

**VOTE  
34**

**TRADE AND INDUSTRY**



**national treasury**

Department:  
National Treasury  
**REPUBLIC OF SOUTH AFRICA**





# **Estimates of National Expenditure 2018**

**National Treasury**

**Republic of South Africa**



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The 2018 Estimates of National Expenditure is compiled with the latest available information from departmental and other sources. Some of this information is unaudited or subject to revision.

The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). Compared to this Estimates of National Expenditure publication, the e-publications for each vote contain more comprehensive coverage of all public entities. Also included are tables containing information on programme specific personnel expenditure, conditional grants to provinces and municipalities, public private partnerships and information on donor funding. Expenditure information at the level of site service delivery is included, where appropriate.

# Foreword

When the Estimates of National Expenditure (ENE) publication was launched in 2001, we referred to it as “a significant step forward in national budget transparency”. Since then, even though the national budget has undergone many reforms, the ENE publications remain a key indicator and embodiment of the candour of the budgeting process.

The publications provide the media, civil society, the public, Parliament, departments, public entities and ministers with information about how taxpayers’ money is being spent: what it buys and for what purpose. Do not be concerned by the magnitude of this publication. Instead, let us use it as a reference to keep government institutions accountable and ensure that the expenditure of public funds achieves its intended policy outcomes to improve the welfare of citizens.

In the current economic climate, spending priorities and the sequencing of programme implementation are subject to a number of trade-offs. The focus of the 2018 Budget has solely been on the reprioritisation of existing baseline funding. The abridged ENE provides a coherent and summarised account of the priorities, spending plans and service delivery commitments of all 40 national votes and of government agencies. The e-publications for each vote contain more detail on, for example, goods and services, transfers and subsidies, donor funding, public entities, and lower-level spending information on service delivery.

The ENE’s presentation of the detailed expenditure estimates of departments are the result of a lengthy executive and administrative process involving wide-ranging intergovernmental consultation. This process is led by a committee of senior officials in central government departments, under the political guidance of the Ministers’ Committee on the Budget. A special word of thanks is due to all our colleagues from other departments for their contributions. I also wish to express my appreciation to the National Treasury team that worked tirelessly to produce a document of which we are rightly proud.

The independent Open Budget Survey assessment of budget transparency commenced in 2006. It is conducted every two years to measure the accessibility and comprehensiveness of key budget documents and information across the world. In 2010, South Africa was ranked first out of 94 countries surveyed, scoring 92 per cent. In the latest iteration of the survey, which measured 115 countries, South Africa was ranked first again, tied with New Zealand, with a score of 89 per cent. Our country is one of only 11 that publish comprehensive, timely information in all the required budget documents.

Budgets link the outcomes targeted by government with the services that are ultimately delivered. In addition to South African budgets having become more transparent, recent efforts to increase public participation in budgeting are gaining momentum. South Africans are invited to scrutinise budget information and provide opinions on government service delivery. We rely on this participation to strengthen our budgeting system and make it even more reliable.



**Dondo Mogajane**  
**Director-General: National Treasury**



# Introduction

## **The Estimates of National Expenditure publications**

The Estimates of National Expenditure (ENE) publications describe in detail government's expenditure plans over the next three financial years, also known as the medium-term expenditure framework (MTEF) period. The 2018 MTEF period is from 2018/19 to 2020/21.

The ENE publications contain information on how government institutions have spent their budgets in previous years. They explain how these institutions intend to use their allocations over the medium term to achieve their goals, and the outputs and outcomes their spending is expected to lead to. The publications include tables depicting non-financial performance indicators and targets, departmental receipts, personnel, significant as well as detailed expenditure trends and estimates by programme, subprogramme and economic classification for each department and for entities that report to the vote's executive authority. Explanatory narratives detail the institution's mandate, purpose (and that of its programmes), together with programme-level objectives and descriptions of subprogrammes. A more in-depth narrative analyses the institution's expected expenditure over the MTEF period. Summary data tables at the end of each vote contain data on provincial and municipal conditional grants, public private partnerships, donor funding, infrastructure, and expenditure at the level of site service delivery, where applicable.

A separate 2018 ENE Overview publication is also available on [www.treasury.gov.za](http://www.treasury.gov.za) and summarises the ENE information across all votes. The 2018 ENE Overview contains a narrative explanation and budget-wide summary tables; and it also has a write-up on how to interpret the information that is contained in each section of the publications.



**Trade and Industry**

**National Treasury**

**Republic of South Africa**



# Contents

<b>Budget summary</b> .....	<b>1</b>
<b>Vote purpose</b> .....	<b>1</b>
<b>Mandate</b> .....	<b>1</b>
<b>Selected performance indicators</b> .....	<b>1</b>
<b>Expenditure analysis</b> .....	<b>2</b>
<b>Expenditure trends</b> .....	<b>4</b>
<b>Expenditure estimates</b> .....	<b>5</b>
<b>Expenditure trends and estimates for significant spending items</b> .....	<b>6</b>
<b>Goods and services expenditure trends and estimates</b> .....	<b>6</b>
<b>Transfers and subsidies expenditure trends and estimates</b> .....	<b>7</b>
<b>Personnel information</b> .....	<b>9</b>
<b>Departmental receipts</b> .....	<b>9</b>
<b>Programme 1: Administration</b> .....	<b>10</b>
<b>Programme 2: International Trade and Economic Development</b> .....	<b>11</b>
<b>Programme 3: Special Economic Zones and Economic Transformation</b> .....	<b>13</b>
<b>Programme 4: Industrial Development</b> .....	<b>15</b>
<b>Programme 5: Consumer and Corporate Regulation</b> .....	<b>17</b>
<b>Programme 6: Incentive Development and Administration</b> .....	<b>20</b>
<b>Programme 7: Trade and Investment South Africa</b> .....	<b>22</b>
<b>Programme 8: Investment South Africa</b> .....	<b>24</b>
<b>Entities</b> .....	<b>26</b>
<b>Additional tables</b> .....	<b>62</b>

# 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
<b>MTEF allocation</b>						
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
<b>Total expenditure estimates</b>	<b>9 462.6</b>	<b>1 603.5</b>	<b>7 829.4</b>	<b>29.7</b>	<b>10 093.1</b>	<b>10 667.7</b>

Executive authority Minister of Trade and Industry  
 Accounting officer Director General of Trade and Industry  
 Website address [www.thedti.gov.za](http://www.thedti.gov.za)

*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://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 <sup>1</sup>	3 <sup>1</sup>	4	4	4	4
Number of designation <sup>2</sup> requests submitted for the minister's approval per year	Industrial Development		4	2	4	2	2 <sup>3</sup>	2 <sup>3</sup>	2 <sup>3</sup>

**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 <sup>4</sup>	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	Outcome 4: Decent employment through inclusive growth	12 568	6 850	11 659	3 000	10 000 <sup>5</sup>	12 500 <sup>5</sup>	12 500 <sup>5</sup>
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 <sup>5</sup>	25 000 <sup>5</sup>
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			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%																	
<b>Total</b>	<b>8 687.0</b>	<b>8 818.4</b>	<b>8 659.8</b>	<b>9 593.7</b>	<b>9 497.8</b>	<b>9 471.7</b>	<b>10 327.5</b>	<b>10 389.5</b>	<b>10 349.4</b>	<b>9 274.8</b>	<b>9 343.2</b>	<b>9 343.2</b>	<b>99.8%</b>	<b>99.4%</b>																	
Change to 2017 Budget estimate										68.4																					
Economic classification																															
<b>Current payments</b>	<b>1 441.0</b>	<b>1 544.4</b>	<b>1 442.6</b>	<b>1 475.7</b>	<b>1 561.0</b>	<b>1 485.7</b>	<b>1 529.0</b>	<b>1 582.2</b>	<b>1 505.5</b>	<b>1 511.7</b>	<b>1 663.6</b>	<b>1 663.6</b>	<b>102.4%</b>	<b>96.0%</b>																	
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%																	
<b>Transfers and subsidies</b>	<b>7 222.3</b>	<b>7 240.9</b>	<b>7 192.5</b>	<b>8 083.9</b>	<b>7 901.2</b>	<b>7 936.5</b>	<b>8 765.3</b>	<b>8 774.0</b>	<b>8 818.1</b>	<b>7 735.1</b>	<b>7 656.1</b>	<b>7 656.1</b>	<b>99.4%</b>	<b>100.1%</b>																	
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%																	

Table 34.2 Vote expenditure trends by programme and economic classification

Economic classification	2014/15			2015/16			2016/17			2017/18			2014/15 - 2017/18	
	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: Annual Outcome/Annual budget (%)	Average: Audited outcome/appropriation (%)
R million	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%
Payments for capital assets	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%
Machinery and equipment	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%
Software and other intangible assets														
Payments for financial assets	-	0.0	4.7	-	-	12.1	-	-	9.7	-	-	-	-	-
<b>Total</b>	<b>8 687.0</b>	<b>8 818.4</b>	<b>8 659.8</b>	<b>9 593.7</b>	<b>9 497.8</b>	<b>9 471.7</b>	<b>10 327.5</b>	<b>10 389.5</b>	<b>10 349.4</b>	<b>9 274.8</b>	<b>9 343.2</b>	<b>9 343.2</b>	<b>99.8%</b>	<b>99.4%</b>

## 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 (%)
				2017/18	2014/15 - 2017/18	2018/19		
R million								
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%
<b>Total</b>	<b>9 343.2</b>	<b>1.9%</b>	<b>100.0%</b>	<b>9 462.6</b>	<b>10 093.1</b>	<b>10 667.7</b>	<b>4.5%</b>	<b>100.0%</b>
Change to 2017 Budget estimate				(503.2)	977.1	1 030.4		
Economic classification								
<b>Current payments</b>	<b>1 663.6</b>	<b>2.5%</b>	<b>16.1%</b>	<b>1 603.5</b>	<b>1 692.4</b>	<b>1 754.6</b>	<b>1.8%</b>	<b>17.0%</b>
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%
<b>Transfers and subsidies</b>	<b>7 656.1</b>	<b>1.9%</b>	<b>83.6%</b>	<b>7 829.4</b>	<b>8 364.9</b>	<b>8 875.3</b>	<b>5.0%</b>	<b>82.7%</b>
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%
<b>Payments for capital assets</b>	<b>23.5</b>	<b>-10.9%</b>	<b>0.3%</b>	<b>29.7</b>	<b>35.8</b>	<b>37.9</b>	<b>17.3%</b>	<b>0.3%</b>
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%
<b>Total</b>	<b>9 343.2</b>	<b>1.9%</b>	<b>100.0%</b>	<b>9 462.6</b>	<b>10 093.1</b>	<b>10 667.7</b>	<b>4.5%</b>	<b>100.0%</b>

## Expenditure trends and estimates for significant spending items

**Table 34.4 Expenditure trends and estimates for significant spending items**

R thousand	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		
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 Customised Sector Programmes	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%
Industrial Competitiveness	1 056 507	1 200 509	962 970	939 874	-3.8%	11.0%	710 693	761 036	818 512	-4.5%	8.2%
Services Investment Incentives	718 647	753 107	759 275	879 403	7.0%	8.2%	911 759	914 120	947 036	2.5%	9.2%
Total	728 118	803 171	814 209	808 560	3.6%	8.3%	748 542	743 173	762 648	-1.9%	7.7%
<b>Total</b>	<b>6 917 002</b>	<b>7 689 974</b>	<b>8 558 118</b>	<b>7 383 379</b>	<b>21.0%</b>	<b>80.7%</b>	<b>7 517 151</b>	<b>8 034 592</b>	<b>8 521 506</b>	<b>15.7%</b>	<b>79.5%</b>

## Goods and services expenditure trends and estimates

**Table 34.5 Vote goods and services expenditure trends and estimates**

R thousand	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		
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/outsourced 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%
<b>Total</b>	<b>627 302</b>	<b>611 477</b>	<b>589 987</b>	<b>715 923</b>	<b>4.5%</b>	<b>100.0%</b>	<b>615 983</b>	<b>645 675</b>	<b>681 125</b>	<b>-1.6%</b>	<b>100.0%</b>

## 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 (%) 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		
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>2 141</b>	<b>2 837</b>	<b>2 655</b>	<b>1 161</b>	<b>-18.5%</b>	<b>–</b>	<b>846</b>	<b>893</b>	<b>942</b>	<b>-6.7%</b>	<b>–</b>
Employee social benefits	2 141	2 837	2 655	1 161	-18.5%	–	846	893	942	-6.7%	–
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>620 758</b>	<b>437 280</b>	<b>693 241</b>	<b>581 243</b>	<b>-2.2%</b>	<b>7.4%</b>	<b>573 400</b>	<b>604 376</b>	<b>637 616</b>	<b>3.1%</b>	<b>7.3%</b>
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%
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%
<b>Capital</b>	<b>111 000</b>	<b>154 599</b>	<b>162 793</b>	<b>146 333</b>	<b>9.6%</b>	<b>1.8%</b>	<b>123 086</b>	<b>129 979</b>	<b>137 128</b>	<b>-2.1%</b>	<b>1.6%</b>
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%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>2 812</b>	<b>1 992</b>	<b>1 230</b>	<b>235</b>	<b>-56.3%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>
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%	–
<b>Public corporations and private enterprises</b>											
<b>Other transfers to private enterprises</b>											
<b>Current</b>	<b>329 520</b>	<b>304 075</b>	<b>205 169</b>	<b>246 437</b>	<b>-9.2%</b>	<b>3.4%</b>	<b>295 370</b>	<b>311 911</b>	<b>329 066</b>	<b>10.1%</b>	<b>3.6%</b>
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%
<b>Capital</b>	<b>81 269</b>	<b>74 203</b>	<b>64 187</b>	<b>99 500</b>	<b>7.0%</b>	<b>1.0%</b>	<b>120 071</b>	<b>122 891</b>	<b>129 650</b>	<b>9.2%</b>	<b>1.4%</b>
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%
<b>Non-profit institutions</b>											
<b>Current</b>	<b>134 018</b>	<b>148 850</b>	<b>163 107</b>	<b>169 814</b>	<b>8.2%</b>	<b>1.9%</b>	<b>198 930</b>	<b>163 101</b>	<b>159 731</b>	<b>-2.0%</b>	<b>2.1%</b>
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%

**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 (%) 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		
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>26 598</b>	<b>33 237</b>	<b>29 843</b>	<b>33 256</b>	<b>7.7%</b>	<b>0.4%</b>	<b>38 426</b>	<b>40 577</b>	<b>42 808</b>	<b>8.8%</b>	<b>0.5%</b>
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: International Bank for Reconstruction and Development (World Bank)	–	–	–	–	–	–	1 540	1 626	1 715	–	–
Export consultancy trust funds: International Finance Corporation	–	–	–	–	–	–	1 539	1 625	1 714	–	–
<b>Public corporations and private enterprises</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>1 301 471</b>	<b>1 492 874</b>	<b>1 499 352</b>	<b>1 295 038</b>	<b>-0.2%</b>	<b>17.7%</b>	<b>1 053 395</b>	<b>1 118 278</b>	<b>1 192 126</b>	<b>-2.7%</b>	<b>14.2%</b>
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	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 Cleaner Production Centre	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%
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%
<b>Capital</b>	<b>633 472</b>	<b>759 829</b>	<b>1 554 797</b>	<b>1 085 721</b>	<b>19.7%</b>	<b>12.8%</b>	<b>1 412 767</b>	<b>1 580 266</b>	<b>1 667 181</b>	<b>15.4%</b>	<b>17.6%</b>
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%
<b>Public corporations and private enterprises</b>											
<b>Subsidies on products and production</b>											
<b>Current</b>	<b>3 949 444</b>	<b>4 526 712</b>	<b>4 441 734</b>	<b>3 997 350</b>	<b>0.4%</b>	<b>53.5%</b>	<b>4 013 097</b>	<b>4 292 589</b>	<b>4 579 039</b>	<b>4.6%</b>	<b>51.6%</b>
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%
<b>Total</b>	<b>7 192 503</b>	<b>7 936 488</b>	<b>8 818 108</b>	<b>7 656 088</b>	<b>2.1%</b>	<b>100.0%</b>	<b>7 829 388</b>	<b>8 364 861</b>	<b>8 875 287</b>	<b>5.0%</b>	<b>100.0%</b>

## Personnel information

**Table 34.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>**

Number of posts estimated for 31 March 2018		Number and cost <sup>2</sup> 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			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	
<b>Trade and Industry</b>		<b>1 378</b>	<b>116</b>	<b>1 842</b>	<b>915.5</b>	<b>0.5</b>	<b>1 808</b>	<b>947.7</b>	<b>0.5</b>	<b>1 788</b>	<b>987.5</b>	<b>0.6</b>	<b>1 789</b>	<b>1 046.8</b>	<b>0.6</b>	<b>1 719</b>	<b>1 073.5</b>	<b>0.6</b>	<b>-1.7%</b>	<b>100.0%</b>
Salary level		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%
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%	
<b>Programme</b>	<b>1 378</b>	<b>116</b>	<b>1 842</b>	<b>915.5</b>	<b>0.5</b>	<b>1 808</b>	<b>947.7</b>	<b>0.5</b>	<b>1 788</b>	<b>987.5</b>	<b>0.6</b>	<b>1 789</b>	<b>1 046.8</b>	<b>0.6</b>	<b>1 719</b>	<b>1 073.5</b>	<b>0.6</b>	<b>-1.7%</b>	<b>100.0%</b>	
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**

	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	2018/19	2019/20		
R thousand												
<b>Departmental receipts</b>	<b>82 551</b>	<b>61 979</b>	<b>98 092</b>	<b>68 521</b>	<b>30 369</b>	<b>-28.3%</b>	<b>100.0%</b>	<b>73 910</b>	<b>77 865</b>	<b>78 545</b>	<b>37.3%</b>	<b>100.0%</b>
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%
<b>Total</b>	<b>82 551</b>	<b>61 979</b>	<b>98 092</b>	<b>68 521</b>	<b>30 369</b>	<b>-28.3%</b>	<b>100.0%</b>	<b>73 910</b>	<b>77 865</b>	<b>78 545</b>	<b>37.3%</b>	<b>100.0%</b>

## 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				2018/19	2019/20	2020/21		
R thousand											
Ministry	27 644	32 109	26 170	32 553	5.6%	4.0%	34 417	40 774	38 868	6.1%	4.6%
Office of the Director General	96 334	93 585	95 955	119 781	7.5%	13.8%	118 956	128 284	134 092	3.8%	15.6%
Corporate Services	444 841	478 647	443 702	505 421	4.3%	63.7%	433 239	460 256	484 588	-1.4%	58.6%
Office Accommodation	–	2 433	2 589	2 494	–	0.3%	2 227	2 352	2 481	-0.2%	0.3%
Financial Management	57 524	51 422	60 571	69 508	6.5%	8.1%	75 581	73 226	78 030	3.9%	9.2%
Media and Public Relations	6 906	10 153	9 065	10 429	14.7%	1.2%	18 974	19 659	21 114	26.5%	2.2%
Marketing Communication and Stakeholder Relations	66 696	59 212	61 087	74 385	3.7%	8.9%	77 249	76 887	80 864	2.8%	9.6%
<b>Total</b>	<b>699 945</b>	<b>727 561</b>	<b>699 139</b>	<b>814 571</b>	<b>5.2%</b>	<b>100.0%</b>	<b>760 643</b>	<b>801 438</b>	<b>840 037</b>	<b>1.0%</b>	<b>100.0%</b>
Change to 2017 Budget estimate				82 751			(8 040)	(2 810)	(9 000)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>674 531</b>	<b>697 450</b>	<b>687 246</b>	<b>796 819</b>	<b>5.7%</b>	<b>97.1%</b>	<b>743 184</b>	<b>784 855</b>	<b>822 580</b>	<b>1.1%</b>	<b>97.8%</b>
Compensation of employees	257 408	264 726	269 929	289 592	4.0%	36.8%	297 197	316 361	328 843	4.3%	38.3%
Goods and services <sup>1</sup> of which:	417 123	432 724	417 317	507 227	6.7%	60.3%	445 987	468 494	493 737	-0.9%	59.5%
Advertising	27 341	20 857	14 346	19 989	-9.9%	2.8%	25 318	27 450	28 089	12.0%	3.1%
Computer services	16 255	24 711	15 450	45 983	41.4%	3.5%	24 677	25 001	26 713	-16.6%	3.8%
Consultants: Business and advisory services	11 567	9 792	9 050	29 912	37.3%	2.1%	33 075	30 505	31 908	2.2%	3.9%
Operating leases	258 049	255 990	275 285	291 184	4.1%	36.7%	224 630	241 555	257 308	-4.0%	31.5%
Travel and subsistence	17 666	20 783	16 893	29 622	18.8%	2.9%	34 343	35 622	37 166	7.9%	4.3%
Operating payments	12 378	9 683	6 343	12 109	-0.7%	1.4%	12 769	13 599	14 168	5.4%	1.6%
<b>Transfers and subsidies<sup>1</sup></b>	<b>6 876</b>	<b>2 572</b>	<b>2 643</b>	<b>96</b>	<b>-75.9%</b>	<b>0.4%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>
Departmental agencies and accounts	1 711	–	–	–	-100.0%	0.1%	–	–	–	–	–
Public corporations and private enterprises	1 983	–	–	–	-100.0%	0.1%	–	–	–	–	–
Households	3 182	2 572	2 643	96	-68.9%	0.3%	–	–	–	-100.0%	–
<b>Payments for capital assets</b>	<b>14 962</b>	<b>27 539</b>	<b>9 250</b>	<b>17 656</b>	<b>5.7%</b>	<b>2.4%</b>	<b>17 459</b>	<b>16 583</b>	<b>17 457</b>	<b>-0.4%</b>	<b>2.1%</b>
Machinery and equipment	14 645	25 721	4 893	15 068	1.0%	2.1%	14 959	13 943	14 672	-0.9%	1.8%
Software and other intangible assets	317	1 818	4 357	2 588	101.4%	0.3%	2 500	2 640	2 785	2.5%	0.3%
<b>Payments for financial assets</b>	<b>3 576</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>0.1%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>699 945</b>	<b>727 561</b>	<b>699 139</b>	<b>814 571</b>	<b>5.2%</b>	<b>100.0%</b>	<b>760 643</b>	<b>801 438</b>	<b>840 037</b>	<b>1.0%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>8.1%</b>	<b>7.7%</b>	<b>6.8%</b>	<b>8.7%</b>	<b>–</b>	<b>–</b>	<b>8.0%</b>	<b>7.9%</b>	<b>7.9%</b>	<b>–</b>	<b>–</b>
<b>Details of transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>418</b>	<b>811</b>	<b>1 713</b>	<b>61</b>	<b>-47.4%</b>	<b>0.1%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>
Employee social benefits	418	811	1 713	61	-47.4%	0.1%	–	–	–	-100.0%	–
<b>Other transfers to households</b>											
<b>Current</b>	<b>2 764</b>	<b>1 761</b>	<b>930</b>	<b>35</b>	<b>-76.7%</b>	<b>0.2%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>
Gifts and donations	92	88	121	–	-100.0%	–	–	–	–	–	–
Employee social benefits	16	–	600	–	-100.0%	–	–	–	–	–	–
Bursaries for non-employees	2 656	1 669	205	–	-100.0%	0.2%	–	–	–	–	–
Other transfers to households	–	4	4	35	–	–	–	–	–	-100.0%	–
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>1 711</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>0.1%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Public Service Sector Education and Training Authority	1 711	–	–	–	-100.0%	0.1%	–	–	–	–	–
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>1 983</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>0.1%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Industrial Development Corporation: Research into industrial development, growth and equity	1 983	–	–	–	-100.0%	0.1%	–	–	–	–	–

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

## Personnel information

**Table 34.10 Administration personnel numbers and cost by salary level<sup>1</sup>**

Number of posts estimated for 31 March 2018			Number and cost <sup>2</sup> 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		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				
<b>Administration</b>			<b>479</b>		<b>19</b>	<b>487</b>	<b>269.9</b>	<b>0.6</b>	<b>486</b>	<b>289.6</b>	<b>0.6</b>	<b>467</b>	<b>297.2</b>	<b>0.6</b>	<b>462</b>	<b>316.4</b>	<b>0.7</b>	<b>447</b>	<b>328.8</b>	<b>0.7</b>	<b>-2.7%</b>	<b>100.0%</b>
1 – 6	96	16	110	22.0	0.2	110	23.7	0.2	105	23.7	0.2	103	24.7	0.2	100	26.2	0.3	100	26.2	0.3	-3.1%	22.4%
7 – 10	209	1	206	92.7	0.4	207	101.3	0.5	203	107.0	0.5	203	115.6	0.6	197	120.9	0.6	197	120.9	0.6	-1.6%	43.5%
11 – 12	107	2	105	83.3	0.8	105	90.6	0.9	101	94.2	0.9	98	98.7	1.0	96	104.3	1.1	96	104.3	1.1	-2.9%	21.5%
13 – 16	67	–	66	72.0	1.1	64	74.0	1.2	58	72.3	1.2	58	77.4	1.3	54	77.5	1.4	54	77.5	1.4	-5.5%	12.6%

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

2. Rand million.

## 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 34.11 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	2020/21		
R thousand						2014/15 - 2017/18		2018/19	2019/20	2020/21	2017/18 - 2020/21	
International Trade Development	89 947	98 575	98 934	102 224	102 224	4.4%	82.3%	106 292	111 896	116 154	4.4%	84.5%
African Multilateral Economic Development	34 161	14 985	17 090	17 594	17 594	-19.8%	17.7%	18 644	21 981	21 838	7.5%	15.5%
<b>Total</b>	<b>124 108</b>	<b>113 560</b>	<b>116 024</b>	<b>119 818</b>	<b>119 818</b>	<b>-1.2%</b>	<b>100.0%</b>	<b>124 936</b>	<b>133 877</b>	<b>137 992</b>	<b>4.8%</b>	<b>100.0%</b>
Change to 2017 Budget estimate								(1 938)	2 601	(1 657)		

**Table 34.11 International Trade and Economic Development expenditure trends and estimates by subprogramme and economic classification**

Economic classification	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 thousand											
<b>Current payments</b>	<b>81 674</b>	<b>86 084</b>	<b>92 371</b>	<b>93 949</b>	<b>4.8%</b>	<b>74.8%</b>	<b>97 462</b>	<b>104 866</b>	<b>107 261</b>	<b>4.5%</b>	<b>78.1%</b>
Compensation of employees	67 310	68 905	74 158	76 863	4.5%	60.7%	79 638	85 327	86 642	4.1%	63.6%
Goods and services <sup>1</sup>	14 364	17 179	18 213	17 086	6.0%	14.1%	17 824	19 539	20 619	6.5%	14.5%
<i>of which:</i>											
Communication	748	655	446	310	-25.4%	0.5%	583	616	828	38.7%	0.5%
Consultants: Business and advisory services	435	215	288	604	11.6%	0.3%	245	259	273	-23.3%	0.3%
Legal services	355	171	284	–	-100.0%	0.2%	1 764	1 864	1 967	–	1.1%
Agency and support/outourced services	347	–	142	–	-100.0%	0.1%	294	311	328	–	0.2%
Travel and subsistence	11 448	14 298	12 597	13 412	5.4%	10.9%	12 144	13 081	13 931	1.3%	10.2%
Venues and facilities	172	951	1 673	539	46.3%	0.7%	1 778	2 299	1 870	51.4%	1.3%
<b>Transfers and subsidies<sup>1</sup></b>	<b>41 720</b>	<b>26 843</b>	<b>22 970</b>	<b>25 247</b>	<b>-15.4%</b>	<b>24.7%</b>	<b>26 696</b>	<b>28 190</b>	<b>29 741</b>	<b>5.6%</b>	<b>21.3%</b>
Departmental agencies and accounts	–	1 077	1 131	1 188	–	0.7%	1 257	1 327	1 400	5.6%	1.0%
Foreign governments and international organisations	17 172	21 545	17 675	19 672	4.6%	16.1%	20 813	21 978	23 187	5.6%	16.6%
Public corporations and private enterprises	24 491	3 955	4 164	4 373	-43.7%	7.8%	4 626	4 885	5 154	5.6%	3.7%
Households	57	266	–	14	-37.4%	0.1%	–	–	–	-100.0%	–
<b>Payments for capital assets</b>	<b>714</b>	<b>633</b>	<b>683</b>	<b>622</b>	<b>-4.5%</b>	<b>0.6%</b>	<b>778</b>	<b>821</b>	<b>990</b>	<b>16.8%</b>	<b>0.6%</b>
Machinery and equipment	714	633	683	622	-4.5%	0.6%	778	821	990	16.8%	0.6%
<b>Total</b>	<b>124 108</b>	<b>113 560</b>	<b>116 024</b>	<b>119 818</b>	<b>-1.2%</b>	<b>100.0%</b>	<b>124 936</b>	<b>133 877</b>	<b>137 992</b>	<b>4.8%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>1.4%</b>	<b>1.2%</b>	<b>1.1%</b>	<b>1.3%</b>	<b>–</b>	<b>–</b>	<b>1.3%</b>	<b>1.3%</b>	<b>1.3%</b>	<b>–</b>	<b>–</b>
<b>Details of transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>57</b>	<b>262</b>	<b>–</b>	<b>14</b>	<b>-37.4%</b>	<b>0.1%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>
Employee social benefit	57	262	–	14	-37.4%	0.1%	–	–	–	-100.0%	–
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>–</b>	<b>4</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Other transfers to households	–	4	–	–	–	–	–	–	–	–	–
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>–</b>	<b>1 077</b>	<b>1 131</b>	<b>1 188</b>	<b>–</b>	<b>0.7%</b>	<b>1 257</b>	<b>1 327</b>	<b>1 400</b>	<b>5.6%</b>	<b>1.0%</b>
Council for Geoscience	–	1 077	1 131	1 188	–	0.7%	1 257	1 327	1 400	5.6%	1.0%
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>17 172</b>	<b>21 545</b>	<b>17 675</b>	<b>19 672</b>	<b>4.6%</b>	<b>16.1%</b>	<b>20 813</b>	<b>21 978</b>	<b>23 187</b>	<b>5.6%</b>	<b>16.6%</b>
Organisation for the Prohibition of Chemical Weapons	–	4 278	3 516	5 172	–	2.7%	5 472	5 778	6 096	5.6%	4.4%
World Trade Organisation	17 172	17 267	14 159	14 500	-5.5%	13.3%	15 341	16 200	17 091	5.6%	12.2%
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>23 373</b>	<b>2 797</b>	<b>2 945</b>	<b>3 093</b>	<b>-49.0%</b>	<b>6.8%</b>	<b>3 272</b>	<b>3 455</b>	<b>3 645</b>	<b>5.6%</b>	<b>2.6%</b>
Development Bank of Southern Africa: Regional spatial development initiatives	20 689	–	–	–	-100.0%	4.4%	–	–	–	–	–
Protechnik Laboratories: Operations	2 684	2 797	2 945	3 093	4.8%	2.4%	3 272	3 455	3 645	5.6%	2.6%
<b>Capital</b>	<b>1 118</b>	<b>1 158</b>	<b>1 219</b>	<b>1 280</b>	<b>4.6%</b>	<b>1.0%</b>	<b>1 354</b>	<b>1 430</b>	<b>1 509</b>	<b>5.6%</b>	<b>1.1%</b>
Protechnik Laboratories: Capital	1 118	1 158	1 219	1 280	4.6%	1.0%	1 354	1 430	1 509	5.6%	1.1%

