–
Universities and technikons							
Current	17 153	10 414	15 391	43 118	–	–	–
Biofuels	–	1 500	–	–	–	–	–
Biotechnology Strategy	–	–	200	–	–	–	–
South African National Energy Research Institute	–	–	–	14 650	–	–	–
Health Innovation	5 334	192	–	–	–	–	–
Hydrogen Strategy	6 000	6 000	10 000	28 468	–	–	–
International Centre for Genetic Engineering and Biotechnology	–	–	–	–	–	–	–
Space Science	5 819	2 722	5 191	–	–	–	–

Table 33.7 Research, Development and Innovation (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Capital	9 286	5 900	38 758	44 229	-	-	-
Hydrogen Strategy	-	3 000	38 758	-	-	-	-
Hydrogen Strategy	-	-	-	44 229	-	-	-
Space Science	9 286	2 900	-	-	-	-	-
Public corporations and private enterprises							
Public corporations							
Other transfers							
Current	21 540	28 582	16 615	39 154	-	-	-
Biofuels	-	3 000	-	-	-	-	-
Biotechnology Strategy	-	-	50	-	-	-	-
South African National Energy Research Institute	-	-	-	14 415	-	-	-
Health Innovation	-	2 500	1 000	-	-	-	-
Hydrogen Strategy	4 000	4 650	8 750	6 000	-	-	-
Innovation Fund	-	-	-	2 000	-	-	-
Innovation Projects	3 190	4 600	-	-	-	-	-
Space Science	14 350	13 832	6 815	16 739	-	-	-
Capital	8 714	21 100	15 941	34 471	-	-	-
Hydrogen Strategy	-	4 000	1 742	-	-	-	-
Space Science	8 714	17 100	14 199	34 471	-	-	-
Non-profit institutions							
Current	170 254	141 426	283 681	243 007	327 067	320 509	343 934
Biofuels	-	-	5 000	5 000	5 000	5 300	5 565
Biotechnology Strategy	148 080	124 222	175 257	172 500	227 066	211 771	230 758
South African National Energy Research Institute	-	-	44 268	2 149	-	-	-
Health Innovation	4 000	6 242	14 500	36 000	37 872	39 652	41 635
HIV/ AIDS Prevention and Treatment Technologies	15 000	-	16 601	17 228	-	-	-
Hydrogen Strategy	-	9 926	18 000	200	28 638	30 356	30 874
International Centre for Genetic Engineering and Biotechnology	-	-	10 000	9 930	-	-	-
Space Science	3 174	1 036	55	-	28 491	33 430	35 102
Capital	2 000	3 000	-	-	608 626	653 901	109 935
Hydrogen Strategy	-	3 000	-	-	48 361	51 903	54 498
Space Science	2 000	-	-	-	51 390	55 153	55 437
Square Kilometre Array	-	-	-	-	508 875	546 845	-
Households							
Other transfers to households							
Current	252	4	-	-	-	-	-
Gifts and Donations	252	4	-	-	-	-	-

Expenditure trends

Expenditure increased substantially from R394 million in 2006/07 to R1.1 billion in 2009/10, at an average annual rate of 42.6 per cent. The significant growth is attributable to the introduction of programmes that bolster biotechnology, hydrogen energy and innovation instrument initiatives, and the Square Kilometre Array project. This caused increases in current payments, which grew at an average annual rate of 44.7 per cent from R13.5 million in 2006/07 to R40.9 million in 2009/10. Capital transfers to departmental agencies and non-profit institutions also increased, at an average annual rate of 42.6 per cent from R380.1 million to R1.1 billion.

Over the medium term, expenditure is expected to decrease to R826.2 million at an average annual rate of 10.3 per cent. This is solely due to the discontinued funding for the Square Kilometre Array project in 2012/13.

The decrease is offset slightly by marginal growth which sustains existing projects that support the national system of innovation.

Programme 3: International Cooperation and Resources

- *Multilateral Cooperation and Africa* advances and facilitates South Africa's participation in strategic bilateral agreements and multilateral organisations on science, technology and innovation to strengthen the national system of innovation and to achieve shared economic and social development in the region and the continent. Key activities include: facilitating South Africa's engagement in the UN family of organisations; maximising South Africa's participation in implementing the outcomes of major summits and international conventions at national, regional and international levels; strengthening South Africa's participation in global science projects for immediate national benefit; and increasing South Africa's participation in South-South partnerships. This also includes contributing to effective science and technology governance in Southern African Development Community (SADC) and the AU, contributing to New Partnership for Africa's Development (NEPAD), and supporting science and technology programmes at a regional and continental level. In addition, the subprogramme promotes the department's engagement with bilateral African partner countries.
- *International Resources* accesses funding, human capital and knowledge, hosts global research infrastructures in South Africa, and accesses international research facilities for the benefit of the national system of innovation. Key activities include: facilitating South Africa's participation in international research programmes; strengthening developmental partnerships to attract official development support for science and technology in South Africa and Africa; supporting the establishment of global research infrastructure programmes in South Africa; and facilitating partnerships with multinational companies to encourage them to invest in research and development activities.
- *Overseas Bilateral Cooperation* promotes and facilitates collaborative activities and leverages resources in support of the national system of innovation from countries outside Africa, with a specific focus on developing a knowledge driven economy. Through the new international cooperation strategy, these relationships will be realigned to address the challenges and associated cross-cutting areas set out in the 10-year innovation plan and the national research and development strategy. Activities include: developing country strategies; conducting joint management meetings; and evaluating cooperation and co-funding research and development projects. The subprogramme consists of two units: the unit for Europe and the Middle East, and the unit for Asia and the Americas.

Funding will be used for staff remuneration and associated personnel costs, as well as for transfers to public entities on the basis of approved work plans and business plans.

Objectives and measures

- Promote and manage South Africa's international science, technology and innovation cooperation in support of national priorities by:
 - ensuring the participation of 14 African partners in the Square Kilometre Array radio telescope activities by March 2011
 - establishing 30 new joint science, technology and innovation projects with African partners by March 2011
 - leveraging new Organisation for Economic Cooperation and Development opportunities to provide professional assistance for developing indicators that could measure South African research and development spend more accurately by March 2011.
- Enhance South Africa's regional impact on the international science, technology and innovation environment to make the country and the region an important international science and technology partner by:
 - influencing the agendas of global and African multilateral institutions on an ongoing basis
 - contributing to international environmental negotiations, such as on climate change, on an ongoing basis.
- Increase international funding for science and technology in South Africa by:

- promoting foreign direct investment and donor support, mostly through bilateral and multilateral agreements on an ongoing basis
- strengthening partnerships with multinational companies from R189 million in 2008/09 to R352 million in 2011/12.

Service delivery focus

In 2009, South Africa increased its participation in multilateral organisations and enhanced its impact in the region and globally by: winning the bid to host a new regional NEPAD water initiative; co-chairing the steering group for the Organisation for Economic Cooperation and Development's global science forum project on science and technology cooperation between developed and developing countries; and serving on the organisation's committee for scientific and technological policy steering group on science, technology and innovation cooperation to address global challenges. In enhancing South-South partnership, South Africa hosted the third World Academy of Science, Engineering and Technology general conference in October 2009 and was elected vice chair of the Centre for Science and Technology of the Non-Aligned and Other Developing Countries from 2010 to 2013.

In 2009, South Africa was mandated to lead SADC science, technology and innovation initiatives in the following areas: intellectual property rights; women in science; the SADC science, technology and innovation strategy; and training for senior science and technology officials. In the same year, South Africa also enhanced bilateral relations through funding joint projects with Kenya, and an expression of interest with Namibia will be finalised in March 2010.

Engagement with the EU continued through policy dialogue on space science, energy, and social sciences and the humanities, resulting in specific EU framework programme calls to address African challenges. The ongoing dialogue resulted in significant research funding of about €100 million for a wide range of projects.

Finnish-South African innovation partnership programmes have been underway since 2006/07. They support emerging entrepreneurs and build innovation capacity, such as foresighting and managing living laboratories and science parks, in poor provinces and rural areas. They aimed at strengthening the network for biosciences to advance life sciences research to address the challenges of HIV and AIDS, food security and environment protection. In 2009/10, funds were secured from donor organisations for food security and climate change initiatives in the SADC region.

In 2009/10, joint research projects in the India-Brazil-South Africa framework were completed in areas such as nanotechnology, biotechnology, and polar and oceanographic research. Bilateral engagements were completed in 2009/10 with Germany, Norway, Belgium, Argentina, the Republic of Korea, Japan, India, China and Argentina in areas such as space, energy, biodiversity, ICT, and advanced manufacturing.

Expenditure estimates

Table 33.8 International Cooperation and Resources

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R thousand							
Multilateral Cooperation and Africa	68 857	73 261	61 381	56 854	56 543	60 256	62 799
International Resources	27 285	10 048	37 359	50 409	48 919	51 334	53 172
Overseas Bilateral Cooperation	28 162	16 124	41 769	24 700	29 649	31 502	32 511
Total	124 304	99 433	140 509	131 963	135 111	143 092	148 482
Change to 2009 Budget estimate				681	(1 219)	(1 486)	(3 457)
Economic classification							
Current payments	42 005	40 134	53 090	55 256	58 869	61 206	64 122
Compensation of employees	17 401	19 849	30 392	31 028	33 278	35 108	36 863
Goods and services	24 604	20 285	22 698	24 228	25 591	26 098	27 259
<i>of which:</i>							
Administrative fees	197	119	65	62	102	106	113

Table 33.8 International Cooperation and Resources (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Economic classification							
Current payments							
<i>Advertising</i>	8	122	411	320	390	424	440
<i>Assets less than the capitalisation threshold</i>	53	43	22	14	43	29	31
<i>Bursaries: Employees</i>	–	22	–	–	–	–	–
<i>Catering: Departmental activities</i>	189	578	429	420	365	522	548
<i>Communication</i>	1 282	1 420	1 395	1 082	1 557	1 360	1 438
<i>Computer services</i>	279	250	258	350	100	105	108
<i>Consultants and professional services: Business and advisory services</i>	–	–	232	1 625	209	662	689
<i>Consultants and professional services: Legal costs</i>	–	–	–	–	400	–	–
<i>Contractors</i>	156	27	344	15	466	318	319
<i>Agency and support / outsourced services</i>	8 031	3 294	2 882	4 116	3 676	4 251	4 458
<i>Entertainment</i>	577	573	590	250	757	663	689
<i>Inventory: Fuel, oil and gas</i>	4	1	–	–	–	–	–
<i>Inventory: Materials and supplies</i>	8	–	–	–	–	–	–
<i>Inventory: Other consumables</i>	11	11	140	50	172	164	166
<i>Inventory: Stationery and printing</i>	954	860	672	610	669	821	861
<i>Lease payments</i>	168	369	445	370	568	560	587
<i>Property payments</i>	–	–	25	–	398	–	–
<i>Travel and subsistence</i>	9 841	9 856	11 944	9 903	12 557	13 299	13 900
<i>Training and development</i>	154	47	17	–	–	–	–
<i>Operating expenditure</i>	534	728	1 605	2 006	895	677	681
<i>Venues and facilities</i>	2 158	1 965	1 222	3 035	2 267	2 137	2 231
Transfers and subsidies	81 791	59 014	86 913	76 417	75 750	81 372	83 821
Provinces and municipalities	11	–	–	–	–	–	–
Departmental agencies and accounts	29 564	27 349	44 265	38 729	30 594	32 440	34 062
Universities and technikons	3 188	4 526	2 763	2 980	–	–	–
Public corporations and private enterprises	28 692	22 749	34 344	21 512	–	–	–
Non-profit institutions	20 172	4 367	5 541	13 196	45 156	48 932	49 759
Households	164	23	–	–	–	–	–
Payments for capital assets	508	285	506	290	492	514	539
Machinery and equipment	508	285	506	290	492	514	539
Total	124 304	99 433	140 509	131 963	135 111	143 092	148 482

Details of transfers and subsidies

Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	11	–	–	–	–	–	–
Regional Services Council levies	11	–	–	–	–	–	–
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	29 564	27 349	44 265	38 729	30 594	32 440	34 062
Africa Institute of South Africa	24 954	26 530	30 464	29 280	30 594	32 440	34 062
Global Science	4 610	819	13 801	9 449	–	–	–
Universities and technikons							
Current	3 188	4 526	2 763	2 980	–	–	–
Global Science	3 188	4 526	2 763	2 980	–	–	–

Table 33.8 International Cooperation and Resources (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Public corporations and private enterprises							
Public corporations							
Other transfers							
Current	28 692	22 749	34 344	21 512	-	-	-
Global Science	28 692	22 749	34 344	21 512	-	-	-
Non-profit institutions							
Current	20 172	4 367	5 541	13 196	45 156	48 932	49 759
Global Science	20 172	4 367	5 541	13 196	45 156	48 932	49 759
Households							
Other transfers to households							
Current	164	23	-	-	-	-	-
Gifts and Donations	164	23	-	-	-	-	-

Expenditure trends

Expenditure increased from R124.3 million in 2006/07 to R132 million in 2009/10, at an average annual rate of 2 per cent. The growth can be attributed mainly to an average annual increase of 22.7 per cent in the *International Resources* subprogramme, as it received additional allocations of R23.1 million from 2006/07 to support multilateral and bilateral cooperation.

