

Vote 26

Energy

Budget summary

R million	2017/18				2018/19	2019/20
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	239.5	231.8	3.5	4.3	245.9	264.0
Energy Policy and Planning	46.7	46.7	–	–	49.5	52.5
Petroleum and Petroleum Products Regulation	81.8	81.8	–	–	85.5	90.9
Electrification and Energy Programme and Project Management	6 184.0	61.0	6 123.0	–	6 432.4	7 791.7
Nuclear Energy	786.9	36.2	750.7	–	821.4	882.2
Clean Energy	774.5	100.4	674.1	–	835.2	869.5
Total expenditure estimates	8 113.5	557.9	7 551.2	4.3	8 469.9	9 950.8

Executive authority: Minister of Energy
 Accounting officer: Director General of Energy
 Website address: www.energy.gov.za

The Estimates of National Expenditure e-publications for individual votes are available on www.treasury.gov.za. These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of site service delivery, where appropriate.

Vote purpose

Formulate energy policies, regulatory frameworks and legislation, and oversee their implementation, to ensure energy security, the promotion of environmentally friendly energy carriers, and access to affordable and reliable energy for all South Africans.

Mandate

The Department of Energy is mandated to ensure the secure and sustainable provision of energy, in support of socioeconomic development. It aims to achieve this by developing an integrated energy plan for the entire energy sector and regulating energy industries, and promoting investment in accordance with the integrated resource plan for electricity. A number of acts regulate the energy sector and reflect the legislative measures the department has instituted to govern the energy sector.

- Key among these are:
 - the National Energy Act (2008)
 - the Petroleum Products Act (1977)
 - the Electricity Regulation Act (2006).
- The National Energy Act (2008) sets out the core aspects of the department's mandate and is the enabling legislation that empowers the Minister of Energy to:
 - ensure that diverse energy resources are available in sustainable quantities and at affordable prices in the South African economy to support economic growth and poverty alleviation, while taking into account environmental considerations
 - plan for the increased generation and consumption of renewable energy, a contingency energy supply, the holding of strategic energy feedstock and carriers, adequate investment in appropriate upkeep, and access to energy infrastructure
 - collect data and information regarding energy demand, supply and generation
 - promote electricity regulation, energy research and the efficient generation and consumption of energy.

The department is also mandated to regulate the petroleum industry at the manufacturing, wholesale and retail levels through the implementation of the Petroleum Products Act (1977). The Petroleum and Liquid Fuels Charter is annexed to the Petroleum Products Amendment Act (2003), and outlines the department's strategy to effect transformation in the industry.

In terms of its policy mandate, the department is working with a range of documents and legislation that support the long-term vision for South Africa to use as much renewable energy as possible; create the necessary conditions to stimulate an efficient electricity market; and position South Africa to become globally competitive in the use of innovative technology for the design, manufacture and deployment of state-of-the-art nuclear energy systems, power reactors and nuclear fuel cycle systems.

Selected performance indicators

Table 26.1 Performance indicators by programme and related outcome

Indicator	Programme	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Number of new petroleum retail site inspections per year	Petroleum and Petroleum Products Regulation		1 945	2 070	1 956	1 500	1 500	1 500	1 500
Number of additional households electrified per year	Electrification and Energy Programme and Project Management		292 714	233 455	231 012	240 000	235 000	238 000	250 000
Number of new bulk substations built per year	Electrification and Energy Programme and Project Management	Outcome 6: An efficient, competitive and responsive economic infrastructure network	2	5	2	3	3	3	3
Number of additional substations upgraded per year	Electrification and Energy Programme and Project Management		2	15	6	3	4	4	4
Kilometres of new medium-voltage power lines constructed per year	Electrification and Energy Programme and Project Management		370km	440km	224km	90km	95km	100km	100km
Kilometres of existing medium-voltage power lines upgraded per year	Electrification and Energy Programme and Project Management		283km	12.3km	–	90km	95km	90km	90km
Number of non-grid connections per year	Electrification and Energy Programme and Project Management	Outcome 9: Responsive, accountable, effective and efficient developmental local government	14 059	14 030	20 000	20 000	20 000	20 000	20 000
Number of new operational integrated energy centres established per year	Electrification and Energy Programme and Project Management	Departmental mandate	2	1	1	1	1	1	1
Number of terawatt hours (TWh) of energy savings realised and verified from energy efficiency and demand side management projects per year	Clean Energy	Outcome 10: Protect and enhance our environmental assets and natural resources	1.2 TWh	0.5 TWh	–	0.5 TWh	0.5 TWh	0.5 TWh	0.5 TWh
Number of solar water heating units installed in residential and commercial sectors per year	Clean Energy		46 954	31 190	5 000	38 375	42 000	48 000	51 000

Expenditure analysis

Over the medium term, the Department of Energy will focus on the security of energy resources and energy supply, including through increasing household access to electricity, enhancing energy efficiency, diversifying the energy generation mix, establishing the National Radioactive Waste Disposal Institute, and improving the quality and security of petroleum fuels. These focus areas support the realisation of the vision of the National Development Plan (NDP), that by 2030, South Africa will have an adequate supply of electricity and liquid fuels to maintain economic activity and prevent economic disruptions. The plan also envisages economic growth, development and social equity through expanded access to energy services that are environmentally sustainable.

Increasing household access to electricity

The department's spending focus over the medium term is set to remain largely on household electrification. To this end, an additional R1 billion has been allocated in 2019/20 to support the *Integrated National Electrification Programme* subprogramme, which electrifies households through grid and non-grid connections, and builds and upgrades substations and electricity networks.

An estimated 723 000 grid and 60 000 non-grid connections to households are expected to be made over the medium term, funded by transfers to implementing municipalities, non-grid service providers and Eskom. Due to the additional allocation, transfers to municipalities are expected to increase from R2.1 billion in 2017/18 to R3.3 billion in 2019/20, and transfers to Eskom from R3.8 billion in 2017/18 to R4.2 billion in 2019/20. The cost of connections is expected to increase over the medium term as the integrated national electrification programme shifts to deep rural areas, requiring more expensive hardware and covering larger geographic areas. Spending on household electrification, budgeted for in the *Integrated National Electrification Programme* subprogramme in the *Electrification and Energy Programme and Project Management programme*, is expected to increase from R5.7 billion in 2016/17 to R7.7 billion by 2019/20, at an average annual rate of 11 per cent.

Non-grid electrification projects using solar energy will be extended countrywide, and will be implemented in areas where extending the grid would not be cost-effective. This method of delivery provides better value for money and, over time, allows for a greater number of connections to be made due to the relative lower cost per connection. To provide more non-grid connections, spending on non-grid electrification projects is expected to increase from R171.8 million in 2016/17 to R212.9 million in 2019/20, at an average annual rate of 7.4 per cent, in the *Integrated National Electrification Programme* subprogramme. Over the medium term, funding of R13.4 million in this subprogramme has been earmarked for the oversight, monitoring and evaluation of non-grid electrification projects.

Enhancing energy efficiency

Over the medium term, the department will accelerate the implementation of the revised solar water heater programme as part of the load reduction strategy to reduce reliance on the national grid. Recent changes to the programme will allow the industry value chain to mature through revised localisation targets and the development of small businesses. Spending on the solar water heater programme is set to increase from R478 million in 2017/18 to R534.1 million in 2019/20, and 141 000 solar water heater units are expected to be produced and installed. This includes spending on the transportation and warehousing of solar water heating systems. The initiative is funded through the *Energy Efficiency* subprogramme in the *Clean Energy* programme.

The department's *energy efficiency and demand side management conditional grant* provides subsidies to municipalities to reduce energy consumption through energy efficient public lighting, and the retrofitting of energy efficient technologies in municipal buildings. Over the medium term, subsidies of R645.3 million are set to be transferred to municipalities, saving an estimated 0.5 TWh of energy per year.

Diversifying energy

The department will continue to promote the optimal use of South Africa's renewable energy resources to ensure the country's sustainable energy agenda is adhered to. This includes expanding the independent power producers procurement programme. Renewable energy is an integral part of South Africa's low-emissions development strategy, and is vital to addressing the challenges of climate change, access to energy, and energy security. To meet the needs of the economy without compromising government's commitment to sustainable development, the department is pursuing a balanced mix of energy that includes clean and renewable resources, as informed by the 2016 integrated resource plan. The plan has been released for public comment and is expected to be implemented over the medium term.

The newly developed integrated energy plan optimises the relationship between the supply of electricity, gas and liquid fuels for meeting energy demand in the period up to 2050. Whereas detailed electricity supply options are outlined in the integrated resource plan, the integrated energy plan focuses on liquid fuels (mainly in the transportation sector), including addressing whether new oil refining capacity is required. It also discusses piped gas, gas storage and liquefied natural gas infrastructure, considering regional gas options in terms of imports from Mozambique and Botswana, as well as local shale gas. Spending on these plans is in the *Energy Policy and Planning* programme, amounting to an estimated R52.5 million by 2019/20.

Establishing the National Radioactive Waste Disposal Institute

An amount of R99.3 million over the medium term has been reprioritised from the *Integrated National Electrification Programme* subprogramme to provide operational funding for the National Radioactive Waste Disposal Institute, which has a mandate to manage the disposal of radioactive waste nationally. The institute has signed a service-level agreement with the South African Nuclear Energy Corporation. It will adopt the corporation's policies, procedures and internal controls, as well as finance, payroll and supply chain management systems, to ensure it operates within an effective, efficient and transparent system of financial and risk management, and internal control.

Improving the quality and security of petroleum fuels

The department plans to undertake 4 500 inspections of petroleum retail sites over the medium term to ensure that petroleum fuel meets regulated quality standards. Spending in the *Petroleum and Petroleum Products Regulation* programme is expected to increase from R81.8 million in 2017/18 to R90.9 million in 2019/20, mostly driven by inflation-related adjustments.

An allocation of R956 000 was reprioritised to the *Petroleum and Petroleum Products Regulation* programme in 2017/18 for the development and implementation of the fuel supply monitoring system. The department manages the export and import of petroleum products, monitors fuel stock levels, and coordinates corrective actions to avoid distribution shortages. The system will allow for the monitoring and verification of information from the industry, providing the department with access to the status of fuel levels and fuel availability at any given time across the country. This will assist the department in being proactive in ensuring that fuel disruptions are kept to a minimum.

