

Vote 34

Trade and Industry

Budget summary

R million	2018/19				2019/20	2020/21
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	760.6	743.2	–	17.5	801.4	840.0
International Trade and Economic Development	124.9	97.5	26.7	0.8	133.9	138.0
Special Economic Zones and Economic Transformation	165.4	92.9	72.1	0.5	174.8	182.1
Industrial Development	1 622.6	133.8	1 487.9	0.9	1 675.2	1 766.6
Consumer and Corporate Regulation	314.6	78.4	236.1	0.2	332.6	350.0
Incentive Development and Administration	6 009.0	181.3	5 820.4	7.3	6 484.6	6 889.7
Trade and Investment South Africa	411.6	223.1	186.3	2.2	433.4	440.0
Investment South Africa	53.8	53.4	–	0.4	57.2	61.4
Total expenditure estimates	9 462.6	1 603.5	7 829.4	29.7	10 093.1	10 667.7

Executive authority Minister of Trade and Industry
 Accounting officer Director General of Trade and Industry
 Website address www.thedti.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 service delivery, where appropriate.

Vote purpose

Lead and facilitate access to sustainable economic activity and employment for all South Africans through an understanding of the economy, knowledge of economic opportunities and potential, and anticipation of future economic trends. Catalyse economic transformation and development, and provide a predictable, competitive, equitable and socially responsible environment for investment, enterprise and trade for economic citizens. Contribute to achieving government's vision of an adaptive and restructured economy, characterised by accelerated economic growth, employment creation and greater equity.

Mandate

The mandate of the Department of Trade and Industry is derived from a wide legislative framework that includes:

- the Companies Act (2008)
- the Manufacturing Development Act (1993)
- the Broad-Based Black Economic Empowerment Act (2003)
- the Consumer Protection Act (2008).

Selected performance indicators

Table 34.1 Performance indicators by programme and related outcome

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Number of quarterly reports on industrial policy action plan prepared for the minister's review meetings per year	Industrial Development	Outcome 4: Decent employment through inclusive growth	4	3 ¹	3 ¹	4	4	4	4
Number of designation ² requests submitted for the minister's approval per year	Industrial Development		4	2	4	2	2 ³	2 ³	2 ³

Table 34.1 Performance indicators by programme and related outcome

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Value of projected investment to be leveraged from approved projects per year ⁴	Incentive Development and Administration	Outcome 4: Decent employment through inclusive growth	R20.4bn	R14.4bn	R13bn	R15bn	R15bn	R25bn	R20bn
Number of new jobs supported from approved enterprises per year	Incentive Development and Administration		12 568	6 850	11 659	3 000	10 000 ⁵	12 500 ⁵	12 500 ⁵
Number of jobs retained from approved enterprises per year	Incentive Development and Administration		33 551	28 000	38 192	20 000	20 000	25 000 ⁵	25 000 ⁵
Number of strategic infrastructure projects approved for special economic zones/industrial parks per year	Incentive Development and Administration		29	9	15	- ⁶	- ⁶	- ⁶	- ⁶
Value of projected export revenue from approved projects per year	Incentive Development and Administration		R16.3bn	R5.7bn	R800m	- ⁶	- ⁶	- ⁶	- ⁶
Number of enterprises/projects approved for financial support across all incentives per year	Incentive Development and Administration		- ⁷	- ⁷	- ⁷	800	850	900	1 000

1. No implementation report tabled in the first quarters of 2015/16 and 2016/17 as no minister's review meeting took place.

2. Designations are approved by the Minister of Trade and Industry and the Minister of Finance to become special economic zones.

3. Decrease over the medium term due to focus on performing impact analyses for approved designations.

4. Fluctuations due to expected pipeline investment in manufacturing services and infrastructure.

5. Increase due to generic manufacturing grant and sector-specific instruments being developed, which target labour intensive sectors such as agro-processing and metals fabrication.

6. Indicator discontinued.

7. No historical data available.

Expenditure analysis

The National Development Plan recognises that the main driver for eradicating poverty and inequality is creating employment through increased production. This is given expression by outcome 4 (decent employment through inclusive growth), outcome 7 (comprehensive rural development and land reform) and outcome 11 (create a better South Africa, a better Africa and a better world) of government's 2014-2019 medium-term strategic framework, with which the work of the Department of Trade and Industry is closely aligned. Over the medium term, the department plans to continue focusing on intensifying the implementation of the industrial policy action plan, which aims to promote industrialisation and expand production in value added sectors with opportunities for high employment growth. This entails providing industrial financing, developing industrial infrastructure and strengthening export capabilities.

The department's total budget is R30.2 billion over the medium term, of which a projected 80.8 per cent (R24.4 billion) is used for transfers to public corporations and private enterprises, and departmental agencies and accounts. Spending on compensation of employees accounts for 10.2 per cent of the department's budget, and is expected to increase at an average annual rate of 4.2 per cent, from R947.7 million in 2017/18 to R1.1 billion in 2020/21. Cabinet has approved reductions to the department's baseline budget amounting to R1.7 billion over the MTEF period, which will be effected mainly on the department's manufacturing development incentives. The impact of these reductions will be felt by the department's core incentive programmes, but will be mitigated by offering financial support to manufacturers through other incentive programmes, such as the economic competitiveness and support package. The package provides business incentives to support enterprise competitiveness and job retention, and receives allocations approved by Cabinet of R1.6 billion in 2019/20 and R1.7 billion in 2020/21.

Providing industrial financing

The *Incentive Development and Administration* programme is responsible for stimulating and facilitating the development of sustainable and competitive enterprises through accessible incentive measures in the form of grants, loans and tax allowances. Over the medium term, through its incentive programmes in the *Incentive Development and Administration* programme, the department plans to support activities involving industrial and enterprise development, and monitor compliance with the Broad-Based Black Economic Empowerment Amendment Act (2013). Allocations to the programme are expected to increase at an average annual rate of

6.7 per cent, from R5.7 billion in 2017/18 to R6.9 billion in 2020/21, and account for an estimated 63.3 per cent (R19.4 billion) of the department's total budget over the MTEF period.

The *Incentive Development and Administration* programme aims to attract private sector investment of R60 billion over the medium term in the agro-processing, metals fabrication, chemicals and plastics sectors, in line with the industrial policy action plan. Through this programme, the department expects to provide financial support to an estimated 2 750 enterprises or projects to assist in creating 35 000 jobs and retaining 70 000 jobs. The manufacturing development incentive, which supports investment in the manufacturing sector, receives the bulk of the *Incentive Development and Administration* programme's allocation over the same period. Allocations to the incentive are set to increase at an average annual rate of 6.6 per cent, from R3.2 billion in 2017/18 to R3.8 billion in 2020/21.

The department launched the agro-processing support scheme in 2017/18 to stimulate investment in the agro-processing sector. The scheme, which is set to receive R1.5 billion over the MTEF period, is expected to support new and existing investments, encourage beneficiation activities in the agro-processing value chain that will result in value addition, enhance the storage life of products, and expand the infrastructure used by small-scale commercial farmers and agro-processors. The department expects to assist 300 small-scale commercial farmers and agro-processors through the scheme over the medium term.

The *Special Economic Zones and Economic Transformation* programme is entrusted to broaden the participation of black-owned manufacturing businesses in the economy. The department established the Broad-Based Black Economic Empowerment (B-BBEE) Commission in 2016/17 to create an effective environment for the promotion and implementation of B-BBEE, and strengthen collaboration between the public and private sectors to implement the objectives of the B-BBEE Amendment Act (2013). As such, the department has reprioritised R186.3 million to the commission over the medium term to investigate complaints on BEE transactions. As a result of this reprioritisation, allocations to the *Special Economic Zones and Economic Transformation* programme are expected to increase at an average annual rate of 15.4 per cent, from R118.4 million in 2017/18 to R182.1 million in 2020/21.

The department aims to continue supporting black-owned and managed companies through the manufacturing development incentive programme to unlock their potential through targeted and well defined financial and non-financial interventions. The black industrialists programme is a key part of government's broad initiative to expand the industrial base and inject new entrepreneurial dynamism into the economy. Since the launch of the black industrialists programme in 2016, 77 black industrialists have been supported. Over the medium term, an additional 165 black-owned and managed companies are expected to be supported through the manufacturing development incentive programme.

Developing industrial infrastructure

The department promotes industrialisation by spending on infrastructure projects through the *Infrastructure Investment Support* subprogramme in the *Incentive Development and Administration* programme. Funds are mainly used for infrastructure development in special economic zones, and in government-owned industrial and critical infrastructure projects. Spending on industrial infrastructure projects is set to increase at an average annual rate of 13.7 per cent, from R1.2 billion in 2017/18 to R1.8 billion in 2020/21.

By designating special economic zones in terms of the Special Economic Zones Act (2014), the department aims to improve industrialisation, regional development, exports and employment through foreign and domestic direct investment. Over the medium term, the department plans to designate 3 special economic zones, Atlantis (Western Cape), Nkomazi (Mpumalanga) and Mogwase (North West), to focus on renewable energy and technology, agro-processing, logistics, and mineral beneficiation. Spending on special economic zones is expected to increase at an average annual rate of 19.3 per cent, from R905.4 million in 2017/18 to R1.5 billion in 2020/21.

The department will continue implementing the critical infrastructure programme, which provides the required infrastructure for leveraging investment and lowering the cost of doing business in South Africa. Over the medium term, the department plans to revitalise roads, and bulk water and electricity supply in 13 industrial parks throughout the country, and in the process support an estimated 55 000 jobs. This work will be done

through an allocation of R669 million over the MTEF period in the *Infrastructure Investment Support* subprogramme in the *Incentive Development and Administration* programme. This allocation will also support 40 strategic critical infrastructure projects, such as power substations, cogeneration power plants, bulk infrastructure, and technical testing facilities for aerospace and defence.

Strengthening export capabilities

To boost exports and encourage investment, the department aims to strengthen the export capabilities of an estimated 1 400 South African companies by facilitating their participation in national pavilions, trade missions, and trade and investment initiatives. To carry out these activities, R721.9 million over the MTEF period is provided to the export marketing and investment assistance programme in the *Incentive Development and Administration* programme.

Expenditure trends

Table 34.2 Vote expenditure trends by programme and economic classification

Programmes														
1. Administration														
2. International Trade and Economic Development														
3. Special Economic Zones and Economic Transformation														
4. Industrial Development														
5. Consumer and Corporate Regulation														
6. Incentive Development and Administration														
7. Trade and Investment South Africa														
8. Investment South Africa														
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	2014/15			2015/16			2016/17			2017/18			2014/15 - 2017/18	
Programme 1	695.6	750.8	699.9	689.7	768.3	727.6	736.6	777.1	699.1	731.8	814.6	814.6	103.1%	94.5%
Programme 2	147.2	124.7	124.1	164.8	116.6	113.6	126.4	118.7	116.0	119.8	119.8	119.8	84.8%	98.7%
Programme 3	307.2	243.3	235.1	263.2	89.7	92.5	108.3	121.9	97.6	119.4	118.4	118.4	68.1%	94.8%
Programme 4	1 792.5	1 786.0	1 775.2	1 973.5	1 964.3	1 953.6	1 735.7	1 727.0	1 722.2	1 819.3	1 819.3	1 819.3	99.3%	99.6%
Programme 5	277.3	285.6	281.1	294.5	296.4	287.4	313.5	294.3	295.4	298.6	298.6	298.6	98.2%	98.9%
Programme 6	5 120.3	5 264.6	5 176.7	5 795.6	5 827.6	5 795.8	6 922.4	6 891.7	6 895.2	5 746.5	5 674.4	5 674.4	99.8%	99.5%
Programme 7	309.1	323.5	329.6	364.1	386.8	462.9	336.5	410.9	454.6	388.5	425.2	425.2	119.6%	108.1%
Programme 8	37.9	39.9	38.0	48.3	48.3	38.3	48.1	47.8	69.2	50.9	72.9	72.9	118.0%	104.6%
Total	8 687.0	8 818.4	8 659.8	9 593.7	9 497.8	9 471.7	10 327.5	10 389.5	10 349.4	9 274.8	9 343.2	9 343.2	99.8%	99.4%
Change to 2017 Budget estimate										68.4				
Economic classification														
Current payments	1 441.0	1 544.4	1 442.6	1 475.7	1 561.0	1 485.7	1 529.0	1 582.2	1 505.5	1 511.7	1 663.6	1 663.6	102.4%	96.0%
Compensation of employees	848.0	857.4	815.3	897.7	897.7	874.2	930.3	930.3	915.5	902.4	947.7	947.7	99.3%	97.8%
Goods and services	593.0	687.0	627.3	577.9	663.3	611.5	598.7	651.9	590.0	609.3	715.9	715.9	107.0%	93.6%
Transfers and subsidies	7 222.3	7 240.9	7 192.5	8 083.9	7 901.2	7 936.5	8 765.3	8 774.0	8 818.1	7 735.1	7 656.1	7 656.1	99.4%	100.1%
Departmental agencies and accounts	724.3	732.8	731.8	761.5	591.9	591.9	601.4	856.0	856.0	747.6	727.6	727.6	-	-
Higher education institutions	15.8	0.0	-	12.5	0.0	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	34.6	31.7	26.6	31.7	31.7	33.2	33.6	32.6	29.8	36.3	33.3	33.3	90.2%	95.1%
Public corporations and private enterprises	6 325.5	6 349.9	6 295.2	7 131.6	7 128.6	7 157.7	7 970.2	7 720.4	7 765.2	6 789.0	6 724.0	6 724.0	99.0%	100.1%
Non-profit institutions	120.4	124.0	134.0	144.1	146.6	148.9	158.1	163.1	163.1	160.8	169.8	169.8	105.5%	102.0%
Households	1.8	2.5	5.0	2.5	2.4	4.8	2.1	1.9	3.9	1.3	1.4	1.4	198.1%	182.7%
Payments for capital assets	23.7	33.2	19.9	34.2	35.7	37.4	33.2	33.3	16.1	28.0	23.5	23.5	81.4%	77.2%
Machinery and equipment	12.0	21.2	19.4	24.1	30.7	33.0	20.6	25.4	11.1	19.9	20.9	20.9	110.2%	85.9%
Software and other intangible assets	11.7	11.9	0.5	10.1	5.0	4.4	12.6	7.9	5.0	8.1	2.6	2.6	29.5%	45.8%
Payments for financial assets	-	0.0	4.7	-	-	12.1	-	-	9.7	-	-	-	-	-
Total	8 687.0	8 818.4	8 659.8	9 593.7	9 497.8	9 471.7	10 327.5	10 389.5	10 349.4	9 274.8	9 343.2	9 343.2	99.8%	99.4%