Expenditure increased marginally over the MTEF period to R148.5 million, at an average annual rate of 4 per cent. The increase is to sustain existing projects.

The spending focus over the MTEF period remains advancing and facilitating South Africa's participation in strategic bilateral and multilateral agreements, accessing funding, human capital and knowledge, and leveraging resources in support of the national system of innovation.

Public entity

Africa Institute of South Africa

Strategic overview: 2006/07 – 2012/13

The Africa Institute of South Africa is a statutory body established in terms of the Africa Institute of South Africa Act (2001). It focuses on political, socioeconomic, international and development issues in contemporary Africa, and contributes to the goals of the national system of innovation through research programmes which impact on knowledge production, human resource development, social science and innovation. The institute's key roles are to conduct research, support policy development, run training programmes, and establish, participate in and maintain networks for peace, development and prosperity in Africa.

Over the medium term, regional integration and African unity will be the focus of the research programme. Budget allocations are augmented through joint research ventures with like minded institutions and sponsorships.

Savings and cost effective service delivery

The Africa Institute of South Africa aims to make efficiency savings by: monitoring spending and controlling non-service delivery spending; streamlining operations and administrative functions; improving cash flow stability; acquiring professional capacity through more economical partnership agreements; monitoring vacant positions and appointing staff at market related salaries; and in-house internal auditing. The saving from employing a full time internal auditor as opposed to outsourcing this function will be R520 800 for 2010/11.

Selected performance indicators

Table 33.9 Africa Institute of South Africa

Indicator	Programme/Activity	Past			Current	Projections		
		2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Number of research outputs per year	Research	39	74	130	120	130	140	150
Number of publications of internal and external outputs per year	Research	19	22	54	95	151	163	176
Number of publications of peer reviewed journals per year	Research	4	4	4	4	4	4	4

Service delivery focus

In 2008/09, the institute produced 69 manuscripts, 57 policy briefs, and presented papers at 12 international and 21 national conferences to increase awareness about African developments. It also published 10 books, 6 policy briefs, 4 peer reviewed journals; 12 occasional papers, and 1 monograph, thus contributing to knowledge production in Africa.

The institute hosted or co-hosted 39 events, participated in 90 media interviews, mentored and supervised 6 research interns to produce and present outputs, and conducted the Africa Institute of South Africa lecture series at previously disadvantaged universities. These activities increase the quality of students and supplement curricula.

Apart from attaining a better mandate fit and increased coverage in the 5 economic regions of the continent, the institute also made considerable strides in 2008/09 to reduce risks, increase its collaborative networks, and improve its operational frameworks and organisational culture.

The rapid improvement in the institute's financial and control environment can be attributed to amended policies and procedures. 22 human resources policies and 8 financial policies were implemented in 2008/09.

Expenditure estimates

Table 33.10 Africa Institute of South Africa: Objective information

R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Research	2 749	3 173	3 077	2 424	2 454	2 658	2 973
Publications	579	857	1 329	2 072	2 134	2 264	2 399
Library and Documentation	679	866	627	955	1 085	1 045	1 107
Corporate Affairs, Outreach and International Liaison	680	973	1 060	2 147	2 119	2 355	2 495
Other objectives	16 848	18 178	21 577	24 157	25 674	26 514	27 605
Total expense	21 535	24 047	27 670	31 755	33 466	34 836	36 579

Table 33.11 Africa Institute of South Africa: Financial information

Statement of financial performance R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Revenue							
Non-tax revenue	1 265	1 222	1 141	2 475	2 872	2 396	2 517
Sale of goods and services other than capital assets <i>of which:</i>	118	54	36	100	100	120	140
<i>Sales by market establishments</i>	118	54	36	100	100	120	140
<i>Other non-tax revenue</i>	1 147	1 168	1 105	2 375	2 772	2 276	2 377
Transfers received	23 454	26 530	30 464	29 280	30 594	32 440	34 062
Total revenue	24 719	27 752	31 605	31 755	33 466	34 836	36 579

Table 33.11 Africa Institute of South Africa: Financial information (continued)

Statement of financial performance	Audited outcome			Revised estimate	Medium-term estimate		
	2006/07	2007/08	2008/09		2009/10	2010/11	2011/12
R thousand							
Expenses							
Current expense	21 535	24 047	27 670	31 755	33 466	34 836	36 579
Compensation of employees	11 655	11 206	14 744	17 513	18 441	19 455	20 427
Goods and services	9 438	12 396	12 192	12 570	13 271	14 175	14 832
Depreciation	345	314	734	1 672	1 754	1 206	1 320
Interest, dividends and rent on land	97	131	--	--	--	--	--
Total expenses	21 535	24 047	27 670	31 755	33 466	34 836	36 579
Surplus / (Deficit)	3 184	3 705	3 935	--	--	--	--
Statement of financial position							
Carrying value of assets	1 521	2 386	3 539	3 824	2 761	2 502	2 294
of which: Acquisition of assets	97	1 221	2 002	2 023	500	1 020	1 220
Investments	32	34	61	64	65	68	72
Inventory	815	704	1 374	1 550	1 600	1 650	1 700
Receivables and prepayments	1 015	368	5 601	3 500	3 000	2 500	2 000
Cash and cash equivalents	6 072	8 221	4 788	13 120	12 000	12 000	12 000
Assets not classified elsewhere	1 331	2 285	2 427	1 200	1 100	1 000	900
Total assets	10 786	13 998	17 790	23 258	20 526	19 720	18 966
Accumulated surplus/deficit	7 756	11 461	14 822	8 613	7 588	8 934	10 558
Borrowings	666	--	--	--	--	--	--
Trade and other payables	1 694	1 667	2 206	1 600	1 900	2 000	2 100
Provisions	670	870	762	700	750	760	770
Liabilities not classified elsewhere	--	--	--	12 345	10 288	8 026	5 538
Total equity and liabilities	10 786	13 998	17 790	23 258	20 526	19 720	18 966

Expenditure trends

The Africa Institute of South Africa is funded mainly by transfers from the Department of Science and Technology. Total revenue increased from R24.7 million in 2006/07 to R31.8 million in 2009/10 at an average annual rate of 8.8 per cent, and is expected to grow at an average annual rate of 5.1 per cent over the MTEF period to R36.6 million. Transfers grow at an average annual rate of 5.2 per cent over the MTEF period, from R29.3 million in 2009/10 to R34.1 million in 2012/13.

Spending increased from R21.5 million in 2006/07 to R31.8 million in 2009/10, at an average annual rate of 13.9 per cent. Over the medium term, expenditure is expected to increase to R36.6 million, at an average annual rate of 5.2 per cent. Compensation of employees spending represents 55.5 per cent of total expenditure over the MTEF period.

Programme 4: Human Capital and Knowledge Systems

- *Human Capital and Science Platforms* is aimed at: developing and renewing science, engineering and technology human capital to promote knowledge generation, protection and exploitation; developing science platforms that leverage off South Africa's geographical advantages; and promoting science, technology, engineering, mathematics and innovation literacy and awareness. Funding is provided to the National Research Foundation for programmes to develop research and human capital.
- *Indigenous Knowledge System* promotes the role of indigenous knowledge systems in national research and development programmes to strengthen their contribution to science, technology and innovation.
- *Emerging Research Areas and Infrastructure* facilitates the strategic implementation of research equipment and infrastructure to promote knowledge production in areas of national priority and to sustain research and development led innovation. The subprogramme promotes new and emerging research areas through supporting the required research and infrastructure capacity. Funding is provided to institutions and

programmes such as the South African Research Network, the Centre for High Performance Computing, national nanotechnology innovation centres, the national equipment programme and new and emerging research areas.

Objectives and measures

- Promote human capital development through improving supervisory capacity and student support by increasing the number of research chairs appointed at national system of innovation institutions from 82 in 2009/10 to 150 in 2012/13.
- Promote human capital development and knowledge production by:
 - increasing the number of centres of excellence from 8 in 2009/10 to 9 in 2012/13, and from 1 200 students per year in 2009/10 to 1 900 per year in 2012/13
 - providing work training experience to 1 100 science, engineering and technology graduates placed as interns at various national system of innovation institutions by March 2013.
- Contribute to increasing the number of matriculants with university exemption by increasing the number of learners and schools benefiting from supplementary tuition in mathematics, physical sciences and English from 2 550 per year in 2009/10 to 2 700 per year in 2012/13.
- Promote science literacy, among the youth in particular and the general public, by increasing the number of participants at National Science Week sites across all the provinces and people reached through the media from 200 000 per year in 2009/10 to 300 000 per year in 2012/13.
- Drive the ideals of knowledge production to accrue social and commercial benefits by increasing the total number of research outputs in peer reviewed journals across human capital development initiatives from 500 journal articles per year in 2009/10 to 674 journal articles per year in 2012/13.
- Promote the protection and development of indigenous knowledge systems by:
 - developing indigenous knowledge systems legislation by 2012, establishing 1 research chair by 2012, and consolidating 1 centre of excellence on curriculum development by 2011
 - doubling the number of participants attending the Annual World Expo as well as developing a national recordable system by the end of 2012
 - developing a framework for the accreditation and certification of knowledge holders and practitioners by 2011.

Service delivery focus

The number of postgraduate students supported by research chairs grants increased from 115 to 423 between 2007 and 2009. The research chairs supervised an average of more than 10 students per research chair in 2009, including students funded from other sources. The number of publications by research chairs increased from 162 to 265 between 2008 and 2009. The number of postdoctoral fellows supported increased from 18 in 2007 to 53 in 2009. The number of students supported under the current 7 centres of excellence increased from 126 in 2004/05 (the year of inception) to 395 in 2008/09. Of the 395 students, 53 per cent were female and 43 per cent were black, against a targeted 50 per cent and 60 per cent.

In 2007 and 2008, the department's bursary scheme supported 539 honours students, of which 420 completed their degrees within their year of registration. Of the 206 graduates in 2008, 118 enrolled for Masters degrees, representing a 57 per cent retention rate. In 2009, 33 Masters students were awarded bursaries under the department's bursary scheme. Of the more than 300 interns placed in science, engineering and technology related work environments, more than 60 per cent gained employment during or immediately after their internship.