Expenditure trends

Table 26.2 Vote expenditure trends by programme and economic classification

Programmes														
1. Administration														
2. Energy Policy and Planning														
3. Petroleum and Petroleum Products Regulation														
4. Electrification and Energy Programme and Project Management														
5. Nuclear Energy														
6. Clean Energy														
Programme	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	2013/14			2014/15			2015/16			2016/17			2013/14 - 2016/17	
Programme 1	221.0	219.6	232.6	244.1	257.3	257.2	242.6	246.6	277.8	240.1	244.8	244.8	106.8%	104.5%
Programme 2	51.2	47.2	47.8	52.6	57.6	41.7	45.1	44.1	38.1	46.7	43.5	41.6	86.5%	88.0%
Programme 3	49.7	68.8	25.8	82.7	84.5	64.5	74.4	73.4	69.0	77.9	77.5	77.5	83.2%	77.9%
Programme 4	3 942.8	3 952.5	3 958.5	4 199.2	4 208.6	4 181.0	5 778.3	5 813.8	5 820.5	5 699.9	5 705.2	5 582.9	99.6%	99.3%
Programme 5	710.0	708.8	722.5	850.5	843.8	845.4	654.4	653.9	655.0	863.6	880.1	799.5	98.2%	97.9%
Programme 6	1 623.6	1 506.3	1 489.9	1 986.5	1 986.0	830.3	687.3	435.8	281.8	616.9	599.4	593.6	65.0%	70.6%
Total	6 598.2	6 503.2	6 477.1	7 415.6	7 437.8	6 220.1	7 482.1	7 267.6	7 142.1	7 545.2	7 550.6	7 340.0	93.6%	94.5%
Change to 2016 Budget estimate											5.4			
Economic classification														
Current payments	468.8	460.3	414.8	518.3	530.7	473.6	492.6	508.8	509.3	739.0	714.5	638.7	91.8%	92.0%
Compensation of employees	247.6	242.6	228.5	291.9	286.0	264.3	289.5	289.5	296.0	310.8	318.3	318.3	97.1%	97.4%
Goods and services	221.3	217.7	186.2	226.4	244.7	209.3	203.1	219.3	213.3	428.2	396.2	320.4	86.1%	86.2%
Transfers and subsidies	6 124.2	6 034.3	6 050.6	6 892.1	6 901.9	5 742.7	6 985.5	6 754.8	6 628.4	6 802.1	6 832.0	6 697.1	93.7%	94.7%
Provinces and municipalities	1 815.5	1 815.5	1 815.5	1 241.6	1 241.6	1 241.6	2 158.2	2 158.2	2 158.2	2 131.9	2 131.9	2 131.9	100.0%	100.0%
Departmental agencies and accounts	202.5	202.5	202.5	196.4	197.3	197.2	87.3	87.1	87.1	38.2	62.5	62.5	-	-
Foreign governments and international organisations	13.6	13.6	38.9	12.1	12.1	21.3	16.6	19.6	29.6	17.4	17.4	17.4	179.7%	171.1%
Public corporations and private enterprises	4 092.3	4 002.3	3 993.4	5 441.7	5 450.6	4 278.7	4 723.0	4 489.5	4 349.8	4 612.4	4 617.8	4 482.9	90.6%	92.2%
Households	0.4	0.4	0.3	0.4	0.4	4.0	0.4	0.4	3.7	2.2	2.4	2.4	310.9%	296.5%
Payments for capital assets	5.2	8.7	11.7	5.2	5.2	3.8	4.0	4.0	4.4	4.1	4.1	4.1	129.9%	109.1%
Machinery and equipment	5.2	8.7	11.3	5.2	5.2	3.8	4.0	4.0	4.4	4.1	4.1	4.1	128.0%	107.5%
Software and other intangible assets	-	-	0.3	-	-	-	-	-	-	-	-	-	-	-
Total	6 598.2	6 503.2	6 477.1	7 415.6	7 437.8	6 220.1	7 482.1	7 267.6	7 142.1	7 545.2	7 550.6	7 340.0	93.6%	94.5%

Expenditure estimates

Table 26.3 Vote expenditure estimates by programme and economic classification

Programmes									
1. Administration									
2. Energy Policy and Planning									
3. Petroleum and Petroleum Products Regulation									
4. Electrification and Energy Programme and Project Management									
5. Nuclear Energy									
6. Clean Energy									
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
R million	2016/17	2013/14 - 2016/17		2017/18	2018/19	2019/20	2016/17 - 2019/20		
Programme 1	244.8	3.7%	3.7%	239.5	245.9	264.0	2.5%	2.9%	
Programme 2	41.6	-4.1%	0.6%	46.7	49.5	52.5	8.0%	0.6%	
Programme 3	77.5	4.1%	0.9%	81.8	85.5	90.9	5.4%	1.0%	
Programme 4	5 582.9	12.2%	71.9%	6 184.0	6 432.4	7 791.7	11.8%	76.7%	
Programme 5	799.5	4.1%	11.1%	786.9	821.4	882.2	3.3%	9.7%	
Programme 6	593.6	-26.7%	11.8%	774.5	835.2	869.5	13.6%	9.1%	
Total	7 340.0	4.1%	100.0%	8 113.5	8 469.9	9 950.8	10.7%	100.0%	
Change to 2016 Budget estimate				(15.5)	(16.5)	982.6			
Economic classification									
Current payments	638.7	11.5%	7.5%	557.9	611.3	626.4	-0.6%	7.2%	
Compensation of employees	318.3	9.5%	4.1%	318.2	331.9	357.0	3.9%	3.9%	
Goods and services	320.4	13.7%	3.4%	239.7	279.4	269.4	-5.6%	3.3%	
Transfers and subsidies	6 697.1	3.5%	92.4%	7 551.2	7 854.1	9 319.6	11.6%	92.8%	
Provinces and municipalities	2 131.9	5.5%	27.0%	2 290.3	2 419.5	3 555.0	18.6%	30.7%	
Departmental agencies and accounts	62.5	-32.4%	2.0%	129.4	113.9	147.3	33.1%	1.3%	
Foreign governments and international organisations	17.4	8.6%	0.4%	17.9	18.9	20.0	4.8%	0.2%	
Public corporations and private enterprises	4 482.9	3.9%	62.9%	5 111.2	5 301.3	5 596.7	7.7%	60.5%	
Households	2.4	89.5%	-	2.4	0.5	0.5	-41.7%	0.0%	
Payments for capital assets	4.1	-22.1%	0.1%	4.3	4.5	4.8	5.3%	0.1%	
Machinery and equipment	4.1	-22.1%	0.1%	4.3	4.5	4.8	5.3%	0.1%	
Total	7 340.0	4.1%	100.0%	8 113.5	8 469.9	9 950.8	10.7%	100.0%	

Goods and services expenditure trends and estimates

Table 26.4 Vote goods and services expenditure trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R thousand					2013/14 - 2016/17						
Administrative fees	4 023	4 453	5 664	3 290	-6.5%	1.7%	3 635	3 764	3 975	6.5%	1.2%
Advertising	15 970	8 652	13 785	7 189	-23.4%	4.5%	7 299	7 448	7 854	3.0%	2.5%
Minor assets	389	367	1 036	2 814	93.4%	0.5%	3 367	3 976	4 182	14.1%	1.2%
Audit costs: External	4 460	3 578	4 233	3 804	-5.2%	1.6%	4 472	3 915	4 135	2.8%	1.4%
Bursaries: Employees	696	761	610	755	2.7%	0.3%	785	821	867	4.7%	0.3%
Catering: Departmental activities	2 641	1 032	1 961	1 829	-11.5%	0.7%	2 042	2 173	2 295	7.9%	0.7%
Communication	6 853	7 846	7 613	5 894	-4.9%	2.8%	5 836	6 095	6 435	3.0%	2.0%
Computer services	7 975	10 264	9 839	6 125	-8.4%	3.4%	6 115	6 397	6 758	3.3%	2.1%
Consultants: Business and advisory services	25 387	43 780	25 828	256 350	116.1%	35.0%	97 719	130 711	112 369	-24.0%	50.4%
Legal services	504	846	924	441	-4.4%	0.3%	458	490	517	5.4%	0.2%
Contractors	2 041	1 743	2 560	928	-23.1%	0.7%	1 451	1 547	1 634	20.8%	0.5%
Agency and support/outsourced services	995	270	3 305	7 877	99.3%	1.2%	9 909	10 348	10 928	11.5%	3.3%
Entertainment	69	22	1	91	9.7%	-	197	231	244	38.9%	0.1%
Fleet services (including government motor transport)	304	1 130	1 586	708	32.6%	0.4%	689	724	766	2.7%	0.2%
Consumable supplies	795	1 582	1 042	1 730	29.6%	0.5%	2 563	2 775	2 932	19.2%	0.8%
Consumables: Stationery, printing and office supplies	3 911	4 119	4 653	5 296	10.6%	1.8%	3 520	4 139	4 369	-6.2%	1.5%
Operating leases	26 709	27 145	34 063	30 932	5.0%	11.8%	34 080	36 097	38 118	7.2%	11.8%
Rental and hiring	28	15	93	200	92.6%	-	395	412	436	29.7%	0.1%
Property payments	6 181	3 849	4 082	188	-68.8%	1.4%	779	815	861	66.1%	0.2%
Transport provided: Departmental activity	345	1	238	40	-51.2%	0.1%	-	-	-	-100.0%	-
Travel and subsistence	58 034	56 344	65 249	41 981	-10.2%	22.0%	37 004	38 185	40 354	-1.3%	13.3%
Training and development	4 003	5 665	4 664	3 888	-1.0%	1.8%	4 049	4 216	4 452	4.6%	1.4%
Operating payments	2 817	6 171	4 898	6 433	31.7%	2.0%	5 239	5 510	5 820	-3.3%	1.9%
Venues and facilities	11 110	19 706	15 373	7 422	-12.6%	5.3%	8 073	8 649	9 094	7.0%	2.8%
Total	186 240	209 341	213 300	396 205	28.6%	100.0%	239 676	279 438	269 395	-12.1%	100.0%

Transfers and subsidies expenditure trends and estimates

Table 26.5 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2013/14	2014/15	2015/16		2016/17	2013/14	2016/17	2017/18	2018/19		
R thousand											
Provinces and municipalities											
Municipal bank accounts											
Current	180 718	136 905	177 899	185 625	0.9%	2.7%	203 236	215 024	227 065	6.9%	2.6%
Energy efficiency and demand side management grant	180 718	136 905	177 899	185 625	0.9%	2.7%	203 236	215 024	227 065	6.9%	2.6%
Capital	1 634 772	1 104 658	1 980 340	1 946 246	6.0%	26.4%	2 087 048	2 204 477	3 327 928	19.6%	30.3%
Integrated national electrification programme grant	1 314 772	1 104 658	1 980 340	1 946 246	14.0%	25.1%	2 087 048	2 204 477	3 327 928	19.6%	30.3%
Integrated national electrification programme: Approach to distribution asset management	320 000	-	-	-	-100.0%	1.3%	-	-	-	-	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	131 156	85 828	86 762	62 148	-22.0%	1.4%	128 976	113 417	146 881	33.2%	1.4%
Energy and Water Sector Education and Training Authority	-	812	792	985	-	-	1 047	1 108	1 170	5.9%	-
National Nuclear Regulator	48 012	33 331	21 109	40 538	-5.5%	0.6%	38 155	16 068	42 629	1.7%	0.4%
National Radioactive Waste Disposal Institute	19 800	-	-	-	-100.0%	0.1%	30 000	33 000	36 300	-	0.3%
South African National Energy Development Institute	63 344	51 685	64 861	20 625	-31.2%	0.8%	59 774	63 241	66 782	47.9%	0.7%
Capital	71 348	111 366	378	398	-82.3%	0.7%	418	442	467	5.5%	-
National Nuclear Regulator	348	366	378	398	4.6%	-	418	442	467	5.5%	-
South African National Energy Development Institute	71 000	111 000	-	-	-100.0%	0.7%	-	-	-	-	-
Foreign governments and international organisations											
Current	(7)	4 272	1 679	660	-555.1%	-	700	741	782	5.8%	-
International Energy Forum	-	282	366	-	-	-	-	-	-	-	-
African Petroleum Producer Association	-	2 312	-	-	-	-	-	-	-	-	-
International Atomic Energy Agency	(7)	1 678	1 313	-	-100.0%	-	-	-	-	-	-
Generation IV International Forum	-	-	-	660	-	-	700	741	782	5.8%	-
Capital	38 910	17 003	27 885	16 715	-24.5%	0.4%	17 207	18 205	19 224	4.8%	0.2%
International Atomic Energy Agency	38 910	17 003	27 885	16 715	-24.5%	0.4%	17 207	18 205	19 224	4.8%	0.2%
Public corporations and private enterprises											
Subsidies on products and production											
Current	460 373	491 881	498 777	513 461	3.7%	7.8%	574 000	607 292	641 300	7.7%	7.4%
South African Nuclear Energy Corporation	460 373	491 881	498 777	513 461	3.7%	7.8%	574 000	607 292	641 300	7.7%	7.4%
Capital	2 272 836	3 216 834	3 694 824	3 612 211	16.7%	50.7%	3 936 325	4 057 432	4 283 196	5.8%	50.4%
Eskom	2 141 027	2 948 037	3 613 243	3 526 334	18.1%	48.4%	3 846 154	3 962 031	4 182 453	5.9%	49.2%
South African Nuclear Energy Corporation	131 809	268 797	81 581	85 877	-13.3%	2.2%	90 171	95 401	100 743	5.5%	1.2%
Public corporations and private enterprises											
Subsidies on products and production											
Capital	1 260 220	570 000	156 179	492 135	-26.9%	9.8%	600 919	636 582	672 230	11.0%	7.6%
Various institutions	110 320	70 000	156 179	171 809	15.9%	2.0%	189 828	201 649	212 941	7.4%	2.5%
Various institutions: Solar water heater project	1 149 900	500 000	-	320 326	-34.7%	7.8%	411 091	434 933	459 289	12.8%	5.2%
Households											
Social benefits											
Current	269	3 253	2 945	351	9.3%	-	368	389	411	5.4%	-
Employee social benefits	269	3 253	2 945	351	9.3%	-	368	389	411	5.4%	-
Households											
Other transfers to households											
Current	-	710	711	2 009	-	-	2 044	65	69	-67.5%	-
Bursaries for non-employees	-	-	-	1 790	-	-	1 983	-	-	-100.0%	-
Employee ex-gratia payments	-	710	711	58	-	-	61	65	69	6.0%	-
Households: Bursaries (non-employees)	-	-	-	161	-	-	-	-	-	-100.0%	-
Total	6 050 595	5 742 710	6 628 379	6 831 959	4.1%	100.0%	7 551 241	7 854 066	9 319 553	10.9%	100.0%