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

## Personnel information

**Table 34.12 International Trade and Economic Development personnel numbers and cost by salary level<sup>1</sup>**

Number of posts estimated for 31 March 2018		Number and cost <sup>2</sup> 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			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							
International Trade and Economic Development		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%	100.0%
Salary level																				
1 – 6	1	–	8	0.4	0.0	7	0.3	0.0	5	0.3	0.1	9	0.4	0.0	5	0.2	0.0	-10.6%	4.6%	
7 – 10	47	–	75	22.1	0.3	71	22.8	0.3	69	23.2	0.3	68	24.5	0.4	64	24.4	0.4	-3.4%	48.5%	
11 – 12	31	–	41	26.5	0.6	38	26.7	0.7	36	27.3	0.8	35	28.7	0.8	34	30.1	0.9	-3.6%	25.5%	
13 – 16	26	1	30	25.2	0.8	30	27.0	0.9	30	28.8	1.0	31	31.8	1.0	29	31.9	1.1	-1.1%	21.4%	

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

2. Rand million.

## 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 34.13 Special Economic Zones and Economic Transformation 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	2020/21		
R thousand												
Enterprise Competitiveness	189 106	23 327	24 942	31 198	-45.2%	49.4%	29 042	29 727	31 658	0.5%	19.0%	
Equity and Empowerment	20 578	30 888	32 166	42 597	27.4%	23.2%	84 462	96 343	98 146	32.1%	50.2%	
Spatial Industrial Economic Development (Special Economic Zones)	25 436	38 309	40 481	44 615	20.6%	27.4%	51 908	48 774	52 257	5.4%	30.8%	
<b>Total</b>	<b>235 120</b>	<b>92 524</b>	<b>97 589</b>	<b>118 410</b>	<b>-20.4%</b>	<b>100.0%</b>	<b>165 412</b>	<b>174 844</b>	<b>182 061</b>	<b>15.4%</b>	<b>100.0%</b>	
Change to 2017 Budget estimate				(1 000)			45 266	52 503	(792)			

**Table 34.13 Special Economic Zones and Economic Transformation expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R thousand											
<b>Current payments</b>	<b>51 608</b>	<b>65 544</b>	<b>74 495</b>	<b>105 020</b>	<b>26.7%</b>	<b>54.6%</b>	<b>92 851</b>	<b>99 490</b>	<b>102 562</b>	<b>-0.8%</b>	<b>62.4%</b>
Compensation of employees	44 363	54 845	60 349	71 025	17.0%	42.4%	77 857	82 480	84 618	6.0%	49.3%
Goods and services <sup>1</sup>	7 245	10 699	14 146	33 995	67.4%	12.2%	14 994	17 010	17 944	-19.2%	13.1%
<i>of which:</i>											
<i>Catering: Departmental activities</i>	71	168	250	417	80.4%	0.2%	417	441	466	3.8%	0.3%
<i>Communication</i>	526	452	258	290	-18.0%	0.3%	473	500	528	22.1%	0.3%
<i>Consultants: Business and advisory services</i>	1 265	3 193	4 223	8 167	86.2%	3.1%	5 845	7 370	7 775	-1.6%	4.6%
<i>Consumables: Stationery, printing and office supplies</i>	232	524	238	1 034	64.6%	0.4%	496	450	475	-22.8%	0.4%
<i>Travel and subsistence</i>	3 085	5 431	6 753	8 616	40.8%	4.4%	6 317	6 745	7 117	-6.2%	4.5%
<i>Venues and facilities</i>	1 761	152	546	1 105	-14.4%	0.7%	421	423	446	-26.1%	0.4%
<b>Transfers and subsidies<sup>1</sup></b>	<b>183 221</b>	<b>11 303</b>	<b>11 683</b>	<b>12 292</b>	<b>-59.4%</b>	<b>40.2%</b>	<b>72 070</b>	<b>74 890</b>	<b>79 009</b>	<b>85.9%</b>	<b>37.2%</b>
Departmental agencies and accounts	176 542	8 594	8 523	8 949	-63.0%	37.3%	68 731	71 448	75 377	103.5%	35.0%
Public corporations and private enterprises	1 501	1 572	1 655	1 738	5.0%	1.2%	1 839	1 942	2 049	5.6%	1.2%
Non-profit institutions	5 000	1 000	1 000	1 500	-33.1%	1.6%	1 500	1 500	1 583	1.8%	0.9%
Households	178	137	505	105	-16.1%	0.2%	-	-	-	-100.0%	-
<b>Payments for capital assets</b>	<b>291</b>	<b>3 740</b>	<b>1 726</b>	<b>1 098</b>	<b>55.7%</b>	<b>1.3%</b>	<b>491</b>	<b>464</b>	<b>490</b>	<b>-23.6%</b>	<b>0.4%</b>
Machinery and equipment	291	3 740	1 051	1 098	55.7%	1.1%	491	464	490	-23.6%	0.4%
Software and other intangible assets	-	-	675	-	-	0.1%	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>11 937</b>	<b>9 685</b>	<b>-</b>	<b>-</b>	<b>4.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>235 120</b>	<b>92 524</b>	<b>97 589</b>	<b>118 410</b>	<b>-20.4%</b>	<b>100.0%</b>	<b>165 412</b>	<b>174 844</b>	<b>182 061</b>	<b>15.4%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>2.7%</b>	<b>1.0%</b>	<b>0.9%</b>	<b>1.3%</b>	<b>-</b>	<b>-</b>	<b>1.7%</b>	<b>1.7%</b>	<b>1.7%</b>	<b>-</b>	<b>-</b>
<b>Details of transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>138</b>	<b>137</b>	<b>305</b>	<b>5</b>	<b>-66.9%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
Employee social benefits	138	137	305	5	-66.9%	0.1%	-	-	-	-100.0%	-
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>40</b>	<b>-</b>	<b>200</b>	<b>100</b>	<b>35.7%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
Gifts and donations	40	-	200	100	35.7%	0.1%	-	-	-	-100.0%	-
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>176 542</b>	<b>8 594</b>	<b>8 523</b>	<b>8 949</b>	<b>-63.0%</b>	<b>37.3%</b>	<b>68 731</b>	<b>71 448</b>	<b>75 377</b>	<b>103.5%</b>	<b>35.0%</b>
National Productivity Institute	9 170	8 094	8 523	8 949	-0.8%	6.4%	9 231	9 748	10 284	4.7%	6.0%
Independent Regulatory Board for Auditors	1 800	500	-	-	-100.0%	0.4%	-	-	-	-	-
Broad-Based Black Economic Empowerment Commission	-	-	-	-	-	-	59 500	61 700	65 093	-	29.1%
National Research Foundation: Technology and human resources for industry programme	165 572	-	-	-	-100.0%	30.5%	-	-	-	-	-
<b>Non-profit institutions</b>											
<b>Current</b>	<b>5 000</b>	<b>1 000</b>	<b>1 000</b>	<b>1 500</b>	<b>-33.1%</b>	<b>1.6%</b>	<b>1 500</b>	<b>1 500</b>	<b>1 583</b>	<b>1.8%</b>	<b>0.9%</b>
Black Business Council	5 000	1 000	1 000	1 500	-33.1%	1.6%	1 500	1 500	1 583	1.8%	0.9%
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>1 501</b>	<b>1 572</b>	<b>1 655</b>	<b>1 738</b>	<b>5.0%</b>	<b>1.2%</b>	<b>1 839</b>	<b>1 942</b>	<b>2 049</b>	<b>5.6%</b>	<b>1.2%</b>
Council for Scientific and Industrial Research	1 501	1 572	1 655	1 738	5.0%	1.2%	1 839	1 942	2 049	5.6%	1.2%

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

## Personnel information

**Table 34.14 Special Economic Zones and Economic Transformation personnel numbers and cost by salary level<sup>1</sup>**

Number of posts estimated for 31 March 2018		Number and cost <sup>2</sup> 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			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	
Special Economic Zones and Economic Transformation		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%	100.0%
Salary level																				
1 – 6	2	29	21	0.8	0.0	20	0.8	0.0	37	2.0	0.1	56	3.6	0.1	57	4.0	0.1	41.8%	23.9%	
7 – 10	30	–	49	13.5	0.3	48	14.5	0.3	50	16.1	0.3	50	17.6	0.4	47	17.8	0.4	-0.7%	27.4%	
11 – 12	25	2	53	20.1	0.4	53	21.9	0.4	54	23.2	0.4	53	24.4	0.5	53	25.7	0.5	–	29.9%	
13 – 16	25	2	29	25.9	0.9	35	33.8	1.0	35	36.5	1.0	33	36.9	1.1	31	37.1	1.2	-4.0%	18.8%	

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

2. Rand million.

## 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 34.15 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 thousand					2014/15 - 2017/18		2018/19	2019/20	2020/21	2017/18 - 2020/21	
Industrial Competitiveness	718 647	753 107	759 275	879 403	7.0%	42.8%	911 768	914 121	947 579	2.5%	53.1%
Customised Sector Programmes	1 056 507	1 200 509	962 970	939 874	-3.8%	57.2%	710 800	761 064	819 050	-4.5%	46.9%
<b>Total</b>	<b>1 775 154</b>	<b>1 953 616</b>	<b>1 722 245</b>	<b>1 819 277</b>	<b>0.8%</b>	<b>100.0%</b>	<b>1 622 568</b>	<b>1 675 185</b>	<b>1 766 629</b>	<b>-1.0%</b>	<b>100.0%</b>
Change to 2017 Budget estimate				1 819 277			1 622 568	(194 043)	(224 461)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>103 915</b>	<b>118 126</b>	<b>112 027</b>	<b>120 281</b>	<b>5.0%</b>	<b>6.2%</b>	<b>133 840</b>	<b>144 063</b>	<b>151 312</b>	<b>8.0%</b>	<b>8.0%</b>
Compensation of employees	88 926	99 602	101 878	106 509	6.2%	5.5%	116 790	124 549	130 708	7.1%	7.0%
Goods and services <sup>1</sup>	14 989	18 524	10 149	13 772	-2.8%	0.8%	17 050	19 514	20 604	14.4%	1.0%
<i>of which:</i>											
Communication	500	567	396	728	13.3%	-	839	893	942	9.0%	-
Consultants: Business and advisory services	3 534	7 083	1 009	-	-100.0%	0.2%	1 720	3 000	3 296	-	0.1%
Consumables: Stationery, printing and office supplies	302	464	96	-	-100.0%	-	209	711	444	-	-
Travel and subsistence	7 153	7 671	6 230	9 847	11.2%	0.4%	11 304	12 108	12 827	9.2%	0.7%
Operating payments	1 802	1 741	1 618	558	-32.3%	0.1%	1 676	1 098	1 427	36.8%	0.1%
Venues and facilities	285	423	254	1 612	78.2%	-	521	570	604	-27.9%	-
<b>Transfers and subsidies<sup>1</sup></b>	<b>1 670 555</b>	<b>1 834 994</b>	<b>1 609 662</b>	<b>1 698 177</b>	<b>0.5%</b>	<b>93.7%</b>	<b>1 487 860</b>	<b>1 530 187</b>	<b>1 614 350</b>	<b>-1.7%</b>	<b>92.0%</b>
Departmental agencies and accounts	348 010	368 652	372 819	411 861	5.8%	20.7%	395 920	418 091	441 086	2.3%	24.2%
Foreign governments and international organisations	5 071	6 405	7 600	8 411	18.4%	0.4%	9 061	9 569	10 095	6.3%	0.5%
Public corporations and private enterprises	1 188 355	1 311 607	1 066 967	1 109 583	-2.3%	64.3%	885 449	940 926	1 005 021	-3.2%	57.3%
Non-profit institutions	129 018	147 850	162 107	168 314	9.3%	8.4%	197 430	161 601	158 148	-2.1%	10.0%
Households	101	480	169	8	-57.1%	-	-	-	-	-100.0%	-
<b>Payments for capital assets</b>	<b>684</b>	<b>349</b>	<b>556</b>	<b>819</b>	<b>6.2%</b>	<b>-</b>	<b>868</b>	<b>935</b>	<b>967</b>	<b>5.7%</b>	<b>0.1%</b>
Machinery and equipment	684	349	556	819	6.2%	-	868	935	967	5.7%	0.1%
Payments for financial assets	-	147	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1 775 154</b>	<b>1 953 616</b>	<b>1 722 245</b>	<b>1 819 277</b>	<b>0.8%</b>	<b>100.0%</b>	<b>1 622 568</b>	<b>1 675 185</b>	<b>1 766 629</b>	<b>-1.0%</b>	<b>100.0%</b>
Proportion of total programme expenditure to vote expenditure	20.5%	20.6%	16.6%	19.5%	-	-	17.1%	16.6%	16.6%	-	-
<b>Details of transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>93</b>	<b>380</b>	<b>169</b>	<b>8</b>	<b>-55.9%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
Employee social benefits	93	380	169	8	-55.9%	-	-	-	-	-100.0%	-
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>8</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Gifts and donations	8	100	-	-	-100.0%	-	-	-	-	-	-
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>237 010</b>	<b>214 053</b>	<b>210 026</b>	<b>265 528</b>	<b>3.9%</b>	<b>12.7%</b>	<b>272 834</b>	<b>288 112</b>	<b>303 958</b>	<b>4.6%</b>	<b>16.4%</b>
South African National Accreditation System	35 712	26 025	22 208	30 313	-5.3%	1.6%	31 032	32 770	34 573	4.5%	1.9%
National Metrology Institute of South Africa: Operations	91 564	96 296	101 400	106 470	5.2%	5.4%	109 698	115 841	122 212	4.7%	6.6%
National Regulator for Compulsory Specifications	109 734	91 732	86 418	128 745	5.5%	5.7%	132 104	139 501	147 173	4.6%	8.0%
<b>Capital</b>	<b>111 000</b>	<b>154 599</b>	<b>162 793</b>	<b>146 333</b>	<b>9.6%</b>	<b>7.9%</b>	<b>123 086</b>	<b>129 979</b>	<b>137 128</b>	<b>-2.1%</b>	<b>7.8%</b>
National Metrology Institute of South Africa	111 000	154 599	162 793	146 333	9.6%	7.9%	123 086	129 979	137 128	-2.1%	7.8%
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>5 071</b>	<b>6 405</b>	<b>7 600</b>	<b>8 411</b>	<b>18.4%</b>	<b>0.4%</b>	<b>9 061</b>	<b>9 569</b>	<b>10 095</b>	<b>6.3%</b>	<b>0.5%</b>
United Nations Industrial Development Organisation	5 071	6 405	5 969	6 767	10.1%	0.3%	7 159	7 560	7 976	5.6%	0.4%
Treaty Organisations for Metrology	-	-	1 631	1 644	-	-	1 902	2 009	2 119	8.8%	0.1%

**Table 34.15 Industrial Development expenditure trends and estimates by subprogramme and economic classification**

Details of 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 thousand	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	
<b>Non-profit institutions</b>											
<b>Current</b>	<b>129 018</b>	<b>147 850</b>	<b>162 107</b>	<b>168 314</b>	<b>9.3%</b>	<b>8.4%</b>	<b>197 430</b>	<b>161 601</b>	<b>158 148</b>	<b>-2.1%</b>	<b>10.0%</b>
Intsimbi future production technologies initiatives	67 700	70 353	74 082	75 786	3.8%	4.0%	116 136	76 045	68 711	-3.2%	4.9%
Automotive supply chain competitiveness initiative	–	14 000	15 000	13 127	–	0.6%	7 984	8 813	9 298	-10.9%	0.6%
Trade and industrial policy strategies	14 570	20 772	22 712	24 423	18.8%	1.1%	27 086	27 763	28 465	5.2%	1.6%
Centurion Aerospace Village	16 748	17 517	18 445	25 367	14.8%	1.1%	15 490	16 357	17 257	-12.1%	1.1%
Proudly South African campaign	30 000	25 208	31 868	29 611	-0.4%	1.6%	30 734	32 623	34 417	5.1%	1.9%
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>1 164 244</b>	<b>1 288 536</b>	<b>1 049 186</b>	<b>1 090 563</b>	<b>-2.2%</b>	<b>63.2%</b>	<b>865 036</b>	<b>919 370</b>	<b>982 279</b>	<b>-3.4%</b>	<b>56.0%</b>
Industrial Development Corporation	878 244	1 000 937	758 266	723 440	-6.3%	46.2%	503 640	538 399	581 023	-7.0%	34.1%
Council for Scientific and Industrial Research: National Cleaner Production Centre	51 679	55 000	58 870	62 951	6.8%	3.1%	58 008	61 592	65 255	1.2%	3.6%
Council for Scientific and Industrial Research: National foundry technology network	14 243	16 384	19 689	18 678	9.5%	0.9%	27 457	27 995	28 590	15.2%	1.5%
South African Bureau of Standards	220 078	216 215	212 361	285 494	9.1%	12.8%	275 931	291 384	307 411	2.5%	16.9%
<b>Capital</b>	<b>24 111</b>	<b>23 071</b>	<b>17 781</b>	<b>19 020</b>	<b>-7.6%</b>	<b>1.2%</b>	<b>20 413</b>	<b>21 556</b>	<b>22 742</b>	<b>6.1%</b>	<b>1.2%</b>
Council for Scientific and Industrial Research: Aerospace industry	22 500	21 534	17 781	19 020	-5.4%	1.1%	20 413	21 556	22 742	6.1%	1.2%
South African Bureau of Standards: Small business technical consulting: Membership fees	1 611	1 537	–	–	-100.0%	–	–	–	–	–	–

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

## Personnel information

**Table 34.16 Industrial Development personnel numbers and cost by salary level<sup>1</sup>**

Number of posts estimated for 31 March 2018		Number and cost <sup>2</sup> 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	2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21												
Industrial Development		Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost						
Salary level	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%	100.0%
1 – 6	–	11	15	0.5	0.0	14	0.5	0.0	14	0.5	0.0	15	0.6	0.0	18	0.8	0.0	8.7%	6.4%
7 – 10	60	–	95	23.8	0.3	94	25.4	0.3	97	29.2	0.3	95	31.1	0.3	91	32.2	0.4	-1.1%	39.4%
11 – 12	42	–	87	34.3	0.4	86	37.2	0.4	85	39.4	0.5	84	41.8	0.5	83	44.4	0.5	-1.2%	35.3%
13 – 16	44	–	48	43.4	0.9	45	43.5	1.0	46	47.6	1.0	46	51.0	1.1	45	53.4	1.2	–	19.0%

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

2. Rand million.

## 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 34.17 Consumer and Corporate Regulation 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 thousand					2014/15 - 2017/18					2017/18 - 2020/21	
Policy and Legislative Development	17 639	14 741	17 168	20 092	4.4%	6.0%	18 009	21 202	19 340	-1.3%	6.1%
Enforcement and Compliance	31 441	39 319	40 273	36 821	5.4%	12.7%	44 380	46 597	50 198	10.9%	13.7%
Regulatory Services	232 042	233 360	237 940	241 716	1.4%	81.3%	252 199	264 774	280 429	5.1%	80.2%
<b>Total</b>	<b>281 122</b>	<b>287 420</b>	<b>295 381</b>	<b>298 629</b>	<b>2.0%</b>	<b>100.0%</b>	<b>314 588</b>	<b>332 573</b>	<b>349 967</b>	<b>5.4%</b>	<b>100.0%</b>
Change to 2017 Budget estimate				(1 520 648)			(1 461 251)	3 406	(4 513)		

**Table 34.17 Consumer and Corporate Regulation expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2014/15	2015/16	2016/17				2017/18	2014/15 - 2017/18	2018/19		
R thousand											
<b>Current payments</b>	<b>70 300</b>	<b>68 236</b>	<b>73 058</b>	<b>71 557</b>	<b>0.6%</b>	<b>24.4%</b>	<b>78 387</b>	<b>83 155</b>	<b>86 839</b>	<b>6.7%</b>	<b>24.7%</b>
Compensation of employees	57 227	54 479	59 582	57 558	0.2%	19.7%	59 398	63 096	65 668	4.5%	19.0%
Goods and services <sup>1</sup>	13 073	13 757	13 476	13 999	2.3%	4.7%	18 989	20 059	21 171	14.8%	5.7%
of which:											
Advertising	2 003	1 981	692	614	-32.6%	0.5%	1 746	1 844	1 945	46.9%	0.5%
Consultants: Business and advisory services	1 840	1 462	1 269	907	-21.0%	0.5%	3 834	4 115	4 425	69.6%	1.0%
Legal services	2 119	865	3 655	2 484	5.4%	0.8%	1 961	1 981	2 002	-6.9%	0.7%
Travel and subsistence	4 085	6 226	6 122	7 133	20.4%	2.0%	8 360	8 861	9 343	9.4%	2.6%
Operating payments	613	663	369	774	8.1%	0.2%	754	795	839	2.7%	0.2%
Venues and facilities	911	824	443	87	-54.3%	0.2%	653	707	764	106.3%	0.2%
<b>Transfers and subsidies<sup>1</sup></b>	<b>210 532</b>	<b>219 105</b>	<b>222 196</b>	<b>226 780</b>	<b>2.5%</b>	<b>75.6%</b>	<b>236 051</b>	<b>249 268</b>	<b>262 978</b>	<b>5.1%</b>	<b>75.3%</b>
Departmental agencies and accounts	205 495	213 556	217 561	221 578	2.5%	73.8%	230 578	243 489	256 881	5.1%	73.5%
Foreign governments and international organisations	4 355	5 287	4 568	5 173	5.9%	1.7%	5 473	5 779	6 097	5.6%	1.7%
Households	682	262	67	29	-65.1%	0.1%	-	-	-	-100.0%	-
<b>Payments for capital assets</b>	<b>290</b>	<b>78</b>	<b>127</b>	<b>292</b>	<b>0.2%</b>	<b>0.1%</b>	<b>150</b>	<b>150</b>	<b>150</b>	<b>-19.9%</b>	<b>0.1%</b>
Machinery and equipment	112	78	127	292	37.6%	0.1%	150	150	150	-19.9%	0.1%
Software and other intangible assets	178	-	-	-	-100.0%	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>281 122</b>	<b>287 420</b>	<b>295 381</b>	<b>298 629</b>	<b>2.0%</b>	<b>100.0%</b>	<b>314 588</b>	<b>332 573</b>	<b>349 967</b>	<b>5.4%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>3.2%</b>	<b>3.0%</b>	<b>2.9%</b>	<b>3.2%</b>	<b>-</b>	<b>-</b>	<b>3.3%</b>	<b>3.3%</b>	<b>3.3%</b>	<b>-</b>	<b>-</b>
<b>Details of transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>682</b>	<b>135</b>	<b>67</b>	<b>29</b>	<b>-65.1%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
Employee social benefits	682	135	67	29	-65.1%	0.1%	-	-	-	-100.0%	-
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>-</b>	<b>127</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other transfers to households	-	127	-	-	-	-	-	-	-	-	-
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>205 495</b>	<b>213 556</b>	<b>217 561</b>	<b>221 578</b>	<b>2.5%</b>	<b>73.8%</b>	<b>230 578</b>	<b>243 489</b>	<b>256 881</b>	<b>5.1%</b>	<b>73.5%</b>
National Credit Regulator	68 845	66 727	69 577	73 056	2.0%	23.9%	75 361	79 580	83 957	4.7%	24.1%
National Gambling Board	29 797	31 983	30 121	31 627	2.0%	10.6%	32 624	34 452	36 346	4.7%	10.4%
National Consumer Tribunal	40 164	46 029	46 151	48 459	6.5%	15.6%	49 988	52 787	55 691	4.7%	16.0%
National Consumer Commission	53 376	54 596	56 643	52 614	-0.5%	18.7%	55 865	58 993	62 238	5.8%	17.7%
Companies Tribunal	13 313	14 221	15 069	15 822	5.9%	5.0%	16 740	17 677	18 649	5.6%	5.3%
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>4 355</b>	<b>5 287</b>	<b>4 568</b>	<b>5 173</b>	<b>5.9%</b>	<b>1.7%</b>	<b>5 473</b>	<b>5 779</b>	<b>6 097</b>	<b>5.6%</b>	<b>1.7%</b>
World Intellectual Property Organisation	4 355	5 287	4 568	5 173	5.9%	1.7%	5 473	5 779	6 097	5.6%	1.7%

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

## Personnel information

**Table 34.18 Consumer and Corporate Regulation personnel numbers and cost by salary level**

Salary level	Number of posts estimated for 31 March 2018		Number and cost <sup>2</sup> 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		2017/18		2018/19		2019/20		2020/21		2017/18 - 2020/21						
			Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost							
Consumer and Corporate Regulation	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%	100.0%
1 - 6	1	7	12	0.9	0.1	11	1.0	0.1	15	1.2	0.1	14	1.2	0.1	13	1.3	0.1	5.7%	9.4%
7 - 10	36	-	74	17.9	0.2	69	18.9	0.3	66	19.4	0.3	68	21.6	0.3	65	22.2	0.3	-2.0%	47.4%
11 - 12	14	-	38	11.5	0.3	34	11.2	0.3	35	12.5	0.4	34	13.1	0.4	34	14.1	0.4	-	24.2%
13 - 16	29	-	34	29.2	0.9	29	26.5	0.9	27	26.3	1.0	26	27.2	1.0	25	28.0	1.1	-4.8%	18.9%

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

2. Rand million.

## 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 34.19 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				2017/18	2018/19	2019/20		
R thousand											
Broadening Participation Incentives	2 369	26 648	25 536	69 059	207.8%	0.5%	72 296	76 434	80 735	5.3%	1.2%
Manufacturing Incentives	3 612 338	3 983 465	4 361 494	3 540 542	-0.7%	65.8%	3 584 387	3 928 074	4 212 765	6.0%	60.9%
Services Investment Incentives	728 118	803 171	814 209	808 560	3.6%	13.4%	748 542	743 173	762 648	-1.9%	12.2%
Infrastructure Investment Support	801 392	949 722	1 660 170	1 215 000	14.9%	19.7%	1 564 183	1 691 511	1 784 743	13.7%	25.0%
Product and Systems Development	14 985	14 873	15 400	19 387	9.0%	0.3%	17 763	21 840	23 461	6.6%	0.3%
Strategic Partnership and Customer Care	17 515	17 906	18 377	21 871	7.7%	0.3%	21 845	23 530	25 313	5.0%	0.4%
<b>Total</b>	<b>5 176 717</b>	<b>5 795 785</b>	<b>6 895 186</b>	<b>5 674 419</b>	<b>3.1%</b>	<b>100.0%</b>	<b>6 009 016</b>	<b>6 484 562</b>	<b>6 889 665</b>	<b>6.7%</b>	<b>100.0%</b>
Change to 2017 Budget estimate				5 375 790			5 688 155	1 135 802	1 277 699		
<b>Economic classification</b>											
<b>Current payments</b>	<b>206 875</b>	<b>151 232</b>	<b>141 602</b>	<b>180 911</b>	<b>-4.4%</b>	<b>2.9%</b>	<b>181 301</b>	<b>184 921</b>	<b>193 187</b>	<b>2.2%</b>	<b>3.0%</b>
Compensation of employees	125 806	126 464	126 834	149 143	5.8%	2.2%	145 360	152 939	159 147	2.2%	2.4%
Goods and services <sup>1</sup>	81 069	24 768	14 768	31 768	-26.8%	0.6%	35 941	31 982	34 040	2.3%	0.5%
<i>of which:</i>											
Communication	571	573	276	155	-35.3%	-	684	722	764	70.2%	-
Consultants: Business and advisory services	62 191	5 108	2 763	18 340	-33.4%	0.4%	17 746	12 404	13 086	-10.6%	0.2%
Legal services	4 071	3 918	1 395	685	-44.8%	-	3 771	3 982	4 201	83.0%	0.1%
Operating leases	765	792	898	1 481	24.6%	-	917	969	1 023	-11.6%	-
Travel and subsistence	11 337	9 695	8 828	9 354	-6.2%	0.2%	10 304	11 245	12 161	9.1%	0.2%
Venues and facilities	109	411	-	279	36.8%	-	891	941	993	52.7%	-
<b>Transfers and subsidies<sup>1</sup></b>	<b>4 969 072</b>	<b>5 641 276</b>	<b>6 753 112</b>	<b>5 493 508</b>	<b>3.4%</b>	<b>97.1%</b>	<b>5 820 384</b>	<b>6 285 564</b>	<b>6 681 627</b>	<b>6.7%</b>	<b>96.9%</b>
Departmental agencies and accounts	-	-	256 000	84 000	-	1.4%	-	-	-	-100.0%	0.3%
Public corporations and private enterprises	4 968 476	5 640 590	6 496 887	5 408 708	2.9%	95.6%	5 819 538	6 284 671	6 680 685	7.3%	96.6%
Households	596	686	225	800	10.3%	-	846	893	942	5.6%	-
<b>Payments for capital assets</b>	<b>770</b>	<b>3 277</b>	<b>472</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>7 331</b>	<b>14 077</b>	<b>14 851</b>	<b>-</b>	<b>0.1%</b>
Machinery and equipment	770	679	472	-	-100.0%	-	2 222	2 346	2 475	-	-
Software and other intangible assets	-	2 598	-	-	-	-	5 109	11 731	12 376	-	0.1%
<b>Total</b>	<b>5 176 717</b>	<b>5 795 785</b>	<b>6 895 186</b>	<b>5 674 419</b>	<b>3.1%</b>	<b>100.0%</b>	<b>6 009 016</b>	<b>6 484 562</b>	<b>6 889 665</b>	<b>6.7%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>59.8%</b>	<b>61.2%</b>	<b>66.6%</b>	<b>60.7%</b>	<b>-</b>	<b>-</b>	<b>63.5%</b>	<b>64.2%</b>	<b>64.6%</b>	<b>-</b>	<b>-</b>
<b>Details of transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>596</b>	<b>686</b>	<b>225</b>	<b>800</b>	<b>10.3%</b>	<b>-</b>	<b>846</b>	<b>893</b>	<b>942</b>	<b>5.6%</b>	<b>-</b>
Employee social benefits	596	686	225	800	10.3%	-	846	893	942	5.6%	-
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>-</b>	<b>-</b>	<b>256 000</b>	<b>84 000</b>	<b>-</b>	<b>1.4%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>0.3%</b>
National Research Foundation	-	-	256 000	84 000	-	1.4%	-	-	-	-100.0%	0.3%
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>-</b>	<b>-</b>	<b>250 000</b>	<b>-</b>	<b>-</b>	<b>1.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Industrial Development Corporation: Manufacturing Competitiveness Enhancement Programme industrial loan	-	-	250 000	-	-	1.1%	-	-	-	-	-
<b>Capital</b>	<b>608 243</b>	<b>735 600</b>	<b>1 535 797</b>	<b>1 065 421</b>	<b>20.5%</b>	<b>16.8%</b>	<b>1 391 000</b>	<b>1 557 280</b>	<b>1 642 930</b>	<b>15.5%</b>	<b>22.6%</b>
Various institutions: Critical infrastructure programme	-	-	125 797	160 000	-	1.2%	91 000	100 000	105 500	-13.0%	1.8%
Various institutions: Special economic zones	608 243	735 600	1 410 000	905 421	14.2%	15.5%	1 300 000	1 457 280	1 537 430	19.3%	20.8%