In November 2009, over 1 300 knowledge holders and practitioners attended the Indigenous Knowledge System Expo in Polokwane organised by the National Indigenous Knowledge System Office, national government departments and the Limpopo Department of Science and Technology. The office also ensured the deployment of digital doorways in Mpumalanga and KwaZulu-Natal in June 2009. The research chair on indigenous

knowledge studies was awarded to Walter Sisulu University in 2009/10. The office hosted the SADC workshop in the Seychelles on the protection of indigenous knowledge systems.

Drafting legislation on indigenous knowledge systems is in abeyance, awaiting finality on the Intellectual Property Laws Amendment Bill.

Expenditure estimates

Table 33.12 Human Capital and Knowledge Systems

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R thousand							
Human Capital and Science Platforms	753 997	946 058	1 066 199	1 122 390	1 233 835	1 396 853	1 377 910
Indigenous Knowledge Systems	8 382	10 508	12 122	25 397	27 370	29 227	30 688
Emerging Research Areas and Infrastructure	115 802	318 734	379 319	451 187	487 466	529 047	525 350
Total	878 181	1 275 300	1 457 640	1 598 974	1 748 671	1 955 127	1 933 948
Change to 2009 Budget estimate				936	(40 858)	(56 261)	(130 152)

Economic classification

Current payments	17 934	21 352	24 407	32 877	31 360	33 057	34 713
Compensation of employees	10 206	11 869	16 963	21 457	22 796	24 050	25 253
Goods and services	7 728	9 483	7 444	11 420	8 564	9 007	9 460
<i>of which:</i>							
<i>Administrative fees</i>	42	51	43	90	96	98	106
<i>Advertising</i>	210	258	213	80	84	89	93
<i>Assets less than the capitalization threshold</i>	3	4	27	2	2	2	2
<i>Bursaries: Employees</i>	29	36	–	–	–	–	–
<i>Catering: Departmental activities</i>	77	95	323	414	406	458	481
<i>Communication</i>	539	661	811	715	829	791	831
<i>Computer services</i>	139	170	140	124	130	137	144
<i>Consultants and professional services: Business and advisory services</i>	–	–	133	2 489	439	672	705
<i>Contractors</i>	1	1	1	222	234	246	258
<i>Agency and support / outsourced services</i>	1 658	2 035	283	521	240	577	606
<i>Entertainment</i>	17	21	19	41	43	45	48
<i>Inventory: Other consumables</i>	–	–	31	17	18	19	20
<i>Inventory: Stationery and printing</i>	628	771	745	1 000	1 056	1 107	1 162
<i>Lease payments</i>	125	154	155	174	183	193	202
<i>Travel and subsistence</i>	3 152	3 868	4 166	4 096	4 196	4 091	4 296
<i>Training and development</i>	39	48	–	–	–	–	–
<i>Operating expenditure</i>	631	773	135	952	363	224	235
<i>Venues and facilities</i>	438	537	219	483	245	258	271
Transfers and subsidies	859 960	1 253 885	1 433 015	1 565 997	1 717 206	1 921 959	1 899 119
Provinces and municipalities	3	–	–	–	–	–	–
Departmental agencies and accounts	774 932	936 105	1 090 088	1 181 089	1 372 021	1 544 772	1 512 374
Universities and technikons	6 529	8 270	5 761	22 728	–	–	–
Public corporations and private enterprises	47 146	259 852	262 109	302 400	98 783	104 710	99 946
Non-profit institutions	31 347	49 647	74 707	59 780	246 402	272 477	286 799
Households	3	11	350	–	–	–	–
Payments for capital assets	287	63	216	100	105	111	116
Machinery and equipment	287	63	216	100	105	111	116
Payments for financial assets	–	–	2	–	–	–	–
Total	878 181	1 275 300	1 457 640	1 598 974	1 748 671	1 955 127	1 933 948

Table 33.12 Human Capital and Knowledge Systems (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Details of transfers and subsidies							
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	3	-	-	-	-	-	-
Regional Services Council levies	3	-	-	-	-	-	-
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	724 932	886 105	970 588	1 063 859	1 150 610	1 307 146	1 282 867
Emerging Research Areas	-	-	-	14 000	-	-	-
Frontier Science and Technology	35 000	20 500	-	-	-	-	-
Frontier Science and Technology	-	-	11 500	-	-	-	-
Human Resources Development	55 000	169 429	227 035	264 144	351 179	446 079	437 722
Indigenous Knowledge System	2 500	1 550	1 250	10 249	-	-	-
Learnerships	-	-	-	6 746	7 129	7 812	8 203
National Research Foundation	596 671	657 699	683 420	692 131	734 443	789 144	769 825
Science and Youth	2 500	2 631	2 190	18 800	-	-	-
Science Themes	33 261	34 296	45 193	57 789	57 859	64 111	67 117
Capital	50 000	50 000	119 500	117 230	221 411	237 626	229 507
Research and Development Infrastructure	50 000	50 000	119 500	117 230	221 411	237 626	229 507
Universities and technikons							
Current	6 529	8 270	5 761	9 728	-	-	-
Emerging Research Areas	-	-	-	5 400	-	-	-
Frontier Science and Technology	682	-	500	-	-	-	-
Human Resources Development	1 000	6 352	58	-	-	-	-
Indigenous Knowledge System	200	1 200	2 600	4 028	-	-	-
Science and Youth	1 297	400	2 603	200	-	-	-
Science Themes	3 350	18	-	-	-	-	-
Women in Science	-	300	-	100	-	-	-
Capital	-	-	-	13 000	-	-	-
Research and Development Infrastructure	-	-	-	13 000	-	-	-
Public corporations and private enterprises							
Public corporations							
Other transfers							
Current	5 146	97 852	153 909	102 499	-	-	-
Centre for High Performance Computing	-	-	-	61 349	-	-	-
Emerging Research Areas	-	-	-	27 899	-	-	-
Frontier Science and Technology	402	83 000	132 450	-	-	-	-
Human Resources Development	-	9 590	20 539	2 000	-	-	-
Indigenous Knowledge System	-	450	920	1 661	-	-	-
Learnerships	4 444	3 112	-	-	-	-	-
Science and Youth	-	-	-	9 255	-	-	-
Science Themes	300	1 700	-	-	-	-	-
Women in Science	-	-	-	335	-	-	-
Capital	42 000	162 000	108 200	199 901	98 783	104 710	99 946
Centre for High Performance Computing	-	-	-	1 414	-	-	-
Frontier Science and Technology	20 000	-	-	-	-	-	-
National Nanotechnology Centres	-	-	-	34 905	-	-	-
Research and Development Infrastructure	-	-	19 200	70 108	-	-	-
South African National Research Network	22 000	162 000	89 000	93 474	98 783	104 710	99 946

Table 33.12 Human Capital and Knowledge Systems (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Non-profit institutions							
Current	31 347	49 647	72 907	57 780	137 668	149 954	158 150
Academy of Science of South Africa	3 000	3 400	5 570	9 893	10 554	11 152	11 710
Centre for High Performance Computing	-	-	-	-	1 623	1 847	1 939
Emerging Research Areas	-	-	-	2 000	50 475	55 551	58 179
Frontier Science and Technology	5 300	-	-	-	-	-	-
Human Resources Development	-	10 540	16 078	19 036	-	-	-
Indigenous Knowledge System	790	1 000	-	-	17 407	18 726	19 660
Learnerships	-	-	6 640	-	-	-	-
Science and Youth	16 438	24 978	40 794	23 070	54 439	59 364	63 182
Science Themes	3 759	7 312	1 545	1 181	-	-	-
Technology Top 100	2 060	2 417	2 280	2 600	2 735	2 864	3 007
Women in Science	-	-	-	-	435	450	473
Capital	-	-	1 800	2 000	108 734	122 523	128 649
Centre for High Performance Computing	-	-	-	-	70 397	80 123	84 129
National Nanotechnology Centres	-	-	-	-	38 337	42 400	44 520
Research and Development Infrastructure	-	-	1 800	2 000	-	-	-
Households							
Other transfers to households							
Current	3	11	350	-	-	-	-
Gifts and Donations	3	11	-	-	-	-	-
Women in Science	-	-	350	-	-	-	-

Expenditure trends

Expenditure increased from R878.2 million in 2006/07 to R1.6 billion in 2009/10, at an average annual rate of 22.1 per cent. This was driven by increased expenditure in the *Human Capital and Science Platforms* and *Emerging Research Areas and Infrastructure* subprogrammes in the form of transfers to the National Research Foundation and the South African Research Network.

Expenditure is expected to increase to R1.9 billion over the medium term, at an average annual rate of 6.5 per cent. This can mainly be ascribed to the expansion of the South African Research Chairs Initiative. An additional R50 million is allocated in 2012/13 for the South African Research Chair Initiative. The spending focus over the MTEF period will remain on developing and renewing science, engineering and technology human capital and facilitating research equipment and infrastructure.

Public entities

National Research Foundation

Strategic overview: 2006/07 – 2012/13

The National Research Foundation Act (1998) mandates the National Research Foundation to promote and support research in all fields of the humanities, the social and natural sciences, engineering and technology. It provides funding, research facilities, and science awareness education and communications. The foundation performs an agency function on behalf of the Department of Science and Technology and is a service provider to several other government departments.

The 2015 strategic plan aims to: promote internationally competitive research as the basis for a knowledge economy; grow a representative science and technology workforce in South Africa; provide cutting edge research, technology and innovation platforms; operate world class evaluation and grant making systems; and contribute to a vibrant national innovation system.

The medium term priority of the National Research Foundation is to facilitate the training of competent human resources at all levels to address the severe shortages of researchers, particularly previously disadvantaged researchers. In the high-tech environment, this requires making use of the specialised research infrastructure based at national research facilities. The foundation will address infrastructure and maintenance needs at national facilities to ensure sustainability. Other medium term priorities are to coordinate science awareness activities and upgrade the Johannesburg observatory via the South African Agency for Science and Technology Advancement.

Savings and cost effective service delivery

Austerity measures have been implemented to curtail travel and subsistence by 30 per cent. Space has been maximised by moving from closed to open plan offices. The performance management and reward system has been applied and refined to improve service, productivity and efficiency. Non-core activities, mainly at national facilities, are being reduced. Economies of scale are being created in grant management and systems administration. Stand-alone servers are being replaced with a virtualised IT management environment supporting multiple user programmes.

Selected performance indicators

Table 33.13 National Research Foundation

Indicator	Programme/Activity	Past			Current	Projections		
		2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Number of peer reviewed journal articles funded per year	Research and Innovation Support Agency	2 507	2 884	3 239	N/A	6 350	6 350	6 650
Number of learners assisted per year	South African Agency for Science and Technology Advancement	–	351 466	365 274	214 232	300 064	300 100	305 120
Number of educators assisted per year	South African Agency for Science and Technology Advancement	3 954	15 954	14 638	218 435	278 433	278 668	279 264
Number of grantholders supported by the Research and Innovation Support Agency per year (excluding the Innovation Fund)	Research and Innovation Support Agency	2 021	2 098	2 422	7 712	5 196	5 427	5 436
Number of student bursaries and scholarships (3rd and 4th year) awarded per year	Research and Innovation Support Agency	451	158	195	256	200	205	240
Number of student bursaries and scholarships (BTech and Hons) awarded per year	Research and Innovation Support Agency	662	274	1 215	1 529	1 400	1 411	1 452
Number of student bursaries and scholarships (Masters) awarded per year	Research and Innovation Support Agency	2 148	1 954	2 475	2 101	2 230	2 481	2 332
Number of student bursaries and scholarships (PhD) awarded per year	Research and Innovation Support Agency	1 197	1 098	1 370	1 190	1 220	1 321	1 372
Number of post-doctoral fellowships supported per year	Research and Innovation Support Agency	220	191	222	230	210	230	250
Number of postgraduate students making use of facilities for training per year	National facilities	319	570	411	355	416	445	459
Number of Masters and PhD students supervise per year	National facilities	167	203	217	156	193	214	216

Service delivery focus

The National Research Foundation awarded grants of R1.2 billion in various disciplines in 2009/10. A major focus of the foundation is on supporting the establishment of a highly skilled human resource base in South Africa, which it does through various programmes, including the PhD project, the student and postdoctoral support programme, the Department of Science and Technology-National Research Foundation internship programme, and the scarce skills development programme.