Expenditure estimates

Table 34.3 Vote expenditure estimates by programme and economic classification

Programmes								
1. Administration								
2. International Trade and Economic Development								
3. Special Economic Zones and Economic Transformation								
4. Industrial Development								
5. Consumer and Corporate Regulation								
6. Incentive Development and Administration								
7. Trade and Investment South Africa								
8. Investment South Africa								
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2017/18	2014/15 - 2017/18		2018/19	2019/20	2020/21	2017/18 - 2020/21	
Programme 1	814.6	2.8%	7.8%	760.6	801.4	840.0	1.0%	8.1%
Programme 2	119.8	-1.3%	1.3%	124.9	133.9	138.0	4.8%	1.3%
Programme 3	118.4	-21.3%	1.4%	165.4	174.8	182.1	15.4%	1.6%
Programme 4	1 819.3	0.6%	19.2%	1 622.6	1 675.2	1 766.6	-1.0%	17.4%
Programme 5	298.6	1.5%	3.1%	314.6	332.6	350.0	5.4%	3.3%
Programme 6	5 674.4	2.5%	62.2%	6 009.0	6 484.6	6 889.7	6.7%	63.3%
Programme 7	425.2	9.5%	4.4%	411.6	433.4	440.0	1.1%	4.3%
Programme 8	72.9	22.2%	0.6%	53.8	57.2	61.4	-5.6%	0.6%
Total	9 343.2	1.9%	100.0%	9 462.6	10 093.1	10 667.7	4.5%	100.0%
Change to 2017 Budget estimate				(503.2)	977.1	1 030.4		
Economic classification								
Current payments	1 663.6	2.5%	16.1%	1 603.5	1 692.4	1 754.6	1.8%	17.0%
Compensation of employees	947.7	3.4%	9.4%	987.5	1 046.8	1 073.5	4.2%	10.2%
Goods and services	715.9	1.4%	6.7%	616.0	645.7	681.1	-1.6%	6.7%
Transfers and subsidies	7 656.1	1.9%	83.6%	7 829.4	8 364.9	8 875.3	5.0%	82.7%
Departmental agencies and accounts	727.6	-0.2%	7.7%	696.5	734.4	774.7	2.1%	7.4%
Foreign governments and international organisations	33.3	1.6%	0.3%	38.4	40.6	42.8	8.8%	0.4%
Public corporations and private enterprises	6 724.0	1.9%	73.9%	6 894.7	7 425.9	7 897.1	5.5%	73.1%
Non-profit institutions	169.8	11.0%	1.6%	198.9	163.1	159.7	-2.0%	1.7%
Households	1.4	-18.1%	0.0%	0.8	0.9	0.9	-12.3%	0.0%
Payments for capital assets	23.5	-10.9%	0.3%	29.7	35.8	37.9	17.3%	0.3%
Machinery and equipment	20.9	-0.6%	0.2%	22.1	21.5	22.7	2.8%	0.2%
Software and other intangible assets	2.6	-39.9%	0.0%	7.6	14.4	15.2	80.3%	0.1%
Total	9 343.2	1.9%	100.0%	9 462.6	10 093.1	10 667.7	4.5%	100.0%

Expenditure trends and estimates for significant spending items

Table 34.4 Expenditure trends and estimates for significant spending items

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total Vote (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total Vote (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R thousand					2014/15 - 2017/18					2017/18 - 2020/21	
Infrastructure Investment Support	801 392	949 722	1 660 170	1 215 000	14.9%	12.2%	1 564 183	1 691 511	1 784 743	13.7%	15.8%
Manufacturing Incentives	3 612 338	3 983 465	4 361 494	3 540 542	-0.7%	41.0%	3 581 974	3 924 752	4 208 567	5.9%	38.6%
Customised Sector Programmes	1 056 507	1 200 509	962 970	939 874	-3.8%	11.0%	710 693	761 036	818 512	-4.5%	8.2%
Industrial Competitiveness	718 647	753 107	759 275	879 403	7.0%	8.2%	911 759	914 120	947 036	2.5%	9.2%
Services Investment Incentives	728 118	803 171	814 209	808 560	3.6%	8.3%	748 542	743 173	762 648	-1.9%	7.7%
Total	6 917 002	7 689 974	8 558 118	7 383 379	21.0%	80.7%	7 517 151	8 034 592	8 521 506	15.7%	79.5%

Goods and services expenditure trends and estimates

Table 34.5 Vote goods and services expenditure trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2017/18	Average growth rate (%) 2014/15 - 2017/18	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/ Total (%)
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21		
Administrative fees	3 625	3 318	1 989	7 859	29.4%	0.7%	4 920	5 437	4 676	-15.9%	0.9%
Advertising	29 644	23 752	15 993	21 279	-10.5%	3.6%	27 354	29 601	30 308	12.5%	4.1%
Minor assets	1 859	1 093	801	777	-25.2%	0.2%	460	511	528	-12.1%	0.1%
Audit costs: External	8 857	8 778	9 105	8 384	-1.8%	1.4%	10 869	11 585	12 219	13.4%	1.6%
Bursaries: Employees	995	1 592	2 980	3 346	49.8%	0.4%	4 080	4 338	4 578	11.0%	0.6%
Catering: Departmental activities	1 815	1 883	2 085	4 049	30.7%	0.4%	5 074	5 313	5 484	10.6%	0.7%
Communication	10 575	12 799	10 660	10 358	-0.7%	1.7%	12 749	13 336	14 014	10.6%	1.9%
Computer services	17 107	25 801	16 406	55 276	47.8%	4.5%	25 426	25 760	27 514	-20.7%	5.0%
Consultants: Business and advisory services	82 654	28 352	21 167	59 550	-10.4%	7.5%	64 307	60 267	63 522	2.2%	9.3%
Infrastructure and planning services	281	-	-	-	-100.0%	-	-	-	-	-	-
Legal services	22 474	21 070	20 124	8 655	-27.2%	2.8%	16 293	17 206	17 988	27.6%	2.3%
Contractors	14 468	16 914	8 912	13 883	-1.4%	2.1%	17 842	18 843	19 986	12.9%	2.7%
Agency and support/outourced services	1 606	1 579	1 830	-	-100.0%	0.2%	351	364	384	-	-
Entertainment	1 570	1 323	1 086	1 026	-13.2%	0.2%	1 286	1 305	1 369	10.1%	0.2%
Fleet services (including government motor transport)	549	873	766	604	3.2%	0.1%	1 210	1 277	1 349	30.7%	0.2%
Housing	-	-	-	6	-	-	-	-	-	-100.0%	-
Consumable supplies	1 380	1 462	880	1 666	6.5%	0.2%	2 784	3 030	3 239	24.8%	0.4%
Consumables: Stationery, printing and office supplies	8 146	16 280	11 105	10 246	7.9%	1.8%	12 098	9 711	10 879	2.0%	1.6%
Operating leases	279 077	281 191	305 848	322 398	4.9%	46.7%	233 770	250 266	266 504	-6.1%	40.4%
Rental and hiring	134	199	2 048	4 983	233.8%	0.3%	189	206	217	-64.8%	0.2%
Property payments	7 983	12 283	14 737	9 786	7.0%	1.8%	10 175	10 728	11 318	5.0%	1.6%
Transport provided: Departmental activity	-	-	1	5	-	-	5	-	-	-100.0%	-
Travel and subsistence	84 301	95 984	88 828	108 144	8.7%	14.8%	103 903	109 652	115 875	2.3%	16.5%
Training and development	7 184	8 155	3 921	9 232	8.7%	1.1%	12 574	12 827	12 788	11.5%	1.8%
Operating payments	23 973	28 223	25 702	33 260	11.5%	4.4%	26 671	29 168	30 757	-2.6%	4.5%
Venues and facilities	17 045	18 573	23 013	21 151	7.5%	3.1%	21 593	24 944	25 629	6.6%	3.5%
Total	627 302	611 477	589 987	715 923	4.5%	100.0%	615 983	645 675	681 125	-1.6%	100.0%

Transfers and subsidies expenditure trends and estimates

Table 34.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2017/18	Average growth rate (%) 2014/15 - 2017/18	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/ Total (%)
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21		
Households											
Social benefits											
Current	2 141	2 837	2 655	1 161	-18.5%	-	846	893	942	-6.7%	-
Employee social benefits	2 141	2 837	2 655	1 161	-18.5%	-	846	893	942	-6.7%	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	620 758	437 280	693 241	581 243	-2.2%	7.4%	573 400	604 376	637 616	3.1%	7.3%
Public Service Sector Education and Training Authority	1 711	-	-	-	-100.0%	-	-	-	-	-	-
Council for Geoscience	-	1 077	1 131	1 188	-	-	1 257	1 327	1 400	5.6%	-
National Productivity Institute	9 170	8 094	8 523	8 949	-0.8%	0.1%	9 231	9 748	10 284	4.7%	0.1%
Independent Regulatory Board for Auditors	1 800	500	-	-	-100.0%	-	-	-	-	-	-
Broad-Based Black Economic Empowerment Commission	-	-	-	-	-	-	59 500	61 700	65 093	-	0.6%
National Research Foundation: Technology and human resources for industry programme	165 572	-	-	-	-100.0%	0.5%	-	-	-	-	-
South African National Accreditation System	35 712	26 025	22 208	30 313	-5.3%	0.4%	31 032	32 770	34 573	4.5%	0.4%

