



**NATIONAL
TREASURY**

REPUBLIC OF SOUTH AFRICA

EXPLANATORY MEMORANDUM

ON THE

**APPROPRIATION BILL, 2009:
PRELIMINARY OUTLINE OF INTER-DEPARTMENTAL FUNCTION
SHIFTS**

10 June 2009

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APPROPRIATION BILL, 2009**

INTRODUCTION

The Minister of Finance tabled the Appropriation Bill on 11 February 2009 based on the government structure which prevailed at the time. On 10 May 2009 the President announced the appointment of Ministers and Deputy Ministers in terms of sections 91(2) and 93(1) of the Constitution of the Republic of South Africa. The portfolios of these Ministers necessitate a re-organisation of departments, including the renaming of national departments and the establishment of new national departments, to support the Ministers in executing their respective mandates. To ensure continuity, national departments that were in existence before 10 May 2009 will continue to exist until such time as the functions of the affected departments that are either split or transferred as a whole; are effectively separated and transferred.

This memorandum provides a series of tables in terms of the newly established national departments which depict in broad terms how the new vote structure links to the existing vote structure. These tables have been compiled with information communicated to the National Treasury by 10 June 2009 and as such do not include the outcomes of any decisions taken after this date. At the time of publication, a number of decisions required in order to depict a full account of the transfer of functions emanating from the new structure of government were still under discussion. The 2009 Adjustments Appropriation Bill will provide a more detailed breakdown of the impact of the structural changes on the format of the Appropriation Bill.

EXPLANATION OF MAIN FUNCTION SHIFTS

DEPARTMENT OF AGRICULTURE, FORESTRY AND FISHERIES

Function	Department transferring the function	Programme being transferred	Subprogramme being transferred	Assumption	Explanation
Administration	Agriculture	Administration	All subprogrammes in the Administration programme	100 per cent transferred	
	Water Affairs and Forestry	Administration	Portion of all subprogrammes in the Administration programme	A small portion of the programme transferred	The Forestry function represents a small portion of the Water Affairs and Forestry vote
Agriculture	Agriculture	All programmes	All subprogrammes in the relevant programmes		
Forestry	Water Affairs and Forestry	Forestry	All subprogrammes in the Forestry programme	100 per cent transferred	
Fisheries	Environmental Affairs and Tourism	Marine and Coastal Management	A portion of Administrative Support Services	A small portion of the Administrative Support Services subprogramme	

DEPARTMENT OF BASIC EDUCATION

Function	Department transferring the function	Programme being transferred	Subprogramme being transferred	Assumption	Explanation
Administration	Education	Administration	About 90 per cent of Management and Corporate Services	About 90 per cent of programme 1 will be transferred	About 90 per cent of the Education Department's core budget will remain with Basic Education. Thus about 90 per cent of the subprogrammes Corporate Services and Management in Programme 1 (excludes Minister, Deputy Minister and Property Management) will be transferred
Basic Education	Education	System Planning and Monitoring	All except National Human Resources Development	Over 90 per cent will be transferred	All subprogrammes will be transferred, with the exception of National Human Resources Development, which will move to Higher Education and Training
Basic Education	Education	General Education	100 per cent will be transferred	100 per cent will be transferred	The entire programme will be transferred
Basic Education	Education	Further Education and Training	Education Measurement, Assessment and Public Exams	About 70 per cent of the programme will be transferred	The entire subprogramme will be transferred to Basic Education
			Further Education and Training Schools	About 70 per cent of the programme will be transferred	Only the public entity South African Qualifications Authority will be shifted to Higher Education and Training. The rest of the subprogramme will be transferred to Basic Education
Basic Education	Education	Social and School Enrichment	All except the subprogramme Adult Basic Education and Training in Social Inclusion in Education will be transferred	Over 90 per cent will be transferred	Only the subprogramme Adult Basic Education and Training will be shifted to Higher Education and Training
Basic Education	Education	Auxiliary and Associated Services	100 per cent will be transferred	100 per cent will be transferred	The entire programme will be transferred

DEPARTMENT OF ENERGY

Function	Department transferring the function	Programme being transferred	Subprogramme being transferred	Assumption	Explanation
Administration	Minerals and Energy	Administration	Portion of Management subprogramme	About 20 per cent of the programme transferred	Based on employment figures per branch and ratio of support staff
			Portion of Corporate Services subprogramme		
			Portion of Property Management subprogramme		
Hydrocarbons and Energy Planning	Minerals and Energy	Hydrocarbons and Energy Planning	All subprogrammes in the Hydrocarbons and Energy Planning programme	100 per cent transferred	
Electricity, Nuclear and Clean Energy	Minerals and Energy	Electricity, Nuclear and Clean Energy	All subprogrammes in the Electricity, Nuclear and Clean Energy programme	100 per cent transferred	
Associated Services	Minerals and Energy	Associated Services	SA Nuclear Energy Corporation Ltd	More than 80 per cent of the programme transferred	
			Electricity Distribution Industry Holdings Company		
			Integrated National Electrification Programme		