In addition to various contract programmes that the foundation manages on behalf of the department, such as support for established researchers through research chairs and centres of excellence, in 2009/10 the foundation identified and implemented various funding programmes in key investment areas to ensure equity and redress in the science and technology workforce. Funding is provided for: researchers, strategic knowledge fields, human capital development, strategic platforms, applied and industrial research, innovation, and international initiatives.

The foundation hosts the national research facilities as major research platforms. These platforms provide access to unique multi-user research infrastructure, collections and datasets, which facilitate research and science awareness in various science fields. The fields include radio and optical astronomy, earth magnetic observation and services, nuclear sciences, a broad range of biodiversity disciplines, and long term environmental observation and applications.

The foundation also manages radio astronomy projects on behalf of the Department of Science and Technology, including the Square Kilometre Array radio telescope. At present, smaller versions of the radio telescope and array are being built, paving the way for the MeerKAT demonstrator.

Expenditure estimates

Table 33.14 National Research Foundation: Programme information

R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2006/07	2007/08	2008/09		2009/10	2010/11	2011/12
Research innovation support and advancement	485 359	606 389	898 878	1 055 296	1 131 383	1 199 119	1 130 431
National Facilities	280 003	316 900	345 428	356 196	391 126	414 893	438 310
SAASTA	29 022	30 113	36 932	42 894	47 405	47 915	50 435
SKA Project	30 499	47 433	80 410	107 143	149 197	155 240	164 589
Total expense	824 883	1 000 835	1 361 648	1 561 528	1 719 111	1 817 167	1 783 764

Table 33.15 National Research Foundation: Financial information

Statement of financial performance	Audited outcome			Revised estimate	Medium-term estimate		
R thousand	2006/07	2007/08	2008/09		2009/10	2010/11	2011/12
Revenue							
Non-tax revenue	255 634	408 678	702 716	840 458	946 884	985 247	963 335
Sale of goods and services other than capital assets	201 912	331 217	574 557	750 469	857 640	891 027	861 155
<i>of which:</i>							
<i>Isotopes sales</i>	19 790	25 344	25 344	33 943	6 408	7 197	8 182
<i>Other non-tax revenue</i>	235 844	383 334	574 557	806 515	940 476	978 050	955 153
Transfers received	580 411	638 980	658 952	721 723	772 227	831 920	820 429
Total revenue	836 045	1 047 658	1 361 668	1 562 181	1 719 111	1 817 167	1 783 764
Expenses							
Current expense	427 497	494 999	595 329	657 701	746 855	784 964	821 958
Compensation of employees	221 675	242 846	287 902	347 161	381 288	409 078	434 891
Goods and services	190 085	223 080	275 839	265 022	318 087	324 098	325 139
Depreciation	15 074	28 649	30 941	45 388	47 239	51 626	61 759
Interest, dividends and rent on land	663	424	647	130	241	162	170
Transfers and subsidies	397 386	505 836	766 319	903 827	972 256	1 032 203	961 806
Total expenses	824 883	1 000 835	1 361 648	1 561 528	1 719 111	1 817 167	1 783 764
Surplus / (Deficit)	11 162	46 823	20	653	(0)	(0)	(0)

Table 33.15 National Research Foundation: Financial information (continued)

Statement of financial performance R thousand	Audited outcome			Revised estimate 2009/10	Medium-term estimate		
	2006/07	2007/08	2008/09		2010/11	2011/12	2012/13
Statement of financial position							
Carrying value of assets	210 559	240 111	319 552	514 826	833 543	1 134 434	1 355 518
<i>of which: Acquisition of assets</i>	62 755	59 768	111 122	241 172	366 462	353 023	283 349
Investments	56 880	48 887	46 141	44 000	42 000	40 000	40 000
Inventory	2 696	2 579	3 926	4 500	5 400	6 000	9 500
Receivables and prepayments	102 878	276 602	264 991	290 000	311 000	298 000	332 000
Cash and cash equivalents	371 159	507 334	756 204	502 583	483 971	512 368	473 282
Total assets	744 172	1 075 513	1 390 814	1 355 909	1 675 914	1 990 802	2 210 300
Accumulated surplus/deficit	(72 618)	(47 280)	(77 985)	(77 332)	(77 332)	(77 333)	(77 333)
Capital and reserves	77 073	98 558	129 283	129 283	129 283	129 283	129 283
Post-retirement benefits	88 967	93 630	92 217	95 232	98 200	101 051	103 833
Trade and other payables	441 292	691 594	926 347	695 000	693 320	704 465	700 098
Provisions	–	–	2 500	–	–	–	–
Liabilities not classified elsewhere	209 458	239 011	318 452	513 726	832 443	1 133 334	1 354 418
Total equity and liabilities	744 172	1 075 513	1 390 814	1 355 909	1 675 914	1 990 800	2 210 299
Contingent liabilities	670 953	1 340 904	1 508 120	1 500 000	1 200 000	1 100 000	1 000 000

Expenditure trends

Revenue increased from R836 million in 2006/07 to R1.6 billion in 2009/10, at an average annual rate of 23.1 per cent. Over the medium term, the National Research Foundation's total revenue is expected to grow at an average annual rate of 4.5 per cent to reach R1.8 billion. The growth is mainly to cater for adjustments for inflation for existing key research and infrastructure activities.

Expenditure increased from R824.9 million in 2006/07 to R1.6 billion in 2009/10, at an average annual rate of 23.7 per cent. This is mainly due to the ramping up of key programmes, including the South African Research Chairs Initiative and the Square Kilometre Array project. Expenditure over the medium term is expected to increase to R1.8 billion, at an average annual rate of 4.5 per cent.

Spending over the MTEF period will largely be in key investment areas, as well as in compensation of employees and goods and services.

Academy of Science of South Africa

Strategic overview: 2006/07 – 2012/13

The mandate of the Academy of Science of South Africa, established under the Academy of Science of South Africa Act (2001), is to: link South Africa with scientific communities at the highest levels in the SADC region, the rest of Africa, and internationally; promote common ground in scientific thinking across all disciplines; encourage and promote innovative and independent scientific thinking; promote the development of the intellectual capacity of all people; and provide effective advice and facilitate appropriate action in the public interest.

Selected performance indicators

Table 33.16 Academy of Science of South Africa

Indicator	Programme/ Activity	Past			Current	Projections		
		2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Number of specialist and sector committees and panels guiding research per year	Public lectures and symposia	7	9	20	20	22	22	22
Number of issues of the South African Journal of Science published per year	National science journal	6	6	7	6	6	6	6
Number of issues of Quest magazine published per year	Magazine for senior learners	4	4	4	4	4	4	4
Number of public lectures and symposiums hosted per year	Public lectures and symposia	7	8	6	7	7	7	7
Number of research fellowships awarded per year	Academic fellowships and scholarly awards	1	4	3	3	3	3	3

Service delivery focus

Evidence based project related activities increased from 7 in 2006/07 to 20 in 2009/10. This was made possible by the contributions of the academy's members and other national and international experts who serve on panels and committees and assist the academy to achieve its goals.

Significant steps were taken in 2009/10 to enhance the academy's involvement in international liaison activities. The academy's involvement in the United States National Academies of Sciences development initiative since 2004 has greatly strengthened its ability to offer evidence based policy advice. It has also strengthened relationships with other African partners through the network of African science academies. In 2009, the academy hosted the Academy of Sciences of the Developing World conference and has been invited to serve on the InterAcademy Council board from 2009 to 2013. The academy is leading a SADC wide initiative through the National Association of State Aquaculture Coordinators to promote the development of science academies in countries where they do not exist. Fellowship schemes and establishing South African chapters of the Third World Organisation for Women in Science are underway.

Expenditure estimates

Table 33.17 Academy of Science of South Africa: Programme information

R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Administration and Governance	1 556	1 575	2 057	4 030	3 200	2 980	3 010
Evidence Based Projects	1 508	2 291	3 040	7 800	5 560	4 627	4 600
National Activities	295	146	754	870	910	880	895
Publications	1 986	2 409	3 600	3 900	3 720	3 300	3 360
Scholarly Publishing Programme	455	1 511	1 964	2 490	2 110	1 990	2 010
Other programmes	157	235	1 278	1 782	1 880	1 760	1 786
Total expense	5 957	8 167	12 693	20 872	17 380	15 537	15 661

Table 33.18 Academy of Science of South Africa: Financial information

Statement of financial performance R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Revenue							
Non-tax revenue	1 002	835	1 158	1 168	1 120	1 072	1 024
Sale of goods and services other than capital assets <i>of which:</i>	730	378	375	368	320	272	224
<i>Sales by market establishments</i>	730	378	375	368	320	272	224
<i>Other non-tax revenue</i>	272	457	783	800	800	800	800

Table 33.19 Academy of Science of South Africa: Programme information (continued)

R thousand	Audited outcome			Revised estimate 2009/10	Medium-term estimate		
	2006/07	2007/08	2008/09		2010/11	2011/12	2012/13
Transfers received	4 960	8 602	16 430	19 704	16 260	14 465	14 637
Total revenue	5 962	9 437	17 588	20 872	17 380	15 537	15 661
Expenses							
Current expense	5 957	8 167	12 693	20 872	17 380	15 537	15 661
Compensation of employees	2 065	2 785	4 908	7 689	8 458	9 304	10 234
Goods and services	3 869	5 352	7 747	12 890	8 667	6 012	5 235
Depreciation	23	30	38	293	255	221	192
Total expenses	5 957	8 167	12 693	20 872	17 380	15 537	15 661
Surplus / (Deficit)	5	1 270	4 895	1	0	0	(0)
Statement of financial position							
Carrying value of assets	169	139	240	1 658	1 443	1 252	1 090
of which: Acquisition of assets	84	-	139	1 710	40	30	30
Cash and cash equivalents	4 337	5 275	11 275	9 858	7 850	7 067	6 360
Assets not classified elsewhere	-	-	78	80	-	-	-
Total assets	4 506	5 414	11 593	11 596	9 293	8 319	7 450
Accumulated surplus/deficit	3 700	4 970	8 865	10 896	9 293	8 319	7 450
Trade and other payables	806	444	2 728	700	-	-	-
Total equity and liabilities	4 506	5 414	11 593	11 596	9 293	8 319	7 450

Expenditure trends

The Academy of Science of South Africa is primarily funded by transfers from the Department of Science and Technology. Revenue and expenditure increased from R6 million in 2006/07 to R20.9 million in 2009/10 at an average annual rate of 51.9 per cent, and are expected to decrease at an average annual rate of 9.1 per cent over the medium term to reach R15.7 million.

Over the MTEF period, the focus will remain on linking South Africa with scientific communities in the SADC region and Africa and promoting scientific thinking across all disciplines.