Table 34.6 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R thousand											
National Metrology Institute of South Africa: Operations	91 564	96 296	101 400	106 470	5.2%	1.3%	109 698	115 841	122 212	4.7%	1.4%
National Regulator for Compulsory Specifications	109 734	91 732	86 418	128 745	5.5%	1.3%	132 104	139 501	147 173	4.6%	1.7%
National Credit Regulator	68 845	66 727	69 577	73 056	2.0%	0.9%	75 361	79 580	83 957	4.7%	1.0%
National Gambling Board	29 797	31 983	30 121	31 627	2.0%	0.4%	32 624	34 452	36 346	4.7%	0.4%
National Consumer Tribunal	40 164	46 029	46 151	48 459	6.5%	0.6%	49 988	52 787	55 691	4.7%	0.6%
National Consumer Commission	53 376	54 596	56 643	52 614	-0.5%	0.7%	55 865	58 993	62 238	5.8%	0.7%
Companies Tribunal	13 313	14 221	15 069	15 822	5.9%	0.2%	16 740	17 677	18 649	5.6%	0.2%
National Research Foundation	–	–	256 000	84 000	–	1.1%	–	–	–	-100.0%	0.3%
Capital	111 000	154 599	162 793	146 333	9.6%	1.8%	123 086	129 979	137 128	-2.1%	1.6%
National Metrology Institute of South Africa	111 000	154 599	162 793	146 333	9.6%	1.8%	123 086	129 979	137 128	-2.1%	1.6%
Households											
Other transfers to households											
Current	2 812	1 992	1 230	235	-56.3%	–	–	–	–	-100.0%	–
Employee social benefits	16	–	600	–	-100.0%	–	–	–	–	–	–
Bursaries for non-employees	2 656	1 669	205	–	-100.0%	–	–	–	–	–	–
Gifts and donations	140	188	421	200	12.6%	–	–	–	–	-100.0%	–
Other transfers to households	–	135	4	35	–	–	–	–	–	-100.0%	–
Public corporations and private enterprises											
Other transfers to private enterprises											
Current	329 520	304 075	205 169	246 437	-9.2%	3.4%	295 370	311 911	329 066	10.1%	3.6%
Various institutions: Export market and investment assistance	329 520	281 248	184 409	182 500	-17.9%	3.1%	227 725	240 478	253 704	11.6%	2.8%
Various Institutions: Support programme for industrial innovation	–	22 827	20 760	63 937	–	0.3%	67 645	71 433	75 362	5.6%	0.9%
Capital	81 269	74 203	64 187	99 500	7.0%	1.0%	120 071	122 891	129 650	9.2%	1.4%
Various institutions: Critical infrastructure programme	81 269	74 203	64 187	99 500	7.0%	1.0%	120 071	122 891	129 650	9.2%	1.4%
Non-profit institutions											
Current	134 018	148 850	163 107	169 814	8.2%	1.9%	198 930	163 101	159 731	-2.0%	2.1%
Black Business Council	5 000	1 000	1 000	1 500	-33.1%	–	1 500	1 500	1 583	1.8%	–
Intsimbi future production technologies initiatives	67 700	70 353	74 082	75 786	3.8%	0.9%	116 136	76 045	68 711	-3.2%	1.0%
Automotive supply chain competitiveness initiative	–	14 000	15 000	13 127	–	0.1%	7 984	8 813	9 298	-10.9%	0.1%
Trade and industrial policy strategies	14 570	20 772	22 712	24 423	18.8%	0.3%	27 086	27 763	28 465	5.2%	0.3%
Centurion Aerospace Village	16 748	17 517	18 445	25 367	14.8%	0.2%	15 490	16 357	17 257	-12.1%	0.2%
Proudly South African campaign	30 000	25 208	31 868	29 611	-0.4%	0.4%	30 734	32 623	34 417	5.1%	0.4%
Foreign governments and international organisations											
Current	26 598	33 237	29 843	33 256	7.7%	0.4%	38 426	40 577	42 808	8.8%	0.5%
Organisation for the Prohibition of Chemical Weapons	–	4 278	3 516	5 172	–	–	5 472	5 778	6 096	5.6%	0.1%
World Trade Organisation	17 172	17 267	14 159	14 500	-5.5%	0.2%	15 341	16 200	17 091	5.6%	0.2%
United Nations Industrial Development Organisation	5 071	6 405	5 969	6 767	10.1%	0.1%	7 159	7 560	7 976	5.6%	0.1%
Treaty Organisations for Metrology	–	–	1 631	1 644	–	–	1 902	2 009	2 119	8.8%	–
World Intellectual Property Organisation	4 355	5 287	4 568	5 173	5.9%	0.1%	5 473	5 779	6 097	5.6%	0.1%
Export consultancy trust funds:	–	–	–	–	–	–	1 540	1 626	1 715	–	–
International Bank for Reconstruction and Development (World Bank)	–	–	–	–	–	–	–	–	–	–	–
Export consultancy trust funds:	–	–	–	–	–	–	1 539	1 625	1 714	–	–
International Finance Corporation	–	–	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises											
Other transfers to public corporations											
Current	1 301 471	1 492 874	1 499 352	1 295 038	-0.2%	17.7%	1 053 395	1 118 278	1 192 126	-2.7%	14.2%
Industrial Development Corporation: Research into industrial development, growth and equity	1 983	–	–	–	-100.0%	–	–	–	–	–	–
Development Bank of Southern Africa: Regional Spatial development initiatives	20 689	–	–	–	-100.0%	0.1%	–	–	–	–	–
Protechnik Laboratories: Operations	2 684	2 797	2 945	3 093	4.8%	–	3 272	3 455	3 645	5.6%	–
Council for Scientific and Industrial Research	1 501	1 572	1 655	1 738	5.0%	–	1 839	1 942	2 049	5.6%	–
Industrial Development Corporation Council for Scientific and Industrial Research: National Cleaner Production Centre	878 244	1 000 937	758 266	723 440	-6.3%	10.6%	503 640	538 399	581 023	-7.0%	7.2%
Council for Scientific and Industrial Research: National foundry technology network	51 679	55 000	58 870	62 951	6.8%	0.7%	58 008	61 592	65 255	1.2%	0.8%
Council for Scientific and Industrial Research: National foundry technology network	14 243	16 384	19 689	18 678	9.5%	0.2%	27 457	27 995	28 590	15.2%	0.3%
South African Bureau of Standards	220 078	216 215	212 361	285 494	9.1%	3.0%	275 931	291 384	307 411	2.5%	3.5%

Table 34.6 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation 2017/18	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2014/15	2015/16	2016/17		2014/15	2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21	Average Expenditure/ Total (%)
R thousand											
Industrial Development Corporation: Manufacturing Competitiveness Enhancement Programme industrial loan			250 000			0.8%					
Export Credit Insurance Corporation	110 370	199 969	171 566	177 644	17.2%	2.1%	183 248	193 511	204 153	4.7%	2.3%
Various Institutions: One-stop shop			24 000	22 000		0.1%				-100.0%	0.1%
Capital	633 472	759 829	1 554 797	1 085 721	19.7%	12.8%	1 412 767	1 580 266	1 667 181	15.4%	17.6%
Protechnik Laboratories: Capital	1 118	1 158	1 219	1 280	4.6%	-	1 354	1 430	1 509	5.6%	-
Council for Scientific and Industrial Research: Aerospace industry	22 500	21 534	17 781	19 020	-5.4%	0.3%	20 413	21 556	22 742	6.1%	0.3%
South African Bureau of Standards: Small business technical consulting: Membership fees	1 611	1 537			-100.0%	-					
Various institutions: Critical infrastructure programme			125 797	160 000		0.9%	91 000	100 000	105 500	-13.0%	1.4%
Various institutions: Special economic zones	608 243	735 600	1 410 000	905 421	14.2%	11.6%	1 300 000	1 457 280	1 537 430	19.3%	15.9%
Public corporations and private enterprises											
Subsidies on products and production											
Current	3 949 444	4 526 712	4 441 734	3 997 350	0.4%	53.5%	4 013 097	4 292 589	4 579 039	4.6%	51.6%
Various institutions: Services sector development incentives	715 000	789 663	801 038	792 500	3.5%	9.8%	732 069	725 025	743 168	-2.1%	9.1%
Various institutions: Manufacturing development incentives	3 134 849	3 607 049	3 590 696	3 164 850	0.3%	42.7%	3 241 028	3 567 564	3 835 871	6.6%	42.2%
Various institutions: Industrial development zones	99 595	130 000	50 000	40 000	-26.2%	1.0%	40 000			-100.0%	0.2%
Total	7 192 503	7 936 488	8 818 108	7 656 088	2.1%	100.0%	7 829 388	8 364 861	8 875 287	5.0%	100.0%

Personnel information

Table 34.7 Vote personnel numbers and cost by salary level and programme¹

Programmes																				
1. Administration																				
2. International Trade and Economic Development																				
3. Special Economic Zones and Economic Transformation																				
4. Industrial Development																				
5. Consumer and Corporate Regulation																				
6. Incentive Development and Administration																				
7. Trade and Investment South Africa																				
8. Investment South Africa																				
Number of posts estimated for 31 March 2018		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 (%)					
		2016/17		Unit cost	2017/18		Unit cost	2018/19		Unit cost	2019/20		Unit cost			2020/21		Unit cost		
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2017/18 - 2020/21			
Trade and Industry		1 378	116	1 842	915.5	0.5	1 808	947.7	0.5	1 788	987.5	0.6	1 789	1 046.8	0.6	1 719	1 073.5	0.6	-1.7%	100.0%
Salary level																				
1 – 6	117	96	220	29.5	0.1	221	32.0	0.1	238	34.5	0.1	263	38.7	0.1	259	41.5	0.2	5.4%	13.8%	
7 – 10	610	13	810	277.9	0.3	794	297.4	0.4	783	315.9	0.4	772	335.2	0.4	734	342.0	0.5	-2.6%	43.4%	
11 – 12	333	4	466	266.3	0.6	465	290.3	0.6	457	305.2	0.7	447	320.9	0.7	432	327.0	0.8	-2.4%	25.4%	
13 – 16	252	3	280	245.4	0.9	291	270.3	0.9	273	270.2	1.0	270	285.8	1.1	257	292.3	1.1	-4.1%	15.4%	
Other	66		66	96.3	1.5	37	57.8	1.6	37	61.7	1.7	37	66.1	1.8	37	70.7	1.9		2.1%	
Programme	1 378	116	1 842	915.5	0.5	1 808	947.7	0.5	1 788	987.5	0.6	1 789	1 046.8	0.6	1 719	1 073.5	0.6	-1.7%	100.0%	
Programme 1	479	19	487	269.9	0.6	486	289.6	0.6	467	297.2	0.6	462	316.4	0.7	447	328.8	0.7	-2.7%	26.2%	
Programme 2	105	1	154	74.2	0.5	146	76.9	0.5	140	79.6	0.6	143	85.3	0.6	132	86.6	0.7	-3.3%	7.9%	
Programme 3	82	33	152	60.3	0.4	156	71.0	0.5	176	77.9	0.4	192	82.5	0.4	188	84.6	0.5	6.4%	10.0%	
Programme 4	146	11	245	101.9	0.4	239	106.5	0.4	242	116.8	0.5	240	124.5	0.5	237	130.7	0.6	-0.3%	13.5%	
Programme 5	80	7	158	59.6	0.4	143	57.6	0.4	143	59.4	0.4	142	63.1	0.4	137	65.7	0.5	-1.4%	8.0%	
Programme 6	218	9	371	126.8	0.3	377	149.1	0.4	358	145.4	0.4	354	152.9	0.4	344	159.1	0.5	-3.0%	20.2%	
Programme 7	219	23	229	195.3	0.9	205	163.2	0.8	203	174.2	0.9	197	182.7	0.9	175	175.5	1.0	-5.1%	11.0%	
Programme 8	49	13	46	27.5	0.6	56	33.8	0.6	59	37.0	0.6	59	39.3	0.7	59	42.3	0.7	1.8%	3.3%	

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

2. Rand million.

Departmental receipts

Table 34.8 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 (%)
	2014/15	2015/16	2016/17	2017/18	2017/18	2014/15 - 2017/18	2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21	2020/21
Departmental receipts	82 551	61 979	98 092	68 521	30 369	-28.3%	100.0%	73 910	77 865	78 545	37.3%	100.0%
Tax receipts	2 925	2 985	4 862	4 800	1 800	-14.9%	4.6%	5 400	5 500	5 600	46.0%	7.0%
Sales of goods and services produced by department	524	535	610	552	159	-32.8%	0.7%	669	721	671	61.6%	0.9%
Sales by market establishments of which:	270	259	262	300	88	-31.2%	0.3%	320	350	290	48.8%	0.4%
Rental of parking	270	259	262	300	88	-31.2%	0.3%	320	350	290	48.8%	0.4%
Administrative fees of which:	-	-	-	1	1	-	-	1	1	1	-	-
Request information in terms of the Promotion of Access to Information Act (2000)	-	-	-	1	1	-	-	1	1	1	-	-
Other sales of which:	254	276	348	251	70	-34.9%	0.3%	348	370	380	75.7%	0.4%
Commission on hand	183	181	187	186	60	-31.0%	0.2%	280	300	290	69.1%	0.4%
Academic services	71	95	161	65	10	-48.0%	0.1%	68	70	90	108.0%	0.1%
Sales of scrap, waste, arms and other used current goods of which:	-	3	14	81	5	-	-	6	6	6	6.3%	-
Waste paper: Recycling of paper	-	3	14	1	1	-	-	1	1	1	-	-
Cellphones: Old pool phones	-	-	-	80	4	-	-	5	5	5	7.7%	-
Fines, penalties and forfeits	97	28	365	60	12 460	404.6%	4.7%	130	140	140	-77.6%	4.9%
Interest, dividends and rent on land	1 348	3 561	2 708	550	291	-40.0%	2.9%	1 650	1 700	1 800	83.6%	2.1%
Interest	1 348	3 561	2 708	550	291	-40.0%	2.9%	1 650	1 700	1 800	83.6%	2.1%
Sales of capital assets	223	360	-	365	-	-100.0%	0.2%	350	400	360	-	0.4%
Transactions in financial assets and liabilities	77 434	54 507	89 533	62 113	15 654	-41.3%	86.9%	65 705	69 398	69 968	64.7%	84.7%
Total	82 551	61 979	98 092	68 521	30 369	-28.3%	100.0%	73 910	77 865	78 545	37.3%	100.0%

Programme 1: Administration

Programme purpose

Provide strategic leadership, management and support services to the department, and conduct research on industrial development, growth and equity.