Personnel information

Table 26.6 Vote personnel numbers and cost by salary level and programme¹

Number of posts estimated for 31 March 2017		Number and cost ² of personnel posts filled / planned for on funded establishment															Number			
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Average: Salary level/Total (%)		
		2015/16			2016/17			2017/18			2018/19			2019/20						
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			2016/17 - 2019/20	
Energy																				
Salary level	541	17	587	296.0	0.5	592	318.3	0.5	548	318.2	0.6	538	331.9	0.6	530	357.0	0.7	-3.6%	100.0%	
1 – 6	107	3	120	30.0	0.2	120	28.1	0.2	107	26.5	0.2	102	25.6	0.3	99	26.9	0.3	-6.2%	19.4%	
7 – 10	260	7	278	106.9	0.4	278	115.3	0.4	262	121.5	0.5	258	126.2	0.5	253	133.7	0.5	-3.1%	47.6%	
11 – 12	91	6	97	66.6	0.7	102	76.0	0.7	94	74.0	0.8	93	78.1	0.8	93	87.4	0.9	-3.0%	17.3%	
13 – 16	81	1	90	88.3	1.0	90	94.6	1.1	83	91.9	1.1	83	97.3	1.2	83	104.0	1.3	-2.7%	15.4%	
Other	2	–	2	4.2	2.1	2	4.3	2.2	2	4.3	2.2	2	4.6	2.3	2	5.1	2.5	–	0.4%	
Programme	541	17	587	296.0	0.5	592	318.3	0.5	548	318.2	0.6	538	331.9	0.6	530	357.0	0.7	-3.6%	100.0%	
Programme 1	259	11	289	138.7	0.5	290	144.3	0.5	261	138.9	0.5	251	141.4	0.6	248	153.7	0.6	-5.1%	47.6%	
Programme 2	49	1	50	31.5	0.6	51	34.8	0.7	51	35.3	0.7	51	37.6	0.7	50	39.9	0.8	-0.7%	9.2%	
Programme 3	114	1	120	52.6	0.4	123	56.8	0.5	115	60.9	0.5	115	64.7	0.6	112	68.8	0.6	-3.1%	21.1%	
Programme 4	68	4	72	41.8	0.6	72	45.7	0.6	68	44.2	0.7	68	47.1	0.7	67	50.3	0.8	-2.4%	12.5%	
Programme 5	28	–	29	17.0	0.6	29	19.4	0.7	29	21.2	0.7	29	22.5	0.8	29	24.3	0.8	–	5.3%	
Programme 6	23	–	27	14.3	0.5	27	17.3	0.6	24	17.7	0.7	24	18.6	0.8	24	20.1	0.8	-3.9%	4.5%	

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

2. Rand million.

Departmental receipts

Table 26.7 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)	
	2013/14	2014/15	2015/16					2016/17	2017/18	2018/19			2019/20
	2013/14 - 2016/17							2016/17 - 2019/20					
Departmental receipts	6 472	5 277	805 987	5 975	5 975	-2.6%	95.7%	6 054	6 170	6 309	1.8%	100.0%	
Sales of goods and services produced by department	2 758	3 132	3 885	3 820	3 820	11.5%	1.6%	3 808	3 914	4 027	1.8%	63.5%	
Sales by market establishments	132	139	141	154	154	5.3%	0.1%	146	149	156	0.4%	2.5%	
of which:													
Sales by market establishment: Parking	132	139	141	154	154	5.3%	0.1%	146	149	156	0.4%	2.5%	
Administrative fees	2 536	2 896	3 631	3 550	3 550	11.9%	1.5%	3 550	3 650	3 750	1.8%	59.2%	
of which:													
Administrative fees: Petroleum licence fees	2 536	2 896	3 631	3 550	3 550	11.9%	1.5%	3 550	3 650	3 750	1.8%	59.2%	
Other sales	90	97	113	116	116	8.8%	–	112	115	121	1.4%	1.9%	
of which:													
Other sales: Gamishees, photocopy, faxes	90	97	113	116	116	8.8%	–	112	115	121	1.4%	1.9%	
Sales of scrap, waste, arms and other used current goods	2	1	–	–	–	-100.0%	–	2	2	2	–	–	
of which:													
Sales: Waste paper	2	1	–	–	–	-100.0%	–	2	2	2	–	–	
Transfers received	3 270	1 587	1 059	1 750	1 750	-18.8%	0.9%	1 750	1 750	1 750	–	28.6%	
Interest, dividends and rent on land	24	47	489	130	130	75.6%	0.1%	29	30	32	-37.3%	0.9%	
Interest	24	47	489	130	130	75.6%	0.1%	29	30	32	-37.3%	0.9%	
Sales of capital assets	–	–	111	–	–	–	–	–	–	–	–	–	
Transactions in financial assets and liabilities	418	510	800 443	275	275	-13.0%	93.1%	465	474	498	21.9%	7.0%	
National Revenue Fund receipts	37 000	–	–	–	–	-100.0%	4.3%	–	–	–	–	–	
of which:													
Electricity Distribution Industry Holdings	37 000	–	–	–	–	-100.0%	4.3%	–	–	–	–	–	
Total	43 472	5 277	805 987	5 975	5 975	-48.4%	100.0%	6 054	6 170	6 309	1.8%	100.0%	

Programme 1: Administration

Programme purpose

Provide strategic leadership, management and support services to the department.

Expenditure trends and estimates

Table 26.8 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R million					2013/14 - 2016/17					2016/17 - 2019/20	
Ministry	35.5	41.8	42.3	29.6	-5.9%	14.7%	25.3	26.3	28.1	-1.8%	11.0%
Departmental Management	43.3	45.8	52.6	56.2	9.1%	19.5%	58.1	60.6	64.9	4.9%	24.1%
Finance Administration	27.2	29.4	33.3	34.2	7.9%	12.3%	36.1	36.4	39.7	5.1%	14.7%
Audit Services	4.6	6.8	6.7	7.8	19.4%	2.5%	6.1	6.3	6.8	-4.5%	2.7%
Corporate Services	122.0	109.1	110.8	86.9	-10.7%	42.3%	80.8	81.0	87.4	0.2%	33.8%
Office Accommodation	-	24.4	32.1	30.1	-	8.6%	33.3	35.2	37.2	7.4%	13.7%
Total	232.6	257.2	277.8	244.8	1.7%	100.0%	239.5	245.9	264.0	2.5%	100.0%
Change to 2016				4.7			(11.0)	(13.3)	(12.7)		
Budget estimate											
Economic classification											
Current payments	221.1	248.4	268.6	237.5	2.4%	96.4%	231.8	239.8	257.6	2.7%	97.2%
Compensation of employees	112.6	131.5	138.8	144.3	8.6%	52.1%	138.9	141.4	153.7	2.1%	58.2%
Goods and services ¹	108.4	116.9	129.8	93.3	-4.9%	44.3%	92.9	98.4	103.9	3.7%	39.1%
of which:											
Audit costs: External	4.5	3.6	4.2	3.8	-5.2%	1.6%	3.7	3.9	4.1	2.8%	1.6%
Computer services	7.4	10.2	9.8	6.0	-6.6%	3.3%	5.7	6.0	6.3	1.4%	2.4%
Consultants: Business and advisory services	3.5	5.1	4.0	4.9	11.8%	1.7%	4.2	4.5	4.7	-1.4%	1.8%
Operating leases	26.3	26.7	33.2	30.9	5.5%	11.6%	34.1	36.1	38.1	7.2%	14.0%
Travel and subsistence	29.9	27.8	32.5	19.5	-13.2%	10.8%	17.2	17.4	18.3	-2.1%	7.3%
Training and development	3.1	5.6	4.6	3.8	7.1%	1.7%	3.9	4.1	4.3	4.5%	1.6%
Transfers and subsidies¹	0.2	5.0	4.8	3.2	165.6%	1.3%	3.5	1.6	1.7	-19.7%	1.0%
Departmental agencies and accounts	-	0.8	0.8	1.0	-	0.3%	1.0	1.1	1.2	5.9%	0.4%
Foreign governments and international organisations	-	0.3	0.4	-	-	0.1%	-	-	-	-	-
Households	0.2	3.9	3.6	2.2	134.7%	1.0%	2.4	0.5	0.5	-39.8%	0.6%
Payments for capital assets	11.3	3.8	4.4	4.1	-28.7%	2.3%	4.3	4.5	4.8	5.3%	1.8%
Machinery and equipment	11.3	3.8	4.4	4.1	-28.7%	2.3%	4.3	4.5	4.8	5.3%	1.8%
Total	232.6	257.2	277.8	244.8	1.7%	100.0%	239.5	245.9	264.0	2.5%	100.0%
Proportion of total programme expenditure to vote expenditure	3.6%	4.1%	3.9%	3.2%	-	-	3.0%	2.9%	2.7%	-	-
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	-	0.8	0.8	1.0	-	0.3%	1.0	1.1	1.2	5.9%	0.4%
Energy and Water Sector	-	0.8	0.8	1.0	-	0.3%	1.0	1.1	1.2	5.9%	0.4%
Education and Training Authority											

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Programme 2: Energy Policy and Planning

Programme purpose

Ensure evidence-based planning, policy setting and investment decisions in the energy sector to improve the security of energy supply, regulation and competition.

Objectives

- Improve energy security by:
 - regulating demand and introducing a diversified mix of energy-generation technologies on an ongoing basis

- planning interventions to expand energy infrastructure through the development of a policy framework for the integrated energy plan, the integrated resource plan, the liquid fuels infrastructure roadmap, the transmission development plan and the major distribution infrastructure plan over the medium term
- publishing an annual energy statistics report to facilitate information-based decision-making
- addressing current and envisaged energy supply and distribution constraints through the development of an approach to distribution asset management norms and standards in order to rehabilitate critical municipal electricity distribution infrastructure over the medium term.
- Ensure the integration of renewable energy into South Africa’s mainstream energy supply by:
 - planning and coordinating initiatives and interventions focused on the development and improvement of the renewable energy market on an ongoing basis
 - improving the generation capacity by implementing the integrated resource plan through determinations by under section 34 of the Energy Regulation Act (2006).

Subprogrammes

- *Policy Analysis and Research* develops key indicators and monitors the impact of energy sector policies, planning and interventions; analyses all energy policies and their impact on access to energy and the security of energy supply; conducts research and analyses policies in relation to other countries; and conducts research and analysis on national and international trends or developments that affect the demand and supply of energy.
- *Energy Planning* manages energy data and information; develops and maintains an energy modelling system to simulate energy supply and distribution; identifies constraints in energy supply and distribution, and addresses them through the integrated energy plan; manages the overall collection, collation, validation, integrity and quality of energy data; and manages the development of energy plans and strategic interventions for the generation, refining, distribution and transmission of energy sources for demand and supply optimisation.
- *Hydrocarbon Policy* ensures secure energy supply, well-managed demand, and enhanced access to hydrocarbons; ensures a transformed energy sector; and ensures that energy regulation and competition is improved through the development, promulgation and maintenance of a statutory framework for petroleum, petroleum products, petroleum infrastructure, coal and gas.
- *Electricity, Energy Efficiency and Environmental Policy* ensures secure energy supply, well-managed demand and a transformed energy sector, and energy regulation and competition that improve through the development, promulgation and maintenance of a statutory framework for electricity over the medium term. This includes reforming the electricity supply industry to introduce independent power producers in support of electricity security.