Programme 5: Socio Economic Partnerships

- *Science and Technology for Economic Impact* strengthens the achievement of government's strategic economic growth and sector development objectives through four major interventions or technology missions: ICT, advanced manufacturing, resource based industries, and climate change challenges. Key activities include: providing policy direction, providing oversight, and managing the implementation of research, development and innovation strategies and programmes in mission areas. Transfers are for research, development and innovation projects managed by the department's implementing agencies.
- *Science and Technology for Social Impact* leads and supports knowledge generation in human and social dynamics in development, promotes technology transfer to support the creation of sustainable job and wealth opportunities, and contributes to creating sustainable human settlements in areas of deprivation. It focuses on mature technologies that do not yet have widespread application but are seen as having the potential to achieve government's broad development objectives. It does this in partnership with other government departments which also focus on research and technology transfer.
- *Science and Technology Investment* leads and supports the development of science and technology indicators, monitors national science and technology expenditure and planning, and implements section 11D of the Income Tax Act (1962). This involves administering the reporting by private companies on research and development claims against the tax allowance. Transfers and subsidies are used for implementing the research information management system and for developing new science and technology indicators.

Funding for all three subprogrammes is dominated by transfers to a range of research and innovation entities and institutions, allocated on the strength of their business plans.

Objectives and measures

- Enable growth in advanced industries, such as metals manufacturing, ICT, electronics and chemicals, through support to companies by providing 76 companies with technological assistance packages by March 2013.
- Increase the quality of life in households by providing an additional 10 decision support interventions for sustainable development by March 2013.
- Contribute to improving government decision making on science and technology as productive investments by producing 3 evaluation reports per year on science, technology and innovation indicators.
- Build closer links with industry, institutions of higher learning and government by increasing support for targeted research networks in the national system of innovation to 11 supported research networks in 2010/11.
- Develop human capital by supporting an additional 390 research graduates (honours and PhD) and work based learnerships by March 2013.
- Support new knowledge generated for economic and social benefit by:
 - enlarging the portfolio of intellectual property by 33 new inventions by March 2013
 - increasing the number of published scientific and technical papers by 270 by March 2013.

Service delivery focus

The department entered its second year of the Broadband for All project to provide internet access in rural communities using wireless mesh technology. The project is testing a more suitable and sustainable innovation business model to network government facilities such as schools, clinics, Thusong centres and libraries. This core infrastructure can then be extended to individual households. The project also includes innovations in e-government, e-education, e-health and other communication services.

Technology and innovation areas that support the development and green industries and a green economy have been identified, such as fuel cells and hydrogen energy. A green technologies development strategy will be finalised by 2011/12 to provide the framework for investing in and driving the local environmental technologies sector. In 2009/10, the department's public awareness programme on green research and a tax incentive led to a substantial increase in the volume of enquiries. By the end of October 2009, the department had received 301 submissions totalling research and development expenditure of about R3.2 billion. The 2007/08 annual national survey on research and development is complete, and a high level results report was published in 2009.

The department continued supporting other departments in understanding the importance of investing in critical technology intensive services, such as health laboratories, agricultural public assets and services, and geological and weather services. The department commissioned 2 studies to review the research and technological capacity of the national health laboratory services and agricultural national public assets.

The number of institutions using 1 or 2 modules of the research management system increased from 3 in 2008/09 to 14 in 2009/10. 3 universities (Witwatersrand, Johannesburg and Free State) reported their research outputs to the Department of Higher Education and Training using this platform in 2009/10.

In 2009, the department commissioned the Council for Scientific and Industrial Research and the Human Sciences Research Council to cooperate with other science councils and institutions of higher learning to develop an integrated science based IT platform to improve the quality of evidence for integrated spatial planning in all 3 spheres of government across a range of settlement scales.

Expenditure estimates

Table 33.20 Socioeconomic Partnerships

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R thousand							
Science and Technology for Economic Impact	769 045	847 008	848 286	915 392	981 322	1 013 914	1 049 138
Science and Technology for Social Impact	216 047	254 076	247 595	274 228	260 794	299 409	374 059
Science and Technology Investment	5 471	4 846	23 694	24 176	22 671	22 192	24 602
Total	990 563	1 105 930	1 119 575	1 213 796	1 264 787	1 335 515	1 447 799
Change to 2009 Budget estimate				23 143	(24 764)	(35 715)	8 008

Economic classification

Current payments	21 236	24 647	28 923	44 267	46 730	49 176	51 635
Compensation of employees	12 866	16 121	21 973	29 526	31 276	32 996	34 646
Goods and services	8 370	8 526	6 950	14 741	15 454	16 180	16 989
<i>of which:</i>							
<i>Administrative fees</i>	77	78	44	84	129	91	93
<i>Advertising</i>	150	153	307	170	216	154	162
<i>Assets less than the capitalisation threshold</i>	20	20	5	45	53	50	54
<i>Bursaries: Employees</i>	32	33	–	–	–	–	–
<i>Catering: Departmental activities</i>	165	168	208	260	276	286	301
<i>Communication</i>	760	774	884	981	1 078	1 096	1 151
<i>Computer services</i>	367	374	285	86	90	94	99
<i>Consultants and professional services:</i>	–	–	96	8 345	8 180	8 652	9 084
<i>Business and advisory services</i>							
<i>Contractors</i>	3	3	117	62	141	63	66
<i>Agency and support / outsourced services</i>	2 568	2 616	680	443	150	400	420
<i>Entertainment</i>	16	16	30	51	63	56	59
<i>Inventory: Other consumables</i>	1	1	–	6	6	7	7
<i>Inventory: Stationery and printing</i>	292	297	303	239	260	243	256
<i>Lease payments</i>	148	151	155	441	212	486	510
<i>Travel and subsistence</i>	3 353	3 416	3 363	3 009	4 026	3 924	4 121
<i>Training and development</i>	5	5	1	–	–	–	–
<i>Operating expenditure</i>	186	190	318	30	40	39	40
<i>Venues and facilities</i>	227	231	154	489	534	539	566
Transfers and subsidies	969 040	1 080 941	1 090 391	1 169 179	1 217 599	1 285 898	1 395 701
Provinces and municipalities	5	–	–	–	–	–	–
Departmental agencies and accounts	204 663	250 512	273 661	312 733	377 135	414 417	479 533
Universities and technikons	8 931	16 261	6 730	6 765	–	–	–
Public corporations and private enterprises	634 627	690 929	746 090	806 494	801 854	830 554	873 195
Non-profit institutions	120 780	123 225	63 910	43 187	38 610	40 927	42 973
Households	34	14	–	–	–	–	–
Payments for capital assets	287	342	261	350	458	441	463
Machinery and equipment	287	342	261	350	458	441	463
Total	990 563	1 105 930	1 119 575	1 213 796	1 264 787	1 335 515	1 447 799

Details of transfers and subsidies

Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	5	–	–	–	–	–	–
Regional Services Council levies	5	–	–	–	–	–	–

Table 33.20 Socioeconomic Partnerships (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Economic classification							
Current payments							
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	204 663	250 512	273 661	312 733	377 135	414 417	479 533
Global Change Science and Technology	-	-	12 700	19 434	29 680	33 581	33 260
Human and Social Development Dynamics	-	-	14 279	1 014	36 174	40 634	35 434
Human Science Research Council	121 473	155 949	163 851	166 185	169 793	180 729	189 877
Information Communication Technology	13 000	16 000	-	-	-	-	-
Leveraging Services Strategy	1 739	-	-	-	-	-	-
Local Manufacturing Capacity	-	-	-	-	28 178	30 045	28 362
Local Systems of Innovation	-	-	4 999	5 000	8 604	9 120	8 576
National Public Assets	43 000	43 000	-	-	-	-	-
Natural Resources and Public Assets	-	-	52 832	55 296	58 471	61 980	65 079
Quality of Life Nuclear Technologies	-	-	-	4 965	5 940	6 296	4 611
Research Information Management System	-	-	14 000	9 930	3 940	2 296	3 611
Science and Technology Indicators	-	-	3 000	3 972	7 900	8 494	9 019
South African Research Chairs Initiative for Human Sciences	-	-	-	21 349	18 315	19 414	70 385
Technology for Poverty Alleviation	6 151	23 963	8 000	25 588	10 140	21 828	31 319
Technology for Sustainable Livelihoods	-	300	-	-	-	-	-
Technology Planning and Diffusion	19 300	11 300	-	-	-	-	-
Universities and technikons							
Current	8 931	16 261	6 730	6 765	-	-	-
Global Change Science and Technology	-	-	32	15	-	-	-
Leveraging Services Strategy	633	-	-	-	-	-	-
Local Manufacturing Capacity	-	-	-	6 750	-	-	-
Local Systems of Innovation	-	-	400	-	-	-	-
Technology for Poverty Alleviation	-	8 961	-	-	-	-	-
Technology for Sustainable Livelihoods	8 298	7 300	6 200	-	-	-	-
Resource Based Industries	-	-	98	-	-	-	-
Public corporations and private enterprises							
Public corporations							
Other transfers							
Current	634 627	690 929	746 090	806 494	801 854	830 554	873 195
Advanced Manufacturing Technology Strategy	41 800	47 706	38 000	47 664	50 480	54 569	48 297
Council for Scientific and Industrial Research	483 194	517 352	554 687	599 384	634 248	638 210	675 834
Global Change Science and Technology	-	-	4 268	3 390	-	-	-
Human and Social Development Dynamics	-	-	12 000	17 821	-	-	-
Information Communication Technology	14 200	54 210	54 976	55 586	63 820	72 311	73 927
Local Manufacturing Capacity	-	-	10 000	12 165	-	-	-
Local Systems of Innovation	-	-	740	2 758	-	-	-
Resource Based Industries	24 208	22 200	29 603	34 870	36 851	39 061	39 014
Technology for Poverty Alleviation	20 098	-	15 500	-	-	-	-
Technology for Sustainable Livelihoods	44 702	45 035	21 316	32 856	16 455	26 403	36 123
Technology Planning and Diffusion	6 425	4 426	-	-	-	-	-
Quality of Life Nuclear Technologies	-	-	5 000	-	-	-	-

Table 33.20 Socioeconomic Partnerships (continued)

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R thousand							
Non-profit institutions							
Current	120 780	123 225	63 910	43 187	38 610	40 927	42 973
Advanced Manufacturing Technology Strategy	10 000	10 000	9 999	-	-	-	-
Leveraging Services Strategy	628	-	-	-	-	-	-
Local Manufacturing Capacity	-	-	13 500	6 750	-	-	-
Local Systems of Innovation	-	-	311	-	-	-	-
Resource Based Industries	5 458	5 365	3 500	-	-	-	-
South African National Energy Research Institute	40 000	42 000	-	-	-	-	-
Technology for Poverty Alleviation	8 986	7 000	-	-	-	-	-
Technology for Sustainable Livelihoods	-	405	-	-	-	-	-
Technology Planning and Diffusion	55 708	22 455	-	-	-	-	-
Tshumisano Trust	-	36 000	36 600	36 437	38 610	40 927	42 973
Households							
Other transfers to households							
Current	34	14	-	-	-	-	-
Gifts and Donations	34	14	-	-	-	-	-

Expenditure trends

Expenditure increased from R990.6 million in 2006/07 to R1.2 billion in 2009/10, at an average annual rate of 7 per cent. The increase is attributable to the introduction of activities such as: policy and indicator development, tax incentives, sustainable human settlement research, and sustainable livelihoods and social development analysis.

Over the medium term, expenditure is expected to increase at an average annual rate of 6.1 per cent to reach R1.4 billion in 2012/13. Expenditure was reprioritised to provide funding for a technology localisation programme to support government's key priorities. The programme will provide technological support to local manufacturing firms to allow them to become potential suppliers to large scale public procurement processes. In addition, funding is also being increased and re-directed to 2 of the grand challenges outlined in the 10-year innovation plan. These are the human and social dynamics grand challenge and the science and technology for global change grand challenge. In addition, funding continues to be set aside to enhance information and data collection on the functioning and impact of the national system of innovation to assist with long term monitoring, evaluation, and planning.