Expenditure trends and estimates

Table 34.9 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 (%)
	2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18	2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21	2020/21
R million											
Ministry	27.6	32.1	26.2	32.6	5.6%	4.0%	34.4	40.8	38.9	6.1%	4.6%
Office of the Director General	96.3	93.6	96.0	119.8	7.5%	13.8%	119.0	128.3	134.1	3.8%	15.6%
Corporate Services	444.8	478.6	443.7	505.4	4.3%	63.7%	433.2	460.3	484.6	-1.4%	58.6%
Office Accommodation	-	2.4	2.6	2.5	-	0.3%	2.2	2.4	2.5	-0.2%	0.3%
Financial Management	57.5	51.4	60.6	69.5	6.5%	8.1%	75.6	73.2	78.0	3.9%	9.2%
Media and Public Relations	6.9	10.2	9.1	10.4	14.7%	1.2%	19.0	19.7	21.1	26.5%	2.2%
Marketing Communication and Stakeholder Relations	66.7	59.2	61.1	74.4	3.7%	8.9%	77.2	76.9	80.9	2.8%	9.6%
Total	699.9	727.6	699.1	814.6	5.2%	100.0%	760.6	801.4	840.0	1.0%	100.0%
Change to 2017 Budget estimate				82.8			(8.0)	(2.8)	(9.0)		
Economic classification											
Current payments	674.5	697.5	687.2	796.8	5.7%	97.1%	743.2	784.9	822.6	1.1%	97.8%
Compensation of employees	257.4	264.7	269.9	289.6	4.0%	36.8%	297.2	316.4	328.8	4.3%	38.3%
Goods and services ¹ of which:	417.1	432.7	417.3	507.2	6.7%	60.3%	446.0	468.5	493.7	-0.9%	59.5%
Advertising	27.3	20.9	14.3	20.0	-9.9%	2.8%	25.3	27.5	28.1	12.0%	3.1%
Computer services	16.3	24.7	15.5	46.0	41.4%	3.5%	24.7	25.0	26.7	-16.6%	3.8%
Consultants: Business and advisory services	11.6	9.8	9.1	29.9	37.3%	2.1%	33.1	30.5	31.9	2.2%	3.9%
Operating leases	258.0	256.0	275.3	291.2	4.1%	36.7%	224.6	241.6	257.3	-4.0%	31.5%
Travel and subsistence	17.7	20.8	16.9	29.6	18.8%	2.9%	34.3	35.6	37.2	7.9%	4.3%
Operating payments	12.4	9.7	6.3	12.1	-0.7%	1.4%	12.8	13.6	14.2	5.4%	1.6%

Table 34.9 Administration expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation 2017/18	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2014/15	2015/16	2016/17		2014/15	2017/18	2018/19	2019/20	2020/21	2017/18	2020/21
R million											
Transfers and subsidies¹	6.9	2.6	2.6	0.1	-75.9%	0.4%	–	–	–	-100.0%	–
Departmental agencies and accounts	1.7	–	–	–	-100.0%	0.1%	–	–	–	–	–
Public corporations and private enterprises	2.0	–	–	–	-100.0%	0.1%	–	–	–	–	–
Households	3.2	2.6	2.6	0.1	-68.9%	0.3%	–	–	–	-100.0%	–
Payments for capital assets	15.0	27.5	9.3	17.7	5.7%	2.4%	17.5	16.6	17.5	-0.4%	2.1%
Machinery and equipment	14.6	25.7	4.9	15.1	1.0%	2.1%	15.0	13.9	14.7	-0.9%	1.8%
Software and other intangible assets	0.3	1.8	4.4	2.6	101.4%	0.3%	2.5	2.6	2.8	2.5%	0.3%
Payments for financial assets	3.6	–	–	–	-100.0%	0.1%	–	–	–	–	–
Total	699.9	727.6	699.1	814.6	5.2%	100.0%	760.6	801.4	840.0	1.0%	100.0%
Proportion of total programme expenditure to vote expenditure	8.1%	7.7%	6.8%	8.7%	–	–	8.0%	7.9%	7.9%	–	–

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: International Trade and Economic Development

Programme purpose

Build an equitable global trading system that facilitates development by strengthening trade and investment links with key economies and by fostering African development, including through regional and continental integration and development cooperation, in line with the New Partnership for Africa's Development.

Objectives

- Promote African economic integration and development at bilateral, regional and continental levels over the medium term by:
 - advancing development integration in the Southern African Customs Union and the Southern African Development Community (SADC) free-trade area through the implementation of the Africa regional development programme
 - finalising negotiations on the tripartite free-trade area involving the SADC, the East African Community and the Common Market for Eastern and Southern Africa regions
 - advancing South Africa's trade, industrial policy and economic development objectives through cooperation with key economies to address tariff and non-tariff barriers that inhibit South Africa's value added exports.

Subprogrammes

- *International Trade Development* facilitates bilateral and multilateral trade relations and agreements.
- *African Multilateral Economic Development* facilitates multilateral African trade relations aimed at deepening regional integration.

Expenditure trends and estimates

Table 34.10 International Trade and Economic Development 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 (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R million											
International Trade Development	89.9	98.6	98.9	102.2	4.4%	82.3%	106.3	111.9	116.2	4.4%	84.5%
African Multilateral Economic Development	34.2	15.0	17.1	17.6	-19.8%	17.7%	18.6	22.0	21.8	7.5%	15.5%
Total	124.1	113.6	116.0	119.8	-1.2%	100.0%	124.9	133.9	138.0	4.8%	100.0%
Change to 2017 Budget estimate				-			(1.9)	2.6	(1.7)		
Economic classification											
Current payments	81.7	86.1	92.4	93.9	4.8%	74.8%	97.5	104.9	107.3	4.5%	78.1%
Compensation of employees	67.3	68.9	74.2	76.9	4.5%	60.7%	79.6	85.3	86.6	4.1%	63.6%
Goods and services ²	14.4	17.2	18.2	17.1	6.0%	14.1%	17.8	19.5	20.6	6.5%	14.5%
<i>of which:</i>											
Communication	0.7	0.7	0.4	0.3	-25.4%	0.5%	0.6	0.6	0.8	38.7%	0.5%
Consultants: Business and advisory services	0.4	0.2	0.3	0.6	11.6%	0.3%	0.2	0.3	0.3	-23.3%	0.3%
Legal services	0.4	0.2	0.3	-	-100.0%	0.2%	1.8	1.9	2.0	-	1.1%
Agency and support/outsourced services	0.3	-	0.1	-	-100.0%	0.1%	0.3	0.3	0.3	-	0.2%
Travel and subsistence	11.4	14.3	12.6	13.4	5.4%	10.9%	12.1	13.1	13.9	1.3%	10.2%
Venues and facilities	0.2	1.0	1.7	0.5	46.3%	0.7%	1.8	2.3	1.9	51.4%	1.3%
Transfers and subsidies¹	41.7	26.8	23.0	25.2	-15.4%	24.7%	26.7	28.2	29.7	5.6%	21.3%
Departmental agencies and accounts	-	1.1	1.1	1.2	-	0.7%	1.3	1.3	1.4	5.6%	1.0%
Foreign governments and international organisations	17.2	21.5	17.7	19.7	4.6%	16.1%	20.8	22.0	23.2	5.6%	16.6%
Public corporations and private enterprises	24.5	4.0	4.2	4.4	-43.7%	7.8%	4.6	4.9	5.2	5.6%	3.7%
Households	0.1	0.3	-	0.0	-37.4%	0.1%	-	-	-	-100.0%	-
Payments for capital assets	0.7	0.6	0.7	0.6	-4.5%	0.6%	0.8	0.8	1.0	16.8%	0.6%
Machinery and equipment	0.7	0.6	0.7	0.6	-4.5%	0.6%	0.8	0.8	1.0	16.8%	0.6%
Total	124.1	113.6	116.0	119.8	-1.2%	100.0%	124.9	133.9	138.0	4.8%	100.0%
Proportion of total programme expenditure to vote expenditure	1.4%	1.2%	1.1%	1.3%	-	-	1.3%	1.3%	1.3%	-	-
Details of selected transfers and subsidies											
Foreign governments and international organisations											
Current	17.2	21.5	17.7	19.7	4.6%	16.1%	20.8	22.0	23.2	5.6%	16.6%
Organisation for the Prohibition of Chemical Weapons	-	4.3	3.5	5.2	-	2.7%	5.5	5.8	6.1	5.6%	4.4%
World Trade Organisation	17.2	17.3	14.2	14.5	-5.5%	13.3%	15.3	16.2	17.1	5.6%	12.2%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	23.4	2.8	2.9	3.1	-49.0%	6.8%	3.3	3.5	3.6	5.6%	2.6%
Development Bank of Southern Africa: Regional spatial development initiatives	20.7	-	-	-	-100.0%	4.4%	-	-	-	-	-
Protechnik Laboratories: Operations	2.7	2.8	2.9	3.1	4.8%	2.4%	3.3	3.5	3.6	5.6%	2.6%
Capital	1.1	1.2	1.2	1.3	4.6%	1.0%	1.4	1.4	1.5	5.6%	1.1%
Protechnik Laboratories: Capital	1.1	1.2	1.2	1.3	4.6%	1.0%	1.4	1.4	1.5	5.6%	1.1%

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: Special Economic Zones and Economic Transformation

Programme purpose

Drive economic transformation and increase participation in industrialisation.

Objectives

- Facilitate broad-based economic participation through the implementation of the Broad-Based Black Economic Empowerment Amendment Act (2013) by implementing the black industrialists framework and action plan by March 2020.
- Facilitate the transformation of the economy to promote industrial development, investment, competitiveness and employment creation by March 2020, by:
 - developing and implementing a strategy for special economic zones
 - revitalising 13 industrial parks.

Subprogrammes

- *Enterprise Competitiveness* fosters and stimulates industrialisation and structural change through the development and deployment of technologies and skills development programmes.
- *Equity and Empowerment* promotes BEE and the growth of the economy through the black industrialists programme.
- *Spatial Industrial Economic Development (Special Economic Zones)* promotes a more spatially balanced regional economy through the development of policies, strategies and programmes, and special economic zones, clusters and incubators, among other things.

Expenditure trends and estimates

Table 34.11 Special Economic Zones and Economic Transformation expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2014/15	2015/16	2016/17		2017/18	2014/15 - 2017/18	2018/19	2019/20	2020/21		
R million											
Enterprise Competitiveness	189.1	23.3	24.9	31.2	-45.2%	49.4%	29.0	29.7	31.7	0.5%	19.0%
Equity and Empowerment	20.6	30.9	32.2	42.6	27.4%	23.2%	84.5	96.3	98.1	32.1%	50.2%
Spatial Industrial Economic Development (Special Economic Zones)	25.4	38.3	40.5	44.6	20.6%	27.4%	51.9	48.8	52.3	5.4%	30.8%
Total	235.1	92.5	97.6	118.4	-20.4%	100.0%	165.4	174.8	182.1	15.4%	100.0%
Change to 2017 Budget estimate				(1.0)			45.3	52.5	(0.8)		
Economic classification											
Current payments	51.6	65.5	74.5	105.0	26.7%	54.6%	92.9	99.5	102.6	-0.8%	62.4%
Compensation of employees	44.4	54.8	60.3	71.0	17.0%	42.4%	77.9	82.5	84.6	6.0%	49.3%
Goods and services ¹	7.2	10.7	14.1	34.0	67.4%	12.2%	15.0	17.0	17.9	-19.2%	13.1%
of which:											
Catering: Departmental activities	0.1	0.2	0.3	0.4	80.4%	0.2%	0.4	0.4	0.5	3.8%	0.3%
Communication	0.5	0.5	0.3	0.3	-18.0%	0.3%	0.5	0.5	0.5	22.1%	0.3%
Consultants: Business and advisory services	1.3	3.2	4.2	8.2	86.2%	3.1%	5.8	7.4	7.8	-1.6%	4.6%
Consumables: Stationery, printing and office supplies	0.2	0.5	0.2	1.0	64.6%	0.4%	0.5	0.5	0.5	-22.8%	0.4%
Travel and subsistence	3.1	5.4	6.8	8.6	40.8%	4.4%	6.3	6.7	7.1	-6.2%	4.5%
Venues and facilities	1.8	0.2	0.5	1.1	-14.4%	0.7%	0.4	0.4	0.4	-26.1%	0.4%
Transfers and subsidies¹	183.2	11.3	11.7	12.3	-59.4%	40.2%	72.1	74.9	79.0	85.9%	37.2%
Departmental agencies and accounts	176.5	8.6	8.5	8.9	-63.0%	37.3%	68.7	71.4	75.4	103.5%	35.0%
Public corporations and private enterprises	1.5	1.6	1.7	1.7	5.0%	1.2%	1.8	1.9	2.0	5.6%	1.2%
Non-profit institutions	5.0	1.0	1.0	1.5	-33.1%	1.6%	1.5	1.5	1.6	1.8%	0.9%
Households	0.2	0.1	0.5	0.1	-16.1%	0.2%	–	–	–	-100.0%	–
Payments for capital assets	0.3	3.7	1.7	1.1	55.7%	1.3%	0.5	0.5	0.5	-23.6%	0.4%
Machinery and equipment	0.3	3.7	1.1	1.1	55.7%	1.1%	0.5	0.5	0.5	-23.6%	0.4%
Software and other intangible assets	–	–	0.7	–	–	0.1%	–	–	–	–	–
Payments for financial assets	–	11.9	9.7	–	–	4.0%	–	–	–	–	–
Total	235.1	92.5	97.6	118.4	-20.4%	100.0%	165.4	174.8	182.1	15.4%	100.0%
Proportion of total programme expenditure to vote expenditure	2.7%	1.0%	0.9%	1.3%	–	–	1.7%	1.7%	1.7%	–	–

Table 34.11 Special Economic Zones and Economic Transformation expenditure trends and estimates by subprogramme and economic classification

Details of selected transfers and subsidies											
R million	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	176.5	8.6	8.5	8.9	-63.0%	37.3%	68.7	71.4	75.4	103.5%	35.0%
Independent Regulatory Board for Auditors	1.8	0.5	–	–	-100.0%	0.4%	–	–	–	–	–
National Productivity Institute	9.2	8.1	8.5	8.9	-0.8%	6.4%	9.2	9.7	10.3	4.7%	6.0%
Broad-Based Black Economic Empowerment Commission	–	–	–	–	–	–	59.5	61.7	65.1	–	29.1%
National Research Foundation: Technology and human resources for industry programme	165.6	–	–	–	-100.0%	30.5%	–	–	–	–	–

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 4: Industrial Development

Programme purpose

Design and implement policies, strategies and programmes to strengthen the ability of the manufacturing and other sectors of the economy, to create decent jobs and increase value addition and competitiveness in both domestic and export markets.