**Table 34.19 Incentive Development and Administration expenditure trends and estimates by subprogramme and economic classification**

Details of transfers and subsidies											
R thousand	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		
<b>Public corporations and private enterprises</b>											
<b>Private enterprises</b>											
<b>Other transfers to private enterprises</b>											
<b>Current</b>	<b>329 520</b>	<b>304 075</b>	<b>205 169</b>	<b>246 437</b>	<b>-9.2%</b>	<b>4.6%</b>	<b>295 370</b>	<b>311 911</b>	<b>329 066</b>	<b>10.1%</b>	<b>4.7%</b>
Various institutions: Export market and investment assistance	329 520	281 248	184 409	182 500	-17.9%	4.2%	227 725	240 478	253 704	11.6%	3.6%
Various Institutions: Support programme for industrial innovation	–	22 827	20 760	63 937	–	0.5%	67 645	71 433	75 362	5.6%	1.1%
<b>Capital</b>	<b>81 269</b>	<b>74 203</b>	<b>64 187</b>	<b>99 500</b>	<b>7.0%</b>	<b>1.4%</b>	<b>120 071</b>	<b>122 891</b>	<b>129 650</b>	<b>9.2%</b>	<b>1.9%</b>
Various institutions: Critical infrastructure programme	81 269	74 203	64 187	99 500	7.0%	1.4%	120 071	122 891	129 650	9.2%	1.9%
<b>Public corporations and private enterprises</b>											
<b>Private enterprises</b>											
<b>Private enterprises (subsidies on products and production)</b>											
<b>Current</b>	<b>3 949 444</b>	<b>4 526 712</b>	<b>4 441 734</b>	<b>3 997 350</b>	<b>0.4%</b>	<b>71.9%</b>	<b>4 013 097</b>	<b>4 292 589</b>	<b>4 579 039</b>	<b>4.6%</b>	<b>67.4%</b>
Various institutions: Services sector development incentives	715 000	789 663	801 038	792 500	3.5%	13.2%	732 069	725 025	743 168	-2.1%	11.9%
Various institutions: Manufacturing development incentives	3 134 849	3 607 049	3 590 696	3 164 850	0.3%	57.3%	3 241 028	3 567 564	3 835 871	6.6%	55.1%
Various institutions: Industrial development zones	99 595	130 000	50 000	40 000	-26.2%	1.4%	40 000	–	–	-100.0%	0.3%

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

## Personnel information

**Table 34.20 Incentive Development and Administration personnel numbers and cost by salary level<sup>1</sup>**

Number of posts estimated for 31 March 2018			Number and cost <sup>2</sup> of personnel posts filled / planned for on funded establishment												Number				
Number of funded posts	Number of posts additional to the establishment	Number of posts	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		
<b>Incentive Development and Administration</b>																			
Salary level	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%	100.0%
1 – 6	10	9	36	2.5	0.1	32	2.4	0.1	32	2.6	0.1	34	3.0	0.1	34	3.4	0.1	2.0%	9.2%
7 – 10	126	–	210	54.1	0.3	204	57.9	0.3	199	61.0	0.3	195	63.8	0.3	187	64.9	0.3	-2.9%	54.8%
11 – 12	51	–	90	38.8	0.4	96	45.1	0.5	93	46.5	0.5	92	49.4	0.5	91	52.5	0.6	-1.8%	26.0%
13 – 16	31	–	35	31.5	0.9	45	43.8	1.0	34	35.3	1.0	33	36.8	1.1	32	38.3	1.2	-10.7%	10.0%

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

2. Rand million.

## 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 34.21 Trade and Investment South Africa 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 (%) 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 thousand											
African Bilateral Economic Relations	18 686	18 466	20 073	22 453	6.3%	4.8%	23 055	24 715	26 559	5.8%	5.7%
Export Promotion and Marketing	39 142	41 480	40 820	41 487	2.0%	9.7%	42 527	45 679	48 919	5.6%	10.4%
Trade and Investment South Africa (TISA) Executive Management Unit	264 118	386 010	377 713	343 557	9.2%	82.0%	325 970	341 561	341 562	-0.2%	79.1%
Export Development and Support	7 692	16 955	15 982	17 707	32.0%	3.5%	20 050	21 468	22 962	9.0%	4.8%
<b>Total</b>	<b>329 638</b>	<b>462 911</b>	<b>454 588</b>	<b>425 204</b>	<b>8.9%</b>	<b>100.0%</b>	<b>411 602</b>	<b>433 423</b>	<b>440 002</b>	<b>1.1%</b>	<b>100.0%</b>
Change to 2017 Budget estimate				(5 321 315)			(6 004 425)	(23 873)	(5 235)		
<b>Economic classification</b>	<b>216 028</b>	<b>260 865</b>	<b>279 875</b>	<b>245 063</b>	<b>4.3%</b>	<b>59.9%</b>	<b>223 060</b>	<b>234 321</b>	<b>229 952</b>	<b>-2.1%</b>	<b>54.5%</b>
<b>Current payments</b>	<b>147 717</b>	<b>177 801</b>	<b>195 296</b>	<b>163 212</b>	<b>3.4%</b>	<b>40.9%</b>	<b>174 231</b>	<b>182 725</b>	<b>175 517</b>	<b>2.5%</b>	<b>40.7%</b>
Compensation of employees	68 311	83 064	84 579	81 851	6.2%	19.0%	48 829	51 596	54 435	-12.7%	13.8%
Goods and services <sup>1</sup>	1 882	2 494	2 165	1 106	-16.2%	0.5%	1 126	1 126	1 188	2.4%	0.3%
of which:	1 202	1 493	1 359	1 249	1.3%	0.3%	1 449	2 199	2 321	22.9%	0.4%
Communication	19 499	23 577	28 704	26 684	11.0%	5.9%	7 698	6 888	7 267	-35.2%	2.8%
Consultants: Business and advisory services	23 759	23 992	22 894	23 290	-0.7%	5.6%	14 990	15 309	16 151	-11.5%	4.1%
Operating leases	7 697	14 769	14 730	16 915	30.0%	3.2%	9 592	11 710	12 354	-9.9%	3.0%
Travel and subsistence	4 298	4 631	4 811	6 787	16.4%	1.2%	7 619	9 008	9 504	11.9%	1.9%
Operating payments	110 519	200 251	171 700	177 838	17.2%	39.5%	186 327	196 762	207 582	5.3%	44.9%
Venues and facilities											
Transfers and subsidies <sup>1</sup>											
Foreign governments and international organisations	-	-	-	-	-	-	3 079	3 251	3 429	-	0.6%
Public corporations and private enterprises	110 370	199 969	171 566	177 644	17.2%	39.4%	183 248	193 511	204 153	4.7%	44.4%
Households	149	282	134	194	9.2%	-	-	-	-	-100.0%	-
<b>Payments for capital assets</b>	<b>1 951</b>	<b>1 794</b>	<b>2 998</b>	<b>2 303</b>	<b>5.7%</b>	<b>0.5%</b>	<b>2 215</b>	<b>2 340</b>	<b>2 468</b>	<b>2.3%</b>	<b>0.5%</b>
Machinery and equipment	1 951	1 794	2 998	2 303	5.7%	0.5%	2 215	2 340	2 468	2.3%	0.5%
<b>Payments for financial assets</b>	<b>1 140</b>	<b>1</b>	<b>15</b>	<b>-</b>	<b>-100.0%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>329 638</b>	<b>462 911</b>	<b>454 588</b>	<b>425 204</b>	<b>8.9%</b>	<b>100.0%</b>	<b>411 602</b>	<b>433 423</b>	<b>440 002</b>	<b>1.1%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>3.8%</b>	<b>4.9%</b>	<b>4.4%</b>	<b>4.6%</b>	<b>-</b>	<b>-</b>	<b>4.3%</b>	<b>4.3%</b>	<b>4.1%</b>	<b>-</b>	<b>-</b>

**Table 34.21 Trade and Investment South Africa expenditure trends and estimates by subprogramme and economic classification**

Details of 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 thousand												
<b>Households</b>												
<b>Social benefits</b>												
<b>Current</b>												
Employee social benefits	149	282	134	194	9.2%	-	-	-	-	-100.0%	-	
<b>Foreign governments and international organisations</b>												
<b>Current</b>												
Export consultancy trust funds: International Bank for Reconstruction and Development (World Bank)	-	-	-	-	-	-	1 540	1 626	1 715	-	0.3%	
Export consultancy trust funds: International Finance Corporation	-	-	-	-	-	-	1 539	1 625	1 714	-	0.3%	
<b>Public corporations and private enterprises</b>												
<b>Public corporations</b>												
<b>Other transfers to public corporations</b>												
<b>Current</b>												
Export Credit Insurance Corporation	110 370	199 969	171 566	177 644	17.2%	39.4%	183 248	193 511	204 153	4.7%	44.4%	

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

## Personnel information

**Table 34.22 Trade and Investment South Africa personnel numbers and cost by salary level<sup>1</sup>**

Number of posts estimated for 31 March 2018		Number and cost <sup>2</sup> 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		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			
<b>Trade and Investment South Africa</b>																			
Salary level	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%	100.0%
1 – 6	6	11	15	2.0	0.1	18	2.0	0.1	18	2.1	0.1	19	2.7	0.1	19	2.9	0.2	1.8%	9.5%
7 – 10	76	12	78	44.6	0.6	76	45.8	0.6	74	48.3	0.7	68	48.4	0.7	58	45.9	0.8	-8.6%	35.4%
11 – 12	49	-	38	41.3	1.1	38	44.9	1.2	38	48.5	1.3	37	51.0	1.4	27	41.0	1.5	-10.8%	17.9%
13 – 16	22	-	32	11.1	0.3	36	12.7	0.4	36	13.6	0.4	36	14.5	0.4	34	15.0	0.4	-1.9%	18.2%
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	-	19.0%

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

2. Rand million.

## 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 34.23 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	2018/19	2019/20		
R thousand											
Investment Promotion	30 697	31 919	45 244	42 558	11.5%	68.9%	44 903	48 036	51 525	6.6%	76.2%
Investment and Interdepartmental Clearing House	7 120	6 066	24 000	26 150	54.3%	29.0%	4 472	4 598	4 931	-42.7%	16.4%
Investment Support and After Care	142	297	–	4 151	208.1%	2.1%	4 471	4 593	4 926	5.9%	7.4%
<b>Total</b>	<b>37 959</b>	<b>38 282</b>	<b>69 244</b>	<b>72 859</b>	<b>24.3%</b>	<b>100.0%</b>	<b>53 846</b>	<b>57 227</b>	<b>61 382</b>	<b>-5.6%</b>	<b>100.0%</b>
Change to 2017 Budget estimate				(315 604)			(331 620)	3 541	(1 657)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>37 680</b>	<b>38 115</b>	<b>44 811</b>	<b>50 042</b>	<b>9.9%</b>	<b>78.2%</b>	<b>53 416</b>	<b>56 773</b>	<b>60 903</b>	<b>6.8%</b>	<b>90.1%</b>
Compensation of employees	26 552	27 353	27 472	33 817	8.4%	52.8%	37 047	39 292	42 328	7.8%	62.2%
Goods and services <sup>1</sup>	11 128	10 762	17 339	16 225	13.4%	25.4%	16 369	17 481	18 575	4.6%	28.0%
of which:											
Communication	163	171	80	132	-6.8%	0.3%	193	203	213	17.3%	0.3%
Consultants: Business and advisory services	620	6	1 206	371	-15.7%	1.0%	393	415	438	5.7%	0.7%
Contractors	13	–	–	4 014	575.9%	1.8%	6 703	7 078	7 467	23.0%	10.3%
Travel and subsistence	5 768	7 888	8 511	6 870	6.0%	13.3%	6 141	6 681	7 179	1.5%	11.0%
Operating payments	901	509	125	684	-8.8%	1.0%	724	765	807	5.7%	1.2%
Venues and facilities	2 921	1 412	1 487	2 768	-1.8%	3.9%	1 719	1 815	1 915	-11.6%	3.3%
<b>Transfers and subsidies<sup>1</sup></b>	<b>8</b>	<b>144</b>	<b>24 142</b>	<b>22 150</b>	<b>1304.2%</b>	<b>21.3%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>9.0%</b>
Public corporations and private enterprises	–	–	24 000	22 000	–	21.1%	–	–	–	-100.0%	9.0%
Households	8	144	142	150	165.7%	0.2%	–	–	–	-100.0%	0.1%
<b>Payments for capital assets</b>	<b>271</b>	<b>23</b>	<b>291</b>	<b>667</b>	<b>35.0%</b>	<b>0.6%</b>	<b>430</b>	<b>454</b>	<b>479</b>	<b>-10.4%</b>	<b>0.8%</b>
Machinery and equipment	271	23	291	667	35.0%	0.6%	430	454	479	-10.4%	0.8%
<b>Total</b>	<b>37 959</b>	<b>38 282</b>	<b>69 244</b>	<b>72 859</b>	<b>24.3%</b>	<b>100.0%</b>	<b>53 846</b>	<b>57 227</b>	<b>61 382</b>	<b>-5.6%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.4%</b>	<b>0.4%</b>	<b>0.7%</b>	<b>0.8%</b>	<b>–</b>	<b>–</b>	<b>0.6%</b>	<b>0.6%</b>	<b>0.6%</b>	<b>–</b>	<b>–</b>
<b>Details of transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>8</b>	<b>144</b>	<b>42</b>	<b>50</b>	<b>84.2%</b>	<b>0.1%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>
Employee social benefits	8	144	42	50	84.2%	0.1%	–	–	–	-100.0%	–
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>–</b>	<b>–</b>	<b>100</b>	<b>100</b>	<b>–</b>	<b>0.1%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>
Gifts and donations	–	–	100	100	–	0.1%	–	–	–	-100.0%	–
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>–</b>	<b>–</b>	<b>24 000</b>	<b>22 000</b>	<b>–</b>	<b>21.1%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>9.0%</b>
Various Institutions: One-stop shop	–	–	24 000	22 000	–	21.1%	–	–	–	-100.0%	9.0%

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

## Personnel information

**Table 34.24 Investment South Africa personnel numbers and cost by salary level<sup>1</sup>**

Number of posts estimated for 31 March 2018			Number and cost <sup>2</sup> 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			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					
Investment South Africa			49	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%	100.0%
Salary level	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%	100.0%
1 – 6	1	13	3	0.4	0.1	9	1.3	0.1	12	2.1	0.2	13	2.5	0.2	13	2.7	0.2	13.0%	20.2%
7 – 10	26	–	23	9.2	0.4	25	10.8	0.4	25	11.7	0.5	25	12.6	0.5	25	13.6	0.5	–	42.9%
11 – 12	14	–	14	10.6	0.8	15	12.6	0.8	15	13.6	0.9	14	13.8	1.0	14	14.9	1.1	-2.3%	24.9%
13 – 16	8	–	6	7.3	1.2	7	9.1	1.3	7	9.7	1.4	7	10.4	1.5	7	11.1	1.6	–	12.0%

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

2. Rand million.

## Entities<sup>1</sup>

### 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 34.25 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	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.

<sup>1</sup> This section has been compiled with the latest available information from the entities concerned.

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 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 34.26 National Gambling Board of South Africa expenditure trends and estimates by programme/objective/activity**

	Audited outcome			Revised estimate 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 thousand											
Administration	22 007	19 117	20 877	27 139	7.2%	58.2%	28 253	30 400	31 137	4.7%	21.1%
Stakeholder and liaison	5 133	3 438	10 868	14 217	40.4%	19.0%	14 317	14 867	15 460	2.8%	10.7%
Compliance monitoring	2 055	5 088	7 120	4 185	26.8%	12.3%	6 383	6 777	7 202	19.8%	4.2%
Technical Compliance	–	–	–	32 973	–	10.5%	120 704	128 528	136 871	60.7%	64.0%
<b>Total</b>	<b>29 195</b>	<b>27 643</b>	<b>38 865</b>	<b>78 514</b>	<b>39.1%</b>	<b>100.0%</b>	<b>169 657</b>	<b>180 572</b>	<b>190 670</b>	<b>34.4%</b>	<b>100.0%</b>

### Statements of historical financial performance and position

**Table 34.27 National Gambling Board of South Africa statements of historical financial performance and position**

Statement of financial performance									
	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/ Budget (%) 2014/15 - 2017/18
	Budget	2014/15	Budget	2015/16	Budget	2016/17	2017/18		
R thousand									
<b>Revenue</b>									
Non-tax revenue	2 703	2 698	8 789	8 743	17 659	19 156	12 641	52 568	199.0%
Other non-tax revenue	2 703	2 698	8 789	8 743	17 659	19 156	12 641	52 568	199.0%
<b>Transfers received</b>	<b>29 797</b>	<b>29 797</b>	<b>31 983</b>	<b>31 983</b>	<b>30 121</b>	<b>30 121</b>	<b>31 627</b>	<b>31 627</b>	<b>100.0%</b>
<b>Total revenue</b>	<b>32 500</b>	<b>32 495</b>	<b>40 772</b>	<b>40 726</b>	<b>47 780</b>	<b>49 277</b>	<b>44 268</b>	<b>84 195</b>	<b>125.0%</b>
<b>Expenses</b>									
Current expenses	27 502	29 195	39 035	27 643	47 371	38 865	44 268	78 514	110.1%
Compensation of employees	12 296	9 161	11 346	11 626	21 254	18 826	24 283	19 042	84.8%
Goods and services	14 356	18 094	25 477	13 867	23 975	17 866	17 783	57 184	131.2%
Depreciation	850	1 940	2 212	2 150	2 142	2 173	2 202	2 288	115.5%
<b>Total expenses</b>	<b>27 502</b>	<b>29 195</b>	<b>39 035</b>	<b>27 643</b>	<b>47 371</b>	<b>38 865</b>	<b>44 268</b>	<b>78 514</b>	<b>110.1%</b>
<b>Surplus/(Deficit)</b>	<b>4 998</b>	<b>3 300</b>	<b>1 737</b>	<b>13 083</b>	<b>409</b>	<b>10 412</b>	<b>–</b>	<b>5 681</b>	

**Table 34.27 National Gambling Board of South Africa statements of historical financial performance and position**

Statement of financial position									
	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/Budget (%)
	Budget	2014/15	Budget	2015/16	Budget	2016/17	2017/18		
R thousand									
Carrying value of assets	15 250	12 907	13 681	11 750	14 502	10 806	15 372	15 372	86.4%
of which:									
Acquisition of assets	–	(513)	(1 642)	(968)	(2 400)	(1 032)	–	(2 302)	119.1%
Inventory	120	20	21	42	22	34	24	24	63.9%
Receivables and prepayments	150	1 371	1 453	1 063	1 540	1 284	1 633	1 633	112.0%
Cash and cash equivalents	2 100	9 216	9 769	26 439	10 355	34 546	10 976	10 976	244.5%
<b>Total assets</b>	<b>17 620</b>	<b>23 514</b>	<b>24 925</b>	<b>39 294</b>	<b>26 420</b>	<b>46 670</b>	<b>28 006</b>	<b>28 006</b>	<b>141.8%</b>
Accumulated surplus/(deficit)	8 620	8 996	9 627	22 050	10 205	27 426	10 817	10 817	176.4%
Deferred income	–	6 485	–	–	–	–	–	–	–
Trade and other payables	6 500	7 115	14 325	15 435	15 184	16 544	16 095	16 095	105.9%
Provisions	2 500	918	973	1 809	1 031	2 700	1 093	1 093	116.5%
<b>Total equity and liabilities</b>	<b>17 620</b>	<b>23 514</b>	<b>24 925</b>	<b>39 294</b>	<b>26 420</b>	<b>46 670</b>	<b>28 006</b>	<b>28 006</b>	<b>141.8%</b>

**Statements of estimates of financial performance and position**

**Table 34.28 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	2020/21	2017/18 - 2020/21		
R thousand									
<b>Revenue</b>									
Non-tax revenue	52 568	169.1%	32.8%	146 024	155 651	165 905	46.7%	77.0%	
Other non-tax revenue	52 568	169.1%	32.8%	146 024	155 651	165 905	46.7%	77.0%	
Transfers received	31 627	2.0%	67.2%	32 624	34 452	36 346	4.7%	23.0%	
<b>Total revenue</b>	<b>84 195</b>	<b>37.3%</b>	<b>100.0%</b>	<b>178 648</b>	<b>190 103</b>	<b>202 251</b>	<b>33.9%</b>	<b>100.0%</b>	
<b>Expenses</b>									
Current expenses	78 514	39.1%	100.0%	169 657	180 572	190 670	34.4%	100.0%	
Compensation of employees	19 042	27.6%	36.5%	25 071	26 979	29 120	15.2%	17.3%	
Goods and services	57 184	46.8%	57.7%	141 914	150 921	158 878	40.6%	80.8%	
Depreciation	2 288	5.7%	5.7%	2 672	2 672	2 672	5.3%	1.8%	
<b>Total expenses</b>	<b>78 514</b>	<b>39.1%</b>	<b>100.0%</b>	<b>169 657</b>	<b>180 572</b>	<b>190 670</b>	<b>34.4%</b>	<b>100.0%</b>	
<b>Surplus/(Deficit)</b>	<b>5 681</b>			<b>8 991</b>	<b>9 531</b>	<b>11 581</b>			
<b>Statement of financial position</b>									
Carrying value of assets	15 372	6.0%	40.7%	16 295	17 207	–	-100.0%	–	
of which:									
Acquisition of assets	(2 302)	64.9%	-3.8%	(890)	(890)	(890)	-27.2%	–	
Inventory	24	6.0%	0.1%	25	27	–	-100.0%	–	
Receivables and prepayments	1 633	6.0%	4.3%	1 731	1 828	–	-100.0%	–	
Cash and cash equivalents	10 976	6.0%	54.9%	11 635	12 287	–	-100.0%	–	
<b>Total assets</b>	<b>28 006</b>	<b>6.0%</b>	<b>100.0%</b>	<b>29 686</b>	<b>31 348</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	
Accumulated surplus/(deficit)	10 817	6.3%	47.9%	11 466	12 108	–	-100.0%	–	
Trade and other payables	16 095	31.3%	40.6%	17 061	18 017	–	-100.0%	–	
Provisions	1 093	6.0%	4.5%	1 159	1 224	–	-100.0%	–	
<b>Total equity and liabilities</b>	<b>28 006</b>	<b>6.0%</b>	<b>100.0%</b>	<b>29 686</b>	<b>31 348</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	

**Personnel information**

**Table 34.29 National Gambling Board personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2018			Number and cost <sup>1</sup> 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		
<b>National Gambling Board</b>																			
Salary level	28	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	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	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	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.

## Companies and Intellectual Property Commission

### Mandate

The Companies and Intellectual Property Commission was established in terms of section 185 of the Companies Act (2008) to register companies, close corporations, cooperatives, trademarks, patents, designs and copyright; and enforce rules and regulations.

### Selected performance indicators

**Table 34.30 Companies and Intellectual Property Commission 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
Percentage website performance for round-the-clock online filing per year	Administration	Entity mandate	95%	95%	95%	95%	95%	95%	95%
Average number of days to register a company from the date of receipt of a complete application per year	Business regulations and reputation		-1	6	4	3	3	2	1
Average number of days to register a cooperative from the date of receipt of a complete application per year	Business regulations and reputation		-1	2	2	3	3	2	1
Percentage of companies with an active business status to file annual returns by the end of the reporting period per year	Business regulations and reputation		50% (525 470/ 1 051 059)	52% (558 954/ 1 075 904)	48%	44%	44%	52%	54%
Number of education and awareness events on intellectual property enforcement conducted per year	Innovation and creativity promotion		-1	-1	-1	4	6	8	10

1. No historical data available.

### Expenditure analysis

Over the medium term, the Companies and Intellectual Property Commission will continue to focus on creating a reputable business environment by effectively regulating the behaviour of companies and the intellectual property system. The commission will work towards its focus by continually improving its capabilities to protect intellectual property, increasing knowledge and awareness of intellectual property rights, and promoting compliance with company law and relevant legislation.

The commission's new registration system will enable it, by 2020/21, to register 75 per cent of applications electronically within a day of receiving them; provide services 24 hours a day, seven days a week; and make the commission's services accessible globally. Upgrading the system accounts for an estimated 75.6 per cent (R1.1 billion) of expenditure in the administration programme over the medium term. Of this amount, R168.8 million is provided for maintaining secure, accurate, and accessible registration services for companies, and R11.3 million for training and mentoring personnel to use the system more effectively to handle queries and develop their capabilities in intellectual property services.

The number of education and awareness workshops held in partnership with Transnet and the Durban Chamber of Commerce on the protection of intellectual property products and brands is set to increase from 4 in 2017/18 to 10 in 2020/21. These activities will drive the projected increase in the commission's expenditure on goods and services from R212.7 million in 2017/18 to R239.2 million in 2020/21, constituting an estimated 35 per cent (R670.5 million) of total expenditure.

Expenditure on compensation of employees is expected to increase at an average annual rate of 8 per cent, from R354.7 million in 2017/18 to R446.8 million in 2020/21, due to cost of living adjustments.

An estimated 80.9 per cent (R1.8 billion) of the commission's projected revenue over the medium term will be derived from fees charged for the registration of companies, cooperatives, trademarks, patents and copyrights. Interest income from accumulated funds invested with the Reserve Bank is expected to increase at an average annual rate of 0.6 per cent, amounting to R396 million over the MTEF period, and will constitute 18.3 per cent of total revenue. The commission also expects to generate revenue of R21.6 million over the MTEF period through company deregistrations, conversions, name changes and business rescue administration. The commission's total

revenue is projected to increase at an average annual rate of 1.5 per cent, from R705.3 million in 2017/18 to R736.6 million in 2020/21.

**Programmes/objectives/activities**

**Table 34.31 Companies and Intellectual Property Commission expenditure trends and estimates by programme/objective/activity**

R thousand	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	2020/21		
Administration	255 074	289 741	291 466	442 046		20.1%	77.9%	455 580	487 988	527 027	6.0%	75.6%
Business regulations and reputation	30 865	37 225	75 265	88 394		42.0%	13.5%	92 463	99 018	106 939	6.6%	15.3%
Innovation and creativity promotion	20 577	24 817	44 843	58 939		42.0%	8.7%	52 808	56 684	61 219	1.3%	9.1%
<b>Total</b>	<b>306 516</b>	<b>351 783</b>	<b>411 574</b>	<b>589 379</b>		<b>24.4%</b>	<b>100.0%</b>	<b>600 851</b>	<b>643 690</b>	<b>695 185</b>	<b>5.7%</b>	<b>100.0%</b>

**Statements of historical financial performance and position**

**Table 34.32 Companies and Intellectual Property Commission statements of historical financial performance and position**

Statement of financial performance										
R thousand	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/ Budget (%)	
	Budget	2014/15	Budget	2015/16	Budget	2016/17				2017/18
<b>Revenue</b>										
<b>Non-tax revenue</b>		<b>438 444</b>	<b>508 330</b>	<b>512 946</b>	<b>547 916</b>	<b>533 944</b>	<b>596 153</b>	<b>541 935</b>	<b>705 287</b>	<b>116.3%</b>
Sale of goods and services other than capital assets	393 444	413 344	470 446	438 987	488 944	468 025	494 335	571 873		102.4%
<i>of which:</i>										
Administrative fees	393 444	413 344	470 446	438 987	488 944	468 025	494 335	571 873		102.4%
Other non-tax revenue	45 000	94 986	42 500	108 929	45 000	128 128	47 600	133 414		258.4%
<b>Total revenue</b>	<b>438 444</b>	<b>508 330</b>	<b>512 946</b>	<b>547 916</b>	<b>533 944</b>	<b>596 153</b>	<b>541 935</b>	<b>705 287</b>		<b>116.3%</b>
<b>Expenses</b>										
<b>Current expenses</b>		<b>438 444</b>	<b>306 516</b>	<b>370 080</b>	<b>351 783</b>	<b>508 934</b>	<b>411 574</b>	<b>544 700</b>	<b>589 379</b>	<b>89.1%</b>
Compensation of employees	263 176	198 902	243 646	231 432	328 434	253 103	354 700	354 704		87.2%
Goods and services	173 268	98 127	117 634	110 323	176 000	147 824	185 000	212 735		87.3%
Depreciation	2 000	9 487	8 800	10 028	4 500	10 647	5 000	21 940		256.7%
<b>Total expenses</b>	<b>438 444</b>	<b>306 516</b>	<b>370 080</b>	<b>351 783</b>	<b>508 934</b>	<b>411 574</b>	<b>544 700</b>	<b>589 379</b>		<b>89.1%</b>
<b>Surplus/(Deficit)</b>		<b>-</b>	<b>201 814</b>	<b>142 866</b>	<b>196 133</b>	<b>25 010</b>	<b>184 579</b>	<b>(2 765)</b>	<b>115 908</b>	
<b>Statement of financial position</b>										
Carrying value of assets	41 692	43 143	76 692	39 197	391 692	55 343	418 034	418 034		59.9%
<i>of which:</i>										
Acquisition of assets	(9 325)	(12 402)	(23 129)	(6 080)	(20 050)	(27 132)	(23 700)	(23 700)		91.0%
Inventory	300	-	-	-	-	81	-	-		27.0%
Receivables and prepayments	3 500	8 901	2 000	4 595	1 500	8 329	1 000	1 000		285.3%
Cash and cash equivalents	1 282 097	1 565 589	1 382 456	1 593 874	1 087 892	1 551 849	1 080 923	1 080 923		119.8%
<b>Total assets</b>	<b>1 327 589</b>	<b>1 617 633</b>	<b>1 461 148</b>	<b>1 637 666</b>	<b>1 481 084</b>	<b>1 615 602</b>	<b>1 499 957</b>	<b>1 499 957</b>		<b>110.4%</b>
Accumulated surplus/(deficit)	1 217 649	1 500 492	1 313 392	1 505 870	1 330 788	1 255 505	1 342 026	1 342 026		107.7%
Trade and other payables	10 000	15 010	45 000	22 576	45 000	120 878	50 000	50 000		139.0%
Provisions	34 940	21 903	37 756	26 605	40 296	29 251	42 931	42 931		77.4%
Derivatives financial instruments	65 000	80 228	65 000	82 615	65 000	209 968	65 000	65 000		168.4%
<b>Total equity and liabilities</b>	<b>1 327 589</b>	<b>1 617 633</b>	<b>1 461 148</b>	<b>1 637 666</b>	<b>1 481 084</b>	<b>1 615 602</b>	<b>1 499 957</b>	<b>1 499 957</b>		<b>110.4%</b>