DEPARTMENT OF MINERAL RESOURCES

Function	Department transferring the function	Programme being transferred	Subprogramme being transferred	Assumption	Explanation
Administration	Minerals and Energy	Administration		About 80 per cent of the Administration Programme transferred	Determined by head count
Promotion of Mine Health and Safety	Minerals and Energy	Promotion of Mine Health and Safety		100 per cent of the Promotion of Mine Health and Safety programme transferred	
Mineral Regulation	Minerals and Energy	Mineral Regulation		100 per cent of the Mineral Regulation programme transferred	
Mineral Policy and Promotion	Minerals and Energy	Mineral Policy and Promotion		100 per cent of the Mineral Policy and Promotion programme transferred	
Associated Services	Minerals and Energy	Associated Services		Less than 20 per cent of the Associated Services programme transferred	

DEPARTMENT OF HUMAN SETTLEMENTS

Function	Department transferring the function	Programme being transferred	Subprogramme being transferred	Assumption	Explanation
Sanitation	Water Affairs and Forestry	Water Services	Portion of Water and Sanitation Services	Only the Chief Directorate dealing with sanitation within the Water and Sanitation Services subprogramme is to be transferred	

DEPARTMENT OF HIGHER EDUCATION AND TRAINING

Function	Department transferring the function	Programme being transferred	Subprogramme being transferred	Assumption	Explanation
Administration	Education	Administration	About 10 per cent of the Management and Corporate Services subprogrammes	About 10 per cent of the Administration programme transferred	About 10 per cent of the department's core budget will shift to the new department and as such about 10 per cent of the subprogrammes Management and Corporate Services in the Administration programme should be transferred (excludes Minister, Deputy Minister and Property Management)
Training and Skills development	Education	System Planning and Monitoring	Education Human Resources Management	Less than 5 per cent of the System Planning and Monitoring programme transferred	The entire subprogramme will be transferred
Training	Education	Further Education and Training	Further Education and Training College Programmes, Qualifications and Institutional Support	About 20 per cent of the Further Education and Training programme transferred	The entire subprogramme responsible for coordination and policy of the FET College sector - a key component of "Training" will be transferred
			Further Education and Training: Schools	About 20 per cent of the Further Education and Training: Schools subprogramme transferred	The Public Entity: South African Qualification Authority will be transferred because of its coordinating role with regard to the National Qualifications Framework and Training
Training	Education	Social and School Enrichment	Social Inclusion in Education	Less than 5 per cent of the Social and School Enrichment programme transferred	The entire subprogramme named Adult Basic Education and Training will be transferred. It is responsible for planning and policy direction in Adult Basic Education and Training programmes. Mass literacy is catered for in another subprogramme and will not be transferred
Higher Education	Education	Higher Education	All subprogrammes	100 per cent transferred	This includes the Council on Higher Education and the National Student Financial Aid Scheme

DEPARTMENT OF TOURISM

Function	Department transferring the function	Programme being transferred	Subprogramme being transferred	Assumption	Explanation
Administration	Environmental Affairs and Tourism	Administration	Minister Deputy Minister Ministry	About 35 per cent of the Administration programme transferred. 100 per cent of Ministry subprogrammes transferred	Tourism accounts for about 35 per cent of the Environmental Affairs and Tourism Administrative function
Tourism	Environmental Affairs and Tourism	Tourism	All subprogrammes	100 per cent transferred	
		Sector Services and International Relations		About 35 per cent of support services, about 20 per cent of the International Cooperation Subprogramme, and about 65 per cent of the Expanded Public Works Programme (EPWP) transferred	EPWP programme is an integrated web based programme and management will have to be done on an agency basis in the interim

DEPARTMENT OF WATER AFFAIRS

Function	Department transferring the function	Programme being transferred	Subprogramme being transferred	Assumption	Explanation
Administration	Water Affairs and Forestry	Administration		About 90 per cent transferred	
Water Resources Management	Water Affairs and Forestry	Water Resources Management	All subprogrammes	100 per cent transferred	
Water Services	Water Affairs and Forestry	Water Services	All subprogrammes except a portion of Water and Sanitation Services		

DEPARTMENT OF WOMEN, CHILDREN AND PEOPLE WITH DISABILITIES

Function	Department transferring the function	Programme being transferred	Subprogramme being transferred	Assumption	Explanation
Gender, Disability and Children	Presidency	Executive Coordination	Gender, Disability and Children	100 per cent of subprogramme transferred	