Objectives

- Support the growth and diversification of South Africa's manufacturing sector by:
 - facilitating diversification beyond the current reliance on traditional commodities and non-tradable services through the promotion of increased value addition characterised particularly by movement into non-traditional tradable goods and services that compete in export markets, as well as against imports, over the medium term
 - promoting the long-term intensification of South Africa's industrialisation process and movement towards a knowledge economy on an ongoing basis
 - promoting a labour absorbing industrialisation path, with particular emphasis on tradable labour absorbing goods and services and economic linkages that catalyse employment creation, on an ongoing basis
 - promoting a broad-based industrialisation path characterised by the increased participation of historically disadvantaged people and marginalised regions in the mainstream industrial economy on an ongoing basis
 - contributing to industrial development in Africa, with an emphasis on building the continent's productive capacity, on an ongoing basis.

Subprogrammes

- *Industrial Competitiveness* develops policies, strategies and programmes to strengthen the ability of manufacturing and other value adding sectors to create decent jobs and increase value addition and competitiveness in domestic and export markets, as set out in the annual three-year rolling industrial policy action plan.
- *Customised Sector Programmes* develops and implements high impact sector strategies focused on manufacturing and other value adding sectors to create decent jobs and increase value addition and competitiveness in domestic and export markets, as set out in the annual three-year rolling industrial policy action plan.

Expenditure trends and estimates

Table 34.12 Industrial Development 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 (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R million											
Industrial Competitiveness	718.6	753.1	759.3	879.4	7.0%	42.8%	911.8	914.1	947.6	2.5%	53.1%
Customised Sector Programmes	1 056.5	1 200.5	963.0	939.9	-3.8%	57.2%	710.8	761.1	819.1	-4.5%	46.9%
Total	1 775.2	1 953.6	1 722.2	1 819.3	0.8%	100.0%	1 622.6	1 675.2	1 766.6	-1.0%	100.0%
Change to 2017 Budget estimate				1 819.3			1 622.6	(194.0)	(224.5)		
Economic classification											
Current payments	103.9	118.1	112.0	120.3	5.0%	6.2%	133.8	144.1	151.3	8.0%	8.0%
Compensation of employees	88.9	99.6	101.9	106.5	6.2%	5.5%	116.8	124.5	130.7	7.1%	7.0%
Goods and services ¹	15.0	18.5	10.1	13.8	-2.8%	0.8%	17.1	19.5	20.6	14.4%	1.0%
of which:											
Communication	0.5	0.6	0.4	0.7	13.3%	-	0.8	0.9	0.9	9.0%	-
Consultants: Business and advisory services	3.5	7.1	1.0	-	-100.0%	0.2%	1.7	3.0	3.3	-	0.1%
Consumables: Stationery, printing and office supplies	0.3	0.5	0.1	-	-100.0%	-	0.2	0.7	0.4	-	-
Travel and subsistence	7.2	7.7	6.2	9.8	11.2%	0.4%	11.3	12.1	12.8	9.2%	0.7%
Operating payments	1.8	1.7	1.6	0.6	-32.3%	0.1%	1.7	1.1	1.4	36.8%	0.1%
Venues and facilities	0.3	0.4	0.3	1.6	78.2%	-	0.5	0.6	0.6	-27.9%	-
Transfers and subsidies¹	1 670.6	1 835.0	1 609.7	1 698.2	0.5%	93.7%	1 487.9	1 530.2	1 614.4	-1.7%	92.0%
Departmental agencies and accounts	348.0	368.7	372.8	411.9	5.8%	20.7%	395.9	418.1	441.1	2.3%	24.2%
Foreign governments and international organisations	5.1	6.4	7.6	8.4	18.4%	0.4%	9.1	9.6	10.1	6.3%	0.5%
Public corporations and private enterprises	1 188.4	1 311.6	1 067.0	1 109.6	-2.3%	64.3%	885.4	940.9	1 005.0	-3.2%	57.3%
Non-profit institutions	129.0	147.9	162.1	168.3	9.3%	8.4%	197.4	161.6	158.1	-2.1%	10.0%
Households	0.1	0.5	0.2	0.0	-57.1%	-	-	-	-	-100.0%	-
Payments for capital assets	0.7	0.3	0.6	0.8	6.2%	-	0.9	0.9	1.0	5.7%	0.1%
Machinery and equipment	0.7	0.3	0.6	0.8	6.2%	-	0.9	0.9	1.0	5.7%	0.1%
Payments for financial assets	-	0.1	-	-	-	-	-	-	-	-	-
Total	1 775.2	1 953.6	1 722.2	1 819.3	0.8%	100.0%	1 622.6	1 675.2	1 766.6	-1.0%	100.0%
Proportion of total programme expenditure to vote expenditure	20.5%	20.6%	16.6%	19.5%	-	-	17.1%	16.6%	16.6%	-	-
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	237.0	214.1	210.0	265.5	3.9%	12.7%	272.8	288.1	304.0	4.6%	16.4%
South African National Accreditation System	35.7	26.0	22.2	30.3	-5.3%	1.6%	31.0	32.8	34.6	4.5%	1.9%
National Metrology Institute of South Africa: Operations	91.6	96.3	101.4	106.5	5.2%	5.4%	109.7	115.8	122.2	4.7%	6.6%
National Regulator for Compulsory Specifications	109.7	91.7	86.4	128.7	5.5%	5.7%	132.1	139.5	147.2	4.6%	8.0%
Capital	111.0	154.6	162.8	146.3	9.6%	7.9%	123.1	130.0	137.1	-2.1%	7.8%
National Metrology Institute of South Africa	111.0	154.6	162.8	146.3	9.6%	7.9%	123.1	130.0	137.1	-2.1%	7.8%
Foreign governments and international organisations											
Current	5.1	6.4	7.6	8.4	18.4%	0.4%	9.1	9.6	10.1	6.3%	0.5%
United Nations Industrial Development Organisation	5.1	6.4	6.0	6.8	10.1%	0.3%	7.2	7.6	8.0	5.6%	0.4%
Treaty Organisations for Metrology	-	-	1.6	1.6	-	-	1.9	2.0	2.1	8.8%	0.1%
Non-profit institutions											
Current	129.0	147.9	162.1	168.3	9.3%	8.4%	197.4	161.6	158.1	-2.1%	10.0%
Intsimbi future production technologies initiatives	67.7	70.4	74.1	75.8	3.8%	4.0%	116.1	76.0	68.7	-3.2%	4.9%
Automotive supply chain competitiveness initiative	-	14.0	15.0	13.1	-	0.6%	8.0	8.8	9.3	-10.9%	0.6%
Trade and industrial policy strategies	14.6	20.8	22.7	24.4	18.8%	1.1%	27.1	27.8	28.5	5.2%	1.6%
Centurion Aerospace Village	16.7	17.5	18.4	25.4	14.8%	1.1%	15.5	16.4	17.3	-12.1%	1.1%
Proudly South African campaign	30.0	25.2	31.9	29.6	-0.4%	1.6%	30.7	32.6	34.4	5.1%	1.9%

Table 34.12 Industrial Development expenditure trends and estimates by subprogramme and economic classification

Details of selected transfers and subsidies			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
Audited outcome						2017/18	2014/15 - 2017/18	2018/19			2019/20
R million	2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21	2017/18 - 2020/21	
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	1 164.2	1 288.5	1 049.2	1 090.6	-2.2%	63.2%	865.0	919.4	982.3	-3.4%	56.0%
Industrial Development Corporation	878.2	1 000.9	758.3	723.4	-6.3%	46.2%	503.6	538.4	581.0	-7.0%	34.1%
Council for Scientific and Industrial Research: National Cleaner Production Centre	51.7	55.0	58.9	63.0	6.8%	3.1%	58.0	61.6	65.3	1.2%	3.6%
Council for Scientific and Industrial Research: National foundry technology network	14.2	16.4	19.7	18.7	9.5%	0.9%	27.5	28.0	28.6	15.2%	1.5%
South African Bureau of Standards	220.1	216.2	212.4	285.5	9.1%	12.8%	275.9	291.4	307.4	2.5%	16.9%
Capital	24.1	23.1	17.8	19.0	-7.6%	1.2%	20.4	21.6	22.7	6.1%	1.2%
Council for Scientific and Industrial Research: Aerospace industry	22.5	21.5	17.8	19.0	-5.4%	1.1%	20.4	21.6	22.7	6.1%	1.2%
South African Bureau of Standards: Small business technical consulting: Membership fees	1.6	1.5	-	-	-100.0%	-	-	-	-	-	-

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 5: Consumer and Corporate Regulation

Programme purpose

Develop and implement coherent, predictable and transparent regulatory solutions that facilitate easy access to redress and efficient regulation for economic citizens.

Objectives

- Increase access to economic opportunities for small businesses and historically disadvantaged citizens by March 2021, by:
 - developing and reviewing policies, bills and regulations
 - conducting assessments of the impact of the regulations on businesses and economic citizens.
- Develop efficient regulation to reduce the regulatory burden on businesses, and increase confidence and certainty in South African business regulation by March 2021, by:
 - developing and reviewing policies, bills and regulations
 - conducting assessments of the impact of the regulations on businesses and economic citizens.
- Create a business regulatory environment that promotes competitive, fair and efficient markets by March 2021, by:
 - developing and reviewing policies, bills and regulations
 - conducting assessments of the impact of the regulations on businesses and economic citizens.
- Provide access to redress for economic citizens to increase confidence in markets by March 2021, by:
 - conducting research on the impact of the current legislation on economic citizens
 - developing and reviewing policies, bills and regulations
 - conducting assessments of the impact of regulations on businesses and economic citizens.
- Promote the awareness of rights, duties and responsibilities to increase activism and public participation by conducting 72 capacity building sessions, workshops, and education and awareness campaigns by March 2021.
- Share and exchange regulatory experience with partners and stakeholders nationally and internationally to promote simple, appropriate and more effective regulatory solutions by holding 30 consultations, seminars and conferences on policy issues by March 2021.

Subprogrammes

- *Policy and Legislative Development* develops policies, laws and regulatory frameworks.
- *Enforcement and Compliance* conducts trend analyses, impact assessments and market surveys, and monitors the effectiveness of regulation.
- *Regulatory Services* oversees and transfers funds to the National Consumer Tribunal, the National Credit Regulator, the National Gambling Board, the National Consumer Commission, the Companies and Intellectual Property Commission, and the Companies Tribunal. The department oversees, but does not transfer funds to, the National Lotteries Commission, which regulates the lotteries sector and facilitates the distribution of lottery funds to worthy organisations that serve the public interest; and the Takeover Regulation Panel and Financial Reporting Standards Council, which are responsible for regulating applicable transactions and issuing standards.