Expenditure trends and estimates

Table 26.9 Energy Policy and Planning expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R million					2013/14 - 2016/17		2017/18	2018/19	2019/20	2016/17 - 2019/20	
Policy Analysis and Research	2.3	0.5	1.6	1.9	-7.2%	3.7%	2.5	2.6	2.8	14.7%	5.1%
Energy Planning	18.4	23.1	18.4	21.7	5.7%	47.7%	22.7	24.5	25.7	5.7%	49.3%
Hydrocarbon Policy	15.4	11.7	11.4	12.2	-7.4%	29.7%	12.8	13.3	14.3	5.3%	27.4%
Electricity, Energy Efficiency and Environmental Policy	11.6	6.4	6.7	7.7	-12.9%	19.0%	8.6	9.0	9.7	8.0%	18.2%
Total	47.8	41.7	38.1	43.5	-3.1%	100.0%	46.7	49.5	52.5	6.4%	100.0%
Change to 2016 Budget estimate				(3.2)			0.4	(0.6)	(1.2)		

Table 26.9 Energy Policy and Planning expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R million					2013/14 - 2016/17					2016/17 - 2019/20	
Current payments	47.7	41.7	38.1	43.5	-3.0%	100.0%	46.7	49.5	52.5	6.4%	100.0%
Compensation of employees	28.3	28.8	31.5	34.8	7.0%	72.1%	35.3	37.6	39.9	4.7%	76.8%
Goods and services ¹	19.4	13.0	6.6	8.7	-23.3%	27.9%	11.4	11.9	12.5	12.8%	23.2%
of which:											
Administrative fees	0.4	0.2	0.2	0.3	-3.9%	0.7%	0.5	0.5	0.5	16.4%	0.9%
Communication	0.4	0.4	0.3	0.3	-13.7%	0.8%	0.5	0.5	0.6	26.1%	1.0%
Consultants: Business and advisory services	9.6	8.1	0.3	3.5	-28.5%	12.7%	4.4	4.6	4.8	11.1%	9.0%
Consumables: Stationery, printing and office supplies	0.3	-	-	0.2	-16.3%	0.3%	0.3	0.3	0.3	19.4%	0.6%
Travel and subsistence	5.0	2.9	4.1	3.6	-10.5%	9.1%	3.7	3.8	4.0	4.1%	7.8%
Venues and facilities	1.5	0.2	0.7	0.1	-59.5%	1.5%	1.0	1.1	1.1	125.5%	1.8%
Total	47.8	41.7	38.1	43.5	-3.1%	100.0%	46.7	49.5	52.5	6.4%	100.0%
Proportion of total programme expenditure to vote expenditure	0.7%	0.7%	0.5%	0.6%	-	-	0.6%	0.6%	0.5%	-	-

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Programme 3: Petroleum and Petroleum Products Regulation

Programme purpose

Regulate the petroleum and petroleum products industry, to ensure the optimal and orderly functioning of the industry to achieve government's development goals.

Objectives

- Ensure the development and transformation of the liquid fuels industry and the security of the supply of petroleum products in the South African economy by monitoring and enforcing technical and economic compliance to legislation, specifications, standards and licence conditions on an annual basis.
- Facilitate the orderly development of the petroleum sector through the analysis and efficient adjudication of licences for manufacturing, wholesale and retail activities on an ongoing basis.
- Strengthen the regulatory framework in the liquid fuels petroleum industry by implementing the regulatory accounting system on an ongoing basis to introduce a transparent fuel pricing mechanism that will provide an appropriate return to investors in the liquid fuels sector across the value chain.

Subprogrammes

- *Petroleum Compliance, Monitoring and Enforcement* monitors and enforces technical, commercial and legal compliance by the petroleum industry to the prescripts of the Petroleum Products Act (1977) and its regulations. This includes compliance with import and export conditions, as well as the enforcement of the submission of data by the industry. The subprogramme also processes arbitration requests and the promotion of access to information on behalf of the Controller of Petroleum Products.
- *Petroleum Licensing and Fuel Supply* manages the petroleum licensing process, regulates the permitting of the export and import of petroleum products, monitors fuel stock levels, and coordinates corrective measures to avoid distribution shortages. This entails conducting licence analyses, ensuring the supply of petroleum products and compliance with permits and the empowerment charter.
- *Fuel Pricing* regulates the pricing of petroleum products in accordance with legislation. This entails determining, reviewing, updating and maintaining fuel levies and margins, and the process of paying fuel levies. The administration of fuel prices includes developing, evaluating and monitoring price models; updating elements of the basic fuel price; and ensuring secure audit services for the auditing of fuel prices to ensure the internationally competitive pricing of petroleum products to enable investment in the sector.
- *Regional Petroleum Regulation Offices* provides advice on integrated energy services, develops appropriate interventions to enhance and promote universal access to energy, and ensures economic and technical compliance with relevant legislation. In addition, all annual information submitted by licence holders is captured and analysed.

Expenditure trends and estimates

Table 26.10 Petroleum and Petroleum Products Regulation expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%) 2013/14 - 2016/17	Average: Expenditure/ Total (%) 2013/14 - 2016/17	Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%) 2016/17 - 2019/20
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
R million											
Petroleum Compliance, Monitoring and Enforcement	6.8	13.5	13.8	13.6	25.9%	20.2%	12.7	13.3	14.2	1.4%	16.0%
Petroleum Licensing and Fuel Supply	15.5	19.4	20.7	24.0	15.8%	33.6%	26.9	28.1	30.2	7.9%	32.5%
Fuel Pricing	3.6	9.2	6.8	7.5	28.0%	11.4%	8.5	7.8	8.4	3.8%	9.6%
Regional Petroleum Regulation Offices	–	22.4	27.5	32.5	–	34.8%	33.7	36.3	38.2	5.6%	41.9%
Total	25.8	64.5	69.0	77.5	44.2%	100.0%	81.8	85.5	90.9	5.4%	100.0%
Change to 2016 Budget estimate				(0.3)			4.8	5.2	4.9		
Economic classification											
Current payments	25.8	62.2	69.0	77.5	44.3%	99.0%	81.8	85.5	90.9	5.4%	100.0%
Compensation of employees	19.1	41.9	52.6	56.8	43.8%	71.9%	60.9	64.7	68.8	6.6%	74.8%
Goods and services ¹	6.7	20.3	16.4	20.7	45.7%	27.1%	20.9	20.9	22.1	2.1%	25.2%
<i>of which:</i>											
Advertising	3.2	0.5	0.4	0.9	-34.9%	2.1%	1.0	1.0	1.1	7.9%	1.2%
Communication	0.3	0.3	0.7	0.6	27.9%	0.8%	0.6	0.6	0.7	2.1%	0.8%
Consultants: Business and advisory services	0.4	9.1	10.0	9.2	185.5%	12.1%	10.0	9.4	10.0	2.6%	11.5%
Travel and subsistence	1.6	5.7	4.3	5.1	45.3%	7.0%	3.9	4.1	4.3	-5.2%	5.2%
Operating payments	0.1	3.0	0.3	2.3	178.3%	2.4%	2.4	2.5	2.6	3.9%	2.9%
Venues and facilities	0.1	0.4	0.2	1.1	178.3%	0.7%	1.2	1.3	1.4	6.4%	1.5%
Transfers and subsidies¹	0.1	2.3	–	–	-100.0%	1.0%	–	–	–	–	–
Foreign governments and international organisations	–	2.3	–	–	–	1.0%	–	–	–	–	–
Households	0.1	–	–	–	-100.0%	–	–	–	–	–	–
Total	25.8	64.5	69.0	77.5	44.2%	100.0%	81.8	85.5	90.9	5.4%	100.0%
Proportion of total programme expenditure to vote expenditure	0.4%	1.0%	1.0%	1.0%	–	–	1.0%	1.0%	0.9%	–	–
Details of selected transfers and subsidies											
Foreign governments and international organisations											
Current	–	2.3	–	–	–	1.0%	–	–	–	–	–
African Petroleum Producer Association	–	2.3	–	–	–	1.0%	–	–	–	–	–

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Programme 4: Electrification and Energy Programme and Project Management

Programme purpose

Manage, coordinate and monitor programmes and projects that are focused on access to energy.

Objectives

- Increase households' access to electricity by managing, funding and monitoring the implementation of the integrated national electrification programme on an ongoing basis.
- Increase public awareness on energy issues while empowering disadvantaged and vulnerable groups by identifying, implementing, managing and coordinating upliftment programmes and projects on an ongoing basis.
- Ensure the efficient management of electricity supply by:
 - enhancing the application of project management business principles to assist programme and project managers on an ongoing basis

- coordinating, monitoring and reporting on the implementation of programmes and projects focused on the development, improvement and transformation of the energy generation, refinement, transmission and distribution industry and its infrastructure on an ongoing basis.

Subprogrammes

- *Integrated National Electrification Programme* oversees and manages the finance and implementation processes for the electrification programme; manages the annual planning processes, including electrification infrastructure plans; and manages and coordinates technical audits for the programme.
- *Energy Regional Offices* provides advice on integrated energy services, develops appropriate interventions to enhance and promote universal access to energy, manages and coordinates regional electrification planning, and ensures economic and technical compliance with relevant legislation.
- *Programme and Project Management Office* provides specialised assistance to programme and project managers, and management in general, to apply management principles, coordinate project information and report on projects.
- *Electricity Infrastructure/Industry Transformation* oversees programmes and projects focused on the development, improvement and transformation of the electricity generation, transmission and distribution sector, and independent power producers.
- *Community Upliftment Programmes and Projects* implements, manages and coordinates programmes and projects aimed at the mainstreaming, upliftment and empowerment of disadvantaged and vulnerable groups, and increases public awareness on energy issues. This subprogramme also establishes integrated energy centres, which provide energy services and education to communities.

Expenditure trends and estimates

Table 26.11 Electrification and Energy Programme and Project Management expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R million					2013/14 - 2016/17					2016/17 - 2019/20	
Integrated National Electrification Programme	3 907.9	4 142.6	5 775.7	5 662.4	13.2%	99.1%	6 143.5	6 390.1	7 746.4	11.0%	99.3%
Energy Regional Offices	33.2	17.6	20.3	15.7	-22.1%	0.4%	15.8	16.5	17.7	4.2%	0.3%
Programme and Project Management Office	5.9	7.2	9.1	9.0	14.8%	0.2%	11.3	11.8	12.6	12.1%	0.2%
Electricity Infrastructure/Industry Transformation	4.3	6.6	8.6	12.2	41.9%	0.2%	7.7	8.0	8.6	-10.8%	0.1%
Community Upliftment Programmes and Projects	7.2	7.0	6.8	5.9	-6.7%	0.1%	5.7	5.9	6.3	2.4%	0.1%
Total	3 958.5	4 181.0	5 820.5	5 705.2	13.0%	100.0%	6 184.0	6 432.4	7 791.7	10.9%	100.0%
Change to 2016 Budget estimate				5.2			(32.1)	(33.7)	962.6		
Economic classification											
Current payments	72.0	58.2	70.7	60.8	-5.5%	1.3%	61.0	64.2	68.4	4.0%	1.0%
Compensation of employees	46.1	36.2	41.8	45.7	-0.2%	0.9%	44.2	47.1	50.3	3.2%	0.7%
Goods and services ¹	26.0	22.0	28.9	15.0	-16.7%	0.5%	16.8	17.2	18.1	6.5%	0.3%
of which:											
Administrative fees	1.2	1.0	1.3	0.8	-13.0%	–	0.8	0.9	0.9	6.3%	–
Catering: Departmental activities	1.1	0.3	1.4	0.6	-19.1%	–	0.6	0.7	0.7	6.9%	–
Communication	0.5	0.5	0.4	0.7	12.8%	–	0.7	0.7	0.8	4.3%	–
Consultants: Business and advisory services	–	–	–	2.0	1156.3%	–	3.5	4.1	4.3	29.8%	0.1%
Travel and subsistence	15.3	14.3	15.7	7.7	-20.3%	0.3%	7.5	7.8	8.3	2.3%	0.1%
Venues and facilities	5.2	4.4	7.2	2.0	-27.6%	0.1%	1.6	1.7	1.8	-3.3%	–