Over the MTEF period, spending will focus on a number of long term technology development mission areas that can provide opportunities for research and development led long term industrial and economic development. These include areas such as advanced manufacturing, ICT, minerals beneficiation, and technology for poverty alleviation. These programmes are being consolidated as funding is being maintained at current levels, and a key focus will be on growing the budget.

Public entities

Council for Scientific and Industrial Research

Strategic overview: 2006/07 – 2012/13

The Council for Scientific and Industrial Research was established under the Scientific Research Council Act (1988). Its objectives are to foster industrial and scientific development in the national interest through multidisciplinary research and technological innovation. The council's activities, focused on directed research and development, cut across the research and innovation value chain.

The council's research impact areas are: renewable and alternative energy; new drug development and nutrition; defence capability as a national asset; climate change, pollution and waste, water and coastal issues; transport and human settlements; manufacturing, forestry and mining; and cyber infrastructure and information security and accessibility. These impact areas support national priorities.

The council's organisational priorities are: building and transforming human capital; strengthening the science, engineering and technology base; doing relevant research and development; and transferring technology and knowledge through patents, research contracts and skilled human capital. Financial sustainability and good governance must also be maintained.

Savings and cost effective service delivery

The council has put a number of initiatives in place to address potential reductions in income and improve cost effective delivery on contracts, including: securing funding from both the private and public sectors in excess of current inflationary cost increases, including income from international contracts; rationalising costs, maintaining economies of scale in operations and realising efficiencies; diversifying the council's income streams by growing royalty income through effective technology transfer; and maintaining prudent balance sheet management practices.

Selected performance indicators

Table 33.21 Council for Scientific and Industrial Research

Indicator	Programme/Activity	Past			Current	Projections		
		2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Total number of permanent staff studying towards Masters or PhD degrees	Human capital development	–	90	201	225	220	218	182
Percentage of science, engineering and technology workers who are black	Human resource development	49%	52%	53%	54%	54%	55%	56%
Total number of staff with PhD level qualifications	Human resource management	237	234	273	282	305	325	375
Number of publications by staff per year	Science and technology outputs	220	343	452	425	450	475	575
Number of new technologies demonstrated	Science and Technology outputs	–	–	43	27	30	32	35
Value of contract research and development formally recognised as supporting national strategies	Contract research and development	R274.3m	R373.5m	R435.2m	R464.1m	R525m	R565m	R625m
Number of new international and national patents granted	Research and development outputs	12	21	35	12	14	16	18

Service delivery focus

Examples of what the council delivered in 2009/10 include: deploying integrated asset management systems for government departments and parastatals; working with the Department of Water Affairs to enhance the management of water resources, improve water quality, and assist rural communities with access to safe drinking water; rolling out the first phase of the national high speed broadband network backbone to connect more than 45 research and education facilities; developing a modular design to fit approach to housing delivery, which will improve living conditions and the durability of houses; developing new methods for the design and delivery of roads; and creating a range of enterprises in the agriculture, agro-processing and manufacturing sectors. In 2008/09, more than 250 sustainable jobs were supported in underdeveloped parts of South Africa and 22 enterprises were created.

Expenditure estimates

Table 33.22 Council for Scientific and Industrial Research: Programme information

R thousand	Audited outcome			Revised estimate 2009/10	Medium-term estimate		
	2006/07	2007/08	2008/09		2010/11	20011/12	2012/13
Defence, Peace, Safety and Security	172 904	217 223	298 006	293 874	307 997	331 722	357 469
Materials Science and Manufacturing	131 171	146 418	182 691	180 155	188 813	203 357	219 142
Biosciences	97 758	126 681	122 614	120 823	126 629	136 383	146 969
Natural Resources and the Environment	187 977	181 183	185 246	182 093	190 844	205 544	221 498
Built Environment	110 621	126 539	157 028	155 472	162 944	175 495	189 117
Other programmes	460 258	445 215	580 954	583 736	600 727	647 002	697 220
Total expense	1 160 689	1 243 259	1 526 539	1 516 153	1 577 954	1 699 503	1 831 415

Table 33.23 Council for Scientific and Industrial Research: Financial information

Statement of financial performance R thousand	Audited outcome			Revised estimate 2009/10	Medium-term estimate		
	2006/07	2007/08	2008/09		2010/11	20011/12	2012/13
Revenue							
Non-tax revenue	726 779	868 522	1 104 497	946 875	976 129	1 096 001	1 192 954
Sale of goods and services other than capital assets <i>of which:</i>	682 742	793 366	991 841	896 982	928 730	1 050 973	1 150 177
<i>Contract income</i>	682 742	793 366	991 841	896 982	928 730	1 050 973	1 150 177
<i>Other non-tax revenue</i>	44 037	75 156	112 656	49 893	47 399	45 028	42 777
Transfers received	460 443	429 013	480 320	599 384	634 248	638 210	675 834
Total revenue	1 187 222	1 297 535	1 584 817	1 546 259	1 610 377	1 734 211	1 868 788
Expenses							
Current expense	1 160 689	1 243 259	1 526 539	1 516 153	1 577 954	1 699 503	1 831 415
Compensation of employees	592 828	628 319	771 977	853 815	888 043	941 327	997 805
Goods and services	510 700	580 593	705 645	620 277	646 306	711 085	782 750
Depreciation	50 682	28 061	37 409	42 061	43 605	47 091	50 860
Interest, dividends and rent on land	6 376	6 421	10 023	–	–	–	–
Total expenses	1 160 689	1 243 259	1 526 539	1 516 153	1 577 954	1 699 503	1 831 415
Surplus / (Deficit)	26 533	54 276	58 278	30 106	32 423	34 708	37 373
Statement of financial position							
Carrying value of assets	219 135	225 429	297 985	372 606	415 862	449 962	501 586
<i>of which: Acquisition of assets</i>	66 443	41 794	115 092	116 682	86 861	81 191	102 484
Investments	200 000	–	100 000	–	–	–	–
Inventory	43 203	61 712	79 338	105 228	115 751	127 326	140 058
Receivables and prepayments	146 906	267 076	138 725	146 617	143 901	139 708	222 035
Cash and cash equivalents	379 243	691 476	782 528	743 402	722 955	666 505	637 037
Assets not classified elsewhere	95 070	94 890	96 756	1 608	1 608	1 608	1 608
Total assets	1 083 557	1 340 583	1 495 332	1 369 461	1 400 077	1 385 109	1 502 324
Accumulated surplus/deficit	347 716	392 732	449 495	479 601	512 024	546 732	584 104
Post-retirement benefits	12 751	8 595	8 862	5 825	–	–	–
Trade and other payables	623 750	896 144	994 960	884 035	888 053	838 377	918 220
Provisions	72 248	–	1 427	–	–	–	–
Liabilities not classified elsewhere	27 092	43 112	40 588	–	–	–	–
Total equity and liabilities	1 083 557	1 340 583	1 495 332	1 369 461	1 400 077	1 385 109	1 502 324

Expenditure trends

The Council for Scientific and Industrial Research is funded by transfers from the Department of Science and Technology and receives additional ringfenced grant allocations for the centres of competence, the laser loan programme, ICT and demonstration in government, and the Meraka Institute. The council generates about 66 per cent of its income from research and development contract income. It generates a marginal surplus on this contract income and on technology transfer activities, which is reinvested in terms of the council's mandate.

Over the MTEF period, the council is expected to receive transfers of R634.2 million, R638.2 million and R675.8 million, and additional ringfenced allocations of R56.5 million, R63.9 million and R67.1 million, excluding value added tax.

The variable portion of the council's expenditure is dependent on the nature of the research and development contract income secured and undertaken by the council. Expenditure increased from R1.2 million in 2006/07 to R1.5 billion in 2009/10.

The spending focus over the MTEF period will remain on fostering industrial and scientific development in the national interest through multidisciplinary research and technological innovation.

Human Sciences Research Council

Strategic overview: 2006/07 – 2012/2013

The Human Sciences Research Council was established in 1968 to undertake, promote and coordinate research in the human and social sciences. It functions in terms of the Human Sciences Research Council Act (2008), which mandates the organisation to: address developmental challenges in South Africa, Africa and the rest of the world by means of strategic basic and applied research in the human sciences; inform the formulation and monitoring of policy, and evaluate its implementation; stimulate public debate by disseminating research results; help build research capacity and infrastructure for the human sciences; foster collaborations, networks and institutional linkages; respond to the needs of vulnerable and marginalised groups; and develop and make available data sets to underpin research, policy development and discussions of developmental issues.

The council aligns its research activities and structures to national development priorities. Its work is closely aligned with the priorities in the 2010 medium term strategic framework and covers research on: the quality of education and skills development; affordable national health care, including the social aspects of HIV and AIDS and child and maternal wellbeing; aspects of crime prevention; service delivery; and poverty reduction through employment creation and rural development. Community based demonstration projects are designed to obtain scientific evidence to inform government policies and intervention programmes.

Organisational performance is measured in terms of indicators that are closely aligned with strategic objectives.

Savings and cost effective service delivery

In 2009/10, the Human Sciences Research Council continued with its efforts to contain costs through the effective use of IT infrastructure for research activities, and through using in-house video and teleconference facilities for meetings. Other cost saving measures include energy savings, limits on international travel, joint advertising for vacant posts, and centralised procurement through supply chain management. Savings were also made by in-sourcing services such as cafeteria, payroll and IT support services. An example of cost effective service delivery is the free online public access the council provides to its publications.

Selected performance indicators

Table 33.24 Human Sciences Research Council

Indicator	Programme/Activity	Past			Current	Projections		
		2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Percentage of research projects conducted for the benefit of the public	Research	92%	93%	97%	96% (125/130)	94% (113/120)	95% (114/120)	96% (120/130)
Percentage of large research projects done collaboratively with researchers in other parts of Africa	Research	33%	31%	25%	25% (9/36)	35% (14/40)	38% (15/39)	40% (16/40)
Number of African research fellows at the Human Sciences Research Council per year	Research	4	7	6	8	10	12	14
Percentage of large research projects with implementation networks	Research	70%	81%	81%	86% (31/36)	75% (90/120)	75% (90/120)	78% (97/125)
Percentage of researchers at senior level who are black and African	Human resource management	25%	37%	35%	43% (30/70)	48% (36/75)	50% (38/76)	53% (42/80)
Attrition rate among permanent staff members	Human resource management	11.3%	14.6%	9.9%	11.2% (28/250)	12% (31/260)	12% (32/270)	12% (33/275)
Percentage of staff trained in gender sensitivity	Policy development, capacity enhancement	57%	76%	81.60%	75% (375/500)	75% (384/512)	78% (390/500)	78% (360/480)
Number of peer reviewed publications in an internationally recognised journal per senior researcher per year	Research	1.11	0.67	1.51	1.3 (91/70)	1.5 (112/75)	1.5 (117/78)	1.6 (128/80)
Number of peer reviewed publications per junior researcher per year	Research	0.35	0.67	0.81	0.6 (39/65)	0.65 (42/65)	0.67 (46/68)	0.7 (49/70)
Number of research interns (trainees) enrolled in a Masters programme per year	Policy development, capacity enhancement	29	46	41	33	34	34	30
Number of research interns (trainees) enrolled in a PhD programme per year	Research	20	35	36	32	22	25	30
Number of postdoctoral fellowships taken up per year	Research	4	10	12	18	20	22	22

Service delivery focus

Examples of 2008/09 and 2009/10 work linked to national priorities include: developing employment scenarios that informed economic growth, decent work and sustainable development planning; regular research and development surveys on behalf of the Department of Science and Technology to track progress against national targets; a comprehensive impact assessment on post-apartheid labour market legislation to strengthen South Africa's skills and human resource base; ongoing national projects on aspects of quality education; research aimed at improving the national health profile fed into national planning and the appointment of the ministerial advisory committee on national health insurance; and regular HIV and AIDS surveillance studies inform trend analyses to monitor the implementation of the current national HIV and AIDS and sexually transmitted infections strategic plan.