**Statements of estimates of financial performance and position**

**Table 34.33 Companies and Intellectual Property Commission statements of estimates of financial performance and position**

Statement of financial performance									
R thousand	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
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>705 287</b>	<b>11.5%</b>	<b>100.0%</b>	<b>712 615</b>	<b>726 231</b>	<b>736 646</b>	<b>1.5%</b>	<b>100.0%</b>	
Sale of goods and services other than capital assets	571 873	11.4%	80.3%	574 615	587 231	596 086	1.4%	80.9%	
<i>of which:</i>									
Administrative fees	571 873	11.4%	80.3%	574 615	587 231	596 086	1.4%	80.9%	
Other non-tax revenue	133 414	12.0%	19.7%	138 000	139 000	140 560	1.8%	19.1%	
<b>Total revenue</b>	<b>705 287</b>	<b>11.5%</b>	<b>100.0%</b>	<b>712 615</b>	<b>726 231</b>	<b>736 646</b>	<b>1.5%</b>	<b>100.0%</b>	
<b>Expenses</b>									
<b>Current expenses</b>	<b>589 379</b>	<b>24.4%</b>	<b>100.0%</b>	<b>600 851</b>	<b>643 690</b>	<b>695 186</b>	<b>5.7%</b>	<b>100.0%</b>	
Compensation of employees	354 704	21.3%	63.1%	383 076	413 720	446 818	8.0%	63.1%	
Goods and services	212 735	29.4%	33.8%	209 775	221 522	239 244	4.0%	35.0%	
Depreciation	21 940	32.2%	3.1%	8 000	8 448	9 124	-25.4%	1.9%	
<b>Total expenses</b>	<b>589 379</b>	<b>24.4%</b>	<b>100.0%</b>	<b>600 851</b>	<b>643 690</b>	<b>695 186</b>	<b>5.7%</b>	<b>100.0%</b>	
<b>Surplus/(Deficit)</b>	<b>115 908</b>			<b>111 764</b>	<b>82 541</b>	<b>41 460</b>			

**Table 34.33 Companies and Intellectual Property Commission statements of estimates of financial performance and position**

Statement of financial position	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	2020/21	2017/18 - 2020/21	
R thousand								
Carrying value of assets	418 034	113.2%	9.1%	437 059	437 059	472 024	4.1%	28.5%
of which:								
Acquisition of assets	(23 700)	24.1%	-1.1%	(31 800)	(38 200)	(41 256)	20.3%	-2.2%
Receivables and prepayments	1 000	-51.7%	0.4%	850	850	918	-2.8%	0.1%
Cash and cash equivalents	1 080 923	-11.6%	90.6%	1 080 923	1 080 923	1 167 397	2.6%	71.4%
<b>Total assets</b>	<b>1 499 957</b>	<b>-2.5%</b>	<b>100.0%</b>	<b>1 518 832</b>	<b>1 518 832</b>	<b>1 640 339</b>	<b>3.0%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	1 342 026	-3.7%	88.0%	1 353 264	1 353 264	1 461 525	2.9%	89.2%
Trade and other payables	50 000	49.3%	3.3%	55 000	49 000	52 920	1.9%	3.4%
Provisions	42 931	25.1%	1.9%	45 568	46 568	50 293	5.4%	3.0%
Derivatives financial instruments	65 000	-6.8%	6.8%	65 000	70 000	75 600	5.2%	4.5%
<b>Total equity and liabilities</b>	<b>1 499 957</b>	<b>-2.5%</b>	<b>100.0%</b>	<b>1 518 832</b>	<b>1 518 832</b>	<b>1 640 338</b>	<b>3.0%</b>	<b>100.0%</b>

## Personnel information

**Table 34.34 Companies and Intellectual Property Commission personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2018		Number and cost <sup>1</sup> 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							
Companies and Intellectual Property Commission		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	509	509	494	253.1	0.5	498	354.7	0.7	513	383.1	0.7	513	413.7	0.8	639	446.8	0.7	8.0%	100.0%
7 – 10	359	359	356	132.6	0.4	356	181.4	0.5	359	184.7	0.5	359	195.5	0.5	419	206.7	0.5	4.4%	69.3%
11 – 12	115	115	109	86.2	0.8	111	120.0	1.1	119	136.7	1.1	119	152.4	1.3	173	165.8	1.0	11.4%	23.9%
13 – 16	35	35	29	34.3	1.2	31	53.3	1.7	35	61.6	1.8	35	65.9	1.9	47	74.3	1.6	11.7%	6.8%

1. Rand million.

## Companies Tribunal

### Mandate

The Companies Tribunal was established in 2011 as a juristic person in terms of the Companies Act (2008) and became operational in 2012. It is mandated to mediate and adjudicate disputes between companies, 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.

### Selected performance indicators

**Table 34.35 Companies Tribunal 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 seminars hosted per year	Administration	Entity mandate	1	1	1	1	1	1	1
Number of outreach and/or exhibition programmes participated in per year	Administration		3	7	12	8	8	8	8
Percentage of decisions and orders issued within 40 working days after the date of hearing per year	Adjudicate and resolve disputes in a credible and just manner		80% (4/5)	80 (4/5)	80 (12/15)	90%	90%	90%	90%
Percentage of decisions and orders issued within 30 days after the date of allocation per year	Adjudicate and resolve disputes in a credible and just manner		90% (117/130)	88% (168/191)	98% (150/153)	90%	90%	90%	90%
Percentage of cases finalised in terms of alternative dispute resolution per year within 25 working days after the date of final hearing or final submission by parties	Adjudicate and resolve disputes in a credible and just manner		40% (4/10)	100% (14)	79% (15/19)	85%	85%	85%	90%

### Expenditure analysis

The Companies Tribunal contributes to the National Development Plan's objective of reducing the cost of regulatory compliance. The tribunal will continue to facilitate the resolution of company disputes through mediation, conciliation and arbitration, thereby contributing to the creation of a just, fair and ethical regulatory

business environment. Through its work, the tribunal aims to support sustainable enterprise development and a business environment that attracts investment.

Over the medium term, the tribunal will focus on promoting a professional and competitive business environment through adjudications and dispute resolutions. Expenditure in this regard is set to decrease from R23.9 million in 2017/18 to R18.8 million in 2020/21 due to the depletion of the tribunal's accumulated surpluses. The tribunal derives 84.3 per cent (R53.1 million) of its revenue through transfers from the department and 15.7 per cent (R5.9 million) through interest income.

To enable better interaction between tribunal members and clients while allowing for cases to be managed more efficiently, the tribunal plans to upgrade its case management system. The upgrade will also enable the generation of electronic reports. The tribunal expects to host 24 outreach and exhibition programmes, 3 seminars and other marketing initiatives to raise awareness about its work. This is expected to lead to an increase in the number of cases from 250 in 2017/18 to 500 in 2020/21. Spending on these activities amounts to R9.5 million over the medium term, constituting 21.7 per cent (R9.6 million) of total projected spending on goods and services.

Expenditure on compensation of employees is set to increase from R14.3 million in 2017/18 to R17.3 million in 2020/21 at an average annual rate of 6.6 per cent, accounting for an estimated 77.4 per cent (R48.9 million) of the tribunal's total budget over the medium term. The number of personnel in the tribunal is set to remain constant at 19 over the medium term.

### Programmes/objectives/activities

**Table 34.36 Companies Tribunal expenditure trends and estimates by programme/objective/activity**

	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				2018/19	2019/20	2020/21		
R thousand					2014/15 - 2017/18		2018/19	2019/20	2020/21	2017/18 - 2020/21	
Administration	10 880	15 110	16 093	18 905	20.2%	77.7%	18 204	17 772	18 359	-1.0%	89.0%
Adjudicate and resolve disputes in a credible and just manner	3 011	5 000	4 514	4 947	18.0%	22.3%	2 767	1 499	400	-56.8%	11.0%
<b>Total</b>	<b>13 891</b>	<b>20 110</b>	<b>20 607</b>	<b>23 852</b>	<b>19.7%</b>	<b>100.0%</b>	<b>20 971</b>	<b>19 271</b>	<b>18 759</b>	<b>-7.7%</b>	<b>100.0%</b>

### Statements of historical financial performance and position

**Table 34.37 Companies Tribunal statements of historical financial performance and position**

Statement of financial performance									
	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/Budget (%)
	Budget	2014/15	Budget	2015/16	Budget	2016/17			
R thousand									2014/15 - 2017/18
<b>Revenue</b>									
Non-tax revenue	350	1 539	4 488	2 554	2 649	2 649	8 030	8 030	95.2%
Other non-tax revenue	350	1 539	4 488	2 554	2 649	2 649	8 030	8 030	95.2%
<b>Transfers received</b>	<b>13 313</b>	<b>13 313</b>	<b>14 221</b>	<b>14 221</b>	<b>15 069</b>	<b>15 069</b>	<b>15 822</b>	<b>15 822</b>	<b>100.0%</b>
<b>Total revenue</b>	<b>13 663</b>	<b>14 852</b>	<b>18 709</b>	<b>16 775</b>	<b>17 718</b>	<b>17 718</b>	<b>23 852</b>	<b>23 852</b>	<b>99.0%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>13 243</b>	<b>13 891</b>	<b>18 709</b>	<b>20 110</b>	<b>20 607</b>	<b>20 607</b>	<b>23 852</b>	<b>23 852</b>	<b>102.7%</b>
Compensation of employees	9 034	8 123	11 233	10 217	11 725	11 725	14 260	14 310	95.9%
Goods and services	4 207	5 745	7 284	9 712	8 659	8 659	9 371	9 322	113.3%
Depreciation	2	23	192	181	223	223	221	220	101.4%
<b>Total expenses</b>	<b>13 243</b>	<b>13 891</b>	<b>18 709</b>	<b>20 110</b>	<b>20 607</b>	<b>20 607</b>	<b>23 852</b>	<b>23 852</b>	<b>102.7%</b>
<b>Surplus/(Deficit)</b>	<b>420</b>	<b>961</b>	<b>-</b>	<b>(3 335)</b>	<b>(2 889)</b>	<b>(2 889)</b>	<b>-</b>	<b>-</b>	
<b>Statement of financial position</b>									
Carrying value of assets	50	316	250	633	866	866	2 370	2 370	118.4%
of which:									
Acquisition of assets	(70)	(115)	(19)	(498)	(458)	(458)	(500)	(500)	150.0%
Inventory	-	13	15	11	15	15	3	3	127.3%
Receivables and prepayments	-	11	15	240	148	148	1	1	243.9%
Cash and cash equivalents	18 599	22 099	21 630	18 462	15 082	15 082	3 799	3 799	100.6%
<b>Total assets</b>	<b>18 649</b>	<b>22 439</b>	<b>21 910</b>	<b>19 346</b>	<b>16 111</b>	<b>16 111</b>	<b>6 173</b>	<b>6 173</b>	<b>102.0%</b>
Accumulated surplus/(deficit)	17 659	21 308	20 746	17 974	15 085	15 085	4 656	4 656	101.5%
Trade and other payables	890	98	501	439	70	70	550	550	57.5%
Provisions	100	1 033	663	933	956	956	967	967	144.8%
<b>Total equity and liabilities</b>	<b>18 649</b>	<b>22 439</b>	<b>21 910</b>	<b>19 346</b>	<b>16 111</b>	<b>16 111</b>	<b>6 173</b>	<b>6 173</b>	<b>102.0%</b>

**Statements of estimates of financial performance and position****Table 34.38 Companies Tribunal statements of estimates of financial performance and position**

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Revised estimate								
R thousand	2017/18	2014/15 - 2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21		
<b>Revenue</b>								
Non-tax revenue	8 030	73.4%	18.6%	4 231	1 594	110	-76.1%	15.7%
Other non-tax revenue	8 030	73.4%	18.6%	4 231	1 594	110	-76.1%	15.7%
<b>Transfers received</b>	<b>15 822</b>	<b>5.9%</b>	<b>81.4%</b>	<b>16 740</b>	<b>17 677</b>	<b>18 649</b>	<b>5.6%</b>	<b>84.3%</b>
<b>Total revenue</b>	<b>23 852</b>	<b>17.1%</b>	<b>100.0%</b>	<b>20 971</b>	<b>19 271</b>	<b>18 759</b>	<b>-7.7%</b>	<b>100.0%</b>
<b>Expenses</b>								
Current expenses	23 852	19.7%	100.0%	20 971	19 271	18 759	-7.7%	100.0%
Compensation of employees	14 310	20.8%	56.5%	15 269	16 277	17 334	6.6%	77.4%
Goods and services	9 322	17.5%	42.7%	5 504	2 816	1 265	-48.6%	21.7%
Depreciation	220	112.3%	0.8%	198	178	160	-10.1%	0.9%
<b>Total expenses</b>	<b>23 852</b>	<b>19.7%</b>	<b>100.0%</b>	<b>20 971</b>	<b>19 271</b>	<b>18 759</b>	<b>-7.7%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>-</b>			<b>-</b>	<b>-</b>	<b>-</b>		
<b>Statement of financial position</b>								
Carrying value of assets	2 370	95.7%	12.1%	1 890	1 506	1 585	-12.5%	84.6%
of which:								
Acquisition of assets	(500)	63.2%	-3.5%	(90)	(110)	-	-100.0%	-5.0%
Inventory	3	-38.7%	0.1%	-	-	-	-100.0%	0.0%
Receivables and prepayments	1	-55.0%	0.6%	-	-	-	-100.0%	0.0%
Cash and cash equivalents	3 799	-44.4%	87.3%	-	-	-	-100.0%	15.4%
<b>Total assets</b>	<b>6 173</b>	<b>-35.0%</b>	<b>100.0%</b>	<b>1 890</b>	<b>1 506</b>	<b>1 585</b>	<b>-36.4%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	4 656	-39.8%	89.2%	-	-	-	-100.0%	18.9%
Trade and other payables	550	77.7%	3.0%	870	485	550	-	30.5%
Provisions	967	-2.2%	7.8%	1 020	1 021	1 035	2.3%	50.7%
<b>Total equity and liabilities</b>	<b>6 173</b>	<b>-35.0%</b>	<b>100.0%</b>	<b>1 890</b>	<b>1 506</b>	<b>1 585</b>	<b>-36.4%</b>	<b>100.0%</b>

**Personnel information****Table 34.39 Companies Tribunal personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2018		Number and cost <sup>1</sup> 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		Unit cost	2017/18		Unit cost	2018/19		2019/20		2020/21				2017/18 - 2020/21			
Companies Tribunal		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	19	28	17	11.7	0.7	17	14.3	0.8	19	15.3	0.8	19	16.3	0.9	19	17.3	0.9	6.6%	100.0%
1 - 6	3	-	3	0.2	0.1	3	0.2	0.1	3	0.2	0.1	3	0.3	0.1	3	0.3	0.1	8.9%	16.3%
7 - 10	3	9	3	1.4	0.5	3	1.5	0.5	3	1.6	0.5	3	1.7	0.6	3	1.8	0.6	7.7%	16.3%
11 - 12	8	11	7	5.2	0.7	7	6.1	0.9	8	6.6	0.8	8	7.0	0.9	8	7.5	0.9	6.8%	41.9%
13 - 16	5	8	4	4.9	1.2	4	6.5	1.6	5	6.9	1.4	5	7.3	1.5	5	7.8	1.6	6.1%	25.6%

1. Rand million.

**Export Credit Insurance Corporation of South Africa****Mandate**

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 subsidised interest rate arrangement for participating financial institutions to enable them to provide loans to South African firms that invest in capital projects abroad.

**Selected performance indicators****Table 34.40 Export Credit Insurance Corporation of South Africa 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 projects to identify new opportunities per year <sup>1</sup>	Improve business development and customer management	Outcome 4: Decent employment through inclusive growth	- <sup>2</sup>	2	2	2	2	2	2
Value of project approvals per year	Improve business development and customer management		US\$432m	US\$377m	US\$479m	US\$400m- US\$500m	US\$450m- US\$550m	US\$500m- US\$600	US\$550m- US\$650m
Percentage increase/decrease in own funds per year	Increase capital base		- <sup>2</sup>	21% (R923 617/ R4 324 239)	32% (R1 677 980/ R5 247 856) decrease <sup>3</sup>	1% increase	8% increase	14% increase	17% increase

1. Budget allocations for the indicator increase only by inflation over the medium term.

2. No historical data available.

3. Decrease due to the incorporation of the interest make-up scheme into the corporation.

**Expenditure analysis**

The Export Credit Insurance Corporation provides comprehensive export credit and investment insurance solutions in support of South African exports. The corporation aims to assist South African exporters doing business in risky sectors or countries, and thereby contributes to the expansion of exports, economic growth and the creation of local jobs. In executing its mandate, the corporation contributes to outcome 4 (decent employment through inclusive growth) of government's 2014-2019 medium-term strategic framework.

The corporation's focus over the medium term will be on expanding its market presence and customer base, expediting approval processes, and offering competitive pricing. An anticipated 6 research projects will be conducted to identify new opportunities for investment, resulting in a projected increase in spending at an average annual rate of 3 per cent, from R22.8 million in 2017/18 to R25 million in 2020/21.

A proactive deal origination model has been adopted, enabling the business development unit to search for new business to ensure that the corporation advances export trade and cross border investments. The value of the corporation's project approvals is projected to increase from between US\$400 million and US\$500 million in 2017/18 to between US\$550 million and US\$650 million in 2020/21. To support business growth, an expanded structure was approved by the department in 2016/17 to aid the corporation in securing more business opportunities. In line with the new structure, the number of personnel in the corporation is set to increase from 84 in 2016/17 to 95 over the medium term, driving an increase in projected expenditure on compensation of employees from R100.5 million in 2017/18 to R134.3 million in 2020/21.

Total revenue is estimated at R3.4 billion over the medium term, of which 82.4 per cent is set to be derived through insurance premiums and investment income, and 17.6 per cent through transfers from the department. Revenue from insurance premiums and investment income is expected to increase at an average annual rate of 25.4 per cent, from R212.7 million in 2017/18 to R419.8 million in 2020/21, due to support for South African companies involved in pipeline, particularly petroleum, projects that are anticipated to commence over the MTEF period. Transfers from the department for the interest make-up scheme are projected to increase at an average annual rate of 5.6 per cent, from R177.6 million in 2017/18 to R204.1 million in 2020/21. The interest make-up scheme is a subsidised interest rate arrangement enabling participating financial institutions to provide loans to South African exporters at subsidised rates, allowing exporters to access new markets and diversify exports.

The corporation's exposure is predominantly in SADC countries and West Africa. Building on and leveraging a network of strategic partnerships, such as those with the African Export-Import Bank and the World Bank, is expected to give the corporation access to new markets, such as North Africa, thereby broadening the corporation's reach and sources of revenue.

**Programmes/objectives/activities****Table 34.41 Export Credit Insurance Corporation of South Africa Limited expenditure trends and estimates by programme/objective/activity**

R thousand	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	2014/15 - 2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21		
Administration	209 724	357 062	130 249	53 680	-36.5%	13.0%	126 607	231 337	309 773	79.4%	25.9%
Improve knowledge and skills	6 320	9 204	17 723	22 800	53.4%	1.1%	24 725	26 851	29 093	8.5%	3.6%
Increase product range	5 184	-	-	-	-100.0%	0.1%	-	-	-	-	-
Increase strategic partnerships	8 425	4 866	2 519	5 473	-13.4%	0.4%	6 025	5 418	5 801	2.0%	0.8%
Improve Business Process	6 229	3 476	5 608	12 441	25.9%	0.5%	10 832	11 657	12 439	-0.0%	1.6%
Improve communications	13 606	9 853	15 236	18 692	11.2%	1.0%	19 771	22 400	24 982	10.2%	3.0%
Improve Business Development and customer management	3 475	4 484	12 550	22 834	87.3%	0.9%	21 805	23 545	24 966	3.0%	3.2%
Decrease Cost to Revenue Ratio	24 854	-	-	-	-100.0%	0.3%	-	-	-	-	-
Improve stakeholder satisfaction	133 205	167 531	2 248 522	90 072	-12.2%	31.3%	67 581	59 969	57 360	-14.0%	9.2%
Increase capital base	1 786 240	599 815	(56 676)	675 615	-27.7%	51.4%	483 686	217 142	267 351	-26.6%	52.8%
<b>Total</b>	<b>2 197 262</b>	<b>1 156 290</b>	<b>2 375 730</b>	<b>901 606</b>	<b>-25.7%</b>	<b>100.0%</b>	<b>761 031</b>	<b>598 318</b>	<b>731 765</b>	<b>-6.7%</b>	<b>100.0%</b>

**Statements of historical financial performance and position****Table 34.42 Export Credit Insurance Corporation of South Africa Limited statements of historical financial performance and position**

Statement of financial performance									
R thousand	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
	2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18				
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>940 277</b>	<b>2 154 682</b>	<b>958 074</b>	<b>979 341</b>	<b>838 727</b>	<b>935 323</b>	<b>1 266 036</b>	<b>775 801</b>	<b>121.0%</b>
Sale of goods and services other than capital assets	548 424	1 788 350	565 322	621 102	526 383	477 949	898 463	563 131	135.9%
<i>of which:</i>									
<i>Sales by market establishment</i>	548 424	1 788 350	565 322	621 102	526 383	477 949	898 463	563 131	135.9%
Other non-tax revenue	391 853	366 332	392 752	358 239	312 344	457 374	367 573	212 670	95.2%
<b>Transfers received</b>	<b>-</b>	<b>110 370</b>	<b>165 447</b>	<b>165 447</b>	<b>171 566</b>	<b>206 088</b>	<b>177 644</b>	<b>177 644</b>	<b>128.2%</b>
<b>Total revenue</b>	<b>940 277</b>	<b>2 265 052</b>	<b>1 123 521</b>	<b>1 144 788</b>	<b>1 450 779</b>	<b>1 141 411</b>	<b>1 443 680</b>	<b>953 445</b>	<b>111.0%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>525 222</b>	<b>1 877 168</b>	<b>155 957</b>	<b>633 784</b>	<b>2 411 892</b>	<b>2 245 489</b>	<b>577 539</b>	<b>847 926</b>	<b>152.7%</b>
Compensation of employees	42 329	58 788	53 232	46 946	86 158	84 890	96 600	100 499	104.6%
Goods and services	481 763	1 817 027	99 526	584 957	2 322 960	2 157 990	477 043	744 683	156.9%
Depreciation	1 129	1 353	3 199	1 878	2 773	2 601	3 896	2 744	78.0%
Interest, dividends and rent on land	-	-	-	2	1	8	-	-	995.8%
<b>Transfers and subsidies</b>	<b>-</b>	<b>110 370</b>	<b>165 447</b>	<b>165 446</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>166.7%</b>
<b>Total expenses</b>	<b>641 437</b>	<b>2 197 262</b>	<b>545 997</b>	<b>1 156 290</b>	<b>2 411 892</b>	<b>2 375 730</b>	<b>820 058</b>	<b>901 606</b>	<b>150.0%</b>
<b>Surplus/(Deficit)</b>	<b>298 840</b>	<b>67 790</b>	<b>577 524</b>	<b>(11 502)</b>	<b>(961 112)</b>	<b>(1 234 319)</b>	<b>623 622</b>	<b>51 839</b>	
<b>Statement of financial position</b>									
Carrying value of assets	1 585	9 305	17 950	14 471	10 800	11 663	8 409	9 882	117.0%
<i>of which:</i>									
<i>Acquisition of assets</i>	(9 325)	(4 815)	(13 214)	(4 736)	(2 812)	(936)	(1 505)	(3 356)	51.5%
Investments	3 759 121	2 582 548	6 726 826	7 072 662	7 731 693	6 685 901	8 179 993	7 296 256	89.5%
Receivables and prepayments	862 133	1 554 050	1 519 710	1 878 703	1 779 761	1 578 303	1 166 503	1 507 063	122.3%
Cash and cash equivalents	1 581 735	3 817 639	2 636	439 961	1 944	284 615	1 437	1 417	286.2%
Taxation	-	1 020	1 020	26 516	412 159	-	328 127	-	3.7%
<b>Total assets</b>	<b>6 204 575</b>	<b>7 964 563</b>	<b>8 268 143</b>	<b>9 432 312</b>	<b>9 936 358</b>	<b>8 560 482</b>	<b>9 684 469</b>	<b>8 814 618</b>	<b>102.0%</b>
Accumulated surplus/(deficit)	2 418 825	1 318 290	552 738	1 933 636	3 311 567	661 005	2 448 306	3 310 455	82.7%
Capital and reserves	1 424 438	3 005 946	4 226 990	3 314 220	814 769	2 908 871	2 301 652	316 051	108.9%
Trade and other payables	15 226	31 842	35 415	27 106	41 385	38 832	39 065	47 492	110.8%
Taxation	121 374	38 350	38 350	43 357	-	78 607	-	23 044	114.8%
Provisions	2 224 711	3 570 135	3 414 650	4 113 993	4 060 771	3 240 145	3 568 629	3 726 723	110.4%
Derivatives financial instruments	-	-	-	-	1 707 866	1 633 022	1 326 816	1 390 854	99.6%
<b>Total equity and liabilities</b>	<b>6 204 575</b>	<b>7 964 563</b>	<b>8 268 143</b>	<b>9 432 312</b>	<b>9 936 358</b>	<b>8 560 482</b>	<b>9 684 469</b>	<b>8 814 619</b>	<b>102.0%</b>

## Statements of estimates of financial performance and position

Table 34.43 Export Credit Insurance Corporation of South Africa Limited 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 thousand									
<b>Revenue</b>									
<b>Non-tax revenue</b>		<b>775 801</b>	<b>-28.9%</b>	<b>86.0%</b>	<b>848 070</b>	<b>953 165</b>	<b>994 629</b>	<b>8.6%</b>	<b>82.4%</b>
Sale of goods and services other than capital assets		563 131	-32.0%	58.5%	609 634	532 011	574 818	0.7%	53.1%
<i>of which:</i>									
Sales by market establishment		563 131	-32.0%	58.5%	609 634	532 011	574 818	0.7%	53.1%
Other non-tax revenue		212 670	-16.6%	27.5%	238 436	421 154	419 811	25.4%	29.3%
<b>Transfers received</b>		<b>177 644</b>	<b>17.2%</b>	<b>14.0%</b>	<b>183 248</b>	<b>193 511</b>	<b>204 153</b>	<b>4.7%</b>	<b>17.6%</b>
<b>Total revenue</b>		<b>953 445</b>	<b>-25.1%</b>	<b>100.0%</b>	<b>1 031 318</b>	<b>1 146 676</b>	<b>1 198 782</b>	<b>7.9%</b>	<b>100.0%</b>
<b>Expenses</b>									
<b>Current expenses</b>		<b>847 926</b>	<b>-23.3%</b>	<b>82.2%</b>	<b>634 424</b>	<b>366 982</b>	<b>421 992</b>	<b>-20.8%</b>	<b>74.1%</b>
Compensation of employees		100 499	19.6%	5.4%	110 350	119 922	134 251	10.1%	16.0%
Goods and services		744 683	-25.7%	76.7%	520 644	245 912	285 098	-27.4%	57.8%
Depreciation		2 744	26.6%	0.2%	3 430	1 148	2 643	-1.2%	0.3%
<b>Total expenses</b>		<b>901 606</b>	<b>-25.7%</b>	<b>100.0%</b>	<b>761 031</b>	<b>598 318</b>	<b>731 765</b>	<b>-6.7%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>		<b>51 839</b>			<b>270 287</b>	<b>548 358</b>	<b>467 017</b>		
<b>Statement of financial position</b>									
Carrying value of assets		9 882	2.0%	0.1%	11 204	13 210	12 544	8.3%	0.1%
<i>of which:</i>									
Acquisition of assets		(3 356)	-11.3%	-0.0%	(4 752)	(3 154)	(1 977)	-16.2%	-0.0%
Investments		7 296 256	41.4%	67.1%	7 483 155	8 032 056	8 281 029	4.3%	84.9%
Receivables and prepayments		1 507 063	-1.0%	18.7%	1 680 316	1 228 608	1 040 506	-11.6%	15.0%
Cash and cash equivalents		1 417	-92.8%	14.0%	2 058	1 522	292	-40.9%	0.0%
<b>Total assets</b>		<b>8 814 618</b>	<b>3.4%</b>	<b>100.0%</b>	<b>9 176 733</b>	<b>9 275 396</b>	<b>9 334 372</b>	<b>1.9%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)		3 310 455	35.9%	20.6%	3 584 029	4 135 856	4 898 253	14.0%	43.4%
Capital and reserves		316 051	-52.8%	27.6%	316 051	316 051	316 051	-	3.5%
Trade and other payables		47 492	14.3%	0.4%	80 696	58 747	64 153	10.5%	0.7%
Taxation		23 044	-15.6%	0.5%	23 044	23 044	23 044	-	0.3%
Provisions		3 726 723	1.4%	42.1%	3 980 060	3 783 979	3 269 413	-4.3%	40.4%
Derivatives financial instruments		1 390 854	-	8.7%	1 192 855	957 719	763 458	-18.1%	11.8%
<b>Total equity and liabilities</b>		<b>8 814 619</b>	<b>3.4%</b>	<b>100.0%</b>	<b>9 176 734</b>	<b>9 275 396</b>	<b>9 334 372</b>	<b>1.9%</b>	<b>100.0%</b>

## Personnel information

Table 34.44 Export Credit Insurance Corporation of South Africa personnel numbers and cost by salary level

Number of posts estimated for 31 March 2018		Number and cost <sup>1</sup> 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		Unit cost	2017/18		Unit cost	2018/19		Unit cost	2019/20		Unit cost			2020/21		Unit cost	
Export Credit Insurance Corporation of South Africa		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	92	90	84	84.9	1.0	92	100.5	1.1	95	110.3	1.2	95	119.9	1.3	95	134.3	1.4	10.1%	100.0%
1 – 6	11	11	11	1.4	0.1	11	2.1	0.2	15	3.0	0.2	15	3.2	0.2	15	3.5	0.2	17.6%	14.8%
7 – 10	38	38	36	17.8	0.5	38	23.7	0.6	37	24.6	0.7	37	26.7	0.7	37	28.8	0.8	6.6%	39.5%
11 – 12	16	14	13	12.3	0.9	16	14.3	0.9	14	15.3	1.1	14	16.6	1.2	14	17.9	1.3	7.9%	15.4%
13 – 16	23	23	20	37.5	1.9	23	45.6	2.0	25	51.1	2.0	25	55.6	2.2	25	59.9	2.4	9.5%	26.0%
17 – 22	4	4	4	15.8	4.0	4	14.8	3.7	4	16.4	4.1	4	17.8	4.5	4	24.2	6.1	17.9%	4.2%

1. Rand million.

## National Consumer Commission

### Mandate

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 enforcement framework relating to consumer transactions and agreements.