Table 26.11 Electrification and Energy Programme and Project Management expenditure trends and estimates by subprogramme and economic classification

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R million											
Transfers and subsidies¹	3 886.2	4 122.7	5 749.8	5 644.4	13.2%	98.7%	6 123.0	6 368.2	7 723.3	11.0%	99.0%
Provinces and municipalities	1 634.8	1 104.7	1 980.3	1 946.2	6.0%	33.9%	2 087.0	2 204.5	3 327.9	19.6%	36.6%
Public corporations and private enterprises	2 251.3	3 018.0	3 769.4	3 698.1	18.0%	64.8%	4 036.0	4 163.7	4 395.4	5.9%	62.4%
Payments for capital assets	0.4	-	-	-	-100.0%	-	-	-	-	-	-
Software and other intangible assets	0.3	-	-	-	-100.0%	-	-	-	-	-	-
Total	3 958.5	4 181.0	5 820.5	5 705.2	13.0%	100.0%	6 184.0	6 432.4	7 791.7	10.9%	100.0%
Proportion of total programme expenditure to vote expenditure	61.1%	67.2%	81.5%	75.6%	-	-	76.2%	75.9%	78.3%	-	-
Details of selected transfers and subsidies											
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Capital	1 634.8	1 104.7	1 980.3	1 946.2	6.0%	33.9%	2 087.0	2 204.5	3 327.9	19.6%	36.6%
Integrated national electrification programme grant	1 314.8	1 104.7	1 980.3	1 946.2	14.0%	32.3%	2 087.0	2 204.5	3 327.9	19.6%	36.6%
Integrated national electrification programme: Approach to distribution asset management	320.0	-	-	-	-100.0%	1.6%	-	-	-	-	-
Public corporations and private enterprises											
Private enterprises											
Private enterprises (subsidies on products and production)											
Capital	110.3	70.0	156.2	171.8	15.9%	2.6%	189.8	201.6	212.9	7.4%	3.0%
Various institutions	110.3	70.0	156.2	171.8	15.9%	2.6%	189.8	201.6	212.9	7.4%	3.0%
Public corporations and private enterprises											
Public corporations											
Public corporations (subsidies on products and production)											
Capital	2 141.0	2 948.0	3 613.2	3 526.3	18.1%	62.2%	3 846.2	3 962.0	4 182.5	5.9%	59.4%
Eskom	2 141.0	2 948.0	3 613.2	3 526.3	18.1%	62.2%	3 846.2	3 962.0	4 182.5	5.9%	59.4%

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Programme 5: Nuclear Energy

Programme purpose

Manage the South African nuclear energy industry and control nuclear materials in terms of international obligations, nuclear legislation and policies to ensure the peaceful use of nuclear energy.

Objectives

- Regulate the security of nuclear material, related equipment and facilities by developing and publishing appropriate regulations on an ongoing basis.
- Promote the safe management and disposal of radioactive waste by establishing and ensuring the full operation of the National Radioactive Waste Disposal Institute by 2017/18, as provided for in the radioactive waste management policy and strategy of 2005, and the National Radioactive Waste Disposal Institute Act (2008).
- Contribute to ensuring security in energy supply by coordinating all activities of the new nuclear build programme to ensure policy alignment, for which Eskom will be the owner and operator of the nuclear power plants and the South African Nuclear Energy Corporation the owner of the front-end fuel facilities, over the medium term.
- Increase nuclear energy awareness and the level of nuclear knowledge among all South Africans through active demystification campaigns on an ongoing basis.
- Ensure compliance with international nuclear obligations by developing, maintaining, implementing and enforcing a relevant and appropriate statutory framework for nuclear energy policy on an ongoing basis.

Subprogrammes

- *Nuclear Safety and Technology* manages and implements all matters related to nuclear safety and technology, as required by legislation and international agreements; implements nuclear energy policy in line with the requirements of the integrated resource plan; and administers all matters related to nuclear safety, liability and emergency management with the aim of improving the governance of the nuclear sector, specifically in relation to nuclear safety and nuclear technology. This subprogramme is responsible for the overall coordination and oversight for the new nuclear build programme together with the necessary due diligence on the proposed transaction. This subprogramme also makes transfers to the South African Nuclear Energy Corporation, the National Nuclear Regulator and the National Radioactive Waste Disposal Institute.
- *Nuclear Non-proliferation and Radiation Security* manages and implements all matters related to nuclear non-proliferation and radiation security, as required by legislation and international agreements. This entails accounting for and controlling nuclear material through authorisation; ensuring compliance by conducting inspections and audits; and regulating the security of nuclear material by implementing security measures during transportation, use, storage and major public events.
- *Nuclear Policy* develops and reviews policies and legislation, as required by international agreements and the governance principles of the nuclear energy sector in South Africa; undertakes research and development on matters related to nuclear policy and legislation; and reviews and monitors nuclear safety, nuclear technology, nuclear non-proliferation and nuclear radiation security policies and legislation, and provides advice accordingly.

Expenditure trends and estimates

Table 26.12 Nuclear Energy expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R million											
Nuclear Safety and Technology	712.4	832.3	641.5	865.9	6.7%	98.4%	769.5	803.4	863.0	-0.1%	98.0%
Nuclear Non-proliferation and Radiation Security	5.5	6.2	7.2	8.3	15.0%	0.9%	8.0	8.5	9.1	3.2%	1.0%
Nuclear Policy	4.7	7.0	6.4	5.9	8.4%	0.8%	9.3	9.5	10.1	19.3%	1.0%
Total	722.5	845.4	655.0	880.1	6.8%	100.0%	786.9	821.4	882.2	0.1%	100.0%
Change to 2016 Budget estimate				16.6			22.4	13.9	29.0		
Economic classification											
Current payments	23.2	34.0	25.3	222.3	112.3%	9.8%	36.2	50.2	40.7	-43.2%	10.4%
Compensation of employees	10.1	13.4	17.0	19.4	24.5%	1.9%	21.2	22.5	24.3	7.7%	2.6%
Goods and services ¹	13.2	20.6	8.2	202.9	148.7%	7.9%	15.0	27.7	16.5	-56.7%	7.8%
of which:											
Advertising	4.1	0.5	1.6	1.5	-29.1%	0.2%	2.1	2.0	2.1	13.2%	0.2%
Communication	0.2	0.1	0.3	0.2	12.6%	-	0.2	0.3	0.3	4.3%	-
Consultants: Business and advisory services	3.3	11.8	0.8	197.5	293.1%	6.9%	10.1	22.6	11.0	-61.8%	7.2%
Consumables: Stationery, printing and office supplies	0.2	0.5	0.1	0.9	55.2%	0.1%	0.5	0.5	0.5	-16.7%	0.1%
Travel and subsistence	3.5	3.4	3.2	1.9	-17.6%	0.4%	1.4	1.6	1.7	-4.9%	0.2%
Venues and facilities	0.8	3.4	1.8	0.6	-7.7%	0.2%	0.5	0.6	0.6	-0.2%	0.1%
Transfers and subsidies¹	699.3	811.4	629.8	657.8	-2.0%	90.2%	750.7	771.1	841.4	8.6%	89.6%
Departmental agencies and accounts	68.2	33.7	21.5	40.9	-15.6%	5.3%	68.6	49.5	79.4	24.7%	7.1%
Foreign governments and international organisations	38.9	17.0	27.9	17.4	-23.6%	3.3%	17.9	18.9	20.0	4.8%	2.2%
Public corporations and private enterprises	592.2	760.7	580.4	599.3	0.4%	81.6%	664.2	702.7	742.0	7.4%	80.3%
Households	-	-	-	0.2	-	-	-	-	-	-100.0%	-
Total	722.5	845.4	655.0	880.1	6.8%	100.0%	786.9	821.4	882.2	0.1%	100.0%
Proportion of total programme expenditure to vote expenditure	11.2%	13.6%	9.2%	11.7%	-	-	9.7%	9.7%	8.9%	-	-

Table 26.12 Nuclear Energy expenditure trends and estimates by subprogramme and economic classification

Details of selected transfers and subsidies											
R million	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%) 2013/14 - 2016/17	Average: Expenditure/ Total (%) 2013/14 - 2016/17	Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%) 2016/17 - 2019/20
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	67.8	33.3	21.1	40.5	-15.8%	5.2%	68.2	49.1	78.9	24.9%	7.0%
National Nuclear Regulator	48.0	33.3	21.1	40.5	-5.5%	4.6%	38.2	16.1	42.6	1.7%	4.1%
National Radioactive Waste Disposal Institute	19.8	-	-	-	-100.0%	0.6%	30.0	33.0	36.3	-	2.9%
Capital	38.9	17.0	27.9	16.7	-24.5%	3.2%	17.2	18.2	19.2	4.8%	2.1%
International Atomic Energy Agency	38.9	17.0	27.9	16.7	-24.5%	3.2%	17.2	18.2	19.2	4.8%	2.1%
Public corporations and private enterprises											
Public corporations											
Public corporations (subsidies on products and production)											
Current	460.4	491.9	498.8	513.5	3.7%	63.3%	574.0	607.3	641.3	7.7%	69.3%
South African Nuclear Energy Corporation	460.4	491.9	498.8	513.5	3.7%	63.3%	574.0	607.3	641.3	7.7%	69.3%
Capital	131.8	268.8	81.6	85.9	-13.3%	18.3%	90.2	95.4	100.7	5.5%	11.0%
South African Nuclear Energy Corporation	131.8	268.8	81.6	85.9	-13.3%	18.3%	90.2	95.4	100.7	5.5%	11.0%

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Programme 6: Clean Energy

Programme purpose

Manage and facilitate the development and implementation of clean and renewable energy initiatives, as well as energy efficiency and demand-side management initiatives.

Objectives

- Manage climate change and environmental matters by monitoring the implementation of climate change regulations to mitigate the risk of environmental impact on an ongoing basis, and publishing climate change strategies and plans.
- Promote and facilitate energy efficiency and demand management by:
 - monitoring and reporting on energy savings on an ongoing basis
 - coordinating, monitoring and reporting on the progress and impact of energy efficiency and demand management strategies on annual basis
 - reviewing the energy efficiency tax incentive and energy conservation schemes on an ongoing basis.
- Improve energy demand side management by:
 - facilitating the development of an annual energy management plan
 - drafting and submitting the post-2015 national energy efficiency strategy for approval by 2017/18.

Subprogrammes

- *Energy Efficiency* advances energy efficiency in South Africa by planning and coordinating initiatives and interventions that are focused on developing and improving the energy efficiency market, and ensures the integration and coordination of energy efficiency initiatives and interventions with relevant associated institutions. This subprogramme also makes transfers in respect of the solar water heater project.
- *Renewable Energy* ensures the integration of renewable energy into South Africa's mainstream energy supply by planning and coordinating initiatives and interventions that are focused on the development and improvement of the renewable energy market, and ensures the integration and coordination of renewable energy initiatives and interventions with relevant associated institutions. This subprogramme also makes transfers to the South African National Energy Development Institute.

- *Climate Change and Designated National Authority* ensures that climate change and environmental response measures, in terms of mitigation and adaptation, are implemented within the energy sector. It also ensures the fulfilment of international energy commitments and obligations under the United Nations Framework Convention on Climate Change pertaining to the Kyoto Protocol.