Expenditure trends and estimates

Table 34.13 Consumer and Corporate Regulation expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2017/18	Average growth rate (%) 2014/15 - 2017/18	Average: Expenditure/ Total (%) 2014/15 - 2017/18	Medium-term expenditure estimate			Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/ Total (%) 2017/18 - 2020/21
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21		
R million											
Policy and Legislative Development	17.6	14.7	17.2	20.1	4.4%	6.0%	18.0	21.2	19.3	-1.3%	6.1%
Enforcement and Compliance	31.4	39.3	40.3	36.8	5.4%	12.7%	44.4	46.6	50.2	10.9%	13.7%
Regulatory Services	232.0	233.4	237.9	241.7	1.4%	81.3%	252.2	264.8	280.4	5.1%	80.2%
Total	281.1	287.4	295.4	298.6	2.0%	100.0%	314.6	332.6	350.0	5.4%	100.0%
Change to 2017 Budget estimate				(1 520.6)			(1 461.3)	3.4	(4.5)		
Economic classification											
Current payments	70.3	68.2	73.1	71.6	0.6%	24.4%	78.4	83.2	86.8	6.7%	24.7%
Compensation of employees	57.2	54.5	59.6	57.6	0.2%	19.7%	59.4	63.1	65.7	4.5%	19.0%
Goods and services ¹	13.1	13.8	13.5	14.0	2.3%	4.7%	19.0	20.1	21.2	14.8%	5.7%
<i>of which:</i>											
Advertising	2.0	2.0	0.7	0.6	-32.6%	0.5%	1.7	1.8	1.9	46.9%	0.5%
Consultants: Business and advisory services	1.8	1.5	1.3	0.9	-21.0%	0.5%	3.8	4.1	4.4	69.6%	1.0%
Legal services	2.1	0.9	3.7	2.5	5.4%	0.8%	2.0	2.0	2.0	-6.9%	0.7%
Travel and subsistence	4.1	6.2	6.1	7.1	20.4%	2.0%	8.4	8.9	9.3	9.4%	2.6%
Operating payments	0.6	0.7	0.4	0.8	8.1%	0.2%	0.8	0.8	0.8	2.7%	0.2%
Venues and facilities	0.9	0.8	0.4	0.1	-54.3%	0.2%	0.7	0.7	0.8	106.3%	0.2%
Transfers and subsidies¹	210.5	219.1	222.2	226.8	2.5%	75.6%	236.1	249.3	263.0	5.1%	75.3%
Departmental agencies and accounts	205.5	213.6	217.6	221.6	2.5%	73.8%	230.6	243.5	256.9	5.1%	73.5%
Foreign governments and international organisations	4.4	5.3	4.6	5.2	5.9%	1.7%	5.5	5.8	6.1	5.6%	1.7%
Households	0.7	0.3	0.1	0.0	-65.1%	0.1%	-	-	-	-100.0%	-
Payments for capital assets	0.3	0.1	0.1	0.3	0.2%	0.1%	0.2	0.2	0.2	-19.9%	0.1%
Machinery and equipment	0.1	0.1	0.1	0.3	37.6%	0.1%	0.2	0.2	0.2	-19.9%	0.1%
Software and other intangible assets	0.2	-	-	-	-100.0%	-	-	-	-	-	-
Total	281.1	287.4	295.4	298.6	2.0%	100.0%	314.6	332.6	350.0	5.4%	100.0%
Proportion of total programme expenditure to vote expenditure	3.2%	3.0%	2.9%	3.2%	-	-	3.3%	3.3%	3.3%	-	-
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	205.5	213.6	217.6	221.6	2.5%	73.8%	230.6	243.5	256.9	5.1%	73.5%
National Credit Regulator	68.8	66.7	69.6	73.1	2.0%	23.9%	75.4	79.6	84.0	4.7%	24.1%
National Gambling Board	29.8	32.0	30.1	31.6	2.0%	10.6%	32.6	34.5	36.3	4.7%	10.4%
National Consumer Tribunal	40.2	46.0	46.2	48.5	6.5%	15.6%	50.0	52.8	55.7	4.7%	16.0%
National Consumer Commission	53.4	54.6	56.6	52.6	-0.5%	18.7%	55.9	59.0	62.2	5.8%	17.7%
Companies Tribunal	13.3	14.2	15.1	15.8	5.9%	5.0%	16.7	17.7	18.6	5.6%	5.3%
Foreign governments and international organisations											
Current	4.4	5.3	4.6	5.2	5.9%	1.7%	5.5	5.8	6.1	5.6%	1.7%
World Intellectual Property Organisation	4.4	5.3	4.6	5.2	5.9%	1.7%	5.5	5.8	6.1	5.6%	1.7%

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: Incentive Development and Administration

Programme purpose

Stimulate and facilitate the development of sustainable and competitive enterprises through the efficient provision of effective and accessible incentive measures that support national priorities.

Objectives

- Stimulate and facilitate the development of sustainable and competitive enterprises by providing effective and accessible incentive measures that support national priorities over the medium term.
- Support industrial development that enhances productivity and bolsters competitiveness through designing, administering, monitoring and evaluating the manufacturing incentives programme based on industrial policies and sector strategies developed by providing financial support in labour intensive sectors on an ongoing basis.
- Contribute to the accelerated growth of manufacturing and internationally traded services over the medium term by administering the Special Economic Zones Fund through the provision of incentives for industrial infrastructure development to:
 - attract foreign direct investment
 - develop growth-oriented domestic businesses, leading to increased employment, exports and regional development.

Subprogrammes

- *Broadening Participation Incentives* provides incentive programmes that promote broader participation in the mainstream economy of businesses owned by individuals from historically disadvantaged communities and marginalised regions.
- *Manufacturing Incentives* provides incentives to promote additional investment in the manufacturing sector. The manufacturing investment cluster comprises the manufacturing competitive enhancement programme, the capital projects feasibility programme, the automotive investment scheme, the export marketing and investment assistance scheme, the sector-specific assistance scheme, and the section 12I tax incentive scheme.
- *Services Investment Incentives* provides incentive programmes that promote increased investment and job creation in the services sector. The programmes include the business process services programme, and the film and television production incentive support programme for South African and foreign productions.
- *Infrastructure Investment Support* provides grants for two industrial infrastructure initiatives, the special economic zones and the critical infrastructure programme, which are aimed at enhancing infrastructure and industrial development, and increasing investment and exports of value added commodities.
- *Product and Systems Development* reviews, monitors and develops incentive programmes to support the industrial policy action plan, and develops sector strategies to address market failures.
- *Strategic Partnership and Customer Care* facilitates access to targeted enterprises by reviewing the success of incentive schemes and improving them where possible.

Expenditure trends and estimates

Table 34.14 Incentive Development and 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 (%)
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21		
	2017/18	2017/18	2017/18				2017/18	2017/18	2017/18		
R million											
Broadening Participation Incentives	2.4	26.6	25.5	69.1	207.8%	0.5%	72.3	76.4	80.7	5.3%	1.2%
Manufacturing Incentives	3 612.3	3 983.5	4 361.5	3 540.5	-0.7%	65.8%	3 584.4	3 928.1	4 212.8	6.0%	60.9%
Services Investment Incentives	728.1	803.2	814.2	808.6	3.6%	13.4%	748.5	743.2	762.6	-1.9%	12.2%
Infrastructure Investment Support	801.4	949.7	1 660.2	1 215.0	14.9%	19.7%	1 564.2	1 691.5	1 784.7	13.7%	25.0%
Product and Systems Development	15.0	14.9	15.4	19.4	9.0%	0.3%	17.8	21.8	23.5	6.6%	0.3%
Strategic Partnership and Customer Care	17.5	17.9	18.4	21.9	7.7%	0.3%	21.8	23.5	25.3	5.0%	0.4%
Total	5 176.7	5 795.8	6 895.2	5 674.4	3.1%	100.0%	6 009.0	6 484.6	6 889.7	6.7%	100.0%
Change to 2017 Budget estimate				5 375.8			5 688.2	1 135.8	1 277.7		
Economic classification											
Current payments	206.9	151.2	141.6	180.9	-4.4%	2.9%	181.3	184.9	193.2	2.2%	3.0%
Compensation of employees	125.8	126.5	126.8	149.1	5.8%	2.2%	145.4	152.9	159.1	2.2%	2.4%
Goods and services ¹	81.1	24.8	14.8	31.8	-26.8%	0.6%	35.9	32.0	34.0	2.3%	0.5%
<i>of which:</i>											
Communication	0.6	0.6	0.3	0.2	-35.3%	-	0.7	0.7	0.8	70.2%	-
Consultants: Business and advisory services	62.2	5.1	2.8	18.3	-33.4%	0.4%	17.7	12.4	13.1	-10.6%	0.2%
Legal services	4.1	3.9	1.4	0.7	-44.8%	-	3.8	4.0	4.2	83.0%	0.1%
Operating leases	0.8	0.8	0.9	1.5	24.6%	-	0.9	1.0	1.0	-11.6%	-
Travel and subsistence	11.3	9.7	8.8	9.4	-6.2%	0.2%	10.3	11.2	12.2	9.1%	0.2%
Venues and facilities	0.1	0.4	-	0.3	36.8%	-	0.9	0.9	1.0	52.7%	-
Transfers and subsidies¹	4 969.1	5 641.3	6 753.1	5 493.5	3.4%	97.1%	5 820.4	6 285.6	6 681.6	6.7%	96.9%
Departmental agencies and accounts	-	-	256.0	84.0	-	1.4%	-	-	-	-100.0%	0.3%
Public corporations and private enterprises	4 968.5	5 640.6	6 496.9	5 408.7	2.9%	95.6%	5 819.5	6 284.7	6 680.7	7.3%	96.6%
Households	0.6	0.7	0.2	0.8	10.3%	-	0.8	0.9	0.9	5.6%	-
Payments for capital assets	0.8	3.3	0.5	-	-100.0%	-	7.3	14.1	14.9	-	0.1%
Machinery and equipment	0.8	0.7	0.5	-	-100.0%	-	2.2	2.3	2.5	-	-
Software and other intangible assets	-	2.6	-	-	-	-	5.1	11.7	12.4	-	0.1%
Total	5 176.7	5 795.8	6 895.2	5 674.4	3.1%	100.0%	6 009.0	6 484.6	6 889.7	6.7%	100.0%
Proportion of total programme expenditure to vote expenditure	59.8%	61.2%	66.6%	60.7%	-	-	63.5%	64.2%	64.6%	-	-
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	-	-	256.0	84.0	-	1.4%	-	-	-	-100.0%	0.3%
National Research Foundation	-	-	256.0	84.0	-	1.4%	-	-	-	-100.0%	0.3%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	-	-	250.0	-	-	1.1%	-	-	-	-	-
Industrial Development Corporation: Manufacturing Competitiveness Enhancement Programme industrial loan	-	-	250.0	-	-	1.1%	-	-	-	-	-
Capital	608.2	735.6	1 535.8	1 065.4	20.5%	16.8%	1 391.0	1 557.3	1 642.9	15.5%	22.6%
Various institutions: Critical infrastructure programme	-	-	125.8	160.0	-	1.2%	91.0	100.0	105.5	-13.0%	1.8%
Various institutions: Special economic zones	608.2	735.6	1 410.0	905.4	14.2%	15.5%	1 300.0	1 457.3	1 537.4	19.3%	20.8%
Public corporations and private enterprises											
Private enterprises											
Private enterprises (subsidies on products and production)											
Current	3 949.4	4 526.7	4 441.7	3 997.4	0.4%	71.9%	4 013.1	4 292.6	4 579.0	4.6%	67.4%
Various institutions: Services sector development incentives	715.0	789.7	801.0	792.5	3.5%	13.2%	732.1	725.0	743.2	-2.1%	11.9%
Various institutions: Manufacturing development incentives	3 134.8	3 607.0	3 590.7	3 164.9	0.3%	57.3%	3 241.0	3 567.6	3 835.9	6.6%	55.1%
Various institutions: Industrial development zones -other	99.6	130.0	50.0	40.0	-26.2%	1.4%	40.0	-	-	-100.0%	0.3%

Table 34.14 Incentive Development and Administration expenditure trends and estimates by subprogramme and economic classification

Details of selected transfers and subsidies											
R million	Audited outcome			Adjusted appropriation 2017/18	Average growth rate (%) 2014/15 - 2017/18	Average: Expenditure/Total (%) 2017/18 - 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/Total (%) 2017/18 - 2020/21
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21		
Public corporations and private enterprises											
Private enterprises											
Other transfers to private enterprises											
Current	329.5	304.1	205.2	246.4	-9.2%	4.6%	295.4	311.9	329.1	10.1%	4.7%
Various institutions: Export market and investment assistance	329.5	281.2	184.4	182.5	-17.9%	4.2%	227.7	240.5	253.7	11.6%	3.6%
Various Institutions: Support programme for industrial innovation	–	22.8	20.8	63.9	–	0.5%	67.6	71.4	75.4	5.6%	1.1%
Capital	81.3	74.2	64.2	99.5	7.0%	1.4%	120.1	122.9	129.7	9.2%	1.9%
Various institutions: Critical infrastructure programme	81.3	74.2	64.2	99.5	7.0%	1.4%	120.1	122.9	129.7	9.2%	1.9%

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 7: Trade and Investment South Africa

Programme purpose

Support export development and promote exports through targeted strategies, and effectively manage a network of foreign offices.

Objectives

- Promote the export of South African value added goods and services in targeted high growth markets, and sustain market share in traditional markets through implementing the integrated national export strategy and the market and product diversification strategy by participating in 17 national pavilions and 22 trade missions by March 2019.
- Facilitate markets for South African manufactured goods and services by promoting export and investment projects in high yield targeted countries such as the Brazil-Russia-India-China-South Africa group of countries, African countries and other developing countries on an ongoing basis.
- Enhance the promotion of exports and investment by placing 48 foreign economic representatives in foreign economic missions to promote South Africa's comparative advantage in goods and services internationally over the medium term.
- Develop new and existing South African export capabilities to grow manufactured exports by providing appropriate information, financial support and practical assistance to sustain organic growth in traditional markets, and penetrate new high growth markets on an ongoing basis.
- Manage and administer the foreign office network effectively on an ongoing basis through a highly experienced team that has a close partnership with the Department of International Relations and Cooperation.