### Selected performance indicators

**Table 34.45 National Consumer Commission 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
Percentage of complaints referred or issued with non-referrals per year	Promote compliance with the Consumer Protection Act (2008)	Outcome 11: Create a better South Africa, a better Africa and a better world	80% (5 751/ 7 204) in 13 days	97% (6 567/ 6 794)	90% (5 392/ 5 964)	95%	95%	95%	95%
Number of investigations conducted that have recommendations produced per year <sup>1</sup>	Promote compliance with the Consumer Protection Act (2008)		18	12	33	12	12	12	12
Number of inspections conducted that have recommendations produced per year <sup>1</sup>	Promote compliance with the Consumer Protection Act (2008)		34	22	36	22	22	22	22
Number of codes of good practice developed or reviewed per year	Promote compliance with the Consumer Protection Act (2008)		0 <sup>2</sup>	1	1	0 <sup>2</sup>	1	1	1
Number of consumer awareness initiatives conducted per year	Promote reform of consumer policy and consumer protection legislation		- <sup>3</sup>	25	10	24	24	24	24
Number of business compliance initiatives conducted in different provinces per year <sup>1</sup>	Promote reform of consumer policy and consumer protection legislation		- <sup>3</sup>	15	15	12	12	12	12

1. Budget allocations for the indicator increase only by inflation over the medium term.

2. No targets due to review of the development of codes of good practice.

3. No historical data available.

### Expenditure analysis

The National Consumer Commission ensures consumer safety through regulating the marketing of goods and services to consumers, and facilitating a protective consumer environment that is well coordinated and responsive to consumer needs. Over the MTEF period, the commission will continue providing dispute resolution in matters arising from consumer transactions, and education and awareness campaigns. The commission's research into the retail, automotive and communications sectors is aimed at improving the quality of services provided to consumers. Through its work, the commission aims to give effect to outcome 11 (create a better South Africa, a better Africa and a better world) of government's 2014-2019 medium-term strategic framework.

Through investigations and inspections, the commission facilitates the resolution of disputes between consumers and suppliers in an expedient, cost effective, fair and transparent manner while enforcing the Consumer Protection Act (2008). The commission expects to conduct 36 investigations and 66 inspections on consumer products over the MTEF period, and ensure that 95 per cent of consumers requesting advice on disputes receive responses within 20 days. Spending in this regard is projected to increase from R20.3 million in 2017/18 to R24.7 million in 2020/21, accounting for a projected 37.9 per cent (R69.6 million) of the commission's total budget over the same period.

The commission plans to conduct research on unfair marketing and business practices, and increase the number of educational workshops on the Consumer Protection Act (2008) from 25 in 2017/18 to 36 in 2020/21. Spending on these activities is expected to increase from R7.8 million in 2017/18 to R8.6 million in 2020/21, at an average annual rate of 3.3 per cent.

Expenditure on compensation of employees is expected to increase from R42.6 million in 2017/18 to R50.3 million in 2020/21, at an average annual rate of 5.7 per cent. The number of personnel in the commission is set to remain constant at 85 over the medium term.

Total revenue is projected to increase from R54.3 million in 2017/18 to R64.2 million in 2020/21. An estimated 96.9 per cent (R177.1 million) of this will be received through transfers from the department, and 3.1 per cent (R5.7 million) through interest on investments.

**Programmes/objectives/activities**

**Table 34.46 National Consumer Commission expenditure trends and estimates by programme/objective/activity**

R thousand	Audited outcome			Revised estimate 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		
Administration	33 243	28 982	34 131	24 837	-9.3%	53.6%	26 536	28 022	29 602	6.0%	46.0%
Promote compliance with the Consumer Protection Act (2008)	13 344	17 562	19 562	20 310	15.0%	31.2%	21 470	23 404	24 701	6.7%	37.9%
Promote reform of consumer policy and consumer protection legislation	5 338	10 605	8 000	7 817	13.6%	14.0%	8 415	8 154	8 606	3.3%	13.9%
Research, advocacy and empowerment of participants in the consumer market	-	-	1 455	1 345	-	1.2%	1 232	1 301	1 320	-0.6%	2.2%
<b>Total</b>	<b>51 925</b>	<b>57 149</b>	<b>63 148</b>	<b>54 309</b>	<b>1.5%</b>	<b>100.0%</b>	<b>57 653</b>	<b>60 881</b>	<b>64 229</b>	<b>5.8%</b>	<b>100.0%</b>

**Statements of historical financial performance and position**

**Table 34.47 National Consumer Commission statements of historical financial performance and position**

Statement of financial performance									
R thousand	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/ Budget (%)
	Budget	2014/15	Budget	2015/16	Budget	2016/17			
<b>Revenue</b>									
Non-tax revenue	-	1 531	1 000	1 507	1 606	5 528	1 695	1 695	238.6%
Other non-tax revenue	-	1 531	1 000	1 507	1 606	5 528	1 695	1 695	238.6%
Transfers received	53 376	53 376	54 596	54 596	56 643	56 643	52 614	52 614	100.0%
<b>Total revenue</b>	<b>53 376</b>	<b>54 907</b>	<b>55 596</b>	<b>56 103</b>	<b>58 249</b>	<b>62 171</b>	<b>54 309</b>	<b>54 309</b>	<b>102.7%</b>
<b>Expenses</b>									
Current expenses	53 376	51 925	55 596	57 149	58 249	63 148	54 309	54 309	102.3%
Compensation of employees	32 338	32 843	38 787	36 468	40 381	40 723	42 617	42 617	99.0%
Goods and services	20 293	17 345	16 354	19 194	16 020	21 597	9 737	9 737	108.8%
Depreciation	745	1 737	455	1 487	1 848	828	1 955	1 955	120.1%
<b>Total expenses</b>	<b>53 376</b>	<b>51 925</b>	<b>55 596</b>	<b>57 149</b>	<b>58 249</b>	<b>63 148</b>	<b>54 309</b>	<b>54 309</b>	<b>102.3%</b>
<b>Surplus/(Deficit)</b>	<b>-</b>	<b>2 982</b>	<b>-</b>	<b>(1 046)</b>	<b>-</b>	<b>(977)</b>	<b>-</b>	<b>-</b>	
<b>Statement of financial position</b>									
Carrying value of assets	5 920	3 214	4 723	2 812	4 700	2 523	5 194	5 194	66.9%
of which:									
Acquisition of assets	(2 400)	(1 660)	(3 800)	(1 266)	(500)	(780)	(1 300)	(1 300)	62.6%
Receivables and prepayments	680	1 209	84	727	86	423	50	50	267.7%
Cash and cash equivalents	3 400	9 272	9 000	10 304	7 708	10 883	7 308	7 308	137.8%
<b>Total assets</b>	<b>10 000</b>	<b>13 695</b>	<b>13 807</b>	<b>13 843</b>	<b>12 494</b>	<b>13 829</b>	<b>12 552</b>	<b>12 552</b>	<b>110.4%</b>
Accumulated surplus/(deficit)	7 590	10 132	10 607	9 172	8 915	8 196	8 915	8 915	101.1%
Trade and other payables	1 600	1 746	1 600	2 801	1 400	3 303	1 200	1 200	156.0%
Provisions	700	1 441	900	1 702	1 100	2 330	1 200	1 200	171.1%
Derivatives financial instruments	110	377	700	168	1 079	-	1 237	1 237	57.0%
<b>Total equity and liabilities</b>	<b>10 000</b>	<b>13 696</b>	<b>13 807</b>	<b>13 843</b>	<b>12 494</b>	<b>13 829</b>	<b>12 552</b>	<b>12 552</b>	<b>110.4%</b>

**Statements of estimates of financial performance and position**

**Table 34.48 National Consumer Commission statements of estimates of financial performance and position**

Statement of financial performance									
R thousand	Revised estimate 2017/18	Average growth rate (%) 2014/15 - 2017/18	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/ Total (%)	
				2018/19	2019/20	2020/21			
<b>Revenue</b>									
Non-tax revenue	1 695	3.5%	4.4%	1 788	1 888	1 991	5.5%	3.1%	
Other non-tax revenue	1 695	3.5%	4.4%	1 788	1 888	1 991	5.5%	3.1%	
Transfers received	52 614	-0.5%	95.6%	55 865	58 993	62 238	5.8%	96.9%	
<b>Total revenue</b>	<b>54 309</b>	<b>-0.4%</b>	<b>100.0%</b>	<b>57 653</b>	<b>60 881</b>	<b>64 229</b>	<b>5.8%</b>	<b>100.0%</b>	

**Table 34.48 National Consumer Commission 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		
R thousand									
<b>Expenses</b>									
<b>Current expenses</b>		<b>54 309</b>	<b>1.5%</b>	<b>100.0%</b>	<b>57 653</b>	<b>60 881</b>	<b>64 229</b>	<b>5.8%</b>	<b>100.0%</b>
Compensation of employees		42 617	9.1%	67.5%	44 979	47 497	50 348	5.7%	78.2%
Goods and services		9 737	-17.5%	29.8%	10 606	11 200	12 616	9.0%	18.6%
Depreciation		1 955	4.0%	2.7%	2 068	2 184	1 265	-13.5%	3.2%
<b>Total expenses</b>		<b>54 309</b>	<b>1.5%</b>	<b>100.0%</b>	<b>57 653</b>	<b>60 881</b>	<b>64 229</b>	<b>5.8%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>		<b>-</b>			<b>-</b>	<b>-</b>	<b>-</b>		
<b>Statement of financial position</b>									
Carrying value of assets of which:		5 194	17.4%	25.9%	4 800	4 800	3 600	-11.5%	38.2%
Acquisition of assets		(1 300)	-7.8%	-9.3%	(950)	(950)	(950)	-9.9%	-8.6%
Receivables and prepayments		50	-65.4%	4.4%	50	50	220	63.9%	0.8%
Cash and cash equivalents		7 308	-7.6%	69.8%	7 462	7 462	6 995	-1.4%	61.0%
<b>Total assets</b>		<b>12 552</b>	<b>-2.9%</b>	<b>100.0%</b>	<b>12 312</b>	<b>12 312</b>	<b>10 815</b>	<b>-4.8%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)		8 915	-4.2%	67.6%	8 915	8 915	8 196	-2.8%	72.9%
Trade and other payables		1 200	-11.8%	16.6%	1 000	1 000	700	-16.4%	8.1%
Provisions		1 200	-5.9%	12.3%	1 300	1 300	1 100	-2.9%	10.2%
Derivatives financial instruments		1 237	48.6%	3.5%	1 097	1 097	819	-12.8%	8.8%
<b>Total equity and liabilities</b>		<b>12 552</b>	<b>-2.9%</b>	<b>100.0%</b>	<b>12 312</b>	<b>12 312</b>	<b>10 815</b>	<b>-4.8%</b>	<b>100.0%</b>

## Personnel information

**Table 34.49 National Consumer Commission personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2018		Number and cost <sup>1</sup> 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				
<b>National Consumer Commission</b>		<b>85</b>	<b>85</b>	<b>85</b>	<b>40.7</b>	<b>0.5</b>	<b>85</b>	<b>42.6</b>	<b>0.5</b>	<b>85</b>	<b>45.0</b>	<b>0.5</b>	<b>85</b>	<b>47.5</b>	<b>0.6</b>	<b>85</b>	<b>50.3</b>	<b>0.6</b>	<b>5.7%</b>	<b>100.0%</b>
Salary level																				
7 – 10	57	57	57	14.4	0.3	57	15.0	0.3	57	15.9	0.3	57	16.8	0.3	57	17.8	0.3	5.7%	67.1%	
11 – 12	11	11	11	7.3	0.7	11	7.6	0.7	11	8.0	0.7	11	8.5	0.8	11	9.0	0.8	5.8%	12.9%	
13 – 16	17	17	17	19.0	1.1	17	20.0	1.2	17	21.1	1.2	17	22.2	1.3	17	23.6	1.4	5.7%	20.0%	

1. Rand million.

## National Consumer Tribunal

### Mandate

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). Various parties can bring cases before the tribunal, including the National Credit Regulator, the National Consumer Commission, consumers, credit providers, debt counsellors and credit bureaus. If the tribunal adjudicates on a matter of prohibited conduct, it may impose remedies and/or administrative penalties, as provided for in the acts.

### Selected performance indicators

**Table 34.50 National Consumer Tribunal performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
Percentage of decisions overturned on appeal or review per year	Adjudication		- <sup>1</sup>	0% (0/10 826)	0% (2/21 494)	5%	5%	5%	5%
Average number of days from the date of complete filing of debt rearrangement agreement to the date of issuing order to filing parties per year	Adjudication	Outcome 4: Decent employment through inclusive growth	- <sup>1</sup>	75	71	75	75	75	75
Average number of days from the date of close of pleadings of non-debt rearrangement agreement to the date of issuing of judgment to filing parties per year	Adjudication		- <sup>1</sup>	70	16	30	20	20	20

1. No historical data available.

### Expenditure analysis

The National Consumer Tribunal will continue to provide services stipulated in the National Credit Act (2005) and the Consumer Protection Act (2008), and build administrative and adjudicative capability to enhance service delivery. Over the medium term, the tribunal's focus will be on adjudication, as it is anticipating cases relating to the National Credit Act (2005) to increase from 29 475 in 2017/18 to 57 476 in 2020/21 as negative economic conditions result in more overindebted South Africans. Projected spending in the adjudication programme accounts for an estimated 47.8 per cent (R105.3 million) of the tribunal's total budget, increasing at an average annual rate of 8.8 per cent, from R30.4 million in 2017/18 to R39.1 million in 2020/21.

The tribunal will make use of mobile courts and its case management system, which automates key processes, to ensure that adjudication processes are efficient and cost effective, and that cases are finalised within the stipulated timeframes. As a result, expenditure on goods and services is expected to increase at an average annual rate of 6.9 per cent, from R30.3 million in 2017/18 to R36.9 million in 2020/21. An estimated R4.3 million over the same period will be invested in ICT infrastructure, mainly to enhance the case management system, allowing for cases to be filed electronically and adjudicated remotely. This will enable the tribunal to continue adjudicating debt rearrangement matters within 75 days of the filing of a completed application.

Due to the labour intensive nature of the tribunal's work, spending on compensation of employees accounts for an estimated 52.6 per cent (R117.4 million) of total budget over the medium term. Expenditure in this regard is expected to increase at an average annual rate of 9.1 per cent, from R32 million in 2017/18 to R41.5 million in 2020/21, because of cost of living adjustments and to retain highly skilled personnel.

The tribunal is set to receive 73.1 per cent of its revenue over the medium term, increasing from R48.5 million in 2017/18 to R55.7 million in 2020/21, through transfers from the department. Other sources of revenue include filing fees and interest income. Total revenue is expected to increase from R63.3 million in 2017/18 to R79.7 million in 2020/21 due to the anticipated increase in the tribunal's caseload and filing fees.

### Programmes/objectives/activities

**Table 34.51 National Consumer Tribunal expenditure trends and estimates by programme/objective/activity**

	Audited outcome			Revised estimate 2017/18	Average growth rate (%) 2014/15 - 2017/18	Average: Expenditure/Total (%) 2017/18	Medium-term expenditure estimate			Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/Total (%) 2017/18
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21		
R thousand											
Administration	22 550	24 306	30 196	32 876	13.4%	56.3%	35 961	38 751	40 567	7.3%	52.2%
Adjudication	16 798	17 797	21 743	30 418	21.9%	43.7%	32 180	33 956	39 133	8.8%	47.8%
<b>Total</b>	<b>39 348</b>	<b>42 103</b>	<b>51 939</b>	<b>63 294</b>	<b>17.2%</b>	<b>100.0%</b>	<b>68 141</b>	<b>72 707</b>	<b>79 700</b>	<b>8.0%</b>	<b>100.0%</b>

### Statements of historical financial performance and position

**Table 34.52 National Consumer Tribunal statements of historical financial performance and position**

Statement of financial performance	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/Budget (%) 2014/15 - 2017/18	
	Budget	2014/15	Budget	2015/16	Budget	2016/17				2017/18
R thousand										
<b>Revenue</b>										
<b>Non-tax revenue</b>		5 725	1 953	6 802	3 703	6 790	6 790	14 835	14 835	79.9%
Sale of goods and services other than capital assets		648	903	1 260	2 230	4 597	4 597	13 882	13 882	106.0%
of which:										
Administrative fees		648	903	1 260	2 230	4 597	4 597	13 882	13 882	106.0%
Other non-tax revenue		5 077	1 050	5 542	1 473	2 193	2 193	953	953	41.2%
<b>Transfers received</b>		40 164	40 164	43 029	46 030	46 151	46 151	48 459	48 459	101.7%
<b>Total revenue</b>		45 889	42 117	49 831	49 733	52 941	52 941	63 294	63 294	98.2%
<b>Expenses</b>										
<b>Current expenses</b>		43 039	39 348	49 831	42 103	51 939	51 939	63 294	63 294	94.5%
Compensation of employees		23 038	20 178	26 065	23 984	23 443	23 443	31 994	31 994	95.3%
Goods and services		19 292	18 354	22 936	16 987	27 103	27 103	30 278	30 278	93.1%
Depreciation		614	763	730	1 080	1 358	1 358	1 022	1 022	113.4%
Interest, dividends and rent on land		95	53	100	52	35	35	-	-	60.9%
<b>Total expenses</b>		43 039	39 348	49 831	42 103	51 939	51 939	63 294	63 294	94.5%
<b>Surplus/(Deficit)</b>		2 850	2 769	-	7 630	1 002	1 002	-	-	

**Table 34.52 National Consumer Tribunal statements of historical financial performance and position**

Statement of financial position	Audited		Audited		Audited		Budget		Average: Outcome/ Budget (%)
	Budget	outcome	Budget	outcome	Budget	outcome	estimate	Revised estimate	
	2014/15		2015/16		2016/17		2017/18		
R thousand									
Carrying value of assets	2 543	3 071	3 428	4 551	5 078	5 077	4 203	4 203	110.8%
<i>of which:</i>									
Acquisition of assets	(2 850)	(1 708)	(730)	(2 595)	(1 792)	(1 792)	(1 022)	(1 022)	111.3%
Inventory	30	26	32	49	69	69	35	35	107.8%
Receivables and prepayments	30	118	32	996	601	601	35	35	250.7%
Cash and cash equivalents	6 249	10 653	6 249	17 750	18 160	18 160	6 249	6 249	143.1%
<b>Total assets</b>	<b>8 852</b>	<b>13 868</b>	<b>9 741</b>	<b>23 346</b>	<b>23 908</b>	<b>23 907</b>	<b>10 522</b>	<b>10 522</b>	<b>135.1%</b>
Accumulated surplus/(deficit)	3 491	7 277	4 517	14 907	15 909	15 909	4 381	4 381	150.1%
Finance lease	242	376	255	218	190	190	283	283	110.0%
Trade and other payables	1 600	3 851	1 690	5 371	5 023	5 023	1 872	1 872	158.2%
Provisions	3 519	2 364	3 279	2 850	2 785	2 785	3 986	3 986	88.3%
<b>Total equity and liabilities</b>	<b>8 852</b>	<b>13 868</b>	<b>9 741</b>	<b>23 346</b>	<b>23 907</b>	<b>23 907</b>	<b>10 522</b>	<b>10 522</b>	<b>135.1%</b>

**Statements of estimates of financial performance and position****Table 34.53 National Consumer Tribunal 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 (%)
				2018/19	2019/20	2020/21		
				2017/18 - 2020/21				
R thousand	2017/18	2014/15 - 2017/18						
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>14 835</b>	<b>96.6%</b>	<b>12.1%</b>	<b>18 152</b>	<b>19 920</b>	<b>24 008</b>	<b>17.4%</b>	<b>26.9%</b>
Sale of goods and services other than capital assets	13 882	148.6%	9.3%	11 254	14 067	22 508	17.5%	21.5%
<i>of which:</i>								
Administrative fees	13 882	148.6%	9.3%	11 254	14 067	22 508	17.5%	21.5%
Other non-tax revenue	953	-3.2%	2.8%	6 898	5 853	1 500	16.3%	5.4%
<b>Transfers received</b>	<b>48 459</b>	<b>6.5%</b>	<b>87.9%</b>	<b>49 988</b>	<b>52 787</b>	<b>55 691</b>	<b>4.7%</b>	<b>73.1%</b>
<b>Total revenue</b>	<b>63 294</b>	<b>14.5%</b>	<b>100.0%</b>	<b>68 140</b>	<b>72 707</b>	<b>79 699</b>	<b>8.0%</b>	<b>100.0%</b>
<b>Expenses</b>								
<b>Current expenses</b>	<b>63 294</b>	<b>17.2%</b>	<b>100.0%</b>	<b>68 141</b>	<b>72 707</b>	<b>79 700</b>	<b>8.0%</b>	<b>100.0%</b>
Compensation of employees	31 994	16.6%	51.0%	36 713	39 138	41 536	9.1%	52.6%
Goods and services	30 278	18.2%	46.8%	30 374	32 444	36 949	6.9%	45.8%
Depreciation	1 022	10.2%	2.2%	1 054	1 125	1 215	5.9%	1.6%
<b>Total expenses</b>	<b>63 294</b>	<b>17.2%</b>	<b>100.0%</b>	<b>68 141</b>	<b>72 707</b>	<b>79 700</b>	<b>8.0%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>-</b>			<b>(1)</b>	<b>-</b>	<b>(1)</b>		
<b>Statement of financial position</b>								
Carrying value of assets	4 203	11.0%	25.7%	4 705	4 705	4 705	3.8%	42.0%
<i>of which:</i>								
Acquisition of assets	(1 022)	-15.7%	-10.2%	(1 093)	(1 234)	(1 303)	8.4%	-10.7%
Inventory	35	10.4%	0.3%	40	40	40	4.6%	0.4%
Receivables and prepayments	35	-33.3%	2.0%	40	40	40	4.6%	0.4%
Cash and cash equivalents	6 249	-16.3%	72.0%	6 249	6 249	6 249	-	57.3%
<b>Total assets</b>	<b>10 522</b>	<b>-8.8%</b>	<b>100.0%</b>	<b>11 034</b>	<b>11 034</b>	<b>11 034</b>	<b>1.6%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	4 381	-15.6%	56.1%	4 608	4 608	-	-100.0%	31.3%
Capital reserve fund	-	-	-	-	-	4 608	-	10.4%
Finance lease	283	-9.0%	1.8%	300	300	300	2.0%	2.7%
Trade and other payables	1 872	-21.4%	22.4%	1 981	1 981	1 981	1.9%	17.9%
Provisions	3 986	19.0%	19.7%	4 145	4 145	4 145	1.3%	37.6%
<b>Total equity and liabilities</b>	<b>10 522</b>	<b>-8.8%</b>	<b>100.0%</b>	<b>11 034</b>	<b>11 034</b>	<b>11 034</b>	<b>1.6%</b>	<b>100.0%</b>

**Personnel information****Table 34.54 National Consumer Tribunal personnel numbers and cost by salary level**

National Consumer Tribunal	Number of posts estimated for 31 March 2018		Number and cost <sup>1</sup> 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						2017/18 - 2020/21	Average growth rate (%)	Average: Salary level/Total (%)		
			2016/17		2017/18		2018/19		2019/20		2020/21								
			Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost							
Salary level	48	49	42	23.4	0.6	56	32.0	0.6	58	36.7	0.6	58	39.1	0.7	58	41.5	0.7	9.1%	100.0%
1 - 6	11	11	11	2.6	0.2	19	4.0	0.2	20	5.3	0.3	20	5.6	0.3	20	6.0	0.3	14.7%	34.3%
7 - 10	20	20	20	7.2	0.4	20	7.7	0.4	20	8.3	0.4	20	9.0	0.5	20	9.6	0.5	8.0%	34.8%
11 - 12	9	9	5	3.7	0.7	9	6.9	0.8	9	7.4	0.8	9	7.9	0.9	9	8.4	0.9	6.7%	15.7%
13 - 16	8	9	6	10.0	1.7	8	13.4	1.7	9	15.7	1.7	9	16.5	1.8	9	17.5	1.9	9.2%	15.2%

1. Rand million.

## National Credit Regulator

### Mandate

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 is tasked with carrying out education, research, policy development, the registration of industry participants and the investigation of complaints; and ensuring the enforcement of the act. The regulator is mandated to promote the development of an accessible credit market, particularly to address the needs of historically disadvantaged persons, low income individuals, and remote, isolated or low density communities.

### Selected performance indicators

**Table 34.55 National Credit Regulator 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 reports produced on the study of the impact of affordability assessment regulations on consumers per year	Promote increased access to credit through responsible credit granting	Entity mandate	-1	-1	-1	-1	1	1	1
Number of investigations, desktop compliance monitoring, audits, raids or evaluations conducted to enforce regulations on the cost of credit per year	Promote increased access to credit through responsible credit granting		-1	15	52	50	280	300	320
Percentage of enforcement action taken where necessary on investigation, compliance monitoring, audits, raids or evaluations conducted on the cost of credit per year	Promote increased access to credit through responsible credit granting		-1	-1	-1	-1	70%	75%	80%
Number of credit provider investigations, desktop compliance monitoring, audits, raids or evaluations conducted to enforce regulations on reckless lending per year	Protect consumers from abuse and unfair practices in the consumer credit market and address overindebtedness		-1	40	62	70	280	300	320
Percentage of enforcement action taken where necessary on investigations, compliance monitoring, audits, raids or evaluations conducted on reckless lending per year	Protect consumers from abuse and unfair practices in the consumer credit market and address overindebtedness		-1	-1	-1	-1	70%	75%	80%
Number of outreach programmes and exhibitions conducted or participated in per year	Protect consumers from abuse and unfair practices in the consumer credit market and address overindebtedness		-1	-1	42	35	45	50	55
Number of credit bureaus monitored per year	Continually enhance consumer credit market regulatory framework		-1	-1	6	8	8	10	12

1. No historical data available.

### Expenditure analysis

Over the medium term, the National Credit Regulator intends to continue promoting responsible lending by credit providers, protecting consumers from abuse and unfair practices, increasing the accuracy and quality of credit bureau information, improving operational effectiveness, and implementing the National Credit Act (2005).

To increase compliance with regulations, the regulator plans to conduct investigations, audits and raids to monitor the cost of credit and reckless lending practices. The regulator plans to conduct 30 inspections on credit bureaus over the MTEF period to ensure improvement in the quality and accuracy of consumer credit information, and monitor whether relevant information is considered before consumers are granted credit.

As part of its efforts to protect credit providers and consumers against unfair practices, the regulator has employed 4 payment distribution agents and 3 alternative dispute resolution agents. These agents handle the distribution of all payments of consumers under debt counselling and provide an alternative to filing a complaint with the regulator, making the system more efficient as consumers are then able to avoid unnecessary bureaucracy. Compliance-related activities account for an estimated 30.6 per cent (R135.9 million) of the

regulator's total budget over the medium term, increasing at an average annual rate of 11 per cent, from R36.4 million in 2017/18 to R49.6 million in 2020/21 to accommodate the costs of the agents.

Over the MTEF period, the regulator plans to conduct 65 awareness campaigns and 65 outreach initiatives in all provinces to lower the levels of overindebtedness, and protect consumers against abuse and unfair practices. The awareness campaigns and outreach work are consultative in nature, and require travel and hired facilities. As a result, spending on goods and services is expected to increase from R43.2 million in 2017/18 to R48 million in 2020/21, constituting an estimated 33.2 per cent (R143 million) of the regulator's total budget.

Due to the labour intensive nature of the regulator's work, spending on compensation of employees is expected to account for 61.5 per cent (R263.2 million) of total expenditure over the medium term, increasing from R81.8 million in 2017/18 to R95.7 million in 2020/21, at an average annual rate of 5.4 per cent. Total expenditure is expected to increase at an annual average rate of 4.5 per cent, from R130.7 million in 2017/18 to R149 million in 2020/21.

An estimated 42.3 per cent (R182.1 million) of the regulator's revenue over the MTEF period is generated through interest earned on short-term investments, royalties earned on the national loans register, and fees from registrants, including credit providers, credit bureaus, debt counsellors, payment distribution agents and alternative dispute resolution agents. Transfers from the department constitute a projected 55.6 per cent of the regulator's revenue over the medium term, increasing at an average annual rate of 4.7 per cent, from R73.1 million in 2017/18 to R84 million in 2020/21.