Expenditure trends and estimates

Table 26.13 Clean Energy expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R million					2013/14 - 2016/17		2017/18	2018/19	2019/20	2016/17 - 2019/20	
Energy Efficiency	1 347.5	658.7	206.2	564.5	-25.2%	86.7%	700.7	757.3	787.1	11.7%	91.3%
Renewable Energy	137.5	167.4	69.8	27.1	-41.8%	12.6%	65.8	69.5	73.4	39.5%	7.7%
Climate Change and Designated National Authority	4.8	4.2	5.8	7.8	17.6%	0.7%	8.1	8.4	9.0	4.9%	1.1%
Total	1 489.9	830.3	281.8	599.4	-26.2%	100.0%	774.5	835.2	869.5	13.2%	100.0%
Change to 2016 Budget estimate				(17.5)			(0.1)	12.1	(0.0)		
Economic classification											
Current payments	24.9	29.0	37.7	72.8	43.0%	5.1%	100.4	122.0	116.4	16.9%	13.4%
Compensation of employees	12.4	12.4	14.3	17.3	11.8%	1.8%	17.7	18.6	20.1	5.2%	2.4%
Goods and services ¹	12.5	16.6	23.4	55.6	64.2%	3.4%	82.7	103.3	96.3	20.1%	11.0%
<i>of which:</i>											
Advertising	0.4	0.6	4.6	1.4	50.1%	0.2%	0.8	0.8	0.9	-13.9%	0.1%
Consultants: Business and advisory services	8.6	9.6	10.7	39.2	65.9%	2.1%	65.6	85.6	77.5	25.6%	8.7%
Agency and support/outourced services	-	-	1.1	7.1	-	0.3%	9.1	9.5	10.1	12.3%	1.2%
Property payments	-	-	-	0.1	-	-	0.7	0.7	0.8	81.3%	0.1%
Travel and subsistence	2.8	2.2	5.6	4.1	14.5%	0.5%	3.4	3.5	3.7	-3.4%	0.5%
Venues and facilities	0.2	3.7	0.4	1.3	83.8%	0.2%	1.3	1.3	1.4	0.2%	0.2%
Transfers and subsidies¹	1 465.0	801.3	244.1	526.6	-28.9%	94.9%	674.1	713.2	753.1	12.7%	86.6%
Provinces and municipalities	180.7	136.9	177.9	185.6	0.9%	21.3%	203.2	215.0	227.1	6.9%	27.0%
Departmental agencies and accounts	134.3	162.7	64.9	20.6	-46.5%	11.9%	59.8	63.2	66.8	47.9%	6.8%
Foreign governments and international organisations	(0.0)	1.7	1.3	-	-100.0%	0.1%	-	-	-	-	-
Public corporations and private enterprises	1 149.9	500.0	-	320.3	-34.7%	61.5%	411.1	434.9	459.3	12.8%	52.8%
Total	1 489.9	830.3	281.8	599.4	-26.2%	100.0%	774.5	835.2	869.5	13.2%	100.0%
Proportion of total programme expenditure to vote expenditure	23.0%	13.3%	3.9%	7.9%	-	-	9.5%	9.9%	8.7%	-	-
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	63.3	51.7	64.9	20.6	-31.2%	6.3%	59.8	63.2	66.8	47.9%	6.8%
South African National Energy Development Institute	63.3	51.7	64.9	20.6	-31.2%	6.3%	59.8	63.2	66.8	47.9%	6.8%
Capital	71.0	111.0	-	-	-100.0%	5.7%	-	-	-	-	-
South African National Energy Development Institute	71.0	111.0	-	-	-100.0%	5.7%	-	-	-	-	-
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	180.7	136.9	177.9	185.6	0.9%	21.3%	203.2	215.0	227.1	6.9%	27.0%
Energy efficiency and demand side management grant	180.7	136.9	177.9	185.6	0.9%	21.3%	203.2	215.0	227.1	6.9%	27.0%
Public corporations and private enterprises											
Private enterprises											
Private enterprises (subsidies on products and production)											
Capital	1 149.9	500.0	-	320.3	-34.7%	61.5%	411.1	434.9	459.3	12.8%	52.8%
Various institutions: Solar water heater project	1 149.9	500.0	-	320.3	-34.7%	61.5%	411.1	434.9	459.3	12.8%	52.8%

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Entities¹

Central Energy Fund

Mandate

The Central Energy Fund is listed as a schedule 2 entity in the Public Finance Management Act (1999), and is governed by the Central Energy Fund Act (1977) and the Companies Act (2008). Its mandate is to research, finance, develop and exploit appropriate energy solutions across the spectrum of energy sources to meet South Africa's future energy needs.

Through its eight operating subsidiaries, the fund is also mandated to finance and promote the acquisition of coal; exploit coal deposits; manufacture liquid fuel, oil and other products from coal; and market these products. It is also mandated to acquire, generate, manufacture, market, distribute or research any other form of energy. Its subsidiaries are: the Petroleum Oil and Gas Corporation of South Africa; the South African Gas Development Company; the Petroleum Agency of South Africa; Oil Pollution Control South Africa; the Strategic Fuel Fund Association; African Exploration; ETA Energy; and CCE Solutions.

Selected performance indicators

Table 26.14 Central Energy Fund performance indicators by programme/objective/activity and related outcome

Indicator	Programme/objective/activity	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Volume of liquid fuel supplied to South African market per year	Oil and gas, national oil company	Outcome 6: An efficient, competitive and responsive economic infrastructure network	- ¹	4.4 million	4.8 million	2.5 million	2.5 million	2.5 million	2.9 million
Number of reportable environmental incidents at PetroSA per year	Oil and gas, national oil company		- ¹	7	8	11	11	11	11
Number of crude oil barrels maintained as per ministerial directive per year	Strategic stock and pollution control		10.3 million	10.3 million	10.3 million	10.3 million	0	0	0
Number of tonnes (in thousands) of coal produced at Vaalfontein by the African Exploration Mining and Finance Corporation per year	Mining, coal		1 700	1 150	1 565	1 560	2 085	3 483	6 038

¹. No historical data available.

Expenditure analysis

The Central Energy Fund's Vision 2025 strategic roadmap will guide the organisation's work over the medium term and beyond. The roadmap aims to return the fund to commercial viability, and will in particular focus on the financial viability of PetroSA, the most significant entity in the fund, which has been affected by increasing costs, declining revenue due to low gas-to-liquid production as a result of reduced supply of gas feedstock, and low cash reserves. Through this focus, the roadmap supports the realisation of the vision of the NDP that, by 2030, South Africa should have an adequate supply of electricity and liquid fuels so that economic activity and welfare are not disrupted.

The key activities in the stabilisation phase of the PetroSA turnaround plan focus on projects that will deliver gas feedstock and additional condensate to increase capacity at the entity's gas-to-liquid refinery. This will be done through the optimisation of operations to reduce costs; gas field exploration, including the possible revival of out-of-use wells and the life extension of current wells to increase gas feedstock; and the implementation of the condensate project. The condensate project is expected to help address gas feedstock challenges by converting the gas-to-liquid refinery to full condensate processing facility, compensating for the reduction in gas feed and increasing total production capacity. The stabilisation phase is under way, and is expected to be completed in 2017/18. In the growth phase, set to take place between 2017/18 and 2023/24, the fund will consider a gas-to-power project with Eskom to divert tail gas to Eskom's Gourikwa Power Station.

As a result of these projects, expenditure on acquisition of assets is projected to be R8.4 billion over the medium term, while expenditure in the oil and gas, national oil company programme is projected to be R68.5 billion, increasing at an average annual rate of 13.8 per cent. The increased gas-to-liquid production resulting from these activities is also expected to contribute to an increase in revenue from R18.2 billion in 2016/17 to R29 billion in 2019/20, at an average annual rate of 16.4 per cent.

¹. This section has been compiled with the latest available information from the entities concerned.

The number of filled posts in the fund is expected to decrease from 2 074 to 1 886 over the medium term due to downsizing as a result of diminished gas reserves. Expenditure on compensation of employees is expected to amount to R3.7 billion over the medium term.

Programmes/objectives/activities

Table 26.15 Central Energy Fund expenditure trends and estimates by programme/objective/activity

R million	Audited outcome				Revised estimate	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2013/14	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
Administration	217.6	207.9	222.2	233.2	2.3%	0.9%	247.2	262.0	277.7	6.0%	1.1%	
Clean and renewable energy	16.9	6.0	17.0	114.6	89.1%	0.2%	67.3	71.3	75.6	-13.0%	0.4%	
Oil and gas, national oil company	24 351.0	33 856.4	16 233.6	16 744.8	-11.7%	90.6%	20 332.4	23 478.3	24 661.0	13.8%	92.8%	
Strategic stock and pollution control	173.2	315.6	4 873.7	277.8	17.0%	6.4%	310.3	328.9	348.7	7.9%	1.4%	
Mining, coal	256.5	265.5	383.2	239.5	-2.3%	1.2%	504.5	880.7	1 634.4	89.7%	3.3%	
Gas and gas infrastructure	24.7	20.7	20.3	53.5	29.4%	0.1%	46.9	40.6	35.7	-12.6%	0.2%	
Promotion, licensing and regulation	83.6	89.2	108.2	153.0	22.3%	0.5%	168.8	180.5	198.1	9.0%	0.8%	
Total	25 123.5	34 761.3	21 858.3	17 816.4	-10.8%	100.0%	21 677.3	25 242.4	27 231.2	15.2%	100.0%	

Statements of historical financial performance and position

Table 26.16 Central Energy Fund statements of historical financial performance and position

Statement of financial performance									
R million	Audited outcome		Audited outcome		Audited outcome		Revised estimate		Average Outcome/ Budget (%)
	Budget	2013/14	Budget	2014/15	Budget	2015/16	Budget estimate	2016/17	
Revenue									
Non-tax revenue	26 303.6	23 670.7	19 289.0	19 719.5	19 936.4	22 117.0	20 264.3	18 213.9	97.6%
Sale of goods and services other than capital assets	22 915.4	21 553.2	18 481.3	18 515.2	19 187.2	20 716.5	19 381.8	17 344.3	97.7%
<i>of which:</i>									
<i>Sales by market establishment</i>	22 915.4	21 553.2	18 481.3	18 515.2	19 187.2	20 716.5	19 381.8	17 344.3	97.7%
Other non-tax revenue	3 388.1	2 117.5	807.7	1 204.4	749.2	1 400.6	882.6	869.6	96.0%
Total revenue	26 303.6	23 670.7	19 289.0	20 562.8	19 960.9	22 117.0	20 264.3	18 213.9	98.5%
Expenses									
Current expenses	24 517.8	24 995.7	117 272.1	34 761.3	19 348.7	21 490.0	17 788.5	17 788.5	55.3%
Compensation of employees	1 492.6	756.6	1 629.2	1 408.6	1 013.4	1 377.6	1 080.3	1 080.3	88.6%
Goods and services	20 051.7	22 297.7	115 515.5	29 661.9	18 139.6	18 086.9	15 566.4	15 566.4	50.6%
Depreciation	1 800.3	1 040.0	83.5	2 360.3	73.3	1 913.1	1 007.4	1 007.4	213.2%
Interest, dividends and rent on land	1 173.2	901.4	43.9	1 330.5	122.4	112.4	134.4	134.4	168.2%
Total expenses	24 517.8	25 123.5	117 506.3	34 761.3	19 470.6	21 858.3	17 816.4	17 816.4	55.5%
Surplus/(Deficit)	1 786.0	(1 453.0)	(98 217.0)	(14 198.0)	490.0	259.0	2 448.0	398.0	
Statement of financial position									
Carrying value of assets	18 721.2	21 336.8	25 561.0	11 237.5	14 678.8	12 527.8	14 031.2	14 031.2	81.0%
<i>of which:</i>									
<i>Acquisition of assets</i>	(0.6)	(5 476.8)	(6 399.9)	(5 975.9)	(3 883.2)	(2 155.5)	(2 382.2)	(2 382.2)	126.2%
Investments	20 958.8	6 060.2	12 066.6	3 656.3	7 768.2	1 989.5	5 636.4	5 636.4	37.4%
Inventory	3 464.0	2 984.5	2 163.9	2 213.2	2 290.7	1 992.4	1 986.1	1 986.1	92.6%
Loans	-	8.4	1 410.0	165.9	-	236.1	-	-	29.1%
Receivables and prepayments	3 395.5	3 720.8	3 417.2	3 664.4	2 080.6	2 506.9	1 575.9	1 575.9	109.5%
Cash and cash equivalents	1 466.4	11 310.9	5 000.3	10 364.0	8 085.8	16 153.6	8 799.1	8 799.1	199.7%
Non-current assets held for sale	-	10.7	-	60.7	-	60.7	36.0	36.0	467.0%
Taxation	5.9	12.7	5.3	-	5.5	5.6	4.9	4.9	107.5%
Total assets	48 011.8	45 445.0	49 624.2	31 362.0	34 909.6	35 472.3	32 069.6	32 069.6	87.7%
Accumulated surplus/(deficit)	25 588.4	27 762.3	28 370.9	13 094.8	18 314.5	12 929.1	13 866.2	13 866.2	78.5%
Capital and reserves	80.7	1 457.9	2 123.9	1 700.3	276.0	2 136.1	1 704.1	1 704.1	167.2%
Borrowings	12 961.0	394.1	4 219.0	1 153.0	1 330.0	1 619.3	1 022.3	1 022.3	21.4%
Finance lease	-	-	-	0.3	-	0.2	-	-	-
Accrued interest	-	-	-	-	0.4	-	-	-	-
Deferred income	-	2.6	2.3	0.7	-	0.8	-	-	173.1%
Trade and other payables	798.0	3 597.8	3 435.4	4 016.4	2 880.4	5 478.2	1 525.4	1 525.4	169.2%
Taxation	1.5	1 837.8	1 419.8	1 021.6	1 654.5	1 388.0	1 838.9	1 838.9	123.8%
Provisions	8 573.0	8 759.1	10 052.9	10 327.9	9 882.6	11 865.0	11 555.1	11 555.1	106.1%
Managed funds (e.g. Poverty Alleviation Fund)	9.2	-	-	-	-	-	-	-	-
Derivatives financial instruments	-	1 633.6	-	46.8	571.2	55.8	557.5	557.5	203.2%
Total equity and liabilities	48 011.8	45 445.0	49 624.2	31 362.0	34 909.6	35 472.3	32 069.6	32 069.6	87.7%