Subprogrammes

- *African Bilateral Economic Relations* facilitates deeper and broader bilateral African trade and investment relations with African economies, and supports the deepening of regional integration.
- *Export Promotion and Marketing* promotes the export of South African value added goods and services to increase market share in targeted high growth markets and sustain market share in traditional markets.
- *Trade and Investment South Africa Executive Management Unit* promotes trade, and administers and provides corporate services to the department's foreign office network of foreign economic representatives to enable South African businesses to access global markets.

- *Export Development and Support* manages the national exporter development programme, which is designed to contribute to positioning South Africa as a reliable trade partner, and improve and expand the country's exporter base.

Expenditure trends and estimates

Table 34.15 Trade and Investment South Africa expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average Expenditure/Total (%)	
	2014/15	2015/16	2016/17		2017/18	2014/15 - 2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21	2020/21
R million											
African Bilateral Economic Relations	18.7	18.5	20.1	22.5	6.3%	4.8%	23.1	24.7	26.6	5.8%	5.7%
Export Promotion and Marketing	39.1	41.5	40.8	41.5	2.0%	9.7%	42.5	45.7	48.9	5.6%	10.4%
Trade and Investment South Africa (TISA)	264.1	386.0	377.7	343.6	9.2%	82.0%	326.0	341.6	341.6	-0.2%	79.1%
Executive Management Unit											
Export Development and Support	7.7	17.0	16.0	17.7	32.0%	3.5%	20.1	21.5	23.0	9.0%	4.8%
Total	329.6	462.9	454.6	425.2	8.9%	100.0%	411.6	433.4	440.0	1.1%	100.0%
Change to 2017 Budget estimate				(5 321.3)			(6 004.4)	(23.9)	(5.2)		
Economic classification											
Current payments	216.0	260.9	279.9	245.1	4.3%	59.9%	223.1	234.3	230.0	-2.1%	54.5%
Compensation of employees	147.7	177.8	195.3	163.2	3.4%	40.9%	174.2	182.7	175.5	2.5%	40.7%
Goods and services ¹	68.3	83.1	84.6	81.9	6.2%	19.0%	48.8	51.6	54.4	-12.7%	13.8%
of which:											
Communication	1.9	2.5	2.2	1.1	-16.2%	0.5%	1.1	1.1	1.2	2.4%	0.3%
Consultants: Business and advisory services	1.2	1.5	1.4	1.2	1.3%	0.3%	1.4	2.2	2.3	22.9%	0.4%
Operating leases	19.5	23.6	28.7	26.7	11.0%	5.9%	7.7	6.9	7.3	-35.2%	2.8%
Travel and subsistence	23.8	24.0	22.9	23.3	-0.7%	5.6%	15.0	15.3	16.2	-11.5%	4.1%
Operating payments	7.7	14.8	14.7	16.9	30.0%	3.2%	9.6	11.7	12.4	-9.9%	3.0%
Venues and facilities	4.3	4.6	4.8	6.8	16.4%	1.2%	7.6	9.0	9.5	11.9%	1.9%
Transfers and subsidies¹	110.5	200.3	171.7	177.8	17.2%	39.5%	186.3	196.8	207.6	5.3%	44.9%
Foreign governments and international organisations	-	-	-	-	-	-	3.1	3.3	3.4	-	0.6%
Public corporations and private enterprises	110.4	200.0	171.6	177.6	17.2%	39.4%	183.2	193.5	204.2	4.7%	44.4%
Households	0.1	0.3	0.1	0.2	9.2%	-	-	-	-	-100.0%	-
Payments for capital assets	2.0	1.8	3.0	2.3	5.7%	0.5%	2.2	2.3	2.5	2.3%	0.5%
Machinery and equipment	2.0	1.8	3.0	2.3	5.7%	0.5%	2.2	2.3	2.5	2.3%	0.5%
Payments for financial assets	1.1	0.0	0.0	-	-100.0%	0.1%	-	-	-	-	-
Total	329.6	462.9	454.6	425.2	8.9%	100.0%	411.6	433.4	440.0	1.1%	100.0%
Proportion of total programme expenditure to vote expenditure	3.8%	4.9%	4.4%	4.6%	-	-	4.3%	4.3%	4.1%	-	-
Details of selected transfers and subsidies											
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	110.4	200.0	171.6	177.6	17.2%	39.4%	183.2	193.5	204.2	4.7%	44.4%
Export Credit Insurance Corporation	110.4	200.0	171.6	177.6	17.2%	39.4%	183.2	193.5	204.2	4.7%	44.4%

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 8: Investment South Africa

Programme purpose

Support foreign direct investment flows and promote domestic investment by providing a one-stop shop for investment promotion, investor facilitation and aftercare support for investors.

Objectives

- Increase the quality and quantum of South Africa's fixed investment on an ongoing basis by:
 - marketing and promoting the country to ensure investment opportunities through dedicated investment promotion, facilitation and aftercare services

- coordinating and leading the establishment of one-stop shops on behalf of government to facilitate investment for all investors
- coordinating and facilitating the investment climate reform with the World Bank on the ease of doing business
- developing a pipeline of potential projects and contributing to South Africa being a preferred destination for investment
- undertaking aftercare forums with investors to retain and expand investment.
- Provide a dedicated service to all investors over the medium term by:
 - facilitating the entire investment value chain
 - developing an investment pipeline of possible projects through lead creation, marketing, project development, facilitation and aftercare.
- Provide specialist advisory services and policy advocacy to improve the investment climate by fast-tracking and unblocking investor issues to reduce red tape in government over the medium term.

Subprogrammes

- *Investment Promotion* facilitates an increase in the quality and quantity of foreign direct investment, and domestic and outward investment, by providing investment attraction, targeted lead generation and recruitment support.
- *Investment and Interdepartmental Clearing House* promotes and facilitates investment, and provides support services to the investment and interdepartmental clearing house. This subprogramme also provides a specialist advisory service, fast-tracks and unblocks processes, and reduces red tape for investors.
- *Investment Support and Aftercare* provides specialist advisory services through research, information marketing, aftercare and policy advocacy to facilitate new investment, and retain and expand existing investment.

Expenditure trends and estimates

Table 34.16 Investment South Africa 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 (%)
	2014/15	2015/16	2016/17				2017/18	2014/15 - 2017/18	2018/19		
R million											
Investment Promotion	30.7	31.9	45.2	42.6	11.5%	68.9%	44.9	48.0	51.5	6.6%	76.2%
Investment and Interdepartmental Clearing House	7.1	6.1	24.0	26.2	54.3%	29.0%	4.5	4.6	4.9	-42.7%	16.4%
Investment Support and After Care	0.1	0.3	–	4.2	208.1%	2.1%	4.5	4.6	4.9	5.9%	7.4%
Total	38.0	38.3	69.2	72.9	24.3%	100.0%	53.8	57.2	61.4	-5.6%	100.0%
Change to 2017 Budget estimate				(315.6)			(331.6)	3.5	(1.7)		
Economic classification											
Current payments	37.7	38.1	44.8	50.0	9.9%	78.2%	53.4	56.8	60.9	6.8%	90.1%
Compensation of employees	26.6	27.4	27.5	33.8	8.4%	52.8%	37.0	39.3	42.3	7.8%	62.2%
Goods and services ¹	11.1	10.8	17.3	16.2	13.4%	25.4%	16.4	17.5	18.6	4.6%	28.0%
of which:											
Communication	0.2	0.2	0.1	0.1	-6.8%	0.3%	0.2	0.2	0.2	17.3%	0.3%
Consultants: Business and advisory services	0.6	0.0	1.2	0.4	-15.7%	1.0%	0.4	0.4	0.4	5.7%	0.7%
Contractors	0.0	–	–	4.0	575.9%	1.8%	6.7	7.1	7.5	23.0%	10.3%
Travel and subsistence	5.8	7.9	8.5	6.9	6.0%	13.3%	6.1	6.7	7.2	1.5%	11.0%
Operating payments	0.9	0.5	0.1	0.7	-8.8%	1.0%	0.7	0.8	0.8	5.7%	1.2%
Venues and facilities	2.9	1.4	1.5	2.8	-1.8%	3.9%	1.7	1.8	1.9	-11.6%	3.3%
Transfers and subsidies¹	0.0	0.1	24.1	22.2	1304.2%	21.3%	–	–	–	-100.0%	9.0%
Public corporations and private enterprises	–	–	24.0	22.0	–	21.1%	–	–	–	-100.0%	9.0%
Households	0.0	0.1	0.1	0.2	165.7%	0.2%	–	–	–	-100.0%	0.1%
Payments for capital assets	0.3	0.0	0.3	0.7	35.0%	0.6%	0.4	0.5	0.5	-10.4%	0.8%
Machinery and equipment	0.3	0.0	0.3	0.7	35.0%	0.6%	0.4	0.5	0.5	-10.4%	0.8%
Total	38.0	38.3	69.2	72.9	24.3%	100.0%	53.8	57.2	61.4	-5.6%	100.0%
Proportion of total programme expenditure to vote expenditure	0.4%	0.4%	0.7%	0.8%	–	–	0.6%	0.6%	0.6%	–	–

Table 34.16 Investment South Africa expenditure trends and estimates by subprogramme and economic classification

Details of selected transfers and subsidies	Audited outcome			Adjusted appropriation 2017/18	Average growth rate (%) 2014/15 - 2017/18	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/ Total (%)
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21		
R million											
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	–	–	24.0	22.0	–	21.1%	–	–	–	-100.0%	9.0%
Various Institutions: One-stop shop	–	–	24.0	22.0	–	21.1%	–	–	–	-100.0%	9.0%

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.

Entity¹

National Gambling Board

Mandate

The National Gambling Board was established in terms of the National Gambling Act (2004), which makes provision for the coordination of concurrent national and provincial legislative competence over matters relating to casinos, racing, gambling and wagering; and provides for the regulation and development of uniform norms and standards. The board's mandate is derived from the National Gambling Act (2004), legislation that prohibits money laundering and the financing of terrorism, the BBE Act (2003), the codes of good practice for BEE, and the Employment Equity Act (1998).

Selected performance indicators

Table 34.17 National Gambling Board performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Number of research reports on impact of gambling presented to the accounting authority per year	Stakeholder and liaison	Entity mandate	1	1	1	1	1	1	1
Number of consolidated three-tier compliance evaluation assessments produced per year	Compliance monitoring		9	9	9	10	9	9	9
Number of reports on the intervention and support provided to regulators and law enforcement agencies per year	Compliance monitoring		8	8	8	8	8	8	8
Number of compliance evaluation assessments conducted on the issuance of national licences by provincial licensing authorities per year	Compliance monitoring		9	9	9	9	9	9	9

Expenditure analysis

The National Gambling Board regulates South Africa's gambling sector. Over the medium term, the board will focus on strengthening its oversight function in line with the national gambling policy of 2016 and the National Gambling Act (2004) by monitoring and evaluating the issuance of national and provincial gambling licences. The board's technical compliance programme conducts the bulk of this work, and is allocated R386.1 million over the medium term.

To eradicate illegal gambling activities in the country, the board will monitor and report on behaviour in the gambling sector and the market share of illegal operators, and conduct research on the socioeconomic impact of illegal gambling and propose interventions to deal with the issue. The board also conducts periodic inspections and publishes status reports on the industry. For these activities, R44.6 million is provided in the stakeholder and liaison programme over the medium term.

Over the MTEF period, the board plans to install, manage and maintain the national central electronic monitoring system, to monitor all limited payout machines through a secure private network that collects data on usage and payouts. The board will also maintain data on gambling activities by establishing and maintaining national

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

registers, including all registered gambling machines and other gambling devices in the country, and people banned from gambling. Expenditure on goods and services is set to increase at an average annual rate of 40.6 per cent, from R57.2 million in 2017/18 to R158.9 million in 2020/21, due to operating costs associated with the national central electronic monitoring system, and the establishment and maintenance of national registers.

The board aims to conduct 4 educational programmes and 4 public awareness campaigns in each year over the MTEF period to educate the public about the dangers of irresponsible and illegal gambling. These programmes and campaigns are provided R6.6 million in the stakeholder and liaison programme over the same period.

Spending on compensation of employees is set to increase at an average annual rate of 15.2 per cent, from R19 million in 2017/18 to R29.1 million in 2020/21. The number of personnel in the board is set to remain constant at 27 over the medium term.

The board derives 23 per cent (R103.4 million) of its revenue over the medium term through transfers from the department and 77 per cent (R467.6 million) through other sources, including the national central electronic monitoring system. Total revenue is expected to increase at an average annual rate of 33.9 per cent, from R84.2 million in 2018/19 to R202.3 million in 2020/21, due to the revised revenue model for the national central electronic monitoring system, which allows for the fees from limited payout machines to be collected by the board.