The priority of advancing Africa and enhancing international cooperation was addressed through an Africa wide research project on the role of universities in innovation and development as well as ongoing collaboration with the Council for the Development of Social Science Research, which recently led to the joint publication of a book, *The Meanings of Timbuktu*. The council also provided research based information to support the work of the National Planning Commission. Public access to the council's information resources continued to increase. Several government departments, public entities and universities have access to the council's library services, with online readership of the council's publications reaching more than 200 countries.

Expenditure estimates

Table 33.25 Human Sciences Research Council: Financial information

Statement of financial performance R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Revenue							
Non-tax revenue	127 088	134 431	181 150	167 515	212 121	227 240	244 445
Sale of goods and services other than capital assets <i>of which:</i>	124 605	128 202	176 006	159 625	203 560	217 515	233 398
<i>Research income</i>	124 605	124 177	167 059	145 906	188 675	200 606	214 189
<i>Other sales</i>	–	4 025	8 947	13 719	14 885	16 909	19 209
<i>Other non-tax revenue</i>	2 483	6 229	5 144	7 890	8 561	9 725	11 047
Transfers received	107 479	127 164	144 146	166 185	169 793	180 729	189 877
Total revenue	234 567	261 595	325 296	333 700	381 914	407 969	434 322
Expenses							
Current expense	240 549	257 378	315 331	326 445	368 649	393 059	417 563
Compensation of employees	121 153	118 790	122 119	160 312	172 336	185 261	199 155
Goods and services	115 602	134 369	187 818	162 390	192 429	203 826	214 346
Depreciation	3 794	4 219	5 383	3 743	3 884	3 972	4 062
Interest, dividends and rent on land	–	–	11	–	–	–	–
Transfers and subsidies	–	9 342	10 500	11 802	13 265	14 910	16 759
Total expenses	240 549	266 720	325 831	338 247	381 914	407 969	434 322
Surplus / (Deficit)	(5 982)	(5 125)	(535)	(4 547)	–	–	–
Statement of financial position							
Carrying value of assets	89 420	91 920	170 602	170 059	169 075	168 003	166 841
<i>of which: Acquisition of assets</i>	2 832	7 614	15 098	3 200	2 900	2 900	2 900
Inventory	3 268	2 698	3 517	3 940	4 275	4 856	5 535
Receivables and prepayments	34 393	41 838	35 232	27 193	29 505	33 517	38 209
Cash and cash equivalents	29 393	46 865	46 848	48 565	39 997	37 229	32 447
Assets not classified elsewhere	46	733	1 735	1 976	2 144	2 435	2 776
Total assets	156 520	184 054	257 934	251 733	244 996	246 040	245 808
Accumulated surplus/deficit	90 286	9 402	8 866	4 319	4 319	4 319	4 319
Capital and reserves	–	74 665	143 652	143 652	143 652	143 652	143 652
Borrowings	–	1 120	1 499	–	–	–	–
Trade and other payables	52 621	78 114	79 420	67 147	68 276	79 734	79 734
Provisions	9 748	10 110	10 648	12 908	14 006	15 922	18 103
Liabilities not classified elsewhere	3 865	10 643	13 849	23 707	14 743	2 413	–
Total equity and liabilities	156 520	184 054	257 934	251 733	244 996	246 040	245 808

Expenditure trends

The Human Sciences Research Council is funded by transfer payments, as a core grant, from the Department of Science and Technology, and ringfenced allocations. External income comes from research grants, contract research work and non-research activities such as rental income. Over the MTEF period, the council receives allocations of R169.8 million, R180.7 million and R189.8 million excluding value added tax. These amounts include ringfenced allocations and reflect an average annual increase of 4.5 per cent over the MTEF period.

Between 2006/07 and 2009/10, expenditure increased at an average annual rate of 12 per cent, from R240.5 million to R338.2 million. The largest increase, of 22.2 per cent between 2007/08 and 2008/09, was mostly due to increases in salary related expenses. This was driven by increases in the number of staff due to an expansion in the programme of work to include larger scale community based research projects. Also, some services were brought in-house. Costs were managed throughout the period resulting in relatively small surpluses or deficits at the end of each budget year. Deficits at the end of one year were absorbed by containing expenditure in the next.

The entity's total budget is projected to grow at a slightly higher average annual rate of 9.2 per cent over the MTEF period, from R333.7 million in 2009/10 to R434.3 million in 2012/13. Due to an increased baseline funding and achievement of external funding for local and international sources.

Tshumisano Trust

Strategic overview: 2006/07 – 2012/13

Tshumisano Trust was established in 2002 as a joint venture funded by the Department of Science and Technology with the participation of the Department of Labour, the universities of technology, and the German government's funding agency Gesellschaft für Technische Zusammenarbeit (GTZ).

The mandate of the trust is to improve the competitiveness of the innovation capacity of SMMEs in selected sectors through technological innovation and related skills development. The trust's technology stations support and maintain a system of technology transfer providers and related needs oriented services to SMMEs, while ensuring that universities of technology orient their graduates and research and development towards the needs of SMMEs.

Selected performance indicators

Table 33.26 Tshumisano Trust

Indicator	Programme/Activity	Past			Current	Projections		
		2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Number of SMME projects and services per year	Assistance to SMMEs	1 836	2 681	3 962	4 000	4 800	5 000	5 500
Number of SMMEs assisted per year	Assistance to SMMEs	1 083	1 277	1 247	1 500	1 900	2 200	2 600
Number of female owned SMMEs per year	Assistance to SMMEs	221	251	307	370	440	530	630
Number of SMMEs owned by previously disadvantaged individuals per year	Assistance to SMMEs	200	465	346	400	160	190	230
Number of SMMEs trained per year	Assistance to SMMEs	332	124	372	440	530	630	750
Total number of Department of Science and Technology funded internship programme	Assistance to SMMEs	87	176	136	160	180	220	260

Service delivery focus

The trust has undertaken projects in areas such as tooling, initiated in 2008/09, to assist emerging black and women owned enterprises in the design, manufacture and commissioning of tools to produce a range of high quality goods.

Expenditure estimates

Table 33.27 Tshumisano Trust: Programme information

R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Technology Stations Programme	35 280	35 990	31 712	36 000	37 770	39 541	41 755
Institute for advanced tooling	7 500	7 500	7 500	7 500	7 500	7 500	7 920
Internship	6 000	6 000	6 600	6 694	8 340	8 733	9 223
Total expense	48 780	49 490	45 812	50 194	53 610	55 774	58 898

Table 33.28 Tshumisano Trust: Financial information

Statement of financial performance R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Revenue							
Non-tax revenue	1 557	1 040	1 444	14 457	15 700	15 597	16 725
<i>Other non-tax revenue</i>	1 557	1 040	1 444	14 457	15 700	15 597	16 725
Transfers received	46 680	52 155	51 544	36 437	40 410	40 927	45 773
Total revenue	48 237	53 195	52 988	50 894	56 110	56 524	62 498
Expenses							
Current expense	48 780	49 490	45 812	6 479	7 237	7 569	7 740
Compensation of employees	2 388	3 273	3 860	4 369	4 805	5 031	5 300
Goods and services	46 101	45 811	40 340	1 898	2 209	2 327	2 264
Depreciation	262	382	168	212	223	211	176
Interest, dividends and rent on land	29	24	1 444	-	-	-	-
Transfers and subsidies	-	-	-	43 715	46 373	48 205	51 158
Total expenses	48 780	49 490	45 812	50 194	53 610	55 774	58 898
Surplus / (Deficit)	(543)	3 705	7 176	700	2 500	750	3 600
Statement of financial position							
Carrying value of assets	1 282	1 260	1 092	918	834	710	526
<i>of which: Acquisition of assets</i>	1 019	360	-	38	139	-	-
Investments	5 282	1 978	5 381	5 299	5 392	5 169	5 320
Receivables and prepayments	168	70	15	20	36	41	44
Cash and cash equivalents	3 892	3 871	1 633	-	-	-	-
Total assets	10 624	7 179	8 121	6 237	6 262	5 920	5 890
Accumulated surplus/deficit	3 229	3 467	3 885	-	-	-	-
Trade and other payables	7 395	3 436	3 964	6 237	6 262	5 920	5 890
Liabilities not classified elsewhere	-	276	272	-	-	-	-
Total equity and liabilities	10 624	7 179	8 121	6 237	6 262	5 920	5 890

Expenditure trends

Tshumisano Trust is funded by transfer payments from the Department of Science and Technology and ringfenced allocations. Total revenue grew from R48.2 million in 2006/07 to R50.9 million in 2009/10 at an average annual rate of 1.8 per cent, and is expected to grow at an average annual rate of 7.1 per cent over the MTEF period to reach R62.5 million. Allocations from the Department of Science and Technology over the MTEF period, including ringfenced allocations, are R53.6 million in 2010/11, R55.8 million in 2011/12 and R58.9 in 2012/13.

Additional tables

Table 33.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	2008/09		2008/09	2009/10			2009/10
1. Administration	112 969	112 771	129 912	171 255	2 314	173 569	173 569
2. Research, Development and Innovation	862 868	863 066	855 832	1 142 883	510	1 143 393	1 143 393
3. International Cooperation and Resources	129 315	130 838	140 509	131 282	681	131 963	131 963
4. Human Capital and Knowledge Systems	1 451 789	1 455 150	1 457 640	1 598 038	936	1 598 974	1 598 974
5. Socioeconomic Partnerships	1 147 031	1 159 890	1 119 575	1 190 653	23 143	1 213 796	1 213 796
Total	3 703 972	3 721 715	3 703 468	4 234 111	27 584	4 261 695	4 261 695

Economic classification

Current payments	226 629	242 852	260 190	334 779	7 611	342 390	342 390
Compensation of employees	130 170	135 889	144 869	192 819	7 341	200 160	200 160
Goods and services	96 459	106 963	115 321	141 960	270	142 230	142 230
Transfers and subsidies	3 475 082	3 476 728	3 439 880	3 894 847	19 973	3 914 820	3 914 820
Departmental agencies and accounts	1 927 672	1 910 632	1 866 540	2 033 707	197 092	2 230 799	2 230 799
Universities and technikons	10 000	18 309	69 452	–	119 875	119 875	119 875
Public corporations and private enterprises	550 861	879 070	1 075 099	581 052	622 979	1 204 031	1 204 031
Non-profit institutions	986 549	668 302	428 439	1 280 088	(919 973)	360 115	360 115
Households	–	415	350	–	–	–	–
Payments for capital assets	2 261	2 135	3 323	4 485	–	4 485	4 485
Machinery and equipment	2 261	2 135	3 323	4 485	–	4 485	4 485
Payments for financial assets	–	–	75	–	–	–	–
Total	3 703 972	3 721 715	3 703 468	4 234 111	27 584	4 261 695	4 261 695

Table 33.B Detail of approved establishment and personnel numbers according to salary level¹

Department	Personnel post status as at 30 September 2009			Number of personnel posts filled / planned for on funded establishment						
	Number of posts on approved establishment	Number of funded posts	Number of posts additional to the establishment	Actual			Mid year ²	Medium-term estimate		
				2006/07	2007/08	2008/09		2009/10	2010/11	2011/12
Department	155	391	–	291	324	342	356	442	449	454
Salary level 1 – 6	40	56	–	59	61	61	55	57	82	87
Salary level 7 – 10	61	109	–	84	86	89	101	137	119	119
Salary level 11 – 12	19	116	–	73	97	108	106	136	136	136
Salary level 13 – 16	35	110	–	75	80	84	94	112	112	112
Administration	155	167	–	141	145	155	155	239	246	251
Salary level 1 – 6	40	40	–	38	40	40	40	40	65	70
Salary level 7 – 10	61	66	–	57	58	61	61	97	79	79
Salary level 11 – 12	19	20	–	15	15	19	19	50	50	50
Salary level 13 – 16	35	41	–	31	32	35	35	52	52	52
Research, Development and Innovation	–	41	–	31	36	43	38	39	39	39
Salary level 1 – 6	–	3	–	3	3	3	3	3	3	3
Salary level 7 – 10	–	4	–	4	4	4	4	4	4	4
Salary level 11 – 12	–	16	–	12	16	20	16	16	16	16
Salary level 13 – 16	–	18	–	12	13	16	15	16	16	16