Statements of estimates of financial performance and position

Table 26.17 Central Energy Fund statements of estimates of financial performance and position

Statement of financial performance		Revised estimate	Average growth rate (%)		Average: Expenditure/ Total (%)			Average growth rate (%)			Average: Expenditure/ Total (%)	
			2013/14 - 2016/17	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20			
R million		2016/17	2013/14 - 2016/17	2016/17	Medium-term estimate			2016/17 - 2019/20	2016/17 - 2019/20			
Revenue												
Non-tax revenue		18 213.9	-8.4%	99.0%	23 676.9	26 510.8	28 844.7	16.6%	99.5%			
Sale of goods and services other than capital assets		17 344.3	-7.0%	92.5%	22 780.9	25 593.1	27 873.9	17.1%	95.7%			
<i>of which:</i>												
<i>Sales by market establishment</i>		17 344.3	-7.0%	92.5%	22 780.9	25 593.1	27 873.9	17.1%	95.7%			
Other non-tax revenue		869.6	-25.7%	6.5%	895.9	917.7	970.8	3.7%	3.8%			
Transfers received		-	-	-	157.1	167.9	174.9	-	0.5%			
Total revenue		18 213.9	-8.4%	100.0%	23 834.0	26 678.7	29 019.6	16.8%	100.0%			
Expenses												
Current expenses		17 788.5	-10.7%	99.4%	21 624.5	25 046.6	26 792.4	14.6%	96.5%			
Compensation of employees		1 080.3	12.6%	4.9%	1 157.8	1 242.2	1 311.8	6.7%	5.3%			
Goods and services		15 566.4	-11.3%	86.1%	19 565.5	22 895.6	24 545.1	16.4%	89.6%			
Depreciation		1 007.4	-1.1%	6.3%	768.3	778.0	805.1	-7.2%	3.8%			
Interest, dividends and rent on land		134.4	-47.0%	2.2%	132.8	130.8	130.4	-1.0%	0.6%			
Total expenses		17 816.4	-10.8%	100.0%	21 677.3	25 242.4	27 231.2	15.2%	100.0%			
Surplus/(Deficit)		398.0	(2.0)		2 157.0	1 436.0	1 788.0	65.0%				
Statement of financial position												
Carrying value of assets		14 031.2	-13.0%	40.5%	17 390.7	20 526.3	20 577.8	13.6%	48.4%			
<i>of which:</i>												
<i>Acquisition of assets</i>		(2 382.2)	-24.2%	-11.2%	(4 079.1)	(3 081.5)	(1 190.8)	-20.6%	-7.4%			
Investments		5 636.4	-2.4%	12.0%	5 775.3	5 925.6	6 068.9	2.5%	15.8%			
Inventory		1 986.1	-12.7%	6.4%	2 216.9	2 468.5	2 605.1	9.5%	6.2%			
Receivables and prepayments		1 575.9	-24.9%	8.0%	1 964.2	2 196.0	2 385.6	14.8%	5.4%			
Cash and cash equivalents		8 799.1	-8.0%	32.7%	8 667.4	8 120.6	10 295.8	5.4%	24.2%			
Non-current assets held for sale		36.0	50.0%	0.1%	-	-	-	-100.0%	-			
Taxation		4.9	-27.1%	-	5.5	5.5	5.5	3.9%	-			
Total assets		32 069.6	-11.0%	100.0%	36 020.1	39 242.6	41 938.7	9.4%	100.0%			
Accumulated surplus/(deficit)		13 866.2	-20.7%	45.6%	16 012.8	17 439.3	19 218.0	11.5%	44.5%			
Capital and reserves		1 704.1	5.3%	5.0%	1 704.1	1 704.1	1 704.1	-	4.6%			
Borrowings		1 022.3	37.4%	3.1%	2 196.3	3 177.4	3 358.7	48.7%	6.3%			
Trade and other payables		1 525.4	-24.9%	10.2%	1 599.3	1 806.1	1 894.4	7.5%	4.6%			
Taxation		1 838.9	0.0%	4.2%	1 838.9	1 838.9	1 838.8	-0.0%	5.0%			
Provisions		11 555.1	9.7%	30.4%	12 104.1	12 685.4	13 306.6	4.8%	33.4%			
Derivatives financial instruments		557.5	-30.1%	1.4%	564.5	591.5	618.0	3.5%	1.6%			
Total equity and liabilities		32 069.6	-11.0%	100.0%	36 020.1	39 242.6	41 938.7	9.4%	100.0%			

Personnel information

Table 26.18 Central Energy Fund personnel numbers and cost by salary level

Number of posts estimated for 31 March 2017		Number and cost of personnel posts filled / planned for on funded establishment															Number		
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Average Salary level/Total (%)	
		2015/16		Unit cost	2016/17		Unit cost	2017/18			2018/19			2019/20					2016/17 - 2019/20
Central Energy Fund		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost
Salary level	1 886	1 886	2 074	1 377.6	0.7	1 886	1 080.3	0.6	1 886	1 157.8	0.6	1 886	1 242.2	0.7	1 886	1 311.8	0.7	6.7%	100.0%
1 - 6	252	252	264	27.0	0.1	252	26.2	0.1	252	28.0	0.1	252	30.0	0.1	252	32.1	0.1	7.0%	13.4%
7 - 10	1 218	1 218	1 328	761.9	0.6	1 218	580.9	0.5	1 218	623.4	0.5	1 218	670.4	0.6	1 218	700.0	0.6	6.4%	64.6%
11 - 12	166	166	194	149.4	0.8	166	134.0	0.8	166	143.3	0.9	166	153.4	0.9	166	164.1	1.0	7.0%	8.8%
13 - 16	250	250	288	439.2	1.5	250	339.3	1.4	250	363.0	1.5	250	388.4	1.6	250	415.6	1.7	7.0%	13.3%

1. Rand million.

South African Nuclear Energy Corporation

Mandate

The South African Nuclear Energy Corporation is a schedule 2 public entity, and derives its mandate from the Nuclear Energy Act (1999), the nuclear energy policy of 2008 and directives conferred on it by the Minister of Energy. The corporation is responsible for research on nuclear energy and radiation science, the development and innovation of nuclear-related products in South Africa, and the execution of nuclear fuel cycle activities. Its subsidiaries include Pelchem and Nuclear Technology Products (NTP) Radioisotopes.

Other responsibilities also include: operating the SAFARI-1 research nuclear reactor for research and development purposes, and providing irradiation services for the production of radioisotopes; decommissioning and decontaminating nuclear facilities; and contributing to South Africa's obligations in terms of international nuclear treaties and agreements.

Selected performance indicators

Table 26.19 South African Nuclear Energy Corporation performance indicators by programme/objective/activity and related outcome

Indicator	Programme/objective/activity	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Number of scientific articles published per year	Administration	Outcome 6: An efficient, competitive and responsive infrastructure network	40	31	28	28	28	28	28
Number of product and process innovations per year	Administration		14	17	12	12	12	12	12
Number of days per year that the reactor is operationally available out of the days scheduled for operation	Radiation products and services		303	303	287	287	287	287	287
Maximum allowable annual radiation dose (microsievert) in terms of licence conditions	South African Nuclear Energy Corporation as a host of nuclear programmes		6 µSv	6 µSv	6 µSv	6 µSv	6 µSv	6 µSv	6 µSv

Expenditure analysis

The South African Nuclear Energy Corporation's activities over the medium term will be focused on radioisotope production, radiation applications, research and development, specialised nuclear manufacturing, the nuclear fuel cycle, and support for nuclear power generation. The first three priorities aim to expand research and development programmes in support of the corporation's core activities, contribute to the national system of innovation, and strengthen the global market position of NTP Radioisotopes through the sale of medical isotopes. The subsequent three focus areas are aligned with the 2010-2030 integrated resource plan for electricity, and the requirements for the building of new nuclear power reactors.

The corporation contributes to the health component of the NDP's goals through NTP Radioisotopes, which produces and sells medical radioisotopes locally and internationally for the diagnosis and treatment of cancers. This activity accounts for the largest proportion of spending within the corporation. Expenditure in the radiation products and services programme is expected to grow from R1.4 billion in 2016/17 to R1.8 billion in 2019/20, at an average annual rate of 7.9 per cent, accounting for 50.3 per cent of total expenditure. This spending will allow the SAFARI-1 reactor to be operational for 287 days per year, and will allow the corporation to comply with international safety requirements and maintain radiation doses within acceptable levels. To carry out these activities, the number of personnel in the corporation is expected to remain constant at 1 891 over the medium term. Expenditure on compensation of employees is expected to increase from R916.1 million in 2016/17 to R1.1 billion in 2019/20 due to inflationary increases.

The sale of nuclear technology products, chemical products and nuclear engineering services contributes 73.9 per cent of the corporation's revenue. The balance is from transfer payments received from the department, which funds operational requirements and specific activities such as the decommissioning of strategic plants, waste management at all disused nuclear facilities, the production and conversion of low-enriched uranium fuel, and nuclear safety. Total revenue is projected to grow from R2.6 billion in 2016/17 to R3.6 billion over the medium term, at an average annual rate of 11.5 per cent, driven by higher projected sales of nuclear radiation products as a result of improved market conditions and an increase in the transfer from the department following budget reductions in previous years.

The corporation will continue over the medium term to install technologies that are related to small-angle neutron scattering and neutron radiography facilities, to further enhance its research capabilities. It will also continue to implement its programme on critical site infrastructure upgrades and refurbishment, which includes

liquid-effluent management services, analytical and calibration services, material test reactor fuel facilities, and security upgrades. As a result, acquisition of assets is expected to amount to R171.6 million over the medium term. The corporation will also focus on decommissioning some strategic nuclear facilities, for which R57.5 million has been allocated over the period.