Programmes/Objectives/Activities

Table 34.18 National Gambling Board of South Africa 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 (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
Administration	22.0	19.1	20.9	27.1	7.2%	58.2%	28.3	30.4	31.1	4.7%	21.1%
Stakeholder and liaison	5.1	3.4	10.9	14.2	40.4%	19.0%	14.3	14.9	15.5	2.8%	10.7%
Compliance monitoring	2.1	5.1	7.1	4.2	26.8%	12.3%	6.4	6.8	7.2	19.8%	4.2%
Technical Compliance	–	–	–	33.0	–	10.5%	120.7	128.5	136.9	60.7%	64.0%
Total	29.2	27.6	38.9	78.5	39.1%	100.0%	169.7	180.6	190.7	34.4%	100.0%

Statements of historical financial performance and position

Table 34.19 National Gambling Board of South Africa statements of historical financial performance and position

Statement of financial performance									
R million	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average Outcome/ Budget (%)
	Budget	2014/15	Budget	2015/16	Budget	2016/17			
Revenue									
Non-tax revenue	2.7	2.7	8.8	8.7	17.7	19.2	12.6	52.6	199.0%
Other non-tax revenue	2.7	2.7	8.8	8.7	17.7	19.2	12.6	52.6	199.0%
Transfers received	29.8	29.8	32.0	32.0	30.1	30.1	31.6	31.6	100.0%
Total revenue	32.5	32.5	40.8	40.7	47.8	49.3	44.3	84.2	125.0%
Expenses									
Current expenses	27.5	29.2	39.0	27.6	47.4	38.9	44.3	78.5	110.1%
Compensation of employees	12.3	9.2	11.3	11.6	21.3	18.8	24.3	19.0	84.8%
Goods and services	14.4	18.1	25.5	13.9	24.0	17.9	17.8	57.2	131.2%
Depreciation	0.9	1.9	2.2	2.2	2.1	2.2	2.2	2.3	115.5%
Total expenses	27.5	29.2	39.0	27.6	47.4	38.9	44.3	78.5	110.1%
Surplus/(Deficit)	5.0	3.0	2.0	13.0	–	10.0	–	6.0	
Statement of financial position									
Carrying value of assets	15.3	12.9	13.7	11.8	14.5	10.8	15.4	15.4	86.4%
of which:									
Acquisition of assets	–	(0.5)	(1.6)	(1.0)	(2.4)	(1.0)	–	(2.3)	119.1%
Inventory	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	63.9%
Receivables and prepayments	0.2	1.4	1.5	1.1	1.5	1.3	1.6	1.6	112.0%
Cash and cash equivalents	2.1	9.2	9.8	26.4	10.4	34.5	11.0	11.0	244.5%
Total assets	17.6	23.5	24.9	39.3	26.4	46.7	28.0	28.0	141.8%
Accumulated surplus/(deficit)	8.6	9.0	9.6	22.1	10.2	27.4	10.8	10.8	176.4%
Deferred income	–	6.5	–	–	–	–	–	–	–
Trade and other payables	6.5	7.1	14.3	15.4	15.2	16.5	16.1	16.1	105.9%
Provisions	2.5	0.9	1.0	1.8	1.0	2.7	1.1	1.1	116.5%
Total equity and liabilities	17.6	23.5	24.9	39.3	26.4	46.7	28.0	28.0	141.8%

Statements of estimates of financial performance and position

Table 34.20 National Gambling Board of South Africa statements of estimates of financial performance and position

Statement of financial performance		Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2017/18				2014/15 - 2017/18	2018/19	2019/20		
R million									
Revenue									
Non-tax revenue	52.6	169.1%	32.8%	146.0	155.7	165.9	46.7%	77.0%	
Other non-tax revenue	52.6	169.1%	32.8%	146.0	155.7	165.9	46.7%	77.0%	
Transfers received	31.6	2.0%	67.2%	32.6	34.5	36.3	4.7%	23.0%	
Total revenue	84.2	37.3%	100.0%	178.6	190.1	202.3	33.9%	100.0%	
Expenses									
Current expenses	78.5	39.1%	100.0%	169.7	180.6	190.7	34.4%	100.0%	
Compensation of employees	19.0	27.6%	36.5%	25.1	27.0	29.1	15.2%	17.3%	
Goods and services	57.2	46.8%	57.7%	141.9	150.9	158.9	40.6%	80.8%	
Depreciation	2.3	5.7%	5.7%	2.7	2.7	2.7	5.3%	1.8%	
Total expenses	78.5	39.1%	100.0%	169.7	180.6	190.7	34.4%	100.0%	
Surplus/(Deficit)	6.0			9.0	10.0	12.0			
Statement of financial position									
Carrying value of assets	15.4	6.0%	40.7%	16.3	17.2	-	-100.0%	-	
of which:									
Acquisition of assets	(2.3)	64.9%	-3.8%	(0.9)	(0.9)	(0.9)	-27.2%	-	
Inventory	0.0	6.0%	0.1%	0.0	0.0	-	-100.0%	-	
Receivables and prepayments	1.6	6.0%	4.3%	1.7	1.8	-	-100.0%	-	
Cash and cash equivalents	11.0	6.0%	54.9%	11.6	12.3	-	-100.0%	-	
Total assets	28.0	6.0%	100.0%	29.7	31.3	-	-100.0%	-	
Accumulated surplus/(deficit)	10.8	6.3%	47.9%	11.5	12.1	-	-100.0%	-	
Trade and other payables	16.1	31.3%	40.6%	17.1	18.0	-	-100.0%	-	
Provisions	1.1	6.0%	4.5%	1.2	1.2	-	-100.0%	-	
Total equity and liabilities	28.0	6.0%	100.0%	29.7	31.3	-	-100.0%	-	

Personnel information

Table 34.21 National Gambling Board personnel numbers and cost by salary level

Number of posts estimated for 31 March 2018		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 (%)			
		2016/17		2017/18		2018/19		2019/20		2020/21		2017/18 - 2020/21						
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
National Gambling Board	28	28	18.8	0.7	28	19.0	0.7	27	25.1	0.9	27	27.0	1.0	27	29.1	1.1	15.2%	100.0%
Salary level	28	28	18.8	0.7	28	19.0	0.7	27	25.1	0.9	27	27.0	1.0	27	29.1	1.1	15.2%	100.0%
7 – 10	10	10	4.7	0.5	10	4.4	0.4	10	5.8	0.6	10	6.2	0.6	10	6.7	0.7	15.0%	36.7%
11 – 12	8	8	3.3	0.4	8	3.8	0.5	8	6.6	0.8	8	7.1	0.9	8	7.7	1.0	27.1%	29.4%
13 – 16	10	10	10.8	1.1	10	10.9	1.1	9	12.7	1.4	9	13.6	1.5	9	14.7	1.6	10.6%	33.9%

1. Rand million.

Other entities

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

- The **Companies and Intellectual Property Commission** was established in terms of section 185 of the Companies Act (2008) to function as an organ of state within the public administration but outside the public service. The commission regulates companies, close corporations, cooperatives, trademarks, patents, designs and copyright; and enforces rules and regulations. The commission's total budget for 2018/19 is R600.9 million.
- The **Companies Tribunal** was established in 2011 as a juristic entity in terms of the Companies Act (2008) and became operational in 2012. It is mandated to adjudicate and mediate disputes, and make orders. The tribunal is enjoined to deliver on this mandate in a manner that is simple, ethical, efficient, equitable, transparent, accountable and impartial, without fear, favour or prejudice. The tribunal's total budget for 2018/19 is R21 million.

- The **Export Credit Insurance Corporation of South Africa** was established in terms of the Export Credit and Foreign Investments Insurance Act (1957) to facilitate and encourage South Africa's export trade by underwriting export credit loans and investments outside South Africa. The corporation is mandated to evaluate export credit and foreign investment risks; provide export credit and foreign investment insurance cover on behalf of the South African government; and manage the interest make-up scheme for participating financial institutions to enable them to provide loans to South African firms that invest in capital projects abroad. The corporation's total budget for 2018/19 is R762.4 billion.
- The **National Consumer Commission** was established in terms of section 85 of the Consumer Protection Act (2008), with jurisdiction across South Africa. The act seeks to promote a fair, accessible and sustainable marketplace for consumer products and services, and for that purpose to establish national norms and standards relating to consumer protection. It further seeks to provide for improved standards of consumer information, prohibit certain unfair marketing and business practices, promote responsible consumer behaviour, and promote a consistent legislative framework. The commission's total budget for 2018/19 is R57.7 million.
- The **National Consumer Tribunal** was established in terms of the National Credit Act (2005) as an independent adjudicative entity. It is mandated to review decisions made by the National Credit Regulator and the National Consumer Commission, as well as to adjudicate on applications and referrals in terms of the National Credit Act (2005) and the Consumer Protection Act (2008). The tribunal's total budget for 2018/19 is R68.1 million.
- The **National Credit Regulator** was established in terms of the National Credit Act (2005) and is responsible for the regulation of the South African credit industry. It enforces the act, and carries out education, research, policy development, the registration of industry participants and the investigation of complaints. The regulator is mandated to promote the development of an accessible credit market, particularly to address the needs of historically disadvantaged and low income individuals, and remote, isolated or low density communities. The regulator's total budget for 2018/19 is R137.6 million.
- The **National Empowerment Fund** was established in terms of the National Empowerment Fund Act (1998) to promote and facilitate black economic equality and transformation. In providing financial and non-financial support to black businesses and structuring accessible retail savings products for black people, the fund is mandated to implement the empowerment codes of good practice for BEE. The fund has five core divisions: small, medium and micro enterprises (SMMEs), rural development, venture capital, corporate finance, and women empowerment funds. The fund's total budget for 2018/19 is R431.9 million.
- The **National Lotteries Commission** was established in terms of the Lotteries Act (1997), and is mandated to regulate the national lottery and other lotteries, including fundraising society lotteries and promotional competitions. The commission also advises the Minister of Trade and Industry on policy matters relating to the national lottery and other lotteries. The commission ensures the protection of all participants, maximises revenue for good causes in a responsible manner, administers the National Lotteries Distribution Trust Fund, and disburses funds for good causes to the distributing agencies in an equitable and expeditious manner. The commission's total budget for 2018/19 is R507.8 million.
- The **National Metrology Institute of South Africa** is mandated by the Measurement Units and Measurement Standards Act (2006) to ensure that South Africa has a scientifically valid and internationally comparable and accepted measurement system, and that the international system of units is correctly applied. This is of paramount importance for manufacturing, trade, health and safety, and law enforcement. To fulfil this mandate, the institute: develops and maintains national measurement standards for South Africa; ensures that these are traceable to the primary international system of units; benchmarks these measurement standards against the measurement standards of other countries; submits the calibration and measurement capabilities to the international database as the entry for South Africa; and distributes the national capability through calibration and certified reference materials to calibration and testing laboratories in Southern Africa. The institute's total budget for 2018/19 is R194.8 million.
- The **National Regulator for Compulsory Specifications** was established in terms of the Measurement Unit and Measurement Standards Act (2006) as a public entity that administers compulsory specifications, otherwise known as technical regulations, on behalf of the Minister of Trade and Industry. The regulator is mandated to

protect the health and safety of the public and the environment by administering and maintaining compulsory specifications, implementing a regulatory and compliance system, and engaging in market surveillance to ensure compliance. The regulator's total budget for 2018/19 is R421 million.

- The **South African Bureau of Standards** was established as a statutory body in terms of the Standards Act (2008), and is part of South Africa's standardisation, quality assurance, accreditation and metrology technical infrastructure. The bureau is mandated to provide standardisation and conformity assessment services to protect the integrity of the South African market, protect consumers, create a competitive advantage for South African industry, and facilitate access by South Africans to local and international markets. The bureau is the sole publisher of South African national standards, and is responsible for the technical work of the industrial policy action plan. Its total budget for 2018/19 is R867.5 million.
- The **South African National Accreditation System** was established in terms of the Accreditation for Conformity Assessment, Calibration and Good Laboratory Practice Act (2006). It is mandated to accredit or monitor for compliance with good laboratory practice; promote accreditation as a means of facilitating international trade to enhance South Africa's economic performance and bring about economic transformation; promote the competence and equivalence of accredited bodies; and promote the competence and equivalence of good laboratory practice facilities compliant with the act. The system's total budget for 2018/19 is R104.5 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		
				2014/15	2015/16		2016/17	2018/19	2019/20
Infrastructure transfers to other spheres, agencies and departments									
Mega projects (total project cost of at least R1 billion over the project life cycle)									
Critical infrastructure programme	Development of infrastructure projects to supporting investment in mining, tourism, manufacturing and services	Ongoing	1 473.2	81.3	74.2	190.0	211.1	222.9	235.2
Special economic zones: Investment incentives	Development of infrastructure for special economic zone	Ongoing	3 719.5	608.2	735.6	1 410.0	1 300.0	1 457.3	1 537.4
Large projects (total project cost of at least R250 million over the project life cycle)									
Centurion Aerospace Village	Construction of aerospace industry infrastructure	Construction	407.3	16.7	17.5	18.4	15.5	16.4	17.3
Industrial development zone	Development of infrastructure for industrial zone	Ongoing	–	99.6	130.0	50.0	40.0	–	–
Total			5 599.9	805.9	957.3	1 668.4	1 566.6	1 696.5	1 789.8