### Programmes/objectives/activities

**Table 34.56 National Credit Regulator expenditure trends and estimates by programme/objective/activity**

R thousand	Audited outcome			Revised estimate 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		
Administration	45 456	34 693	38 589	48 287	2.0%	34.6%	48 563	49 196	51 106	1.9%	35.2%
Promote increased access to credit through responsible credit granting	4 902	7 310	5 915	5 675	5.0%	5.0%	5 637	5 953	7 213	8.3%	4.4%
Protect consumers from abuse and unfair practices in the consumer credit market and address over-indebtedness	29 871	30 816	38 525	30 703	0.9%	27.1%	36 292	38 348	42 485	11.4%	26.3%
Continually enhance consumer credit market regulatory framework	14 697	16 595	16 111	17 014	5.0%	13.4%	17 543	18 525	18 829	3.4%	12.8%
Ensure effective implementation of the National Credit Amendment Act	22 495	24 783	19 759	26 039	5.0%	19.3%	26 377	27 853	28 240	2.7%	19.4%
Registration of entities or persons	–	–	–	3 000	–	0.6%	3 200	3 300	1 158	-27.2%	1.9%
<b>Total</b>	<b>117 421</b>	<b>114 197</b>	<b>118 899</b>	<b>130 718</b>	<b>3.6%</b>	<b>100.0%</b>	<b>137 612</b>	<b>143 175</b>	<b>149 031</b>	<b>4.5%</b>	<b>100.0%</b>

### Statements of historical financial performance and position

**Table 34.57 National Credit Regulator statements of historical financial performance and position**

Statement of financial performance									
R thousand	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/Budget (%) 2014/15 - 2017/18
	Budget	2014/15	Budget	2015/16	Budget	2016/17			
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>47 041</b>	<b>34 454</b>	<b>58 051</b>	<b>40 499</b>	<b>50 829</b>	<b>50 829</b>	<b>57 662</b>	<b>57 662</b>	<b>85.9%</b>
Sale of goods and services other than capital assets	44 041	31 202	55 051	32 900	34 029	34 029	55 162	55 162	81.4%
<i>of which:</i>									
Administrative fees	44 041	31 202	55 051	32 900	34 029	34 029	55 162	55 162	81.4%
Other non-tax revenue	3 000	3 252	3 000	7 599	16 800	16 800	2 500	2 500	119.2%
<b>Transfers received</b>	<b>63 845</b>	<b>68 845</b>	<b>66 727</b>	<b>66 727</b>	<b>69 577</b>	<b>69 577</b>	<b>73 056</b>	<b>73 056</b>	<b>101.8%</b>
<b>Total revenue</b>	<b>110 886</b>	<b>103 299</b>	<b>124 778</b>	<b>107 226</b>	<b>120 406</b>	<b>120 406</b>	<b>130 718</b>	<b>130 718</b>	<b>94.8%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>110 886</b>	<b>117 421</b>	<b>124 778</b>	<b>114 197</b>	<b>118 899</b>	<b>118 899</b>	<b>130 718</b>	<b>130 718</b>	<b>99.2%</b>
Compensation of employees	57 522	68 155	69 302	72 267	70 121	76 947	81 810	81 810	107.3%
Goods and services	48 031	45 001	50 275	35 529	43 408	32 774	43 176	43 176	84.6%
Depreciation	5 333	4 261	5 197	6 399	5 370	9 178	5 730	5 730	118.2%
Interest, dividends and rent on land	–	4	4	2	–	–	2	2	129.0%
<b>Total expenses</b>	<b>110 886</b>	<b>117 421</b>	<b>124 778</b>	<b>114 197</b>	<b>118 899</b>	<b>118 899</b>	<b>130 718</b>	<b>130 718</b>	<b>99.2%</b>
<b>Surplus/(Deficit)</b>	<b>–</b>	<b>(14 122)</b>	<b>–</b>	<b>(6 971)</b>	<b>1 507</b>	<b>1 507</b>	<b>–</b>	<b>–</b>	

**Table 34.57 National Credit Regulator statements of historical financial performance and position**

Statement of financial position									
	Audited		Audited		Audited		Budget estimate	Revised estimate	Average: Outcome/Budget (%)
	Budget	outcome	Budget	outcome	Budget	outcome			
R thousand	2014/15		2015/16		2016/17		2017/18		2014/15 - 2017/18
Carrying value of assets	37 982	21 895	22 990	18 143	18 920	18 920	25 346	25 346	80.1%
<i>of which:</i>									
Acquisition of assets	(9 150)	(4 318)	(23 598)	(2 815)	(6 329)	(6 329)	(5 520)	(5 520)	42.6%
Investments	–	5	–	–	6	6	–	–	183.3%
Receivables and prepayments	5 014	1 100	850	562	420	420	2 940	2 940	54.4%
Cash and cash equivalents	26 275	35 994	46 000	44 970	61 289	61 289	49 581	49 581	104.7%
<b>Total assets</b>	<b>69 271</b>	<b>58 994</b>	<b>69 840</b>	<b>63 675</b>	<b>80 635</b>	<b>80 635</b>	<b>77 867</b>	<b>77 867</b>	<b>94.5%</b>
Accumulated surplus/(deficit)	55 061	10 549	4 748	3 750	5 257	5 257	5 462	5 462	35.5%
Finance lease	40	37	27	9	–	–	40	40	79.9%
Trade and other payables	5 800	10 393	8 529	12 694	21 583	21 584	8 900	8 900	119.5%
Provisions	7 950	4 039	4 988	7 673	8 473	8 473	8 905	8 905	96.0%
Derivatives financial instruments	420	33 976	51 547	39 549	45 321	45 321	54 561	54 561	114.2%
<b>Total equity and liabilities</b>	<b>69 271</b>	<b>58 994</b>	<b>69 839</b>	<b>63 675</b>	<b>80 634</b>	<b>80 635</b>	<b>77 867</b>	<b>77 867</b>	<b>94.5%</b>

**Statements of estimates of financial performance and position****Table 34.58 National Credit Regulator 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		
R thousand								
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>57 662</b>	<b>18.7%</b>	<b>39.4%</b>	<b>62 250</b>	<b>63 596</b>	<b>65 074</b>	<b>4.1%</b>	<b>44.4%</b>
Sale of goods and services other than capital assets	55 162	20.9%	32.8%	59 750	61 096	61 230	3.5%	42.3%
<i>of which:</i>								
Administrative fees	55 162	20.9%	32.8%	59 750	61 096	61 230	3.5%	42.3%
Other non-tax revenue	2 500	-8.4%	6.5%	2 500	2 500	3 844	15.4%	2.0%
<b>Transfers received</b>	<b>73 056</b>	<b>2.0%</b>	<b>60.6%</b>	<b>75 361</b>	<b>79 580</b>	<b>83 957</b>	<b>4.7%</b>	<b>55.6%</b>
<b>Total revenue</b>	<b>130 718</b>	<b>8.2%</b>	<b>100.0%</b>	<b>137 611</b>	<b>143 176</b>	<b>149 031</b>	<b>4.5%</b>	<b>100.0%</b>
<b>Expenses</b>								
<b>Current expenses</b>	<b>130 718</b>	<b>3.6%</b>	<b>100.0%</b>	<b>137 612</b>	<b>143 175</b>	<b>149 031</b>	<b>4.5%</b>	<b>100.0%</b>
Compensation of employees	81 810	6.3%	62.2%	81 326	86 200	95 660	5.4%	61.5%
Goods and services	43 176	-1.4%	32.5%	48 061	46 881	48 046	3.6%	33.2%
Depreciation	5 730	10.4%	5.3%	8 223	10 092	5 323	-2.4%	5.2%
Interest, dividends and rent on land	2	-20.6%	0.0%	2	2	2	–	0.0%
<b>Total expenses</b>	<b>130 718</b>	<b>3.6%</b>	<b>100.0%</b>	<b>137 612</b>	<b>143 175</b>	<b>149 031</b>	<b>4.5%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>–</b>			<b>(1)</b>	<b>–</b>	<b>–</b>		
<b>Statement of financial position</b>								
Carrying value of assets	25 346	5.0%	30.4%	26 614	26 614	26 614	1.6%	30.9%
<i>of which:</i>								
Acquisition of assets	(5 520)	8.5%	-6.7%	(5 641)	(5 765)	(5 910)	2.3%	-6.7%
Receivables and prepayments	2 940	38.8%	1.8%	2 940	2 940	2 940	–	3.5%
Cash and cash equivalents	49 581	11.3%	67.8%	52 060	61 644	61 644	7.5%	65.7%
<b>Total assets</b>	<b>77 867</b>	<b>9.7%</b>	<b>100.0%</b>	<b>81 613</b>	<b>91 198</b>	<b>91 198</b>	<b>5.4%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	5 462	-19.7%	9.3%	8 224	16 859	11 698	28.9%	12.1%
Finance lease	40	2.2%	0.0%	43	43	–	-100.0%	0.0%
Trade and other payables	8 900	-5.0%	18.9%	8 400	7 900	9 000	0.4%	10.1%
Provisions	8 905	30.2%	10.2%	9 225	9 562	10 500	5.6%	11.2%
Derivatives financial instruments	54 561	17.1%	61.5%	55 721	56 835	60 000	3.2%	66.6%
<b>Total equity and liabilities</b>	<b>77 867</b>	<b>9.7%</b>	<b>100.0%</b>	<b>81 613</b>	<b>91 199</b>	<b>91 198</b>	<b>5.4%</b>	<b>100.0%</b>

## Personnel information

Table 34.59 National Credit Regulator personnel numbers and cost by salary level

Number of posts estimated for 31 March 2018		Number and cost <sup>1</sup> 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						
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			2017/18 - 2020/21	
<b>National Credit Regulator</b>		<b>193</b>	<b>193</b>	<b>193</b>	<b>76.9</b>	<b>0.4</b>	<b>193</b>	<b>81.8</b>	<b>0.4</b>	<b>180</b>	<b>81.3</b>	<b>0.5</b>	<b>180</b>	<b>86.2</b>	<b>0.5</b>	<b>180</b>	<b>95.7</b>	<b>0.5</b>	<b>5.4%</b>	<b>100.0%</b>
Salary level	193	193	193	76.9	0.4	193	81.8	0.4	180	81.3	0.5	180	86.2	0.5	180	95.7	0.5	5.4%	100.0%	
1 – 6	49	49	49	5.9	0.1	49	8.0	0.2	49	9.3	0.2	49	9.9	0.2	49	8.3	0.2	1.5%	26.8%	
7 – 10	106	106	106	39.6	0.4	106	38.4	0.4	98	35.6	0.4	100	42.2	0.4	100	50.6	0.5	9.7%	55.1%	
11 – 12	27	27	27	19.1	0.7	27	19.9	0.7	22	20.5	0.9	22	19.8	0.9	22	22.5	1.0	4.1%	12.7%	
13 – 16	10	10	10	9.7	1.0	10	12.6	1.3	10	13.0	1.3	8	11.6	1.4	8	11.0	1.4	-4.6%	4.9%	
17 – 22	1	1	1	2.6	2.6	1	2.9	2.9	1	2.9	2.9	1	2.8	2.8	1	3.3	3.3	3.8%	0.5%	

1. Rand million.

## National Empowerment Fund

### Mandate

The National Empowerment Fund was established in terms of the National Empowerment Fund Act (1998) to promote and facilitate black economic equality and economic 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: SMMEs, rural development, venture capital, corporate finance, and women empowerment funds.

### Selected performance indicators

Table 34.60 National Empowerment Fund 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
Value of approvals by the uMnotho Fund per year	Fund management	Outcome 4: Decent employment through inclusive growth	R244m	R355m	R286m	R326m	R361m	R461m	R530m
Value of approvals by the Imbewu Fund per year	Fund management		R181m	R255m	R184m	R219m	R242m	R308m	R354m
Value of approvals by the Rural and Community Development Fund per year	Fund management		R33m	R88m	R278m	R93m	R106m	R135m	R155m
Value of approvals by the Strategic Projects Fund per year	Fund management		R166m	R121m	R108m	R75m	R75m	R95m	R110m
Value of approvals by the Women Empowerment Fund per year	Fund management		R271m	R252m	R210m	R237m	R261m	R332m	R382m
Job opportunities supported per year	Fund management		33 783	4 983	5 069	4 064	5 630	7 169	8 388

### Expenditure analysis

Over the medium term, the National Empowerment Fund intends to focus on facilitating greater participation in the economy by historically disadvantaged groups. This entails providing financial and non-financial assistance to business ventures established and managed by black people who have the potential to create high employment, intensifying the participation of black women in the economy, facilitating investment across all provinces, and encouraging and promoting a culture of saving. The fund's work contributes to outcome 4 (decent employment through inclusive growth) of government's 2014-2019 medium-term strategic framework.

By providing funding for businesses in the manufacturing, agro-processing, minerals beneficiation, infrastructure and tourism sectors, the entity promotes labour absorbing industries. Planned funding approvals are projected to increase from R950 million in 2017/18 to R1.5 billion in 2020/21 through the uMnotho Fund, the Imbewu Fund, the Rural and Community Development Fund, the Strategic Projects Fund, and the Women Empowerment Fund. These funding programmes are expected to support 21 187 job opportunities over the MTEF period.

The largest of these funds, the uMnotho Fund, provides funding to new ventures, acquisitions and expansion projects, and is set to increase approvals from R326 million in 2017/18 to R530 million in 2020/21. The

Imbewu Fund supports black entrepreneurs who are starting businesses and existing black-owned enterprises with expansion capital. Funding through this fund is expected to increase from R219 million in 2017/18 to R354 million in 2020/21.

The Women Empowerment Fund provides financial and non-financial support to enterprises that are majority owned by black women, and is expected to make R237 million available in 2017/18, increasing to R382 million in 2020/21. The Rural and Community Development Fund and the Strategic Projects Fund are expected to disburse R396 million and R280 million, respectively, over the medium term. Spending on goods and services is expected to amount to R766.3 million over the MTEF period, constituting 56.1 per cent of the entity's total allocation. Spending on compensation of employees is expected to increase at an average annual rate of 5.8 per cent, from R179.3 million in 2017/18 to R212.3 million in 2020/21, accounting for 43.2 per cent (R604.1 million) of the entity's total budget. The fund expects to maintain its staff complement of 175 over the medium term.

The fund generates its revenue from interest on investments and loans, dividend income from a portfolio of listed and unlisted shares, and interest on cash. Revenue is expected to increase at an average annual rate of 5 per cent, from R433.2 million in 2017/18 to R501.3 million in 2020/21, mainly due to the fund's growing investment portfolio and cash reserves held.

### Programmes/objectives/activities

**Table 34.61 National Empowerment Fund expenditure trends and estimates by programme/objective/activity**

R thousand	Audited outcome			Revised estimate 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		
Administration	565 281	1 337 778	749 384	431 000	-8.6%	100.0%	431 852	451 913	497 618	4.9%	100.0%
<b>Total</b>	<b>565 281</b>	<b>1 337 778</b>	<b>749 384</b>	<b>431 000</b>	<b>-8.6%</b>	<b>100.0%</b>	<b>431 852</b>	<b>451 913</b>	<b>497 618</b>	<b>4.9%</b>	<b>100.0%</b>

### Statements of historical financial performance and position

**Table 34.62 National Empowerment Fund statements of historical financial performance and position**

Statement of financial performance									
R thousand	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/ Budget (%) 2014/15 - 2017/18
	Budget	2014/15	Budget	2015/16	Budget	2016/17			
<b>Revenue</b>									
<b>Non-tax revenue</b>	419 100	437 069	433 477	590 579	432 107	432 107	470 676	433 170	107.8%
Other non-tax revenue	419 100	437 069	433 477	590 579	432 107	432 107	470 676	433 170	107.8%
<b>Total revenue</b>	<b>419 100</b>	<b>437 069</b>	<b>433 477</b>	<b>590 579</b>	<b>432 107</b>	<b>432 107</b>	<b>470 676</b>	<b>433 170</b>	<b>107.8%</b>
<b>Expenses</b>									
<b>Current expenses</b>	403 559	565 281	428 449	1 337 778	749 384	749 384	470 339	431 000	150.3%
Compensation of employees	159 956	137 463	183 273	159 897	154 856	154 856	200 553	179 273	90.4%
Goods and services	240 640	425 327	241 949	1 176 482	593 292	593 292	266 870	249 754	182.1%
Depreciation	2 963	2 491	3 227	1 399	1 236	1 236	2 916	1 973	68.6%
<b>Total expenses</b>	<b>403 559</b>	<b>565 281</b>	<b>428 449</b>	<b>1 337 778</b>	<b>749 384</b>	<b>749 384</b>	<b>470 339</b>	<b>431 000</b>	<b>150.3%</b>
<b>Surplus/(Deficit)</b>	<b>15 541</b>	<b>(128 212)</b>	<b>5 028</b>	<b>(747 200)</b>	<b>(317 277)</b>	<b>(317 277)</b>	<b>337</b>	<b>2 170</b>	
<b>Statement of financial position</b>									
Carrying value of assets	8 799	3 255	7 529	2 113	2 042	2 042	8 213	5 568	48.8%
<i>of which:</i>									
<i>Acquisition of assets</i>	(3 500)	(1 053)	(7 500)	(1 172)	(2 434)	(2 434)	(5 500)	(5 500)	53.7%
Investments	2 198 428	2 791 061	2 860 735	2 438 805	2 314 971	2 314 971	2 531 877	2 029 401	96.7%
Loans	3 075 750	1 610 719	1 813 634	1 344 764	1 510 043	1 510 043	3 011 902	2 026 220	69.0%
Receivables and prepayments	103 802	47 640	110 783	87 583	1 512	1 512	1 462	1 512	63.5%
Cash and cash equivalents	94 836	1 467 447	1 113 495	1 418 767	1 344 523	1 344 523	-	1 012 559	205.4%
Non-current assets held for sale	8 100	2 066	-	-	-	-	-	-	25.5%
<b>Total assets</b>	<b>5 489 715</b>	<b>5 922 188</b>	<b>5 906 176</b>	<b>5 292 033</b>	<b>5 173 091</b>	<b>5 173 091</b>	<b>5 553 454</b>	<b>5 075 262</b>	<b>97.0%</b>
Accumulated surplus/(deficit)	2 971 284	3 376 087	3 387 745	2 635 517	2 318 240	2 318 240	2 779 124	2 320 411	93.0%
Capital and reserves	2 468 431	2 468 431	2 468 431	2 468 431	2 468 431	2 468 431	2 468 431	2 468 431	100.0%
Borrowings	-	-	-	-	-	-	246 650	-	-
Trade and other payables	50 000	63 105	50 000	178 835	377 171	377 171	50 000	277 171	170.0%
Derivatives financial instruments	-	14 565	-	9 249	9 249	9 249	9 249	9 249	228.7%
<b>Total equity and liabilities</b>	<b>5 489 715</b>	<b>5 922 188</b>	<b>5 906 176</b>	<b>5 292 033</b>	<b>5 173 091</b>	<b>5 173 091</b>	<b>5 553 454</b>	<b>5 075 262</b>	<b>97.0%</b>

## Statements of estimates of financial performance and position

**Table 34.63 National Empowerment Fund statements of estimates of financial performance and position**

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Revised estimate								
R thousand	2017/18	2014/15 - 2017/18		2018/19	2019/20	2020/21	2017/18 - 2020/21	
<b>Revenue</b>								
Non-tax revenue	433 170	-0.3%	100.0%	435 992	457 651	501 311	5.0%	100.0%
Other non-tax revenue	433 170	-0.3%	100.0%	435 992	457 651	501 311	5.0%	100.0%
<b>Total revenue</b>	<b>433 170</b>	<b>-0.3%</b>	<b>100.0%</b>	<b>435 992</b>	<b>457 651</b>	<b>501 311</b>	<b>5.0%</b>	<b>100.0%</b>
<b>Expenses</b>								
Current expenses	431 000	-8.6%	100.0%	431 852	451 913	497 618	4.9%	100.0%
Compensation of employees	179 273	9.3%	24.6%	188 141	203 744	212 255	5.8%	43.2%
Goods and services	249 754	-16.3%	75.1%	240 805	244 455	281 055	4.0%	56.1%
Depreciation	1 973	-7.5%	0.3%	2 906	3 714	4 308	29.7%	0.7%
<b>Total expenses</b>	<b>431 000</b>	<b>-8.6%</b>	<b>100.0%</b>	<b>431 852</b>	<b>451 913</b>	<b>497 618</b>	<b>4.9%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>2 170</b>			<b>4 140</b>	<b>5 738</b>	<b>3 693</b>		
<b>Statement of financial position</b>								
Carrying value of assets	5 568	19.6%	0.1%	8 163	10 449	12 141	29.7%	0.2%
of which:								
Acquisition of assets	(5 500)	73.5%	-0.0%	(5 500)	(6 000)	(6 000)	2.9%	-0.1%
Investments	2 029 401	-10.1%	44.5%	2 196 494	2 363 844	2 561 034	8.1%	41.2%
Loans	2 026 220	7.9%	30.4%	2 622 813	3 259 852	4 008 504	25.5%	52.8%
Receivables and prepayments	1 512	-68.3%	0.6%	1 512	1 512	1 512	-	0.0%
Cash and cash equivalents	1 012 559	-11.6%	24.4%	150 418	-	-	-100.0%	5.7%
<b>Total assets</b>	<b>5 075 262</b>	<b>-5.0%</b>	<b>100.0%</b>	<b>4 979 401</b>	<b>5 635 658</b>	<b>6 583 191</b>	<b>9.1%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	2 320 411	-11.7%	49.3%	2 779 412	2 779 995	2 333 982	0.2%	44.5%
Capital and reserves	2 468 431	-	46.2%	2 468 431	2 468 431	2 468 431	-	43.0%
Borrowings	-	-	-	-	750 518	1 721 529	-	9.6%
Trade and other payables	277 171	63.8%	4.3%	177 171	77 171	50 000	-43.5%	2.7%
Derivatives financial instruments	9 249	-14.0%	0.2%	9 249	9 249	9 249	-	0.2%
<b>Total equity and liabilities</b>	<b>5 075 262</b>	<b>-5.0%</b>	<b>100.0%</b>	<b>5 434 263</b>	<b>6 085 364</b>	<b>6 583 191</b>	<b>9.1%</b>	<b>100.0%</b>

## Personnel information

**Table 34.64 National Empowerment Fund personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2018		Number and cost <sup>1</sup> 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		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		
<b>National Empowerment Fund</b>																			
Salary level	185	195	157	154.9	1.0	175	179.3	1.0	175	188.1	1.1	175	203.7	1.2	175	212.3	1.2	5.8%	100.0%
1 - 6	14	14	12	2.8	0.2	14	3.2	0.2	14	3.7	0.3	14	3.9	0.3	14	4.0	0.3	8.0%	8.0%
7 - 10	90	90	77	49.5	0.6	78	56.9	0.7	78	56.2	0.7	78	64.0	0.8	78	54.4	0.7	-1.4%	44.6%
11 - 12	57	64	44	54.0	1.2	59	63.6	1.1	59	69.1	1.2	59	73.0	1.2	59	90.0	1.5	12.2%	33.7%
13 - 16	20	23	20	33.8	1.7	20	38.5	1.9	20	40.9	2.0	20	43.3	2.2	20	44.0	2.2	4.5%	11.4%
17 - 22	4	4	4	14.7	3.7	4	17.1	4.3	4	18.2	4.5	4	19.5	4.9	4	19.9	5.0	5.2%	2.3%

1. Rand million.

## National Lotteries Commission

### Mandate

The National Lotteries Commission was established in terms of the Lotteries Act (1997) and is mandated to regulate the national lottery as well as 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 Lottery Distribution Trust Fund, and distributes funds for good causes to the distributing agencies in an equitable and expeditious manner.

**Selected performance indicators**

**Table 34.65 National Lotteries Commission 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
Value of operator ticket sales per year	Administration	Outcome 11: Create a better South Africa, a better Africa and a better world	R4.7bn	R4.4bn	R5.8bn	R6bn	R6.6bn	R7.2bn	R7.6bn
Value of National Lottery Distribution Trust Fund grant commitments per year	Administration		R2.2bn	R2.2bn	R1.5bn	R1.4bn	R1.5bn	R1.6bn	R1.7bn
Actual cash disbursed per year	Administration		R2bn	R2bn	R1.7bn	R1.9bn	R1.6bn	R1.7bn	R1.7bn
Value of contribution to the National Lottery Distribution Trust Fund per year	Administration		R1.6bn	R1.1bn	R1.5bn	R1.5bn	R1.8bn	R1.9bn	R2bn

**Expenditure analysis**

The National Lotteries Commission contributes to outcome 11 (create a better South Africa, a better Africa and a better world) of government’s 2014-2019 medium-term strategic framework by ensuring that funds raised through the national lottery are distributed fairly and with speed to disadvantaged communities across the country. Over the medium term, the commission intends to focus on monitoring the national lottery operator’s performance and compliance with the Lotteries Amendment Act (2013) and licence agreement, and on conducting awareness campaigns on illegal lotteries.

Staff in all provincial offices are expected to assist applicants with understanding the grant application process so that they are in a position to apply for funding. The staff also monitor and advise on community projects that require oversight, and oversee compliance with the act. The commission plans to conduct 28 education and awareness campaigns over the medium term. These activities are budgeted for in the grant funding programme, in which expenditure is expected to increase from R23.5 million in 2017/18 to R52.3 million in 2020/21, at an average annual rate of 30.6 per cent, due to an increase in education and awareness campaigns and operating costs of provincial offices.

The commission distributes funds according to lottery regulations and has to ensure that 47 per cent of the disbursements from the National Lottery Distribution Trust Fund goes to charities; 28 per cent for sport and recreation activities; 23 per cent to art, culture and national heritage institutions; and 2 per cent to miscellaneous activities. Over the MTEF period, the commission intends to increase cash disbursements from R1.6 billion in 2018/19 to R1.7 billion in 2020/21 as the number of funding applications is expected to increase as a result of education and awareness campaigns.

Expenditure on compensation of employees is expected to increase at an average annual rate of 6.1 per cent, from R244.6 million in 2017/18 to R292.4 million in 2020/21, due to cost of living adjustments. The number of personnel in the commission is set to remain constant at 292 over the MTEF period.

The commission is set to receive 99.4 per cent of its funding, amounting to R1.6 billion per year over the medium term, through grant payments from the National Lottery Distribution Trust Fund. Additional revenue of R7.5 million is set to be received through fees for regulating other South African lotteries, and through interest earned on bank accounts.

**Programmes/objectives/activities**

**Table 34.66 National Lotteries Commission expenditure trends and estimates by programme/objective/activity**

R thousand	Audited outcome			Revised estimate 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		
Administration	213 167	229 717	163 613	440 141	27.3%	70.1%	456 886	475 320	501 463	4.4%	91.1%
Grant funding	66 058	85 542	147 875	23 489	-29.2%	23.7%	46 198	50 084	52 271	30.6%	8.2%
Compliance and regulation	17 669	26 462	36 542	2 527	-47.7%	6.2%	4 711	3 371	3 556	12.1%	0.7%
<b>Total</b>	<b>296 894</b>	<b>341 721</b>	<b>348 030</b>	<b>466 157</b>	<b>16.2%</b>	<b>100.0%</b>	<b>507 795</b>	<b>528 775</b>	<b>557 290</b>	<b>6.1%</b>	<b>100.0%</b>

**Statements of historical financial performance and position****Table 34.67 National Lotteries Commission statements of historical financial performance and position**

Statement of financial performance									
R thousand	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
	2014/15		2015/16		2016/17		2017/18		2014/15 - 2017/18
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>3 186</b>	<b>2 281</b>	<b>1 838</b>	<b>3 495</b>	<b>3 323</b>	<b>3 323</b>	<b>3 152</b>	<b>3 108</b>	<b>106.2%</b>
Sale of goods and services other than capital assets	2 800	1 308	1 440	2 274	2 500	2 500	2 500	2 500	92.9%
<i>of which:</i>									
<i>Administrative fees</i>	2 800	1 308	1 440	2 274	2 500	2 500	2 500	2 500	92.9%
Other non-tax revenue	386	973	398	1 221	823	823	652	608	160.5%
<b>Transfers received</b>	<b>358 126</b>	<b>294 613</b>	<b>379 848</b>	<b>338 226</b>	<b>344 708</b>	<b>344 708</b>	<b>510 538</b>	<b>463 049</b>	<b>90.4%</b>
<b>Total revenue</b>	<b>361 312</b>	<b>296 894</b>	<b>381 686</b>	<b>341 721</b>	<b>348 031</b>	<b>348 031</b>	<b>513 690</b>	<b>466 157</b>	<b>90.5%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>295 026</b>	<b>296 894</b>	<b>381 686</b>	<b>341 720</b>	<b>348 031</b>	<b>348 031</b>	<b>498 181</b>	<b>466 157</b>	<b>95.4%</b>
Compensation of employees	165 428	136 940	165 999	179 191	197 847	197 847	249 642	244 630	97.4%
Goods and services	125 398	154 075	209 729	154 148	142 115	142 115	244 353	211 821	91.8%
Depreciation	4 200	5 879	5 957	8 381	8 069	8 069	4 186	9 706	142.9%
<b>Total expenses</b>	<b>295 026</b>	<b>296 894</b>	<b>381 686</b>	<b>341 720</b>	<b>348 031</b>	<b>348 031</b>	<b>498 181</b>	<b>466 157</b>	<b>95.4%</b>
<b>Surplus/(Deficit)</b>	<b>66 286</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15 509</b>	<b>-</b>	
<b>Statement of financial position</b>									
Carrying value of assets	12 463	63 946	172 019	99 812	131 690	131 690	287 718	287 718	96.6%
<i>of which:</i>									
<i>Acquisition of assets</i>	(1 327 771)	(51 130)	(112 845)	(44 335)	(37 572)	(37 572)	(32 400)	(45 860)	11.8%
Receivables and prepayments	3 200	10 892	2 178	3 397	4 307	4 307	1 218	1 218	181.7%
Cash and cash equivalents	3 027	12 456	9 964	7 948	12 278	12 278	10 314	10 314	120.8%
<b>Total assets</b>	<b>18 690</b>	<b>87 294</b>	<b>184 161</b>	<b>111 157</b>	<b>148 275</b>	<b>148 275</b>	<b>299 250</b>	<b>299 250</b>	<b>99.3%</b>
Deferred income	190	20 190	20 000	17 917	15 417	15 417	15 000	15 000	135.4%
Trade and other payables	18 500	56 564	152 040	70 704	111 448	111 448	268 220	268 220	92.1%
Provisions	-	10 540	12 121	22 537	21 410	21 410	16 030	16 030	142.3%
<b>Total equity and liabilities</b>	<b>18 690</b>	<b>87 294</b>	<b>184 161</b>	<b>111 158</b>	<b>148 275</b>	<b>148 275</b>	<b>299 250</b>	<b>299 250</b>	<b>99.3%</b>

**Statements of estimates of financial performance and position****Table 34.68 National Lotteries Commission statements of estimates of financial performance and position**

Statement of financial performance									
R thousand	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	2020/21	2017/18 - 2020/21		
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>3 108</b>	<b>10.9%</b>	<b>0.9%</b>	<b>3 001</b>	<b>3 029</b>	<b>3 060</b>	<b>-0.5%</b>	<b>0.6%</b>	
Sale of goods and services other than capital assets	2 500	24.1%	0.6%	2 500	2 500	2 500	-	0.5%	
<i>of which:</i>									
<i>Administrative fees</i>	2 500	24.1%	0.6%	2 500	2 500	2 500	-	0.5%	
Other non-tax revenue	608	-14.5%	0.3%	501	529	560	-2.7%	0.1%	
<b>Transfers received</b>	<b>463 049</b>	<b>16.3%</b>	<b>99.1%</b>	<b>509 206</b>	<b>537 721</b>	<b>567 296</b>	<b>7.0%</b>	<b>99.4%</b>	
<b>Total revenue</b>	<b>466 157</b>	<b>16.2%</b>	<b>100.0%</b>	<b>512 207</b>	<b>540 750</b>	<b>570 356</b>	<b>7.0%</b>	<b>100.0%</b>	
<b>Expenses</b>									
<b>Current expenses</b>	<b>466 157</b>	<b>16.2%</b>	<b>100.0%</b>	<b>507 795</b>	<b>528 775</b>	<b>557 290</b>	<b>6.1%</b>	<b>100.0%</b>	
Compensation of employees	244 630	21.3%	52.0%	262 478	277 171	292 415	6.1%	52.3%	
Goods and services	211 821	11.2%	45.8%	240 901	246 941	259 955	7.1%	46.6%	
Depreciation	9 706	18.2%	2.2%	4 416	4 663	4 920	-20.3%	1.2%	
<b>Total expenses</b>	<b>466 157</b>	<b>16.2%</b>	<b>100.0%</b>	<b>507 795</b>	<b>528 775</b>	<b>557 290</b>	<b>6.1%</b>	<b>100.0%</b>	
<b>Surplus/(Deficit)</b>	<b>-</b>			<b>4 412</b>	<b>11 975</b>	<b>13 066</b>			
<b>Statement of financial position</b>									
Carrying value of assets	287 718	65.1%	87.0%	296 341	312 936	330 148	4.7%	95.9%	
<i>of which:</i>									
<i>Acquisition of assets</i>	(45 860)	-3.6%	-34.8%	(36 150)	(32 419)	(34 202)	-9.3%	-11.7%	
Receivables and prepayments	1 218	-51.8%	4.7%	909	960	1 013	-6.0%	0.3%	
Cash and cash equivalents	10 314	-6.1%	8.3%	11 860	12 524	13 213	8.6%	3.7%	
<b>Total assets</b>	<b>299 250</b>	<b>50.8%</b>	<b>100.0%</b>	<b>309 110</b>	<b>326 420</b>	<b>344 373</b>	<b>4.8%</b>	<b>100.0%</b>	
Deferred income	15 000	-9.4%	13.7%	12 500	13 200	13 927	-2.4%	4.3%	
Trade and other payables	268 220	68.0%	73.3%	278 175	293 753	309 909	4.9%	89.9%	
Provisions	16 030	15.0%	13.0%	18 435	19 467	20 538	8.6%	5.8%	
<b>Total equity and liabilities</b>	<b>299 250</b>	<b>50.8%</b>	<b>100.0%</b>	<b>309 110</b>	<b>326 420</b>	<b>344 374</b>	<b>4.8%</b>	<b>100.0%</b>	

**Personnel information**

**Table 34.69 National Lotteries Commission personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2018		Number and cost <sup>1</sup> 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 Lotteries Commission	291	291	294	197.8	0.7	290	244.6	0.8	292	262.5	0.9	292	277.2	0.9	292	292.4	1.0	6.1%	100.0%
Salary level																			
1 – 6	21	21	26	3.9	0.1	21	4.7	0.2	21	4.8	0.2	21	5.0	0.2	21	5.2	0.2	3.7%	7.2%
7 – 10	133	133	133	61.7	0.5	133	72.2	0.5	134	75.2	0.6	134	78.8	0.6	134	82.9	0.6	4.7%	45.9%
11 – 12	53	53	52	32.9	0.6	53	46.1	0.9	53	48.0	0.9	53	50.6	1.0	53	53.1	1.0	4.8%	18.2%
13 – 16	80	80	79	88.9	1.1	79	110.4	1.4	80	121.6	1.5	80	129.3	1.6	80	137.0	1.7	7.4%	27.4%
17 – 22	4	4	4	10.4	2.6	4	11.2	2.8	4	12.8	3.2	4	13.5	3.4	4	14.2	3.6	8.4%	1.4%

1. Rand million.

**National Metrology Institute of South Africa**

**Mandate**

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. Without this measurement infrastructure, it is difficult to manufacture to international specifications and tolerances, and ensure the integrity of export and import commodities. It is also of paramount importance for health and safety, and law enforcement. To fulfil this mandate, the institute:

- develops and maintains national measurement standards for South Africa
- ensures that national measurement standards are traceable to the international system of units
- benchmarks national measurement standards against the measurement standards of other countries
- submits calibration and measurement capabilities to the international database as the entry for South Africa
- disseminates the national traceability through calibration and certified reference materials to calibration and testing laboratories in Southern Africa.