Table 33.B Detail of approved establishment and personnel numbers according to salary level¹ (continued)

	Personnel post status as at 30 September 2009			Number of personnel posts filled / planned for on funded establishment						
	Number of posts on approved establishment	Number of funded posts	Number of posts additional to the establishment	Actual			Mid year ²	Medium-term estimate		
				2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
International Co-operation and Resources	-	64	-	51	60	59	61	61	61	61
Salary level 1 – 6	-	4	-	6	6	6	4	4	4	4
Salary level 7 – 10	-	24	-	15	15	15	22	22	22	22
Salary level 11 – 12	-	20	-	18	25	24	19	19	19	19
Salary level 13 – 16	-	16	-	12	14	14	16	16	16	16
Human Capital and Knowledge Systems	-	56	-	33	36	39	44	43	43	43
Salary level 1 – 6	-	4	-	7	7	7	4	4	4	4
Salary level 7 – 10	-	5	-	2	2	2	5	5	5	5
Salary level 11 – 12	-	31	-	15	18	23	23	22	22	22
Salary level 13 – 16	-	16	-	9	9	7	12	12	12	12
Socioeconomic Partnerships	-	63	-	35	47	46	58	60	60	60
Salary level 1 – 6	-	5	-	5	5	5	4	6	6	6
Salary level 7 – 10	-	10	-	6	7	7	9	9	9	9
Salary level 11 – 12	-	29	-	13	23	22	29	29	29	29
Salary level 13 – 16	-	19	-	11	12	12	16	16	16	16

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. As at 30 September 2009.

Table 33.C Summary of expenditure on training

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Compensation of employees (R thousand)	83 743	104 075	135 889	192 819	204 182	215 921	226 717
Training expenditure (R thousand)	962	3 648	5 249	6 500	5 120	5 377	5 646
Training as percentage of compensation	1.1%	3.5%	3.9%	3.4%	2.5%	2.5%	2.5%
Total number trained in department (head count)	120	127	141	180			
<i>of which:</i>							
<i>Employees receiving bursaries (head count)</i>	38	41	46	131			
<i>Internships trained (head count)</i>	-	-	-	22			

Table 33.D Summary of donor funding

Donor	Project	Departmental programme name	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate	Medium-term expenditure estimate		
						2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R thousand												
Foreign												
In cash												
Canadian International Development Agency	Epidemiological modeling for HIV and AIDS policy in South Africa	Research, Development and Innovation	20 000	Departmental agencies and accounts	Improved region, age and gender specific epidemiological measures incorporated into routine surveillance. South African Centre of Excellence in Epidemiological Modeling analysis mature relationship with Department of Health and South African National Aids	-	-	1 236	4 227	4 870	4 718	4 949
European Union	Sector budget support	International Cooperation and Resources	300 000	Departmental agencies and accounts	Contribute to South Africa's harmonious and sustainable economic and social development through programmes and measures designed to reduce poverty and encourage economic growth which benefits the poor	-	-	100 000	100 000	100 000	-	-
Finland	Cooperation framework on innovative systems programme	International Cooperation and Resources	30 000	Departmental agencies and accounts	The cooperation framework on innovative systems programme aimed at supporting the development of provincial and local systems of innovation, especially in Eastern Cape, Gauteng and Western Cape	-	10 000	10 000	10 000	-	-	-
Finland	South African Finland knowledge partnership on ICT programme	International Cooperation and Resources	30 000	Departmental agencies and accounts	South African Finland knowledge partnership on ICT programme aims to narrow the digital divide by introducing interventions that will help South Africa become an inclusive knowledge society with a strong ICT brand reflecting research excellence and demonstrating improvements in quality of life and economic competitiveness	-	10 000	10 000	10 000	-	-	-
Finland	Finnish Southern Africa partnership to strengthen NEPAD and the Southern African network for bioscience	International Cooperation and Resources	30 000	Departmental agencies and accounts	The initiative focuses on institutional strengthening of the Southern Africa biosciences network secretariat, development of the operating environment, capacity development and network creation and dissemination	-	-	-	10 000	10 000	10 000	-

Table 33.D Summary of donor funding (continued)

Donor	Project	Departmental programme name	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate	Medium-term expenditure estimate		
						2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R thousand												
Australian Agency For International Development	Science centre manager training	Human Capital and Knowledge Systems	862	Goods and services	To train 20 South African and 5 Lesotho science centre managers in South Africa initially and then further train 5 South African and 2 Lesotho participants in Australia in a certificate course for science centre managers	-	-	-	584	584	-	-
Australian Agency For International Development	Southern African development Community capacity building in relation to the risk and vulnerability atlas	Socio-Economic Partnerships	1 168	Goods and services	To build capacity in the Southern African development Community member states in understanding information on climate change impact and risk in the context of the SADC early warning mechanisms.	-	-	-	244	244	-	-
Australian Agency For International Development	Development of propagation of pathogen free potato seed for yield improvement in Malawi	Research, Development and Innovation	488	Departmental agencies and accounts	To provide technical assistance to Malawi government and higher education sector in the proposed project that aims at increased production of good quality seed of high yielding potato varieties in Malawi	-	-	-	348	-	-	-
Australian Agency For International Development	Third South Africa Development Community workshop on indigenous knowledge	Human Capital and Knowledge Systems	348	Departmental agencies and accounts	To establish regional guidelines and frameworks for the implementation of the action plan 2007 to 2009	-	-	862	-	-	-	-
In kind												
Japan International Cooperation Agency	African initiative for capacity development technical assistance	International Co-operation and Resources	6 800	Foreign governments and international organisations	Assistance with the creation and the implementation of African initiative for capacity development and the design and implementation of pilot projects	-	1 700	1 700	1 700	1 700	-	-
Japan International Cooperation Agency	Science centre senior volunteers in Limpopo	Human Capital and Knowledge Systems	6 000	Foreign governments and international organisations	Support science centres to develop teaching material for science and mathematics education and develop exhibitions	-	1 500	1 500	1 500	1 500	-	-
Japan International Cooperation Agency	Science centre senior volunteers in the Eastern Cape	Human Capital and Knowledge Systems	2 000	Foreign governments and international organisations	Support science centres to develop teaching material for science and mathematics education and develop exhibitions. Systematise the newly developed exhibitions to enhance knowledge gained by science centres	-	-	1 000	1 000	-	-	-

Table 33.D Summary of donor funding (continued)

Donor	Project	Departmental programme name	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate	Medium-term expenditure estimate		
						2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R thousand												
Japan International Cooperation Agency	Technical assistant	International Co-operation and Resources	6 800	Foreign governments and international organisations	Improved bilateral relationships with the Japanese national system of innovation	1 700	1 700	1 700	1 700	-	-	-
Japan International Cooperation Agency	Productivity training	Human Capital and Knowledge Systems	700	Goods and services	Increase the employability level of science and technology graduates	-	200	500	-	-	-	-
Japan International Cooperation Agency	Climate change regional conference	International Co-operation and Resources	600	Goods and services	Support the South Africa Development Community climate change agenda. Workshop held in partnership with ACCESS, report published	-	-	600	-	-	-	-
Japan International Cooperation Agency	Science centre baseline study on learning material	International Co-operation and Resources	200	Goods and services	Provide quality baseline data on what learning materials are available in science centres and recommend a formalization of learning material	-	-	200	-	-	-	-
Japan International Cooperation Agency	African initiative for capacity development support	International Co-operation and Resources	200	Goods and services	Logistical and administrative support for the African initiative for capacity development technical assistant	-	-	200	-	-	-	-
Japan International Cooperation Agency	Intellectual property management training	International Co-operation and Resources	1 200	Goods and services	Build South African capacity in intellectual property rights management	-	-	1 200	-	-	-	-
Australian Agency for International Development	Postgraduate mentor bursary programme and South African National Energy Research Institute	International Co-operation and Resources	186	Goods and services	It is expected that opportunities for collaboration in energy research projects will emerge from the visit. In particular opportunities for student exchanges will be identified. One specific impact is to formalize a memorandum of understanding with the Australian Government	-	186	-	-	-	-	-
France	Partnership on in vitro screening of inhibitors to plasmodium falciparum glutathione s-transferase platform	Research, Development and Innovation	150	Departmental agencies and accounts	To finalise the work between the Centre for Scientific and Industrial research and France on this drug development platform	-	-	150	-	-	-	-
Japan International Cooperation Agency	Climate simulation and projections for adaptation impact in the Southern African region	Socio-Economic Partnerships	30 000	Foreign governments and international organisations	To build capacity in ocean atmosphere coupled circulation models in the Southern African region and to translate this to an early warning system	-	-	-	10 000	10 000	10 000	-

Table 33.D Summary of donor funding (continued)

Donor	Project	Departmental programme name	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate	Medium-term expenditure estimate		
						2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R thousand												
Japan International Cooperation Agency	An observational study to mitigate seismic risks in mines	Socioeconomic Partnerships	12 800	Foreign governments and international organisations	To improve the accuracy of predicting and control of seismicity and earthquakes	-	-	-	3 200	3 200	3 200	3 200
Germany	Technical assistant	International Cooperation and Resources	838	Foreign governments and international organisations	Improved bilateral relationships with the German national system of innovation	-	-	449	389	-	-	-
Germany	Financial Assistance towards The Academy of Sciences for the developing world	International Cooperation and Resources	1 000	Goods and services	To host the multilateral conference which aims at the promotion of scientific excellence in the South focusing on science based sustainability	-	-	1 000	-	-	-	-
France	Extension of the contract of the scientific director on the French South African Graduate School in Electronic and Electrical Engineering programme at Tshwane University of Technology and Cape Peninsular University of Technology	Human Capital and Knowledge Systems	14 850	Departmental agencies and accounts	To extend the contract of the scientific director on the French South African Graduate School in Electronic and Electrical Engineering programme at Tshwane University of Technology and Cape Peninsular University of Technology	-	-	-	4 950	4 950	4 950	-
Canada	Research chair management training	Human Capital and Knowledge Systems	328	Foreign governments and international organisations	To train and transfer knowledge to South African Research Chair managers	-	-	-	328	-	-	-
Total			497 518			1 700	25 286	132 297	160 170	137 048	32 868	8 149

Table 33.E Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R thousand										
Departmental infrastructure										
Science and Technology Head Office Building	Office construction	Handed over	133 000	133 000	-	-	-	-	-	-
Infrastructure transfers to other spheres, agencies and departments										
Square Kilometer Array	Construction of telescopes	Construction	1 890 277	-	80 000	264 264	490 293	508 875	546 845	-
Space infrastructure	Construction of telescopes	Construction	252 582	20 000	20 000	14 199	36 403	51 390	55 153	55 437
Hydrogen strategy	Satellite construction	Various	447 491	-	10 000	40 500	44 229	48 361	51 903	54 498
National nanotechnology centres	Purchase of equipment	Various	310 399	-	-	-	34 905	38 337	42 400	44 520
South African national research network	Equipped centres	Various	906 188	22 000	162 000	89 000	93 474	98 783	104 710	99 946
Total			3 939 937	175 000	272 000	407 963	699 304	745 746	801 011	254 401