Programmes/objectives/activities

Table 26.20 South African Nuclear Energy Corporation expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
Administration	283.6	384.3	387.1	410.0	13.1%	14.1%	562.1	605.9	644.3	16.3%	18.0%
Nuclear energy	324.5	407.7	391.4	379.4	5.4%	14.7%	327.1	360.6	380.8	0.1%	11.9%
Radiation products and services	928.9	706.9	3 821.8	1 402.3	14.7%	53.1%	1 488.1	1 516.5	1 763.8	7.9%	50.3%
South African Nuclear Energy Corporation as a host of nuclear programmes	311.6	637.7	391.6	471.9	14.8%	18.1%	556.1	697.1	736.1	16.0%	19.9%
Total	1 848.6	2 136.6	4 991.9	2 663.6	12.9%	100.0%	2 933.5	3 180.1	3 525.0	9.8%	100.0%

Statements of historical financial performance and position

Table 26.21 South African Nuclear Energy Corporation statements of historical financial performance and position

Statement of financial performance									
R million	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/ Budget (%)
	2013/14	2014/15	2014/15	2015/16	2016/17	2016/17	2016/17	2016/17	2013/14 - 2016/17
Revenue									
Non-tax revenue	1 462.1	1 334.7	1 662.2	1 300.6	1 613.3	4 704.8	1 958.1	1 929.1	138.4%
Sale of goods and services other than capital assets	1 390.6	1 148.0	1 567.7	1 265.5	1 511.7	1 510.0	1 912.4	1 883.4	91.0%
<i>of which:</i>									
<i>Sales by market establishment</i>	1 390.6	1 148.0	1 567.7	1 265.5	1 511.7	1 510.0	1 912.4	1 883.4	91.0%
Other non-tax revenue	71.5	186.7	94.5	35.1	101.6	3 194.8	45.6	45.6	1 105.4%
Transfers received	583.6	522.6	992.3	793.5	650.5	614.3	649.4	649.4	89.7%
Total revenue	2 045.7	1 857.3	2 654.5	2 094.1	2 263.7	5 319.1	2 607.5	2 578.4	123.8%
Expenses									
Current expenses	1 895.5	1 790.7	1 947.2	2 100.4	2 382.4	4 910.1	2 654.0	2 598.1	128.4%
Compensation of employees	786.5	674.8	795.1	797.4	916.9	864.0	972.1	916.1	93.7%
Goods and services	1 008.7	1 027.5	1 044.9	1 175.0	1 387.9	3 945.6	1 611.9	1 611.9	153.6%
Depreciation	92.6	74.3	101.8	63.3	77.7	94.8	65.5	65.5	88.2%
Interest, dividends and rent on land	7.7	14.1	5.3	64.7	-	5.8	4.5	4.5	509.6%
Transfers and subsidies	30.3	-	-	-	-	-	-	-	-
Total expenses	1 971.4	1 848.6	2 014.1	2 136.6	2 430.4	4 991.9	2 719.0	2 663.6	127.4%
Surplus/(Deficit)	74.0	9.0	640.0	(43.0)	(167.0)	327.0	(112.0)	(85.0)	
Statement of financial position									
Carrying value of assets	1 167.1	1 022.8	1 245.8	1 068.6	1 391.4	1 326.8	1 491.8	1 463.4	92.2%
<i>of which:</i>									
<i>Acquisition of assets</i>	(167.6)	(129.7)	(247.6)	(134.9)	(174.4)	(143.9)	(110.0)	(110.0)	74.1%
Investments	153.6	195.4	265.9	478.0	294.8	3 339.2	371.5	3 340.5	677.3%
Inventory	288.2	206.1	298.7	264.0	221.7	231.9	262.7	256.4	89.5%
Loans	1.0	-	-	-	-	-	-	-	-
Receivables and prepayments	255.5	354.0	316.2	311.1	212.4	430.2	270.5	279.9	130.4%
Cash and cash equivalents	496.9	489.3	621.5	671.8	594.0	781.5	554.2	598.3	112.1%
Taxation	19.2	8.1	42.8	31.4	1.3	36.6	1.3	15.7	142.3%
Total assets	2 381.6	2 275.6	2 790.8	2 824.8	2 715.5	6 146.1	2 952.0	5 954.3	158.7%
Accumulated surplus/(deficit)	537.9	591.6	734.7	349.0	482.1	509.3	537.8	267.1	74.9%
Capital and reserves	367.0	320.4	316.9	372.7	367.9	545.7	402.9	422.4	114.2%
Capital reserve fund	357.6	427.5	515.0	-	703.3	-	764.3	601.6	44.0%
Borrowings	119.6	21.9	72.8	66.2	31.5	82.7	30.6	85.2	100.6%
Finance lease	6.3	7.8	6.8	8.2	10.9	8.2	10.0	4.6	84.9%
Deferred income	-	-	-	188.1	-	110.6	-	-	-
Trade and other payables	379.2	261.9	331.4	236.7	321.7	305.9	370.6	226.9	73.5%
Benefits payable	-	-	-	-	-	22.2	-	-	-
Taxation	1.5	0.1	1.4	0.2	-	2.5	-	-	95.7%
Provisions	612.5	535.6	779.7	611.6	748.5	691.2	800.7	992.7	96.2%
Managed funds (e.g. Poverty Alleviation Fund)	-	66.8	21.3	52.4	-	33.0	-	-	715.6%
Derivatives financial instruments	-	42.0	10.8	939.7	49.6	3 834.7	35.0	3 353.7	8 562.6%
Total equity and liabilities	2 381.6	2 275.6	2 790.8	2 824.8	2 715.5	6 146.1	2 952.0	5 954.3	158.7%

Statements of estimates of financial performance and position

Table 26.22 South African Nuclear Energy Corporation statements of estimates of financial performance and position

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Revised estimate	2016/17	2013/14 - 2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		
R million								
Revenue								
Non-tax revenue	1 929.1	13.1%	74.3%	2 453.5	2 558.7	2 780.6	13.0%	76.8%
Sale of goods and services other than capital assets	1 883.4	17.9%	55.9%	2 340.7	2 458.6	2 662.1	12.2%	73.9%
of which:								
Sales by market establishment	1 883.4	17.9%	55.9%	2 340.7	2 458.6	2 662.1	12.2%	73.9%
Other non-tax revenue	45.6	-37.5%	18.4%	112.8	100.2	118.5	37.4%	2.9%
Transfers received	649.4	7.5%	25.7%	712.9	754.2	796.4	7.0%	23.2%
Total revenue	2 578.4	11.6%	100.0%	3 166.4	3 312.9	3 577.0	11.5%	100.0%
Expenses								
Current expenses	2 598.1	13.2%	97.8%	2 869.4	3 071.3	3 247.8	7.7%	114.4%
Compensation of employees	916.1	10.7%	31.4%	971.4	1 030.1	1 092.2	6.0%	32.7%
Goods and services	1 611.9	16.2%	62.5%	1 737.9	1 928.7	2 036.7	8.1%	59.5%
Depreciation	65.5	-4.1%	2.8%	155.1	109.1	115.2	20.7%	3.6%
Interest, dividends and rent on land	4.5	-31.6%	1.0%	5.0	3.6	3.8	-5.9%	0.1%
Total expenses	2 663.6	12.9%	100.0%	2 933.5	3 180.1	3 525.0	9.8%	100.0%
Surplus/(Deficit)	(85.0)	(3.0)		233.0	133.0	52.0	-184.9%	
Statement of financial position								
Carrying value of assets	1 463.4	12.7%	32.2%	1 541.2	1 596.6	1 619.3	3.4%	24.1%
of which:								
Acquisition of assets	(110.0)	-5.4%	-3.7%	(52.6)	(57.9)	(61.1)	-17.8%	-1.1%
Investments	3 340.5	157.6%	34.0%	3 420.4	3 504.8	3 590.2	2.4%	53.7%
Inventory	256.4	7.6%	6.6%	323.8	397.5	449.1	20.5%	5.5%
Receivables and prepayments	279.9	-7.5%	9.6%	382.7	406.0	445.4	16.7%	5.8%
Cash and cash equivalents	598.3	6.9%	17.0%	617.3	699.3	859.3	12.8%	10.7%
Taxation	15.7	25.0%	0.6%	15.7	15.7	15.7	-	0.2%
Total assets	5 954.3	37.8%	100.0%	6 301.2	6 619.9	6 979.0	5.4%	100.0%
Accumulated surplus/(deficit)	267.1	-23.3%	12.8%	459.0	725.8	960.8	53.2%	9.1%
Capital and reserves	422.4	9.6%	10.8%	485.4	518.1	538.5	8.4%	7.6%
Capital reserve fund	601.6	12.1%	7.2%	664.2	702.7	750.1	7.6%	10.5%
Borrowings	85.2	57.3%	1.5%	99.9	35.8	31.7	-28.1%	1.0%
Finance lease	4.6	-15.7%	0.2%	3.8	2.9	2.5	-18.5%	0.1%
Trade and other payables	226.9	-4.7%	7.2%	255.5	271.2	300.5	9.8%	4.1%
Provisions	992.7	22.8%	18.3%	1 046.5	1 103.5	1 160.8	5.4%	16.6%
Derivatives financial instruments	3 353.7	330.6%	38.5%	3 286.9	3 259.9	3 234.1	-1.2%	51.0%
Total equity and liabilities	5 954.3	37.8%	100.0%	6 301.2	6 619.9	6 979.0	5.4%	100.0%

Personnel information

Table 26.23 South African Nuclear Energy Corporation personnel numbers and cost by salary level

Number of posts estimated for 31 March 2017		Number and cost ¹ of personnel posts filled / planned for on funded establishment												Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2015/16		Unit cost	2016/17		Unit cost	2017/18		2018/19		2019/20				Unit cost			
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2016/17 - 2019/20		
South African Nuclear Energy Corporation																			
Salary level	1 891	1 891	1 891	864.0	0.5	1 891	916.1	0.5	1 891	971.4	0.5	1 891	1 030.1	0.5	1 891	1 092.2	0.6	6.0%	100.0%
1 - 6	461	461	461	90.6	0.2	461	96.2	0.2	461	102.1	0.2	461	108.3	0.2	461	114.9	0.2	6.1%	24.4%
7 - 10	1 074	1 074	1 074	428.9	0.4	1 074	454.8	0.4	1 074	482.2	0.4	1 074	511.3	0.5	1 074	542.1	0.5	6.0%	56.8%
11 - 12	234	234	234	183.7	0.8	234	194.8	0.8	234	206.5	0.9	234	219.0	0.9	234	232.1	1.0	6.0%	12.4%
13 - 16	116	116	116	146.3	1.3	116	155.1	1.3	116	164.4	1.4	116	174.3	1.5	116	184.8	1.6	6.0%	6.1%
17 - 22	6	6	6	14.4	2.4	6	15.3	2.5	6	16.2	2.7	6	17.2	2.9	6	18.2	3.0	6.0%	0.3%

1. Rand million.

Other entities

Comprehensive coverage of the following public entities is provided with the more detailed information for the vote at www.treasury.gov.za under the budget information link.

- The **National Energy Regulator of South Africa** is the regulatory authority for electricity, piped gas and petroleum pipelines. The regulator's total budget for 2017/18 is R305.8 million.
- The **National Nuclear Regulator** is responsible for safety standards and regulatory practices for the protection of people, property and the environment against nuclear damage. The regulator's total budget for 2017/18 is R236.7 million.
- The **South African National Energy Development Institute** is mandated to stimulate innovation in energy research and development, transform the gender and race profile of researchers in the sector, and improve South Africa's competitiveness in energy research internationally. The institute's total budget for 2017/18 is R237.1 million.

Additional table: Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
R million										
Infrastructure transfers to other spheres, agencies and departments										
Mega projects (total project cost of at least R1 billion over the project life cycle)										
Integrated national electrification programme: Eskom	Provision of capital subsidies to Eskom to address electrification backlogs for permanently occupied residential dwellings, installation of bulk infrastructure, and rehabilitation of electrification infrastructure	Ongoing	–	2 141.0	2 948.0	3 613.2	3 526.3	3 846.2	3 962.0	4 182.5
Integrated national electrification programme: Municipalities	Provision of capital subsidies to municipalities to address electrification backlogs for permanently occupied residential dwellings, installation of bulk infrastructure, and rehabilitation of electrification infrastructure	Ongoing	–	1 314.8	1 104.7	1 980.3	1 946.2	2 087.0	2 204.5	3 327.9
Large projects (total project cost of at least R250 million but less than R1 billion over the project life cycle)										
Integrated national electrification programme: Non-grid	Provision of capital subsidies to non-grid electrification service providers to address electrification backlogs	Ongoing	–	110.3	70.0	156.2	171.8	189.8	201.6	212.9
Total			–	3 566.1	4 122.7	5 749.8	5 644.4	6 123.0	6 368.2	7 723.3