**Selected performance indicators**

**Table 34.70 National Metrology Institute of South Africa 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 gazetted national measurement standards per year	Keep, maintain and disseminate national measurements	Outcome 6: An efficient, competitive and responsive economic infrastructure network	52	50	56	58	58	58	59
Number of improved national measurement standards and secondary standards, reference materials and methods developed per year <sup>1</sup>	Keep, maintain and disseminate national measurements		13	10	18	15	17	17	17
Number of calibration and measurement capabilities published in the key comparison database per year <sup>1</sup>	Keep, maintain and disseminate national measurements		411	382	475	480	490	500	500
Number of referenced and/or peer reviewed papers, manuscripts, articles, applications or technical notes, or book chapters accepted for publication in peer-reviewed journals, books or appropriate media per year <sup>1</sup>	Keep, maintain and disseminate national measurements	Outcome 5: A skilled and capable workforce to support an inclusive growth path	20	18	35	22	22	24	24
Number of industry and/or regional metrologists trained in accurate measurements per year <sup>1</sup>	Keep, maintain and disseminate national measurements	Outcome 6: An efficient, competitive and responsive economic infrastructure network	55	49	146	66	65	65	65

1. Budget allocations increase only by inflation over the medium term.

### Expenditure analysis

The National Metrology Institute of South Africa is the custodian of South Africa's measurement standards, ensuring that they are equivalent with those of the international system of measurements to make locally produced goods globally competitive. Over the medium term, the institute intends to invest in measurement infrastructure and skills development to improve its services. The institute's work is aligned with outcome 5 (a skilled and capable workforce to support an inclusive growth path) and outcome 6 (an efficient, competitive and responsive economic infrastructure network) of government's 2014-2019 medium-term strategic framework.

The institute provides services to more than 2 000 accredited calibration and testing laboratories in South Africa, and provides measurement assistance to more than 400 industrial companies to ensure compliance with international standards. The accreditation of laboratories is carried out in the keep, maintain and disseminate national measurements programme, which is allocated R398.8 million over the MTEF period, accounting for 63.1 per cent of the institute's total allocation.

New national measurement standards in the fields of food testing, advanced manufacturing, nanotechnology and alternative energies are to be developed by the institute to protect consumers from contaminated and dangerous foodstuffs, manufactured products not meeting specifications, contaminated water and other environmental hazards, and inaccurate measurements for medical dosages. The new measurements are also expected to contribute to promoting fairness in trade between countries. This will require the institute to upgrade and maintain its equipment and facilities. As a result, spending on equipment and infrastructure is expected to increase at an average annual rate of 7.8 per cent, from R76 million in 2018/19 to R81 million in 2020/21.

By upgrading its equipment, the institute aims to ensure that it is able to respond to the redefinition of 4 of the base units (kilogram, ampere, kelvin and mole) of the international system of units, which is expected to be approved by November 2018. South Africa has to implement the new definitions in order to compete with global trading partners and to maintain free-trade agreements within the SADC. The institute plans to increase the number of national measurement standards maintained from 58 in 2017/18 to 59 in 2020/21, and the number of national measurement standards improved from 15 to 17 over the same period.

The number of South African calibration and measurement capabilities published on the international database of internationally accepted services is expected to increase from 480 in 2017/18 to 500 in 2020/21. Investments in laboratory facilities, equipment and human capital are expected to account for 63.1 per cent (R389 million) of the institute's total budget over the MTEF period, increasing at an average annual rate of 5.6 per cent.

An estimated R16 million over the medium term is earmarked for the institute to assist more than 200 SMMEs with skills transfer and appropriate technology through training, assistance with measurements, and the provision of guides to improve measurement practices.

The scope of the institute's work is expected to increase in line with increased trade with regional and continental partners. However, the institute's staff complement is expected to remain constant at 187 over the MTEF period. Spending on compensation of employees is expected to increase at an average annual rate of 5.6 per cent, from R111.3 million in 2018/19 to R131.1 million in 2020/21, constituting an estimated 60.4 per cent (R372.9 million) of the institute's total budget over the medium term.

### Programmes/objectives/activities

**Table 34.71 National Metrology Institute of South Africa expenditure trends and estimates by programme/objective/activity**

	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	2020/21		
R thousand												
Administration	59 090	63 804	84 391	67 930	4.8%	45.5%	71 802	75 822	79 992	5.6%	36.9%	
Keep, maintain and disseminate national measurements	54 173	77 727	91 677	116 332	29.0%	54.5%	122 962	129 847	136 988	5.6%	63.1%	
<b>Total</b>	<b>113 263</b>	<b>141 531</b>	<b>176 068</b>	<b>184 262</b>	<b>17.6%</b>	<b>100.0%</b>	<b>194 764</b>	<b>205 669</b>	<b>216 980</b>	<b>5.6%</b>	<b>100.0%</b>	

**Statements of historical financial performance and position****Table 34.72 National Metrology Institute of South Africa statements of historical financial performance and position**

Statement of financial performance		Budget		Audited outcome		Budget		Audited outcome		Budget		Audited outcome		Average: Outcome/Budget (%)	
		2014/15		2015/16		2016/17		2017/18		2017/18		2017/18		2014/15 - 2017/18	
R thousand															
<b>Revenue</b>															
<b>Non-tax revenue</b>		<b>11 813</b>	<b>18 754</b>	<b>22 285</b>	<b>27 785</b>	<b>25 651</b>	<b>28 066</b>	<b>27 841</b>	<b>36 010</b>						<b>126.3%</b>
Sale of goods and services other than capital assets		8 667	9 803	9 135	11 928	13 151	12 089	14 466	20 010						118.5%
<i>of which:</i>															
<i>Sales by market establishment</i>		8 667	9 803	9 135	11 928	13 151	12 089	14 466	20 010						118.5%
Other non-tax revenue		3 146	8 951	13 150	15 857	12 500	15 977	13 375	16 000						134.7%
<b>Transfers received</b>		<b>202 565</b>	<b>202 565</b>	<b>250 895</b>	<b>250 895</b>	<b>264 193</b>	<b>264 193</b>	<b>252 803</b>	<b>252 803</b>						<b>100.0%</b>
<b>Total revenue</b>		<b>214 378</b>	<b>221 319</b>	<b>273 180</b>	<b>278 680</b>	<b>289 844</b>	<b>292 259</b>	<b>280 644</b>	<b>288 813</b>						<b>102.2%</b>
<b>Expenses</b>															
<b>Current expenses</b>		<b>214 378</b>	<b>113 263</b>	<b>131 661</b>	<b>141 531</b>	<b>161 221</b>	<b>176 068</b>	<b>171 058</b>	<b>184 262</b>						<b>90.7%</b>
Compensation of employees		71 510	58 808	79 774	72 336	90 228	92 904	95 742	111 302						99.4%
Goods and services		121 871	45 119	51 887	54 354	70 993	59 399	75 316	72 960						72.4%
Depreciation		20 997	9 336	–	14 841	–	23 765	–	–						228.3%
<b>Total expenses</b>		<b>214 378</b>	<b>113 263</b>	<b>131 661</b>	<b>141 531</b>	<b>161 221</b>	<b>176 068</b>	<b>171 058</b>	<b>184 262</b>						<b>90.7%</b>
<b>Surplus/(Deficit)</b>		<b>–</b>	<b>108 056</b>	<b>141 519</b>	<b>137 149</b>	<b>128 623</b>	<b>116 191</b>	<b>109 586</b>	<b>104 551</b>						
<b>Statement of financial position</b>															
Carrying value of assets		97 723	103 763	112 526	191 699	128 624	345 118	109 586	104 551						166.2%
<i>of which:</i>															
<i>Acquisition of assets</i>		(1 327 771)	(29 121)	(140 546)	(102 594)	(128 623)	(178 462)	(109 586)	(104 551)						24.3%
Investments		–	–	–	–	–	1 640	–	–						–
Inventory		–	–	–	273	–	370	–	–						–
Receivables and prepayments		382	3 111	420	14 328	–	15 263	–	–						4 077.6%
Cash and cash equivalents		15 319	190 549	16 851	229 904	–	198 719	–	–						1 924.7%
<b>Total assets</b>		<b>113 424</b>	<b>297 423</b>	<b>129 797</b>	<b>436 204</b>	<b>128 624</b>	<b>561 110</b>	<b>109 586</b>	<b>104 551</b>						<b>290.7%</b>
Accumulated surplus/(deficit)		111 921	283 871	125 897	421 021	128 624	537 212	109 586	104 551						282.9%
Trade and other payables		1 503	13 552	1 653	15 183	–	20 334	–	–						1 554.8%
Provisions		–	–	2 247	–	–	3 564	–	–						158.6%
<b>Total equity and liabilities</b>		<b>113 424</b>	<b>297 423</b>	<b>129 797</b>	<b>436 204</b>	<b>128 624</b>	<b>561 110</b>	<b>109 586</b>	<b>104 551</b>						<b>290.7%</b>

**Statements of estimates of financial performance and position****Table 34.73 National Metrology Institute of South Africa statements of estimates of financial performance and position**

Statement of financial performance		Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
R thousand		Revised estimate	2014/15 - 2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21	2017/18 - 2020/21	
<b>Revenue</b>									
<b>Non-tax revenue</b>		<b>36 010</b>	<b>24.3%</b>	<b>10.1%</b>	<b>35 461</b>	<b>34 634</b>	<b>36 532</b>	<b>0.5%</b>	<b>12.6%</b>
Sale of goods and services other than capital assets		20 010	26.9%	4.9%	21 150	22 334	23 562	5.6%	7.7%
<i>of which:</i>									
<i>Sales by market establishment</i>		20 010	26.9%	4.9%	21 150	22 334	23 562	5.6%	7.7%
Other non-tax revenue		16 000	21.4%	5.2%	14 311	12 300	12 970	-6.8%	4.9%
<b>Transfers received</b>		<b>252 803</b>	<b>7.7%</b>	<b>89.9%</b>	<b>232 784</b>	<b>245 820</b>	<b>259 340</b>	<b>0.9%</b>	<b>87.4%</b>
<b>Total revenue</b>		<b>288 813</b>	<b>9.3%</b>	<b>100.0%</b>	<b>268 245</b>	<b>280 454</b>	<b>295 872</b>	<b>0.8%</b>	<b>100.0%</b>
<b>Expenses</b>									
<b>Current expenses</b>		<b>184 262</b>	<b>17.6%</b>	<b>100.0%</b>	<b>194 764</b>	<b>205 669</b>	<b>216 980</b>	<b>5.6%</b>	<b>100.0%</b>
Compensation of employees		111 302	23.7%	54.1%	117 646	124 234	131 067	5.6%	60.4%
Goods and services		72 960	17.4%	37.9%	77 118	81 435	85 913	5.6%	39.6%
<b>Total expenses</b>		<b>184 262</b>	<b>17.6%</b>	<b>100.0%</b>	<b>194 764</b>	<b>205 669</b>	<b>216 980</b>	<b>5.6%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>		<b>104 551</b>			<b>73 481</b>	<b>74 785</b>	<b>78 892</b>		
<b>Statement of financial position</b>									
Carrying value of assets		104 551	0.3%	60.1%	73 481	74 785	78 892	-9.0%	100.0%
<i>of which:</i>									
<i>Acquisition of assets</i>		(104 551)	53.1%	-41.3%	(73 481)	(74 785)	(78 892)	-9.0%	-100.0%
<b>Total assets</b>		<b>104 551</b>	<b>-29.4%</b>	<b>100.0%</b>	<b>73 481</b>	<b>74 785</b>	<b>78 892</b>	<b>-9.0%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)		104 551	-28.3%	96.9%	73 481	74 785	78 892	-9.0%	100.0%
<b>Total equity and liabilities</b>		<b>104 551</b>	<b>-29.4%</b>	<b>100.0%</b>	<b>73 481</b>	<b>74 785</b>	<b>78 892</b>	<b>-9.0%</b>	<b>100.0%</b>

## Personnel information

**Table 34.74 National Metrology Institute of South Africa personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2018		Number and cost <sup>1</sup> 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						
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			2017/18 - 2020/21	
National Metrology Institute of South Africa		187	213	180	92.9	0.5	187	111.3	0.6	187	117.6	0.6	187	124.2	0.7	187	131.1	0.7	5.6%	100.0%
Salary level		187	213	180	92.9	0.5	187	111.3	0.6	187	117.6	0.6	187	124.2	0.7	187	131.1	0.7	5.6%	100.0%
1 – 6	34	42	34	4.6	0.1	34	5.1	0.1	34	5.3	0.2	34	5.6	0.2	34	6.0	0.2	5.6%	18.2%	
7 – 10	100	114	94	40.4	0.4	100	47.9	0.5	100	50.6	0.5	100	53.5	0.5	100	56.4	0.6	5.6%	53.5%	
11 – 12	39	43	37	28.6	0.8	39	33.3	0.9	39	35.2	0.9	39	37.2	1.0	39	39.2	1.0	5.6%	20.9%	
13 – 16	14	14	15	19.3	1.3	14	25.0	1.8	14	26.5	1.9	14	27.9	2.0	14	29.5	2.1	5.6%	7.5%	

1. Rand million.

## National Regulator for Compulsory Specifications

### Mandate

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.

### Selected performance indicators

**Table 34.75 National Regulator for Compulsory Specifications 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 inspections performed in accordance with compulsory specifications and procedures per year	Maximise compliance with all specifications and technical regulations	Outcome 10: Protect and enhance our environmental assets and natural resources	16 188	19 940	20 261	20 300	20 430	20 500	20 700

### Expenditure analysis

The National Regulator for Compulsory Specifications prescribes safety and environmental requirements for services and products that are imported and exported. The regulator contributes to fair trade by developing compulsory specifications and technical regulations, and conducting market surveillance to enforce compliance. Its work is in line with outcome 10 (protect and enhance our environmental assets and natural resources) of government's 2014-2019 medium-term strategic framework.

Over the medium term, the regulator intends to focus on strengthening its oversight function and enforce compliance with the Measurement Unit and Measurement Standards Act (2006) by conducting an estimated 61 630 inspections at ports of entry and local manufacturers. These activities are mainly expected to be implemented through the maximise compliance with all specifications and technical regulations programme, which is projected to account for 65 per cent (R913.2 million) of the total budget over the MTEF period.

To strengthen its role, the regulator will form partnerships with the National Consumer Commission, the South African Police Service and the South African Revenue Service to ensure that manufacturers comply with prescribed safety and environmental requirements. In addition, the regulator plans to develop, maintain and administer 33 voluntary compliance and technical regulations over the MTEF period, and conduct 43 educational awareness campaigns, such as workshops and outreach programmes, to inform and educate the public on the regulator's mandate. These activities are expected to drive increases in spending on goods and services at an average annual rate of 6.1 per cent, from R100.2 million in 2018/19 to R119.8 million in 2020/21.

The regulator plans to upgrade its ICT infrastructure over the MTEF period to ensure that the processing of pre-market approvals for regulated products, and applications for letters of authority when products are released into the market, are made more efficient. Spending on ICT is set to increase at an average annual rate of 3 per cent, from R7.4 million in 2017/18 to R8.2 million in 2020/21, at a projected total cost of R20 million over the MTEF period.

Levies charged to manufacturers on compulsory specifications comprise an estimated 69.5 per cent (R973.8 million) of the regulator's total revenue over the medium term, and transfers from the department comprise 30.5 per cent (R418.8 million). Improvements made to the processing of pre-market approvals over the medium term are expected to lead to increases in total revenue at an average annual rate of 7 per cent, from R405.9 million in 2017/18 to R497.4 million in 2020/21.

### Programmes/objectives/activities

**Table 34.76 National Regulator for Compulsory Specifications expenditure trends and estimates by programme/objective/activity**

	Audited outcome			Revised estimate 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 thousand											
Administration	34 584	36 746	44 405	55 778	17.3%	12.9%	53 682	62 318	64 000	4.7%	13.1%
Maximise compliance with all specifications and technical regulations	184 368	198 450	209 587	253 423	11.2%	64.4%	284 000	306 494	322 679	8.4%	65.0%
Develop, maintain and administer compulsory specifications and technical regulations	8 727	7 884	6 337	15 627	21.4%	2.9%	9 479	17 426	20 000	8.6%	3.5%
Inform and educate National Regulator for Compulsory Specifications stakeholders on the mandate of the regulator	4 640	9 099	5 218	8 709	23.4%	2.1%	7 698	10 269	13 000	14.3%	2.2%
Ensure an optimally capacitated institution	46 195	56 132	61 077	69 690	14.7%	17.7%	66 127	77 714	77 714	3.7%	16.3%
<b>Total</b>	<b>278 514</b>	<b>308 311</b>	<b>326 624</b>	<b>403 227</b>	<b>13.1%</b>	<b>100.0%</b>	<b>420 986</b>	<b>474 221</b>	<b>497 393</b>	<b>7.2%</b>	<b>100.0%</b>

### Statements of historical financial performance and position

**Table 34.77 National Regulator for Compulsory Specifications statements of historical financial performance and position**

Statement of financial performance									
	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/ Budget (%) 2014/15 - 2017/18
	Budget	2014/15	Budget	2015/16	Budget	2016/17			
R thousand									
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>204 024</b>	<b>221 192</b>	<b>264 951</b>	<b>218 195</b>	<b>288 185</b>	<b>267 900</b>	<b>277 161</b>	<b>277 161</b>	<b>95.2%</b>
Sale of goods and services other than capital assets	192 792	210 169	223 866	201 613	236 383	244 242	240 532	240 532	100.3%
<i>of which:</i>									
<i>Sales by market establishment</i>	192 792	210 169	223 866	201 613	236 383	244 242	240 532	240 532	100.3%
Other non-tax revenue	11 232	11 022	41 085	16 582	51 801	23 658	36 629	36 629	62.4%
<b>Transfers received</b>	<b>109 734</b>	<b>109 734</b>	<b>91 732</b>	<b>91 732</b>	<b>86 422</b>	<b>86 422</b>	<b>128 745</b>	<b>128 745</b>	<b>100.0%</b>
<b>Total revenue</b>	<b>313 758</b>	<b>330 926</b>	<b>356 683</b>	<b>309 927</b>	<b>374 607</b>	<b>354 322</b>	<b>405 906</b>	<b>405 906</b>	<b>96.6%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>313 414</b>	<b>278 514</b>	<b>356 388</b>	<b>308 311</b>	<b>374 447</b>	<b>326 624</b>	<b>403 227</b>	<b>403 227</b>	<b>91.0%</b>
Compensation of employees	218 252	217 186	254 842	239 843	272 924	260 067	298 643	298 643	97.2%
Goods and services	91 137	58 635	97 521	66 021	97 095	63 170	100 202	100 202	74.6%
Depreciation	4 025	2 693	4 025	2 447	4 428	3 387	4 382	4 382	76.6%
<b>Total expenses</b>	<b>313 414</b>	<b>278 514</b>	<b>356 388</b>	<b>308 311</b>	<b>374 447</b>	<b>326 624</b>	<b>403 227</b>	<b>403 227</b>	<b>91.0%</b>
<b>Surplus/(Deficit)</b>	<b>344</b>	<b>52 412</b>	<b>295</b>	<b>1 616</b>	<b>160</b>	<b>27 698</b>	<b>2 679</b>	<b>2 679</b>	
<b>Statement of financial position</b>									
Carrying value of assets	60 766	17 791	44 166	29 369	167 670	24 108	203 018	181 338	53.1%
<i>of which:</i>									
<i>Acquisition of assets</i>	(27 021)	(1 274)	(30 400)	(14 896)	(21 268)	(21 268)	(12 548)	(12 548)	54.8%
Investments	325	328	328	328	328	328	328	328	100.2%
Receivables and prepayments	10 405	23 643	11 030	21 333	11 691	27 355	12 393	12 393	186.1%
Cash and cash equivalents	82 183	206 669	188 181	199 846	68 738	229 037	42 604	42 604	177.7%
<b>Total assets</b>	<b>153 680</b>	<b>248 431</b>	<b>243 705</b>	<b>250 876</b>	<b>248 427</b>	<b>280 828</b>	<b>258 343</b>	<b>236 663</b>	<b>112.5%</b>

**Table 34.77 National Regulator for Compulsory Specifications statements of historical financial performance and position**

Statement of financial position	Budget		Audited outcome		Budget		Audited outcome		Budget estimate		Revised estimate		Average: Outcome/Budget (%)
	2014/15	2015/16	2016/17	2017/18	2017/18	2017/18							
R thousand													
Accumulated surplus/(deficit)	87 456	182 246	182 541	184 128	182 697	183 862	187 190	157 190					110.6%
Capital and reserves	-	-	-	-	-	27 698	-	-					-
Accrued interest	-	-	-	-	-	827	-	-					-
Trade and other payables	31 898	20 238	25 580	21 012	28 012	17 300	31 171	40 000					84.5%
Provisions	34 326	45 947	35 583	45 736	37 718	50 209	39 981	39 473					122.9%
Derivatives financial instruments	-	-	-	-	-	932	-	-					-
<b>Total equity and liabilities</b>	<b>153 680</b>	<b>248 431</b>	<b>243 705</b>	<b>250 876</b>	<b>248 427</b>	<b>280 828</b>	<b>258 343</b>	<b>236 663</b>					<b>112.5%</b>

**Statements of estimates of financial performance and position****Table 34.78 National Regulator for Compulsory Specifications 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 (%)
				2018/19	2019/20	2020/21		
R thousand	2017/18	2014/15 - 2017/18		2018/19	2019/20	2020/21	2017/18 - 2020/21	
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>277 161</b>	<b>7.8%</b>	<b>70.3%</b>	<b>288 882</b>	<b>334 720</b>	<b>350 220</b>	<b>8.1%</b>	<b>69.5%</b>
Sale of goods and services other than capital assets	240 532	4.6%	64.2%	277 984	299 874	330 705	11.2%	63.8%
of which:								
Sales by market establishment	240 532	4.6%	64.2%	277 984	299 874	330 705	11.2%	63.8%
Other non-tax revenue	36 629	49.2%	6.1%	10 898	34 846	19 515	-18.9%	5.7%
Transfers received	128 745	5.5%	29.7%	132 104	139 501	147 173	4.6%	30.5%
<b>Total revenue</b>	<b>405 906</b>	<b>7.0%</b>	<b>100.0%</b>	<b>420 986</b>	<b>474 221</b>	<b>497 393</b>	<b>7.0%</b>	<b>100.0%</b>
<b>Expenses</b>								
<b>Current expenses</b>	<b>403 227</b>	<b>13.1%</b>	<b>100.0%</b>	<b>420 986</b>	<b>474 221</b>	<b>497 393</b>	<b>7.2%</b>	<b>100.0%</b>
Compensation of employees	298 643	11.2%	77.4%	321 065	354 037	372 641	7.7%	75.0%
Goods and services	100 202	19.6%	21.7%	94 849	115 288	119 752	6.1%	23.9%
Depreciation	4 382	17.6%	1.0%	5 072	4 896	5 000	4.5%	1.1%
<b>Total expenses</b>	<b>403 227</b>	<b>13.1%</b>	<b>100.0%</b>	<b>420 986</b>	<b>474 221</b>	<b>497 393</b>	<b>7.2%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>2 679</b>			<b>-</b>	<b>-</b>	<b>-</b>		
<b>Statement of financial position</b>								
Carrying value of assets	181 338	116.8%	26.0%	181 338	186 448	191 338	1.8%	73.2%
of which:								
Acquisition of assets	(12 548)	114.4%	-4.8%	(5 000)	(4 000)	(4 000)	-31.7%	-2.6%
Investments	328	-	0.1%	328	328	328	-	0.1%
Receivables and prepayments	12 393	-19.4%	8.2%	10 000	13 260	10 000	-6.9%	4.5%
Cash and cash equivalents	42 604	-40.9%	65.6%	55 832	67 523	60 000	12.1%	22.2%
<b>Total assets</b>	<b>236 663</b>	<b>-1.6%</b>	<b>100.0%</b>	<b>247 498</b>	<b>267 559</b>	<b>261 666</b>	<b>3.4%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	157 190	-4.8%	69.7%	20 998	10 538	10 000	-60.1%	20.7%
Trade and other payables	40 000	25.5%	9.9%	192 000	223 521	219 166	76.3%	65.4%
Provisions	39 473	-4.9%	17.8%	34 500	33 500	32 500	-6.3%	13.9%
<b>Total equity and liabilities</b>	<b>236 663</b>	<b>-1.6%</b>	<b>100.0%</b>	<b>247 498</b>	<b>267 559</b>	<b>261 666</b>	<b>3.4%</b>	<b>100.0%</b>

**Personnel information****Table 34.79 National Regulator for Compulsory Specifications personnel numbers and cost by salary level**

National Regulator for Compulsory Specifications	Number of posts estimated for 31 March 2018		Number and cost <sup>1</sup> 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						
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			Number	Cost	Unit cost
Salary level	300	-	286	260.1	0.9	300	298.6	1.0	311	321.1	1.0	315	354.0	1.1	315	372.6	1.2	7.7%	100.0%
7 - 10	18	-	18	5.9	0.3	18	6.7	0.4	18	7.3	0.4	18	8.0	0.4	18	8.4	0.5	7.7%	5.8%
11 - 12	85	-	76	51.0	0.7	85	58.6	0.7	90	63.6	0.7	90	69.5	0.8	90	73.1	0.8	7.7%	28.6%
13 - 16	197	-	192	203.2	1.1	197	233.3	1.2	203	250.2	1.2	207	276.6	1.3	207	291.1	1.4	7.7%	65.6%

1. Rand million.

## South African Bureau of Standards

### Mandate

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.

### Selected performance indicators

**Table 34.80 South African Bureau of Standards 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
Revenue generated from certification per year	Conformity assessment	Outcome 4: Decent employment through inclusive growth	R310.8m	R328.1m	R301.8m	R313.2m	R335m	R358.6m	R387.3m
Revenue generated from test and services per year	Conformity assessment		R220.9m	R155.1m	R162m	R175.6m	R189.7m	R204.9m	R229.4m
Number of SMMEs that receive design, innovation and certification services per year	Conformity assessment		45	50	55	70	75	80	80
Revenue generated from standard sales per year	Development of South African national standards		-1	R39.8m	R29.5m	R31.2m	R33.4m	R35.7m	R38.2m
Revenue generated from the design institute per year	Conformity assessment		-1	R21m	R7.2m	R12.5m	R15.2m	R16.4m	R17.7m
Number of new products and services offered per year	Conformity assessment		-1	-1	2	2	2	4	5

1. No historical data available.

### Expenditure analysis

The South African Bureau of Standards will continue to provide conformity assessment and standardisation services to protect the integrity of the South African market and its consumers.

Over the medium term, the bureau plans to focus on increasing the work done on local content verification by entering into partnerships with state-owned entities and government departments, designing solutions to support SMMEs, strengthening partnerships with industry organisations to attract new business, and improving internal processes through the modernisation of its ICT infrastructure.

To improve the quality of its services, the bureau is in the process of implementing its ICT digitisation strategy. The digitisation project is currently at the initiation stage. Spending on goods and services for activities related to the digitisation project is expected to account for 29.1 per cent (R792.9 million) of total expenditure over the MTEF period.

To provide an estimated 235 SMMEs with non-financial support such as design, innovation and certification services, R30 million over the medium term is allocated in the conformity assessment programme. Design and innovation support entails assisting SMMEs from the concept stage to the commercialisation of their products. The bureau's support includes preparation for certification, which is expected to assist SMMEs in gaining entry into industry.

To meet the needs of consumers more effectively, the bureau plans to establish an international network of partner laboratories. These partnerships will augment the capacity of the bureau's laboratory infrastructure. Spending in this regard is expected to increase at an average annual rate of 2.4 per cent, from R691.4 million in 2018/19 to R741.7 million in 2020/21.

Expenditure on compensation of employees is expected to account for 64.9 per cent (R1.8 billion) of the bureau's total budget over the MTEF period, increasing at an average annual rate of 2.1 per cent, from R581.6 million in

2018/19 to R619.5 million in 2020/21. The bureau's staff complement is expected to remain constant at 985 over the medium term.

The bureau expects to derive 72.1 per cent (R2 billion) of its revenue over the medium term through fees for certification, testing, the sale of publications, services offered by its design institute, and training services; and 27.9 per cent (R770.6 million) through transfers from the department. Total revenue is expected to increase from R897.9 million in 2018/19 to R975.4 million in 2020/21 as partnerships are strengthened.

### Programmes/objectives/activities

**Table 34.81 South African Bureau of Standards expenditure trends and estimates by programme/objective/activity**

R thousand	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		
Conformity assessment	618 413	630 609	624 730	691 404	3.8%	77.0%	667 972	703 773	741 678	2.4%	77.1%
Development of South African national standards	184 721	188 364	186 608	206 523	3.8%	23.0%	199 524	210 218	218 665	1.9%	22.9%
<b>Total</b>	<b>803 134</b>	<b>818 972</b>	<b>811 338</b>	<b>897 927</b>	<b>3.8%</b>	<b>100.0%</b>	<b>867 496</b>	<b>913 991</b>	<b>960 343</b>	<b>2.3%</b>	<b>100.0%</b>

### Statements of historical financial performance and position

**Table 34.82 South African Bureau of Standards statements of historical financial performance and position**

Statement of financial performance									
R thousand	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/ Budget (%)
	2014/15	2015/16	2015/16	2016/17	2016/17	2017/18	2017/18		
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>646 239</b>	<b>615 263</b>	<b>591 043</b>	<b>640 462</b>	<b>575 723</b>	<b>575 723</b>	<b>596 301</b>	<b>647 264</b>	<b>102.9%</b>
Sale of goods and services other than capital assets	631 161	557 331	554 243	544 650	500 892	500 892	567 357	563 262	96.1%
<i>of which:</i>									
<i>Sales by market establishment</i>	631 161	557 331	554 243	544 650	500 892	500 892	567 357	563 262	96.1%
Other non-tax revenue	15 078	57 932	36 800	95 812	74 831	74 831	28 944	84 002	200.8%
<b>Transfers received</b>	<b>227 023</b>	<b>220 077</b>	<b>227 339</b>	<b>200 865</b>	<b>191 227</b>	<b>191 227</b>	<b>292 995</b>	<b>250 663</b>	<b>91.9%</b>
<b>Total revenue</b>	<b>873 262</b>	<b>835 340</b>	<b>869 819</b>	<b>841 327</b>	<b>766 950</b>	<b>766 950</b>	<b>889 296</b>	<b>897 928</b>	<b>98.3%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>866 586</b>	<b>802 645</b>	<b>869 818</b>	<b>818 972</b>	<b>811 338</b>	<b>811 338</b>	<b>962 368</b>	<b>897 927</b>	<b>94.9%</b>
Compensation of employees	509 229	471 840	529 983	497 888	525 414	507 957	581 647	581 647	95.9%
Goods and services	311 916	282 864	287 232	269 748	251 097	264 783	325 721	265 582	92.1%
Depreciation	45 441	47 941	52 603	51 336	34 784	38 597	55 000	50 699	100.4%
Interest, dividends and rent on land	–	–	–	–	43	–	–	–	–
<b>Total expenses</b>	<b>866 586</b>	<b>803 134</b>	<b>869 818</b>	<b>818 972</b>	<b>811 338</b>	<b>811 338</b>	<b>962 368</b>	<b>897 927</b>	<b>94.9%</b>
<b>Surplus/(Deficit)</b>	<b>6 676</b>	<b>32 206</b>	<b>–</b>	<b>22 355</b>	<b>(44 388)</b>	<b>(44 388)</b>	<b>(73 072)</b>	<b>–</b>	
<b>Statement of financial position</b>									
Carrying value of assets	670 252	385 827	486 210	732 191	409 120	734 165	502 661	749 971	125.8%
<i>of which:</i>									
<i>Acquisition of assets</i>	(203 765)	(203 565)	(152 986)	(52 240)	(75 000)	(42 732)	(148 541)	(64 527)	62.6%
Investments	266 857	395 898	331 604	407 244	365 891	427 338	278 868	413 092	132.2%
Inventory	1 227	1 964	2 178	1 563	1 657	1 640	1 740	1 738	101.5%
Receivables and prepayments	129 112	137 194	164 633	139 310	124 859	147 167	158 789	154 525	100.1%
Cash and cash equivalents	76 006	200 107	127 171	162 775	103 617	91 943	90 195	130 737	147.5%
Taxation	22 000	20 371	20 371	20 327	20 371	19 809	20 371	19 809	96.6%
<b>Total assets</b>	<b>1 165 454</b>	<b>1 141 361</b>	<b>1 132 167</b>	<b>1 463 410</b>	<b>1 025 515</b>	<b>1 422 062</b>	<b>1 052 624</b>	<b>1 469 872</b>	<b>125.6%</b>
Accumulated surplus/(deficit)	458 972	494 666	494 523	863 516	407 866	819 128	334 793	509 890	158.4%
Capital and reserves	116 347	120 973	138 930	77 112	87 672	56 068	95 649	82 343	76.7%
Capital reserve fund	291 617	286 120	274 996	–	256 596	–	309 095	309 095	52.6%
Deferred income	–	–	–	274 918	–	281 474	–	–	–
Trade and other payables	191 838	121 069	109 098	131 459	151 119	149 770	188 900	177 813	90.5%
Taxation	–	7 215	–	5 780	–	3 684	–	4 321	–
Provisions	98 127	111 175	114 620	101 263	105 451	101 576	106 978	367 076	160.2%
Derivatives financial instruments	8 553	143	–	9 362	16 811	10 362	17 209	19 334	92.1%
<b>Total equity and liabilities</b>	<b>1 165 454</b>	<b>1 141 361</b>	<b>1 132 167</b>	<b>1 463 410</b>	<b>1 025 515</b>	<b>1 422 062</b>	<b>1 052 624</b>	<b>1 469 872</b>	<b>125.6%</b>

**Statements of estimates of financial performance and position**

**Table 34.83 South African Bureau of Standards statements of estimates of financial performance and position**

Statement of financial performance		Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
Revised estimate		2014/15 - 2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21		
R thousand	2017/18	2014/15 - 2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21		
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>647 264</b>	<b>1.7%</b>	<b>74.2%</b>	<b>624 378</b>	<b>657 593</b>	<b>704 619</b>	<b>2.9%</b>	<b>72.1%</b>
Sale of goods and services other than capital assets	563 262	0.4%	64.9%	573 223	615 550	672 630	6.1%	66.3%
<i>of which:</i>								
<i>Sales by market establishment</i>	563 262	0.4%	64.9%	573 223	615 550	672 630	6.1%	66.3%
Other non-tax revenue	84 002	13.2%	9.4%	51 155	42 044	31 989	-27.5%	5.8%
<b>Transfers received</b>	<b>250 663</b>	<b>4.4%</b>	<b>25.8%</b>	<b>243 118</b>	<b>256 733</b>	<b>270 734</b>	<b>2.6%</b>	<b>27.9%</b>
<b>Total revenue</b>	<b>897 928</b>	<b>2.4%</b>	<b>100.0%</b>	<b>867 495</b>	<b>914 326</b>	<b>975 354</b>	<b>2.8%</b>	<b>100.0%</b>
<b>Expenses</b>								
<b>Current expenses</b>	<b>897 927</b>	<b>3.8%</b>	<b>100.0%</b>	<b>867 496</b>	<b>913 991</b>	<b>960 343</b>	<b>2.3%</b>	<b>100.0%</b>
Compensation of employees	581 647	7.2%	61.7%	565 149	595 171	619 475	2.1%	64.9%
Goods and services	265 582	-2.1%	32.6%	253 352	264 825	274 751	1.1%	29.1%
Depreciation	50 699	1.9%	5.7%	48 995	53 995	56 495	3.7%	5.8%
Interest, dividends and rent on land	-	-	-	-	-	9 622	-	0.3%
<b>Total expenses</b>	<b>897 927</b>	<b>3.8%</b>	<b>100.0%</b>	<b>867 496</b>	<b>913 991</b>	<b>960 343</b>	<b>2.3%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>-</b>			<b>-</b>	<b>335</b>	<b>15 011</b>		
<b>Statement of financial position</b>								
Carrying value of assets	749 971	24.8%	46.6%	1 027 017	1 280 081	1 437 236	24.2%	64.2%
<i>of which:</i>								
<i>Acquisition of assets</i>	(64 527)	-31.8%	-7.2%	(326 041)	(307 059)	(213 650)	49.0%	-13.0%
Investments	413 092	1.4%	30.2%	315 937	219 488	195 557	-22.1%	17.3%
Inventory	1 738	-4.0%	0.1%	1 842	1 953	2 070	6.0%	0.1%
Receivables and prepayments	154 525	4.0%	10.6%	162 251	170 364	178 882	5.0%	9.7%
Cash and cash equivalents	130 737	-13.2%	11.0%	138 528	122 478	117 196	-3.6%	7.5%
Taxation	19 809	-0.9%	1.5%	19 809	19 809	19 809	-	1.2%
<b>Total assets</b>	<b>1 469 872</b>	<b>8.8%</b>	<b>100.0%</b>	<b>1 665 384</b>	<b>1 814 173</b>	<b>1 950 750</b>	<b>9.9%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	509 890	1.0%	48.7%	517 391	525 229	548 331	2.5%	30.7%
Capital and reserves	82 343	-12.0%	6.4%	98 188	109 239	120 308	13.5%	5.9%
Capital reserve fund	309 095	2.6%	11.5%	301 594	294 092	286 000	-2.6%	17.5%
Borrowings	-	-	-	150 000	250 000	275 313	-	9.2%
Deferred income	-	-	9.6%	256 430	247 348	237 765	-	10.3%
Trade and other payables	177 813	13.7%	10.6%	218 560	262 273	354 069	25.8%	14.5%
Taxation	4 321	-15.7%	0.4%	-	-	-	-100.0%	0.1%
Provisions	367 076	48.9%	12.2%	103 958	106 028	108 268	-33.4%	10.7%
Derivatives financial instruments	19 334	413.2%	0.7%	19 263	19 964	20 696	2.3%	1.2%
<b>Total equity and liabilities</b>	<b>1 469 872</b>	<b>8.8%</b>	<b>100.0%</b>	<b>1 665 384</b>	<b>1 814 173</b>	<b>1 950 750</b>	<b>9.9%</b>	<b>100.0%</b>

**Personnel information**

**Table 34.84 South African Bureau of Standards personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2018		Number and cost <sup>1</sup> 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							
South African Bureau of Standards		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	985	985	508.0	0.5	985	581.6	0.6	985	565.1	0.6	985	595.2	0.6	985	619.5	0.6	2.1%	100.0%	
1 – 6	189	189	189	43.3	0.2	189	47.9	0.3	189	46.5	0.2	189	48.9	0.3	189	50.9	0.3	2.1%	19.2%
7 – 10	688	688	688	318.7	0.5	688	372.8	0.5	688	362.0	0.5	688	381.1	0.6	688	396.6	0.6	2.1%	69.8%
11 – 12	48	48	48	53.0	1.1	48	58.5	1.2	48	56.8	1.2	48	59.8	1.2	48	62.2	1.3	2.1%	4.9%
13 – 16	45	45	45	55.1	1.2	45	60.9	1.4	45	59.1	1.3	45	62.2	1.4	45	64.8	1.4	2.1%	4.6%
17 – 22	15	15	15	37.8	2.5	15	41.7	2.8	15	40.8	2.7	15	43.1	2.9	15	44.9	3.0	2.5%	1.5%

1. Rand million.

**South African National Accreditation System**

**Mandate**

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 practices, promote accreditation as a means of facilitating international trade to enhance South Africa's economic performance and transformation, promote the competence and equivalence of

accredited bodies, and promote the competence and equivalence of good laboratory practice facilities compliant with the act.

### Selected performance indicators

**Table 34.85 South African National Accreditation System 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 registrations of previously disadvantaged assessors per year	Provision of accreditation services	Outcome 12: An efficient, effective and development oriented public service	139	90	220	270	280	300	310
Number of accredited organisations in the fields of testing, inspection, calibration, certification bodies and other conformity assessment services per year	Provision of accreditation services	Outcome 11: Create a better South Africa, a better Africa and better world	1 507	1 550	1 505	1 521	1 550	1 560	1 570
Percentage of inputs provided into the requirements of International Laboratory Accreditation Cooperation and International Accreditation Forum per year	Marketing/Corporate services	Outcome 4: Decent employment through inclusive growth	95% (35/37)	100% (51)	95% (57/60)	95%	95%	95%	95%

### Expenditure analysis

The South African National Accreditation System is responsible for accrediting calibration, testing and verification laboratories, certification bodies, inspection bodies and ratings agencies. Its work contributes to industrial development, the protection of health and the environment, and the improvement of safety standards. By aligning local standards with those of global partners, the entity promotes the attractiveness of South Africa's exports. As such, it contributes to outcome 11 (create a better South Africa, a better Africa and a better world) of government's 2014-2019 medium-term strategic framework. Over the medium term, the entity intends to focus on increasing the provision of accreditation services and improving the quality of its own services.

Spending on goods and services to ensure operational efficiencies, such as an automated accreditation process, is expected to increase at an average annual rate of 4.4 per cent, from R49.2 million in 2018/19 to R56 million in 2020/21. This spending accounts for 47.9 per cent (R157.7 million) of the entity's total budget over the MTEF period.

To meet the increased demand for accreditation services and support government's industrial development and health and safety projects, over the medium term, the entity plans to fill 6 vacant posts. These appointments are expected to increase the entity's capacity, thereby increasing the number of organisations the entity is able to accredit from 1 521 in 2017/18 to an estimated 1 570 in 2020/21. To add to the cohort of assessors in the country, the entity plans to increase the number of registrations of previously disadvantaged accreditation assessors from 270 in 2017/18 to 310 in 2020/21. Expenditure in the provision of accreditation programme is expected to constitute 49.6 per cent (R161.9 million) of the entity's total budget over the MTEF period.

The entity's spending on compensation of employees is expected to increase at an average annual rate of 6.8 per cent, from R49.5 million in 2017/18 to R60.3 million in 2020/21. The entity plans to invest an estimated R1.3 million in skills development over the MTEF period in order to be better equipped to deliver services.

The entity expects to participate in international forums such as the International Laboratory Accreditation Cooperation and International Accreditation Forum by providing inputs into industry policy documents and voting on matters relating to accreditation, with the aim of influencing international accreditation requirements and securing acceptance for South Africa's exports. R30 million is allocated for these activities over the medium term in the administration programme.

The entity anticipates that 69.7 per cent (R231.7 million) of its revenue over the MTEF period will be derived through fees collected from accredited facilities, new applications, and commercial training courses provided by the knowledge transfer unit. The remaining 30.3 per cent (R100.9 million) will be derived through transfers from

the department. Total revenue is expected to increase at an average annual rate of 5.6 per cent, from R100.1 million in 2017/18 to R118 million in 2020/21, due to the expected increase in demand for its accreditation services.

**Programmes/objectives/activities**

**Table 34.86 South African National Accreditation System expenditure trends and estimates by programme/objective/activity**

R thousand	Audited outcome			Revised estimate 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		
Administration	28 205	31 370	32 425	37 368	9.8%	38.6%	38 990	41 451	44 046	5.6%	37.4%
Provision of accreditation services	36 845	43 044	45 672	52 387	12.4%	52.9%	50 784	53 849	57 316	3.0%	49.6%
New programme development projects and related activities	3 351	2 876	3 091	4 113	7.1%	4.0%	4 935	4 836	5 102	7.4%	4.4%
Marketing/Corporate services	3 301	2 652	3 367	6 234	23.6%	4.5%	9 817	9 951	11 534	22.8%	8.6%
<b>Total</b>	<b>71 702</b>	<b>79 942</b>	<b>84 555</b>	<b>100 102</b>	<b>11.8%</b>	<b>100.0%</b>	<b>104 526</b>	<b>110 087</b>	<b>117 998</b>	<b>5.6%</b>	<b>100.0%</b>

**Statements of historical financial performance and position**

**Table 34.87 South African National Accreditation System statements of historical financial performance and position**

Statement of financial performance									
R thousand	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average Outcome/Budget (%) 2014/15 - 2017/18
	Budget	2014/15	Budget	2015/16	Budget	2016/17			
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>46 719</b>	<b>50 038</b>	<b>58 806</b>	<b>56 056</b>	<b>68 702</b>	<b>66 140</b>	<b>69 800</b>	<b>69 789</b>	<b>99.2%</b>
Sale of goods and services other than capital assets	38 425	40 051	41 366	44 961	46 559	50 497	55 365	55 365	105.0%
<i>of which:</i>									
Administrative fees	38 425	40 051	41 366	44 961	46 559	50 497	55 365	55 365	105.0%
Other non-tax revenue	8 294	9 987	17 440	11 095	22 143	15 643	14 435	14 424	82.1%
<b>Transfers received</b>	<b>35 712</b>	<b>35 712</b>	<b>26 025</b>	<b>26 025</b>	<b>22 208</b>	<b>22 208</b>	<b>30 313</b>	<b>30 313</b>	<b>100.0%</b>
<b>Total revenue</b>	<b>82 431</b>	<b>85 750</b>	<b>84 831</b>	<b>82 081</b>	<b>90 910</b>	<b>88 348</b>	<b>100 113</b>	<b>100 102</b>	<b>99.4%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>81 928</b>	<b>71 200</b>	<b>84 301</b>	<b>79 942</b>	<b>90 347</b>	<b>84 555</b>	<b>99 515</b>	<b>99 504</b>	<b>94.1%</b>
Compensation of employees	40 979	37 164	42 064	40 833	46 321	46 166	49 813	49 533	96.9%
Goods and services	40 125	33 054	41 427	38 119	42 817	37 619	48 965	49 234	91.2%
Depreciation	528	686	531	711	1 209	770	737	737	96.6%
Interest, dividends and rent on land	296	296	279	279	-	-	-	-	99.9%
<b>Transfers and subsidies</b>	<b>503</b>	<b>502</b>	<b>530</b>	<b>-</b>	<b>563</b>	<b>-</b>	<b>598</b>	<b>598</b>	<b>50.1%</b>
<b>Total expenses</b>	<b>82 431</b>	<b>71 702</b>	<b>84 831</b>	<b>79 942</b>	<b>90 910</b>	<b>84 555</b>	<b>100 113</b>	<b>100 102</b>	<b>93.9%</b>
<b>Surplus/(Deficit)</b>	<b>-</b>	<b>14 048</b>	<b>-</b>	<b>2 139</b>	<b>-</b>	<b>3 793</b>	<b>-</b>	<b>-</b>	
<b>Statement of financial position</b>									
Carrying value of assets	63 355	4 947	71 016	4 762	71 253	4 490	71 836	4 823	6.9%
<i>of which:</i>									
Acquisition of assets	(60 228)	(1 903)	(66 600)	(567)	(67 700)	(536)	(1 320)	(1 320)	2.2%
Receivables and prepayments	1 750	1 254	1 809	1 973	1 200	1 404	1 200	1 300	99.5%
Cash and cash equivalents	112	89 187	23 381	94 903	12 825	98 189	10 657	97 397	808.3%
<b>Total assets</b>	<b>65 217</b>	<b>95 388</b>	<b>96 206</b>	<b>101 638</b>	<b>85 278</b>	<b>104 083</b>	<b>83 693</b>	<b>103 520</b>	<b>122.5%</b>
Accumulated surplus/(deficit)	41 986	69 822	77 920	80 059	64 724	83 851	64 724	90 767	130.1%
Capital reserve fund	8 098	8 098	-	-	-	-	-	-	100.0%
Finance lease	1 986	1 987	1 840	2 182	-	-	-	-	109.0%
Deferred income	3 000	5 724	5 000	8 151	8 000	8 577	8 500	8 800	127.6%
Trade and other payables	8 647	8 224	9 896	9 702	11 104	9 590	9 019	2 003	76.3%
Provisions	1 500	1 533	1 550	1 544	1 450	2 065	1 450	1 950	119.2%
<b>Total equity and liabilities</b>	<b>65 217</b>	<b>95 388</b>	<b>96 206</b>	<b>101 638</b>	<b>85 278</b>	<b>104 083</b>	<b>83 693</b>	<b>103 520</b>	<b>122.5%</b>

## Statements of estimates of financial performance and position

**Table 34.88 South African National Accreditation System statements of estimates of financial performance and position**

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate							
R thousand	2017/18	2014/15 - 2017/18		2018/19	2019/20	2020/21	2017/18 - 2020/21	
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>69 789</b>	<b>11.7%</b>	<b>67.8%</b>	<b>72 698</b>	<b>76 477</b>	<b>82 539</b>	<b>5.8%</b>	<b>69.7%</b>
Sale of goods and services other than capital assets	55 365	11.4%	53.5%	60 260	65 081	70 287	8.3%	57.9%
<i>of which:</i>								
Administrative fees	55 365	11.4%	53.5%	60 260	65 081	70 287	8.3%	57.9%
Other non-tax revenue	14 424	13.0%	14.3%	12 438	11 396	12 252	-5.3%	11.8%
<b>Transfers received</b>	<b>30 313</b>	<b>-5.3%</b>	<b>32.2%</b>	<b>31 828</b>	<b>33 610</b>	<b>35 459</b>	<b>5.4%</b>	<b>30.3%</b>
<b>Total revenue</b>	<b>100 102</b>	<b>5.3%</b>	<b>100.0%</b>	<b>104 526</b>	<b>110 087</b>	<b>117 998</b>	<b>5.6%</b>	<b>100.0%</b>
<b>Expenses</b>								
<b>Current expenses</b>	<b>99 504</b>	<b>11.8%</b>	<b>99.7%</b>	<b>103 894</b>	<b>109 420</b>	<b>117 294</b>	<b>5.6%</b>	<b>99.4%</b>
Compensation of employees	49 533	10.1%	51.7%	53 093	56 578	60 286	6.8%	50.7%
Goods and services	49 234	14.2%	46.9%	49 883	51 873	55 986	4.4%	47.9%
Depreciation	737	2.4%	0.9%	918	969	1 022	11.5%	0.8%
<b>Transfers and subsidies</b>	<b>598</b>	<b>6.0%</b>	<b>0.3%</b>	<b>632</b>	<b>667</b>	<b>704</b>	<b>5.6%</b>	<b>0.6%</b>
<b>Total expenses</b>	<b>100 102</b>	<b>11.8%</b>	<b>100.0%</b>	<b>104 526</b>	<b>110 087</b>	<b>117 998</b>	<b>5.6%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>-</b>			<b>-</b>	<b>-</b>	<b>-</b>		
<b>Statement of financial position</b>								
Carrying value of assets	4 823	-0.8%	4.7%	78 456	81 487	82 515	157.7%	60.4%
<i>of which:</i>								
Acquisition of assets	(1 320)	-11.5%	-1.1%	(74 550)	(2 250)	(2 050)	15.8%	-19.6%
Receivables and prepayments	1 300	1.2%	1.5%	1 200	1 200	1 200	-2.6%	1.2%
Cash and cash equivalents	97 397	3.0%	93.8%	22 732	20 296	17 980	-43.1%	38.4%
<b>Total assets</b>	<b>103 520</b>	<b>2.8%</b>	<b>100.0%</b>	<b>102 388</b>	<b>102 983</b>	<b>101 695</b>	<b>-0.6%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	90 767	9.1%	80.1%	92 084	93 269	92 617	0.7%	88.7%
Deferred income	8 800	15.4%	7.7%	9 100	9 300	9 500	2.6%	8.8%
Trade and other payables	2 003	-37.5%	7.3%	-	-	-	-100.0%	0.5%
Provisions	1 950	8.4%	1.7%	2 000	2 050	2 100	2.5%	1.9%
<b>Total equity and liabilities</b>	<b>103 520</b>	<b>2.8%</b>	<b>100.0%</b>	<b>103 184</b>	<b>104 619</b>	<b>104 217</b>	<b>0.2%</b>	<b>100.0%</b>

## Personnel information

**Table 34.89 South African National Accreditation System personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2018		Number and cost <sup>1</sup> 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					
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
<b>South African National Accreditation System</b>	<b>78</b>	<b>83</b>	<b>72</b>	<b>46.2</b>	<b>0.6</b>	<b>72</b>	<b>49.5</b>	<b>0.7</b>	<b>78</b>	<b>53.1</b>	<b>0.7</b>	<b>78</b>	<b>56.6</b>	<b>0.7</b>	<b>78</b>	<b>60.3</b>	<b>0.8</b>	<b>6.8%</b>	<b>100.0%</b>
1 - 6	4	4	4	0.7	0.2	4	0.7	0.2	4	0.8	0.2	4	0.8	0.2	4	0.9	0.2	6.8%	5.2%
7 - 10	43	45	40	14.9	0.4	40	16.7	0.4	43	17.9	0.4	43	19.0	0.4	43	20.3	0.5	6.8%	55.2%
11 - 12	11	14	10	7.4	0.7	10	8.3	0.8	11	8.9	0.8	11	9.5	0.9	11	10.1	0.9	6.8%	14.0%
13 - 16	20	20	18	23.2	1.3	18	23.9	1.3	20	25.6	1.3	20	27.3	1.4	20	29.1	1.5	6.8%	25.5%

1. Rand million.

## Additional tables

**Table 34.A Summary of departmental public-private partnership projects<sup>1</sup>**

Project description: Department of Trade and Industry public private partnership campus	Project annual unitary fee at time of contract	Budgeted expenditure	Medium-term expenditure estimate		
		2017/18	2018/19	2019/20	2020/21
R thousand					
<b>Projects signed in terms of Treasury Regulation 16</b>	–	<b>220 266</b>	<b>225 716</b>	<b>238 356</b>	<b>251 466</b>
Public private partnership unitary charge <sup>1</sup>	–	220 266	225 716	238 356	251 466
<i>Of which:</i>					
Services provided by the operator	–	220 266	225 716	238 356	251 466
<b>Total</b>	–	<b>220 266</b>	<b>225 716</b>	<b>238 356</b>	<b>251 466</b>

1. Only payments that have received National Treasury approval.

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

Project name	Department of Trade and Industry public private partnership campus
Brief description	Department of Trade and Industry public private partnership campus, Robert Sobukwe Street, Pretoria
Date public private partnership agreement was signed	01-Aug-03
Duration of public private partnership agreement	25 years
Variations and amendments to public private partnership agreement	Variation orders as per allowed schedules, but no formal amendment to date was signed on the public private partnership agreement
Cost implications of variations and amendments	Costed per each variation order. Strategic space strategy will inform over the medium term the quantum of variation orders to be executed
Significant contingent fiscal obligations including termination payments, guarantees, warranties and indemnities and maximum estimated value of such liabilities	

**Table 34.B Summary of departmental public-private partnership projects<sup>1</sup>**

Project description: Phavis fleet services	Project annual unitary fee at time of contract	Budgeted expenditure	Medium-term expenditure estimate		
		2017/18	2018/19	2019/20	2020/21
R thousand					
<b>Projects signed in terms of Treasury Regulation 16</b>	–	<b>5 770</b>	<b>6 104</b>	<b>6 446</b>	<b>6 801</b>
Public private partnership unitary charge <sup>1</sup>	–	5 770	6 104	6 446	6 801
<i>Of which:</i>					
Services provided by the operator	–	5 770	6 104	6 446	6 801
<b>Total</b>	–	<b>5 770</b>	<b>6 104</b>	<b>6 446</b>	<b>6 801</b>

1. Only payments that have received National Treasury approval.

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

Project name	Phavis fleet services
Brief description	Disclosure notes for this project can be viewed in the public private partnership annexure table of the Department of Transport chapter

Table 34.C Summary of expenditure on infrastructure

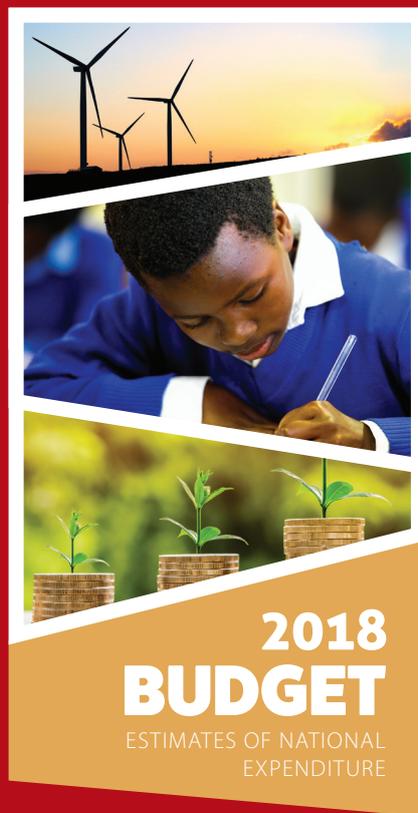
Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome		Adjusted appropriation 2017/18	Medium-term expenditure estimate			
				2014/15	2015/16		2016/17	2018/19	2019/20	2020/21
R thousand										
<b>Infrastructure transfers to other spheres, agencies and departments</b>										
<b>Mega projects (total projects cost of at least R1 billion over the project life cycle)</b>										
Critical infrastructure programme	Development of infrastructure projects to supporting investment in mining, tourism, manufacturing and services	Ongoing	1 473 171	81 269	74 203	190 000	259 500	211 071	222 891	235 150
Special economic zones: Investment incentives	Development of infrastructure for special economic zone	Ongoing	3 719 450	608 243	735 600	1 410 000	905 421	1 300 000	1 457 280	1 537 430
<b>Large projects (total cost of at least R250 million but less than R1 billion over the project life cycle)</b>										
Centurion Aerospace Village	Construction of aerospace industry infrastructure	Construction	407 279	16 748	17 517	18 445	25 367	15 490	16 357	17 257
Industrial development zone: Other	Development of infrastructure for industrial zone	Ongoing	-	99 595	130 000	50 000	40 000	40 000	-	-
<b>Total</b>			<b>5 599 900</b>	<b>805 855</b>	<b>957 320</b>	<b>1 668 445</b>	<b>1 230 288</b>	<b>1 566 561</b>	<b>1 696 528</b>	<b>1 789 837</b>

Table 34.D Summary of donor funding

Donor	Project	Programme	Period of commitment	Amount committed	Main economic classification	Spending focus	Audited outcome		Estimate 2017/18	Medium-term expenditure estimate	
							2014/15	2015/16		2016/17	2018/19
R thousand											
<b>Foreign In cash</b>											
European Union	Sector-wide enterprise employment and equity programme	Industrial Development	2004 -2009	477 286	Public corporations and private enterprises	Increase employment and facilitate greater social and economic equity and integration	919	-	-	-	-
European Union	Employment creation and sector policy support to the economic cluster's programme of action (4 departmental projects implemented)	Special Economic Zones and Economic Transformation	2009-2013	551 214	Public corporations and private enterprises	Create long-term sustainable employment and contribute to the national target of halving unemployment and poverty by 2014	30 809	-	-	-	-
African Development Bank	Enterprise development pilot project	Special Economic Zones and Economic Transformation	2015-2018	20 000	Public corporations and private enterprises	Improve capacity of local municipalities in planning and implementing local economic development programmes. Improve SMIME access to innovative production technology in pilot districts. Increased SMIME participation in manufacturing.	-	-	412	9 585	9 586
<b>Local In cash</b>											
Development Bank of Southern Africa	Monyetla	Industrial Development	2012-15	217 300	Departmental agencies and accounts	Promote employer-led skills	16 600	71 000	77 000	-	-
<b>Total</b>				<b>1 265 800</b>			<b>48 328</b>	<b>71 000</b>	<b>77 412</b>	<b>9 585</b>	<b>9 586</b>







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